
BETWEEN ACCOMMODATION
AND RESISTANCE:

POLITICAL ELITES IN POST-
CONFLICT BOSNIA AND
MACEDONIA

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ABSTRACT

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This thesis explores why political elites in post-conflict ethnically divided states accommodate or resist each other across ethnic lines. The geographic focus of research is on post-conflict Bosnia and Herzegovina, and Macedonia. In both countries the track record of post-conflict politics has been uneven and on some issues political elites still resist agreement and co-operation across ethnic lines. This thesis explores the reasons behind this mixed pattern of ethnic accommodation and resistance.

Based on the post-conflict literature in social science, the thesis examines the impact that the following explanatory variables have on ethnic accommodation and resistance: power-sharing mechanisms, political party dynamics, informal practices, policy legacies, and external actors. The analysis is situated at the policy level. Two policy areas, highly sensitive for ethnic relations in the post-conflict context, are analysed and compared in each of the two countries. In Bosnia, the focus is on military and police reforms; in Macedonia, on minority education and decentralisation.

Within the wider institutionalist approach, the empirical chapters present the findings of process tracing in each of the four policy fields. Based on these findings, the thesis demonstrates that although power sharing arrangements tend to lead to greater ethnic accommodation, they are not always sufficient to produce accommodating outcomes. Informal practices often supplement the work of formal institutions in providing incentives and means towards greater accommodation. External actors tend to enable greater accommodation when perceived as neutral and credible by domestic political elites. Ethnic divisions in both countries remain and require regular management by a flexible set of institutions, which can accommodate challenges unforeseen by peace agreements.

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LIST OF ABBREVIATIONS:

AfBIH - Army of the Federation of Bosnia and Herzegovina
AFBIH - Armed Forces of Bosnia and Herzegovina
BIH - Bosnia and Herzegovina
DIPR - Directorate for Implementation of Police Restructuring
DPA - Dayton Peace Accords
DR - New Democracy
DRC - Defence Reform Commission
DUI - Democratic Union for Integration
EC - European Commission
ESDP - European Security and Defence Policy
EU - European Union
EUFOR - European Union Force
EUPM BIH - European Union Police Mission in Bosnia and Herzegovina
EUSR - European Union's Special Representative
fBIH - Federation of Bosnia and Herzegovina
FRY - Federal Republic of Yugoslavia
GDP - gross domestic product
HCNM - High Commissioner on National Minorities
HDZ - Croat Democratic Union
HR - High Representative
ICFY - International Conference on the Former Yugoslavia
ICTY - International Criminal Tribunal for the former Yugoslavia
IEBL - inter-entity boundary line
IMF - International Monetary Fund
IPTF - International Police Task Force
JNA - Yugoslav People's Army
KLA - Kosovo Liberation Army
LLS - Law on local self-government
LPA - Local Policing Areas
LTO - Law on territorial organisation

NATO - North Atlantic Treaty Organisation
NDP - National Democratic Party
NGO - non-governmental organisation
NLA - National Liberation Army
OFA - Ohrid Framework Agreement
OHR - Office of the High Representative
OSCE - Organisation for Security and Cooperation in Europe
OSI - Open Society Institute
PDP - Party for Democratic Changes (BIH)
PDP - Party for Democratic Prosperity (MK)
PDSH - Democratic Party of Albanians
PfP - Partnership for Peace
PIC - Peace Implementation Council
PR - proportional representation
PRC - Police Restructuring Commission
RS - Republika Srpska
SAA - Stabilisation and Association Agreement
SBIH - Party for Bosnia and Herzegovina
SDA - Party for Democratic Action
SDS - Serbian Democratic Party
SDSM - Social Democratic Union of Macedonia
SEEU - South East European University
SFOR - Stabilisation Force
SFRY - Socialist Federal Republic of Yugoslavia
SKJ - League of Communists of Yugoslavia
SKM-PDP - Union of Communists of Macedonia - Party for Democratic Changes
SNSD - Union of Independent Social Democrats
SRS - Serbian Radical Party (BIH)
SRS - Union of Reform Forces (MK)
TU - Tetovo University
UN - United Nations
VAT - Value Added Tax
VMRO-DPMNE - VMRO Democratic Party for Macedonian National Unity
VRS - Army of Republika Srpska
ZELS - Association of Units of the Local Self-Government

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INTRODUCTION: POST-CONFLICT ETHNICALLY DIVIDED SOCIETIES

Wars and conflicts have become an inseparable part of our every-day lives. Media, traditional and new alike, make the images of suffering and destruction available for daily consumption by the news reader, who has become versed in conflict terminology and conflict geography beyond what was imaginable several decades ago. The advance of new media outlets, their increased availability and interactive nature, has transformed the '*CNN effect*' of a decade ago into a phenomenon more powerful by virtue of its inclusiveness. Today, anyone can contribute to providing information about events taking place across the world, sharing and discussing it with millions of users on social networks, blogs and forums. Inevitably, this accelerated exchange of information has shortened the span of attention that the audience devotes to each of the issues including wars, featured in media stories. Civil wars and ethnic conflicts slide down the media agenda soon after international diplomats seal a peace agreement between the warring sides. Except for a few protracted cases, such as the Israel-Palestine conflict, they descend into media oblivion, replaced by the latest outburst of hostility at another unstable spot across the globe.

The Balkans, which dominated the media headlines for good part of the 1990s, has suffered a similar fate. Today the occasional story about the Balkans in international media generally talks only about the region's success in overcoming its troubled past and the efforts at integrating into the Euro-Atlantic institutional structure of the democratic West.¹ The Balkan states have moved beyond their violent past and the region is recovering from the ethnic conflicts of the 1990s and racing towards EU and NATO membership. Of course, not all are as optimistic about its progress, and persistent problems with ethnic relations, war criminals and unresolved border issues often resurface to remind the international public of the depth and intensity of the problems pertaining to the region.² However, fifteen years have passed since the signing of the Dayton Agreement, which put an end to the most ferocious of the Balkans conflicts, the Bosnian conflict, providing a sufficiently long time period for reflection over what has been achieved. Away from the media spotlight and international attention, the time has come to evaluate the progress of reconciliation between ethnic groups, inter-ethnic political competition and cooperation, and the sustainability of the new political institutions.

Looking inside the region, each of the former Yugoslav countries has had a successful post-conflict recovery on some issues and areas but still struggles to overcome ethnic tensions on others. Regional or state-level analyses can hardly explain why some issues and policies are greater obstacles for inter-ethnic cooperation than others, so a county-specific policy-focused analysis is necessary for addressing the problem of uneven post-conflict recovery.

1 See Tim Judah, "At last good news from the Balkans" in *New York Review of Books*, March 11, 2010.

2 See Soren Jessen-Petersen and Daniel Serwer, "The Balkans Can Still Be Lost" in *The New York Times*, 10 November 2010; Transitions Online reports on the Balkans: Tihomir Loza, "Blame It On Dayton" in *Transitions Online*, 18 November 2010.

In order to better understand what enables political elites to overcome ethnic-conflict legacies and steer politics towards more mutual cooperation and peaceful political competition, this thesis proposes to examine the pattern of post-conflict ethnic accommodation and resistance at the policy level among the political leaders. What this thesis sets to answer in the following chapters is the question of *why political elites in post-conflict ethnically-divided states accommodate or resist each other across ethnic lines?* By looking at the following factors for explanations of greater or lesser cooperation and compromise across ethnic lines: *power-sharing institutions, political parties, informal practices, institutional legacies* and *external actors*, the thesis also explores when and under what conditions ethnic accommodation is more likely to take place. The geographic focus of research is on Bosnia and Herzegovina, and Macedonia; the two Balkan countries are analysed and compared in the empirical part of the research.

Although the primary focus of analysis is on ethnic accommodation and resistance among political elites, the findings of the thesis can also serve to further illuminate other larger dilemmas about the region and its prospects. Explaining political accommodation and resistance will improve the understanding of what facilitates democratic politics in deeply-divided post-conflict states and what kind of democracy is viable and desirable in such societies. Moreover, by analysing the experience of these two states this thesis aims to contribute to area-specific knowledge and better understanding of the trajectory they have followed and the challenges they confronted in their post-conflict period.

MAPPING THE FIELD: ETHNICITY, VIOLENCE, INSTITUTIONS

Three main features mark the field of analysis for this thesis: ethnic divisions, post-conflict political context and power-sharing institutions. These features delineate the universe of cases for which this analysis is relevant: ethnically-divided, post-conflict states with power-sharing institutions. They also shape the context against which politics is conducted in these states.

In deeply ethnically divided societies, ethnicity is much more than a political-cleavage line, one of the many cross-cutting lines of aggregation of political interests, such as class, urban/rural or socio-economic background. In many recent examples of ethnic conflicts across the world, ethnicity has proven capable of mobilising populations into armed conflicts against other ethnic groups, within or outside their state, and thus resulting in violence, destruction and crime. This mobilising potential of ethnicity distinguishes it from other sources of social identification (e.g. class, gender, socio-economic etc.) and calls for additional attention to studying the politics of ethnically-divided societies.

While most states today are to a certain extent multi-ethnic, not all are deeply divided along ethnic lines and few have been through a recent ethnic conflict. This thesis is particularly interested in those ethnically divided states that have been through violent ethnic conflict and aims to investigate political developments in the post-conflict setting. The legacy of violence and distrust that accompanies post-conflict politics, along with the pressure to

return to normal peace-time politics, amount to a specific, often very precarious, domestic political situation between the groups and the political elites who were engaged in conflict and who now seek a way to successfully overcome this past and live together in a common state. Therefore, the challenges of post-conflict politics in ethnically divided states have to be taken into account.

Among the many features of post-conflict politics and society, this thesis places a particular focus on power-sharing arrangements as a specific set of practices and mechanisms employed in post-conflict politics to overcome ethnic antagonisms, by allowing equal access to political power to all ethnic groups. A combination of voting rules, power and resource distribution patterns and executive coalitions, power-sharing arrangements are a very common tool employed by foreign mediators for brokering peace in conflict-ridden societies. In addition to the general democratic standards of power competition (between political parties) and power division (between branches of government), these societies also need to endorse power-sharing between ethnic groups, which adds further pressure to their often weak institutional capacity.³ Despite this, power-sharing arrangements have become a favourite post-conflict tool. From Bosnia and Kosovo, to Northern Ireland and Sri Lanka, power-sharing is the preferred route to recovery and re-establishing democracy in ethnically divided states.

This thesis does not cover all ethnically-divided post-conflict power-sharing states. Instead, it is designed as a comparative study between post-conflict Bosnia and Herzegovina

³ Brendan O'Leary, "Introduction" in Michael Kerr, *Imposing Power-Sharing*. (Dublin, Irish Academic Press, 2006)

(henceforth Bosnia), and Macedonia, both of which have been through ethnic conflict and whose post-conflict political system is based on power-sharing institutions. A small-n, comparative study allows greater in-depth analysis of the politics of each state, the insights of which will contribute to better understanding of how political elites engage with institutions to produce more or less accommodating and conciliatory policy outcomes. Therefore, this thesis opts for comparison between two cases instead of a large number of cases where a detailed analysis of each is unattainable in a research project of this nature. Bosnia and Macedonia are selected as two cases which differ in several important respects, such as conflict history and intensity, international involvement and constitutional structure, but display similar outcomes in terms of political-elite accommodation and resistance.

First, in terms of the intensity and destructiveness of the conflict, during the three-year Bosnian conflict (1992-95), more than one hundred thousand people were killed and many times more injured, displaced, raped and dispossessed. In the course of the three years of war, immense damage was inflicted on the infrastructure of the state as well as the fabric of society. The Macedonian conflict which lasted about six months in 2001 was far less intense and destructive; about one hundred people were killed, most of whom were members of the armed forces (both Macedonian and Albanian rebels). Some villages, where intense fighting took place, suffered greater infrastructural damage but to a much lesser extent than the consequences of continuous shell fire in Sarajevo or elsewhere in Bosnia. Moreover, in terms of the history of the conflicts, the three ethnic groups in Bosnia already had a recent (World War II) history of conflict, while Macedonians and Albanians in

Macedonia had never engaged in mutual conflict before 2001. Second, in terms of international actors' engagement, Bosnia saw much more extensive intervention, which included employment of NATO military forces and military presence after the end of the conflict, alongside intensive diplomatic efforts and several different failed attempts to forge peace between the warring sides. After the end of the war, the international presence in Bosnia remained and the High Representative still holds significant powers. In Macedonia, on the other hand, international involvement was limited to a swift and resolute concerted diplomatic effort of EU and NATO, which resulted with a quick end to the hostilities and no military intervention. After the end of the war, Macedonia hosted short military and police missions, but has no major additional international presence today. Finally, Bosnia is a federal state consisting of two entities, one of which is a federation of its own, and has a very weak central government. In contrast, Macedonia is a unitary state with a very strong central government and local-level municipal governments with fairly limited budgetary and policy-making freedom.

These differences between post-conflict Bosnia and Macedonia suggest that one should expect more ethnic accommodation in Macedonia and more ethnic resistance among Bosnian political elites, as the conflict legacy, state structure and external presence suggest greater post-conflict recovery in Macedonia than in Bosnia. However, in terms of political elite behaviour, both countries display a similar outcome: on some sensitive issues political elites manage to accommodate and reach compromise while on others they tend to resist each other. Such an outcome presents a puzzle for researchers of post-conflict politics in

the two states and the wider region, a puzzle that this thesis is set to examine in the forthcoming chapters.

LEVEL OF ANALYSIS: AGGREGATE VS. POLICY

Studies of post-conflict politics and inter-ethnic relations have been predominantly conducted at the aggregate, state level, looking at states as units of analysis and examining the progress achieved in the state or society as a whole. Such aggregate-level differences and variations between the two countries have been noticed and examined by many researchers of the region. Some have compared the progress of Bosnia and Macedonia (and other Balkan states) in the post-conflict period to reveal various findings about the roots and causes of ethnic conflicts in former Yugoslavia, prospects for democracy and ethnic reconciliation and prognosis for EU integration.⁴ Some, like Florian Bieber, have compared the power-sharing institutions in Bosnia and Macedonia, and come to conclusions concerning their effects and outputs. Bieber has found Macedonia's power-sharing provisions more flexible than the Bosnian, and that they allow for less conflict and resistance between political elites from different ethnic backgrounds.⁵

Although useful for understanding the general direction of post-conflict politics and country-specific challenges of inter-ethnic politics, these studies fail to capture the full depth and variation of political processes in these states across different policy areas.

4 Judy Batt, "Western Balkans" in *Developments in Central and East European Politics 4* (Basingstoke: Palgrave Macmillan, 2007).

5 Florian Bieber, "Power Sharing after Yugoslavia: Functionality and Dysfunctionality of Power-Sharing Institutions in Post-War Bosnia, Macedonia and Kosovo" in *From Power Sharing to Democracy*. Ed. Syd Noel. (Montreal: McGill-Queen's University Press, 2005).

When the analysis is placed at the policy level, a different picture emerges. Contrary to the more general picture that aggregate-level analysis suggests, where one state as a whole performs better than the other, the policy level shows variation within each state – on some policies political elites accommodate more easily across ethnic lines, while on others resistance to the other group’s position prevails and the policy process is blocked without reaching a compromise. Indeed, while military reform proceeded with less resistance in Bosnia, agreement on police reform was elusive and even blocked the country’s signing of the Stabilisation and Association Agreement with the EU. Similarly, in Macedonia, while successive decentralisation reforms saw political elites accommodating more and proceeding with implementation, the use of minority languages in education has witnessed regular challenges and has been a contentious issue since 2001. Therefore, this thesis proposes to address policy-level variation within each country and investigate the reasons for greater accommodation in some cases and greater resistance in others. As opposed to comparing the aggregate effect of all policies at national-politics level, which obscures the variance at policy level, this thesis investigates the reasons and explanations that lead to a mixed accommodation record of the power-sharing mechanisms at the policy level.

By situating the analysis at policy level this thesis proposes to address the issue of inter-ethnic political elite accommodation from an under-researched perspective. Focusing on elite interaction in various policies, within as well as across states, allows for a more nuanced understanding of the variation of elite behaviour, by investigating the exact place where ethnic accommodation and resistance are forged – in policy-making and decision-making processes. Policy-level analysis also points to the most sensitive and difficult areas

for inter-ethnic cooperation after conflict and alerts to institutional and political tools which, although effective in inducing accommodation and compromise on some issues, can fail to do so in other instances. Finally, looking at several different policies within one state helps the researcher avoid making spurious links and generalisations about elite interaction, by providing a larger number of observations, within and across states, to compare and contrast before reaching a general conclusion.

APPROACHES AND CONCEPTS: INSTITUTIONS AND ELITES

In the context of power-sharing arrangements, examining political elites and their behaviour in terms of ethnic accommodation and resistance requires closer observations of the relations between political actors and institutions. The following sections develop the approach that this thesis takes towards the research question and detail the assumptions about actors' behaviour and institutions' impact that underlie the forthcoming analysis.

WHY INSTITUTIONS MATTER IN POST-CONFLICT STATES

The central assumption of this thesis is that institutions matter and are crucial to shaping the behaviour of actors – in terms of constraining and enabling certain actions, shaping their identities and thus their interests. In this sense, this thesis approaches the issue of ethnic accommodation of political elites from an institutional perspective, following March and Olsen's influential definition of institutions as "collections of interrelated rules and routines that define appropriate actions in terms of relations between roles and

situations”.⁶ Defined thus, institutions are more than just tools which actors have at their disposal to promote and pursue their interests and engage in interaction with other actors. They are also learning spaces where actors socialise and compete, and most importantly, are exposed to sets of norms about what is appropriate behaviour in different situations. This in turn defines actors’ interests in these situations and limits the pool of policy options they can choose to pursue. Institutions therefore also shape actors’ identities, as via the daily practice of interaction with other actors through mutually agreed rules and roles, actors adapt their view of the world and their place in it, their interest and priorities, and so their social identities (ethnic identity included) are subject to continuous reconstruction.⁷

Thus defined, institutions inevitably constrain actors’ behaviour. Therefore, the institutional structure in each of the two states analysed in this thesis constrains the actions of political elites, by defining the appropriate sets of behaviour in different situations and interactions, and by limiting the choices these actors can legitimately make within the institutional set-up. Having said that, it is important to stress that, while constraining, institutions do not entirely pre-determine actors’ behaviour. Within the institutional set-up, actors retain a certain space for manoeuvre and are free to pursue their interests and make decisions. Even more importantly, the actors’ actions feed back into the institutional structure that constrains them. Actors interact with the institutional structure and eventually either reproduce or change some aspects of it. Actors and structures are therefore linked and both

⁶ J. G. March and J. P. Olsen, *Re-discovering Institutions*. (New York: The Free Press, 1989). p.160.

⁷ Based on constructivist definitions of social identity as fluid and re-constructed, see for instance: T. Risse, “Social Constructivism and European Integration” in *European Integration Theories*. Eds. T. Diez and A. Wiener. (Oxford: Oxford University Press, 2004), pp.165-167.

embody social action, as Anthony Giddens's structuration theory holds.⁸ Thus even though institutions are more stable than the more volatile behaviour of actors, they also tend to change over time; sometimes, as Valerie Bunce notes, to perform entirely different or even opposing functions to the initial set of intended consequences.⁹ However, although not immutable, institutional structure has lasting effects and often the rules and routines it establishes tend to survive even after institutional reform or demise, as actors continue to adhere to learned roles and norms. Such institutional legacies are especially relevant in states with weak institutions and recent major institutional change, such as the two analysed here, which have not yet consolidated the new set of democratic and power-sharing institutions.

The scope of the concept of institutions, as defined above, is therefore wide enough to include both formal and informal institutions, as both types have significant impact on the behaviour of actors. When discussing institutions, this thesis refers to power-sharing arrangements, political parties and party systems, but also less formal practices and routines of interaction between political elites, as well as institutional and policy legacies, which also fall within the institutional structure as defined above.

Studying the effects of institutions on political actors' behaviour is even more necessary in the post-conflict context. Most post-conflict agreements and negotiated solutions include deliberate institutional mechanisms aimed at allowing peaceful political competition, equal access to political power and state resources, and preservation of groups' cultural and

⁸ Anthony Giddens, *The Constitution of Society*. (Berkeley: University of California Press, 1984).

⁹ Valerie Bunce, *Subversive Institutions: the design and destruction of socialism and the state*. (Cambridge: Cambridge University Press, 1999). p. 143.

ethnic identity, all as a means of preventing conflict recurring. While there is a tendency to look at post-conflict politics from a historical approach as a continuation or overcoming of long-standing ethnic antagonisms and war-time goals, such explanations neglect the institutional incentives and constraints that shape political actors' every-day behaviour and ultimately affect the stability of the negotiated political and institutional regime. Therefore, this thesis does not conform to the stance that political elites' behaviour is exclusively determined by their ethnic identity, or that the interests they pursue necessarily coincide with the ethnic group's interests and historical ethnic antagonisms. Politicians' actions are not the sole product of socio-historical context (which ethnic group they belong to and represent). The institutions within which they operate also provide opportunities and room for manoeuvre, allowing behaviour varying from accommodation to resistance. By adopting a wider, institutionalist, approach to the study of political actors' interaction this thesis allows more comprehensive explanations for ethnic accommodation – sensitive to social structure, institutional constraints and elite agency.

However, neither institutions nor ethnicity fully determine elites' behaviour. Human behaviour is too complex and the product of too many different incentives and drives to exhaustively account for them. This thesis recognises this inherent limitation of its analysis along with the possibility for contingent outcomes that cannot be easily accommodated in the explanatory framework designed in the following sections. However, the author strongly believes that there is merit in providing a parsimonious and theoretically well-informed explanation that will contribute to a better understanding of the behaviour of political elites, even if falling short of a fully predictive model of elite behaviour.

POLITICAL ELITES AND ETHNIC ACCOMMODATION

As stated in the above sections, this thesis explores how political elites in post-conflict ethnically-divided states engage in accommodation across ethnic lines and under what circumstances accommodation is more or less likely to take place. The dependent variable, which is qualified and measured in the data analysis parts of the thesis, is the interaction pattern in post-conflict states concerning accommodation or resistance between elites across ethnic lines. In this sense, accommodation implies a tendency to reach agreement and come to mutually acceptable solutions across ethnic and ideological lines and to proceed with implementing these solutions. Resistance refers to the opposite tendency, implying an inclination of political elites neither to reach agreement nor to compromise across ethnic and ideological lines.

For the purposes of this research, a functionalist definition of political elites is used, defining elites as “persons holding strategic positions in large or otherwise powerful organisations and movements, who regularly influence political decision-making” following Burton and Higley’s definition.¹⁰ Thus political elites in this study include mainly the political leadership (members of government and opposition political parties, elected leaders) from all ethnic groups in Macedonia and Bosnia, although the main emphasis is on accommodation between the two largest ethnic groups in Macedonia: Macedonians and Albanians, and the three constituent communities in Bosnia: Bosniaks, Serbs and Croats. To the extent that they influence positions and discourses over policy issues, military leaders, top journalists,

¹⁰ Burton, Michael G. and John Higley, “Elite Settlements” in *American Sociological Review*. Vol.52, (1987), pp.295-307.

intellectuals and religious leaders are sporadically included in the analysis, but its main focus is on the practitioners of politics: policy-makers and decision-makers in Macedonia and Bosnia. Throughout the thesis political elites are also referred to as "politicians" and "political leaders." These terms are used interchangeably with political elites and refer to the same set of actors defined with the above definition of political elites.

Three parameters are used to better qualify and analytically apply political elites' interactions as the dependent variable of this research. They relate to the following features of elite interaction: *voting patterns, implementation, and de-ethnicisation of policy issues.*

Voting Patterns. The most telling feature of the nature of political elites' interactions is how and why they vote on various policy issues – whether they support or reject certain policy proposals. Although in states with power-sharing institutions some form of government coalition-building practice, whether formal or informal, always exists, at the policy level, government coalitions do not always function well. Therefore, by focusing on the policy level this thesis looks at the voting records on legislative proposals in each of the policies analysed. These may or may not coincide with the composition of government coalition. In addition, the proposing coalition or actor is noted, indicating from where the initiative for the policy proposal originated. Looking at proposing and voting coalitions and comparing any discrepancies between them shows how the policy cycle developed in terms of accommodation and resistance. It also shows if coalitions are built within or across ethnic lines and if those coalitions are stable and overlap between different levels, or tend to shift according to issues and policy areas.

Regular voting patterns across ethnic lines, in parliament and outside, indicate that elites tend to accommodate and reach compromise easily. In addition, proposing and voting coalitions show how inclusive the decision-making process in post-conflict states is by looking at how 'wide' and inclusive these coalitions are, and in which policy areas they are more likely to happen.

Implementation of adopted policies: Although voting patterns tend to reveal the breadth and inclusiveness of the policy process and the support certain policy proposals attract among the politicians from different ethnic groups, they provide insufficient information about successful ethnic accommodation over that issue. Not all agreed policy solutions proceed to implementation, while some issues remain resolved only on paper or in the statements of political elites, with few practical outcomes in terms of policy products and services for the population resulting from such declarations. Political elites often adopt documents, statements, and policy decisions that they never fully or even partially implement, either because they give in to popular pressures against certain accommodating measures or because they wish to comply with external actors' demands for greater accommodation. Such lack of implementation indicates less ethnic accommodation, because policy issues and problems remain unresolved and continue to plague inter-ethnic relations in the state.

De-ethnicisation of policies: If a policy that has been a contentious issue for ethnic relations is to cease causing ethnic tensions and be handled in accordance with regular democratic politics, the agreement reached between politicians from different groups needs to

translate into policy outputs with positive effects on inter-ethnic relations. Successful de-ethnicisation of sensitive policy issues is indicative of a country's progress in post-conflict political recovery, as from a position where politics was ethnicised - organised on the basis of protecting the boundaries and interests of ethnic groups¹¹ - it comes to resemble democratic politics where various cross-cutting interests and groups compete in the political process.

The effects that an agreed policy has on inter-ethnic relations in society also need to be taken into account, not least because politicians can agree and vote to support a policy proposal that would have further divisive effects on politics and society. Unless the policy adopted and implemented has positive effects on all ethnic groups and its outcomes lead to a relaxation of ethnic tensions in a sensitive policy area, the issue will remain contested and will resurface on the policy agenda soon after. This indicator allows expanding the scope of analysis beyond the negotiation and implementation stages of the policy cycle into the evaluation and feedback stage and how the outcomes of a certain policy in turn affect the political actors' future behaviour depending on whether they have a relaxing or aggravating effect on inter-ethnic relations.

The three parameters enable a comprehensive discussion of ethnic accommodation, beyond negotiations and voting to which most studies on the subject are confined, to implementation of adopted policies and their effects. The parameters outlined above help determine the outcome (value) of the dependent variable in the policy cases elaborated in

11 M. Milikowski, "Exploring a Model of De-Ethnicization: The Case of Turkish Television in the Netherlands" in *European Journal of Communication*. Vol.15, No.4, (2000), pp.443-468.

forthcoming chapters. The analysis of the policy process in each area reflects upon these three parameters and helps to better qualify and understand the extent of ethnic accommodation and resistance between political elites. The nature of the dependent variable is such that at the most fundamental level this is a binary variable – elites either accommodate or do not. In practice, however, we rarely observe such neat outcomes, so what is expected to be observed is rather a tendency to co-operate and compromise or to resist the other group's positions, the extent of which will be discussed in relation to the parameters outlined above.

EXPLAINING ACCOMMODATION: POWER SHARING, POLITICAL PARTIES, AND EXTERNAL ACTORS

The problems of inter-ethnic accommodation in deeply divided societies and institutional mechanisms in post-conflict states have been on political scientists' agenda for some time now. There is a burgeoning literature on the topics of ethnic conflicts and post-conflict politics, which is the first reference for anyone attempting to do research in this field. Indeed, the available literature related to the research question is where this thesis first turns for concepts, arguments and explanations. Below is a summary of the literature review conducted to find the necessary analytical and theoretical tools for analysis, along with evaluation of the usefulness and applicability of various arguments that the literature offers. A more detailed investigation of the literature relevant for this study and each of the explanatory variables whose effects are evaluated is presented in Chapter Two.

Most of the recent literature studying ethnic conflicts recognises the importance of institutions in managing conflicts and post-conflict challenges as well as their importance in providing a lasting peace and inclusion of ethnic groups in the political system.¹² Only a cursory review of the available literature finds numerous studies investigating various institutional aspects of post-conflict politics: debates over the merits of "cosociational" and "integrationist" institutions for managing ethnic divisions and tensions,¹³ accompanied by a wide set of empirical country studies evaluating the performance of various institutional designs, as well as various theoretical arguments for and against federal and other territorial solutions of ethnic conflicts.¹⁴ Even though the majority of these works address the issue of post-conflict politics from an aggregate perspective - evaluating the progress and recovery of a country as a whole and disregarding variation between different policy areas - they provide many arguments and tools which can also be applied to policy-level analysis.

Another branch of literature focuses on the effects and influence of external actors and mechanisms on the post-conflict trajectory of a state. The literature on international

¹² For example: Nancy Bermeo, "The Import of Institutions" in *Journal of Democracy*. Vol.13, No.2 (2002), pp.96-110. Stefan Wolff, "Managing Ethnic Conflicts: The Merits and Perils of Territorial Accommodation" in *Political Studies Review*. Vol.9, No.1, (2011), pp.26-41.

¹³ On the consociational side of the debate see: Arend Lijphart, *Democracy in Plural Societies*. (New Haven: Yale University Press, 1977); Brendan O'Leary, "Debating Consociational Politics" in *From Power-Sharing to Democracy: Post-conflict institutions in ethnically-divided societies*. (Ed. Syd Noel) (Montreal: McGill-Queen's University Press, 2005). On the integrationist side of the debate see: Donald Horowitz, *Ethnic Groups in Conflict*. (Berkeley: University of California, 1985); Donald Horowitz, *A democratic South Africa? Constitutional Engineering in a Divided Society*. (Berkeley: University of California Press, 1991).

¹⁴ Arguing against territorial and federal solutions of ethnic conflicts see: Philip Roeder, "Soviet Federalism and Ethnic Mobilization" in *World Politics*. Vol.43, No.2, (1991), pp.196-232; Henry Hale, "Divided We Stand: Institutional Sources of Ethnofederal State Survival and Failure" in *World Politics*. Vol.56, No.2, (2004), pp.165-193. On the opposite side see: Ted R. Gurr, *Minorities at Risks: A Global View of Ethnopolitical Conflict*. (Washington DC: US Institute of Peace Press, 1993).

administration and intervention features debates on the limits of the positive effects of external involvement. Some of these authors argue for earlier withdrawal of external actors because of threats of dependency and lack of democratic legitimacy, while others favour sustained international presence in the post-conflict setting to guarantee the security and permanence of the newly established regime.¹⁵ A related body of literature, which has recently become popular in analysing the politics of the Balkan states, is focused on EU and NATO integration of these states and looks at their politics from the prism of their progress in fulfilling the criteria for EU membership. Progress in terms of EU integration is seen as the successful fulfilment of the Copenhagen criteria, the political part of which includes good inter-ethnic relations and stable political processes, and regular accommodation across ethnic lines.¹⁶ In addition, for Bosnia and Macedonia the EU has set additional requirements, such as respect for and implementation of the Dayton and Ohrid Agreements. The EU and NATO regularly monitor the progress of aspiring member states against the membership criteria and these reports serve to guide domestic elites in drafting and implementing necessary reforms. These studies and reports provide a valuable sectoral approach to post-conflict politics in Bosnia and Macedonia, but because of the overly technical nature of such evaluations, they are not sufficient to fully understand elite interactions at the policy level. Therefore, this thesis proposes to go beyond this, into

¹⁵ Among those arguing against extended external involvement see: David Chandler, *Bosnia: Faking Democracy after Dayton*. (London: Pluto Press, 1999). On the opposite side of the debate: C. Hartzell and M. Hoddie, *Crafting Peace: Power-Sharing Institutions and the Negotiated Settlement of Civil Wars*. (University Park, PA: Pennsylvania State University Press, 2007).

¹⁶ O. Anastasakis, "The EU's political conditionality in the Western Balkans: Towards a more pragmatic approach" in *South East European and Black Sea Studies*. Vol.8, No.4, (December 2008), pp.365-377. Geoffrey Pridham, "Change and Continuity in the European Union's Political Conditionality: Aims, Approach and Priorities" in *Democratization*. Vol.14, No.3, (2007), pp.446-471.

deeper policy-level analysis examining elites' interaction on different policies, which will also contribute to a better understanding of the EU's evaluations of varying progress in different chapter (policy) areas.

A third branch of literature focuses on post-conflict reconciliation at personal and community levels and the effects of these on the prospect for peaceful post-conflict recovery.¹⁷ Although the primary focus of this thesis is on the political elites and their interactions in the policy arena, it also recognises the links between political elites and society at large, as well as the interdependence between the political elites and the wider population in the political process. Indeed, the devastating effects of the ethnic war in Bosnia accompanied by massive ethnic cleansing and instances of genocide, rape and expulsion amount to a complex political context where the destroyed fabric of society further increases the gap between the ethnic groups. In the case of Macedonia, where the conflict had much more limited impact on society, the burden of recriminations about past deeds is much lighter on the political elites of both ethnic groups. This literature gives a valuable insight into the societal context in which political elites operate and portrays the nature and depth of ethnic divisions in society. As such, these accounts will be useful for better understanding the context of political elites' interaction, even though explanations for the variance in political elites' interaction are sought elsewhere.

The following sections reflect in greater detail on the literature in the field and engage with the arguments and concepts that are applied and examined in this thesis. These include

¹⁷ J. P. Lederach, *Building Peace: sustainable reconciliation in divided societies*. (Washington DC: US Peace Institute Press, 1997). David Cormack, *Peacing Together: From Conflict to Reconciliation*. (Eastbourne: MAC, 1989)

concepts already mentioned in above sections, such as power-sharing arrangements, political parties, and external actors. In addition, informal institutions and institutional legacies are also included, as factors not usually analysed in relation to post-conflict politics, but which expand the analytical scope and strengthen the original contribution of the thesis. Based on the theoretical arguments, several hypotheses about the effects of each explanatory variable are also briefly outlined, with a more detailed discussion included in Chapter Two.

POWER SHARING ARRANGEMENTS

The post-conflict institutional set-up in each of Bosnia and Macedonia can be considered as a power-sharing arrangement, despite the fact that Bosnia is a federal state and Macedonia a unitary one. In both countries, the peace agreements that terminated the violence provided for the establishment of political institutions that ensure access to political power to the main ethnic groups, which is the essence of power-sharing. With the importance that this thesis assigns to institutions and their impact on elites, power-sharing literature is the first place to seek potential explanations for elite accommodation in Bosnia and Macedonia.

According to Arend Lijphart, the main principles of power sharing: grand coalitions, veto rights, territorial autonomy and proportionality, ensure that different groups in divided societies are given a share in political power and decision-making rights at a central as well as local level, thus preventing the domination of the majority over other groups.¹⁸ His so-called 'consociational' approach to democracy in divided societies is at the heart of many

¹⁸ Arend Lijphart, *Democracy in Plural Societies*. (New Haven: Yale University Press, 1977).

post-conflict institutional arrangements in recent decades, including the ones analysed in this thesis. Both Bosnia and Macedonia have introduced some versions of the power-sharing principles in their post-conflict political systems. Despite criticisms about the elite-dependent success of the system and the hardening of ethnic divisions, due to freezing them in institutional rules, that critics launch at 'consociational' power-sharing arrangements,¹⁹ consociationalism remains at the heart of many actual power-sharing arrangements implemented in post-conflict states.

One aspect of power-sharing - availability of veto mechanisms – seems to have a strong purchase on elites' actions in the policy process. As noted elsewhere in comparative-politics literature, more veto points and veto players in the political process are likely to stall the policy process and cause policy 'bottlenecks'.²⁰ This applies to the power-sharing institutions in Bosnia and Macedonia, where veto rights for groups of all politicians or only the minority-group politicians are guaranteed by law. How these veto rights are used concerning different policy issues affects the likelihood of ethnic accommodation. Bieber has already pointed to the harmful effect of the wide veto powers that political elites have in Bosnia,²¹ but by looking at different policies, this thesis looks beyond the mere availability of veto as prescribed in law into how and when vetoes, as well as threats to veto or withhold qualified majority support, are used in the policy and legislative process. The mere

¹⁹ George Tsebelis, "Elite Interaction and Institution Building in Consociational Democracies" in *Journal of Theoretical Politics*. (Jan 1990) No.2, pp.5-29. Also, Brian Barry, "The Consociational Model and its Dangers" in *European Journal of Political Research*. Vol. 3, No.4 (1975), pp. 393-412.

²⁰ Venelin Ganey, "The Dorian Gray effect: winners as state breakers in postcommunism" in *Communist and Post-Communist Studies*. Vol.34, (2001), pp. 1-25.

²¹ Florian Bieber, "The Challenge of Institutionalizing Ethnicity in the Western Balkans: Managing Change in Deeply Divided Societies" in *European Yearbook of Minority Issues*. Vol.3, (2003-2004), pp.89-108

legal availability of veto mechanisms need not necessarily translate into less ethnic accommodation, as deliberate linkages between policies and implicit threats to withhold support on various other issues may actually encourage compromise and concessions from all sides. Therefore, despite the fact that more policy areas are subject to veto in Bosnia than in Macedonia, political elites may prove equally willing or unwilling to invoke veto, as even the prior knowledge that a veto can be imposed on a certain issue may make the elites more willing to accommodate from the start of the process. Therefore in the empirical analysis the following hypothesis will be examined:

Veto mechanisms, whether a direct veto or need for qualified, double or other majority vote, tend to lead to greater ethnic resistance among political elites.

Executive coalitions are another fundamental power-sharing instrument used to allow minority politicians access to executive power and increase their purchase on the decision-making process. Lijphart mentions 'grand coalitions' as being among the most effective ways to achieve political inclusion of minority political elites and to include their input in policies and measures implemented through the executive branch of government.²² Not all executive coalitions are the same however: they range from all-inclusive national-unity cabinets, like the one in Macedonia during the war in 2001, through a single-catch-all-party government, to a coalition including one party per ethnic group, as are the current coalitions in Bosnia and Macedonia. The effects of executive coalitions on ethnic

²² A. Lijphart, "Consociational Democracy" in *World Politics*. Vol.21, No.2, (Jan 1969), pp.207-225.

accommodation can also vary depending on how well the coalition partners co-operate within the coalition, which in turn can depend on the ideological match between their political programmes as well as the extent to which each coalition partner depends on the other for support in parliament. Therefore, the following chapters will examine the following hypothesis:

Inter-ethnic executive coalitions lead to greater ethnic accommodation between political elites.

Territorial and functional autonomy of ethnic groups within the common state, or limited territorial implications of certain policies, are other elements of power-sharing that can influence the accommodation-resistance pattern of political elites. Lijphart finds federalism or autonomy the best way to achieve self-governance for a geographically concentrated group.²³ However, Roeder claims that the single most important factor in secession conflicts is the territorial autonomy that the seceding region has enjoyed before secession, thus suggesting that territorial autonomy allows political leaders of ethnic groups to launch secession claims, which is the complete opposite of inter-ethnic accommodation.²⁴ In their earlier critique of power-sharing arrangements, Roeder and Rothchild suggest that territorial autonomy and decentralisation of decision-making powers gives ethno-politicians the “institutional weapons” to mobilise the local population and demand more political

²³ A. Lijphart, “Constitutional Design for Divided Societies” in *Journal of Democracy*. Vol.15, No.2, (April 2004), pp.96-109.

²⁴ Philip Roeder, *Where nation states come from: institutional change in the age of nationalism*. (Princeton: Princeton University Press, 2007).

power from the centre, which will inevitably lead to tension between the majority and the minority elites.²⁵ Thus, they see territorial power-sharing, contrary to its intended purpose to curb secession claims, as breeding ethnic resistance among political elites.

This thesis adopts a wider view of territorial autonomy, including not only territorial autonomy or federalism, but also policies within unitary states which have territorial implications for the territory where minority ethnic groups live. Such widening of the scope of territorial power-sharing is necessary to capture some of the particularities of the political system of the countries analysed here. Macedonia, for instance, is a unitary state with no territorial power-sharing elements; however, many of the rights and competences awarded to minorities have a limited territorial application as they only apply to territories (municipalities) where the ethnic group comprises more than 20% of the population.²⁶ Moreover, in some policy areas there is functional autonomy, so each group is responsible for running its own affairs in that policy area, usually including culture, education, language etc. Based on the theoretical discussions in power-sharing literature, the following hypothesis is elaborated:

Both territorial and functional autonomy lead to greater ethnic accommodation between political elites.

²⁵ Philip Roeder and David Rothchild, *Dilemmas of State-Building in Divided Societies*. (NY: Cornell University Press, 2005).

²⁶ The Ohrid Framework Agreement and subsequent legislation set a 20% threshold for the introduction of Albanian as a second official language as well as the use of Albanian national symbols and flag, so that these policies can only apply in those municipalities in which more than 20% of the population is ethnic Albanian.

By investigating the impact that these three key elements of power-sharing have on ethnic accommodation of political elites in different policy areas in post-conflict Bosnia and Macedonia, this thesis aims to contribute to the power-sharing literature and to on-going debates within this field on the merits and usefulness of power-sharing mechanisms in bringing about peace and democracy in post-conflict states. The above paragraphs suggested that there is no consensus within post-conflict literature on whether power-sharing can indeed lead to functioning democracy in divided societies, as Lijphart holds, or whether it is just another way to freeze ethnic divisions and provide ethnic entrepreneurs with institutional tools to strengthen their ethnic agenda, as critics claim. By recognising instances of both accommodation and resistance, this thesis does not embrace a single side in the power-sharing debate. Instead it explores and refines the above hypotheses to look directly at the policy-making and decision-making processes in power-sharing institutional environments. It thus aims to qualify how power-sharing mechanisms work in practice and trace the steps through which elite accommodation or resistance are connected to power-sharing institutions, in order to illuminate better the arguments in the power-sharing debate.

POLITICAL PARTIES

Consociational power sharing has been criticised for looking solely at formal, constitutional institutions for explanations of policy outcomes and elite behaviour, and thus offering what is seen as overly 'static' view of politics.²⁷ Although Keman's evaluation is conducted on

²⁷ Hans Keman, *The politics of problem-solving in post-war democracies*. (Basingstoke: Macmillan, 1997)

mature democracies with longer histories of power-sharing institutions (such as the Netherlands, Belgium, Austria etc.) and no recent armed conflict, it is a valid criticism that formal constitutional arrangement cannot fully account for divergent policy outcomes and varying forms of elite interaction. Therefore, including political parties in ethnically divided post-conflict states provides a more dynamic element in the analysis of political elites' interaction at the policy level. The party system is part of the wider institutional set-up in all states, but in power-sharing political systems, as in Bosnia and Macedonia, the party system is closely linked with the power-sharing nature of the state because the principle of proportionality almost always implies a proportional representation electoral system, which structures the party system along the major dividing line in society - ethnicity. The focus on political parties is further justified in view of their control of political power in the post-conflict context, where the weakness of democratic state institutions allows parties to gain control over them, while ethnic divisions in the population are reproduced in the party system and state institutions.

Scholars of political parties in divided societies have suggested that most political parties will promote exclusively ethnic political agendas, following the major political frontier in society – ethnicity.²⁸ Leaders of those political parties are often engaged in *ethnic outbidding* – a spiralling process of intra-bloc party competition where each party claims to be the most effective defender of bloc interests²⁹ - thus undermining prospects for greater

²⁸ Kachan Chandra and Steven Wilkinson, "Measuring the effect of ethnicity" in *Comparative Political Studies*. Vol.41, No.4-5, (2008), pp. 515-564. Carrie Manning, "Party Building on the Heels of War: El Salvador, Bosnia, Kosovo and Mozambique" in *Democratization*. Vol.14, No.2, (2008), pp.253-272.

²⁹ Definition by John Coakley, "Ethnic competition and the logic of party system transformation" in *European Journal of Political Research*. Vol.47, (2008), pp.766-793.

ethnic accommodation. Whenever a policy issue triggers ethnic outbidding among ethnic parties, it seems to be less likely to achieve accommodation between elites of different ethnic groups. In line with these arguments about political parties in post-conflict divided politics, the thesis addresses the following hypothesis:

Ethnic bidding attempts between political parties in post-conflict politics tend to lead to greater ethnic resistance between political elites.

While it is often argued that ethnic outbidding is the result of power-sharing arrangements, which institutionalise the division of power strictly along ethnic lines,³⁰ recent research into the effects of power-sharing arrangements suggests that this might not always be the case. Chandra claims that institutionalising ethnicity in the mid-term actually leads to political moderation of initial ethnic out-bidders, while Mitchell, Evans and O’Leary claim that despite the electoral success of more ethnically radical parties the popular attitudes to ethnic issues are becoming more moderate and so are the enacted policies. This thesis does not concur with claims that ethnic outbidding is the direct result of power-sharing agreements, and treats ethnic outbidding as independent from them for several reasons.³¹ First, ethnic outbidding occurred in Macedonia and Bosnia even before the current power-sharing arrangements were introduced. Second, ethnic outbidding does not always take place and sometimes there is intra-group consensus on the desirability of certain policy solutions. Finally, as Coakley suggests, ethnic outbidding is not the only strategy of post-

³⁰ Donald Horowitz, *Ethnic Groups in Conflict*. (Berkeley: University of California, 1985). A. Rabushka and K. Shepsle, *Politics in Plural Societies: A Theory of Democratic Instability*. (Columbus: Charles E. Merrill, 1972).

³¹ P. Mitchell, G. Evans and B. O’Leary, “Ethnic Outbidding in Ethnic Party Systems is Not Inevitable: Tribune Parties in Northern Ireland” in *Political Studies*. Vol.57, No.2, (June 2009), pp. 397-421.

conflict political elites, as they can also engage in ethnic underbidding and counterbidding, as they sometimes do (Imer Selmani's presidential campaign in 2009 in Macedonia for example). Even Lijphart in his initial theory on consociationalism noted that not all political parties behave as power-sharing players.³²

INFORMAL PRACTICES AND NETWORKS

Within the larger institutional frame of the state, there are other factors and incentives, not part of the formal institutional set-up, which nevertheless influence the behaviour of political elites. Scholars of post-conflict politics tend to focus their attention on the formal institutional set-up, often overlooking the impact of factors outside formal institutions. Such informal structures must not be neglected if a fair picture of ethnic accommodation is to be drawn. Although present in most political regimes, the informal norms and routines that guide political elites' behaviour are even more important in post-conflict states where the formal institutions are weak, as is the case with Bosnia and Macedonia. Because of recent democratisation and ethnic conflicts, democratic institutions have yet to be fully consolidated in these states, so there is plenty of space for informal interaction in the political process. Many types of informal practices can lead to various distortions of democracy, such as corruption, clientelism, and organised crime, but other types of parallel structures and practices can have positive effects and facilitate compromise between ethnic groups. This thesis focuses on the latter type of informal institutions and studies their effect on ethnic accommodation between political elites.

³² A. Lijphart, "Democracy in Plural Societies".

Most of the literature on informal practices in the Balkans focuses on the negative effects of illegal and criminal activities pointing out the resilience of old communist elites, which although removed from positions of power, through informal clientelistic networks exert harmful influence on consolidation of democracy.³³ These initial transition winners have no interest in further reforms and use their newly acquired power to prevent further reforms through pressure or collusion with the state apparatus.³⁴ They are often also involved in illegal or semi-legal activities, which provide them with enough resources to place pressure on political leaders should they perceive that a certain reform or policy might be harmful to their interest.³⁵

Post-conflict literature also deals with the negative effects of informal practices in politics, for which the lack of any rule of law during conflicts provides a fertile ground for growth and strengthening influence.³⁶ During the conflicts the work of armed criminal groups has often been encouraged as a means to finance the wars, but in the post-conflict period, when states make efforts to (re-)impose the rule of law, these groups are confronted with the prospect of losing their business and therefore use the resources at their disposal to put pressure on politicians to prevent and block the reform process. In the Balkans, the links between political elites and organised-crime networks have been well researched and documented. These include Tudjman's links to diasporas criminal and nationalist groups,

³³ N. Letki, "Lustration and Democratization in East-Central Europe" in *Europe-Asia Studies*. Vol. 54, No.4, (2002), pp. 529-552. H. Welsh, "Dealing with the Communist Past: Central and East European Experiences after 1990" in *Europe-Asia Studies*. Vol. 48 (May 1996), pp. 413-28.

³⁴ T. Gallagher, "The Balkans" in *Developments in Central and East European Politics 2*. (Basingstoke: Macmillan, 1998).

³⁵ Venelin Ganey, "The Dorian Gray Effect".

³⁶ Peter Andreas, "Criminalized Legacies of War: The Clandestine Political Economy of the Western Balkans" in *Problems of Post-Communism*. Vol.51, No.3, (May/June 2004), pp.3-9.

Djindjic's assassination by the Belgrade underground, and Kosovo Liberation Army (KLA) funding from drug trafficking profits.³⁷

Despite the focus of negative aspects of informality in post-conflict politics, recent research on informal institutions and networks suggests that the impact of informal institutions is not always negative and the links between formal democratic institutions and parallel informal practices can be positive and reinforcing.³⁸ Informal meetings, clubs and interest associations, where politicians meet to discuss and negotiate outstanding issues outside of the formal institutional frame and away from the official rules and norms that apply in the formal arena, can also affect the outcome of political elites' interactions. Cited by Lijphart as assisting formal power-sharing³⁹ and often encouraged by external actors to facilitate peaceful problem solving, these informal practices could help politicians reach agreement and diffuse ethnic tensions. Therefore, this thesis examines the impact of informal practices and institutions and elaborates on the following hypothesis that the available literature suggests:

Informal practices lead to greater ethnic resistance between political elites.

³⁷ Good overview in: Francesco Strazzari, "The *Decade Horribilis*: Organized Violence and Organized Crime along the Balkan Peripheries, 1991-2001" in *Mediterranean Politics*. Vol.12, No.2, (July 2007), pp.185-209.

³⁸ C. Lauth, "Informal Institutions and Democracy" in *Democratization*. Vol.7, No.4, (2000), pp.21-50.

³⁹ Lijphart in "Consociational democracy" mentions the committees in the Netherlands that although only advisory bodies served to include representatives from all groups to reach an agreement over contentious issues.

INSTITUTIONAL LEGACIES

To the extent that post-conflict literature focuses on institutions, it is concerned with post-conflict institutions, their sustainability, and their effects on inter-group relations. Very little attention is paid to institutional legacies from past, pre-conflict regimes and how these legacies affect post-conflict politics, as countries are seen to be starting anew with a 'clean slate' after the end of conflict. However, even after their formal demise, institutions continue to exert influence on political actors, because the roles and routines that actors learnt tend to last and it takes longer to be supplanted by new ones. When faced with a novel situation or problem political actors first go through a routine set of responses they have previously used, trying to adapt and apply these, before then setting out to seek new alternatives.⁴⁰ Indeed, the impact of communist legacies on the progress and prospects of successful democratisation has been empirically tested and confirmed in numerous studies of post-communist democratisation,⁴¹ although to a much lesser extent in studies of post-conflict politics.

At the policy level, the impact of institutional legacies can vary. Some past policy solutions may be perceived by political actors as successful and applicable in the new institutional context, while other policies may be seen as obsolete and inadequate for the new political setting. Focusing on policy-level dynamics, this thesis is concerned with how policy legacies affect the political elites' perceptions and preferences of policy reforms and proposals in the

⁴⁰ M.D. Cohen, J.G. March, J.P. Olsen, "A Garbage Can Model of Organizational Choice" in *Administrative Science Quarterly*, Vol. 17, No. 1. (Mar., 1972), pp.1–25.

⁴¹ See for example: K. Jowitt, *The New World Disorder: The Leninist Extinction*. (University of California Press, 1992); S.E. Hanson, "The Leninist Legacy and Institutional Change" in *Comparative Political Studies*. Vol.28, No.2, (1995), pp.306-314.

post-conflict context. Those policy proposals that match the actors' perceptions of previous successful and applicable policy are more likely to receive support than those that are seen as similar to unsuccessful past policy solutions. Therefore in the empirical chapters the following hypothesis will be examined further:

Policy legacies, when perceived in positive light by political elites, lead to greater ethnic accommodation.

EXTERNAL ACTORS

As emphasised above, the focus of this thesis is on domestic politics and domestic institutional structures as the explanatory variables for elite accommodation in post-conflict states. Therefore, although recognising the influence they can have, this thesis is not directly interested in external factors such as the geostrategic factors, alliances and international-organisation membership. However, in the case of the Western Balkans, the influence of some external actors – the European Union and NATO - is so pervasive that it has virtually become part of the domestic-politics equation and of the calculations of political elites. The policy field in Bosnia and Macedonia, as aspiring EU and NATO members, is permeated by these organisations, which affect the policy options by providing policy templates, priorities, and deadlines, while also creating incentives and putting pressure on political elites when progress is slow.

As Bosnia and Macedonia have been included in the Enlargement policy of the EU and NATO Membership Action Plan and have advanced substantively with the Stabilisation and

Association process, the EU and NATO have provided a powerful external pull for domestic reform through financial and technical aid, European Partnership and other instruments of political and economic conditionality that they use to entice the domestic elites to fulfil the requirements before becoming full members. In this respect, the Western Balkans states do not differ much from the Central and East European states or the other Balkan states which joined NATO between 1999 and 2004 and the EU in 2004 and 2007, which were also subject to conditionality and regular monitoring by the European Commission and NATO, although subsequently conditionality has become more rigorous.⁴²

However, in addition to providing an external incentive for implementing reforms and proceeding with enlargement requirements, the EU plays another role in the Western Balkan states. Through its representatives, the EU is directly involved in post-conflict domestic politics in the Western Balkans. In Bosnia, the High Representative is simultaneously the EU Special Representative (EUSR), in Macedonia, the Head of the EC Delegation is also the Special Representative of the EU (Council) and in both countries the EU has deployed European Security and Defence Policy (ESDP) missions, in defence and policing, after the conflicts. The EU Special Representative and High Representative in Bosnia has a direct and very tangible influence on domestic politics including establishing reform commissions, interpretation of the Dayton agreement and the power to remove elected officials from office in Bosnia. He often organises and facilitates negotiations between domestic elites on controversial policy issues and brokers compromises. Some find

⁴² Frank Schimmelfennig, "EU political accession conditionality after the 2004 enlargement: Consistency and effectiveness" in *Journal of European Public Policy*. Vol.15, No.6, (September 2008), pp.918-937.

these effects of external actors crucial for the success of power-sharing projects.⁴³

Therefore, the following hypothesis about the impact of external actors is further examined:

External actors have positive influence which leads to greater ethnic accommodation between political elites.

The literature discussed in the above sections, as well as the hypotheses and arguments about political-elite accommodation in ethnically divided states, are further elaborated in the next chapter. Because this thesis proposes to address the research question by conducting detailed in-depth analysis of Bosnian and Macedonian policy processes, the above hypothesis can not be properly tested, due to the limited number of cases (n=2) and observations and the large number of explanatory variables. What the forthcoming chapters of this thesis do is to further refine the existing hypotheses based on the empirical analysis and findings in these two cases, which could be further tested on a larger sample or on the entire universe of ethnically-divided post-conflict states with power-sharing institutions. The link between each of the explanatory factors and ethnic accommodation is explored in the policy cases analysed and the findings are used to further clarify and elaborate on the nature of that link as well as the conditions under which it works well. The following sections describe the methodological tools and techniques that are used for this purpose.

⁴³ Michael Kerr, *Imposing Power-Sharing: Conflict and Coexistence in Northern Ireland and Lebanon*. (Dublin: Irish Academic Press, 2006).

METHODOLOGY OF RESEARCH

Process-tracing, with its emphasis on tracing the mechanisms (causal or other) leading from the explanatory factors (variables) to the eventual outcome (dependent variable), is well suited for analysing the policy processes in which political elites engage.⁴⁴ It allows for identifying the key steps that were taken during the process that led to a certain outcome and overall captures well the agency part of the structure-agency interaction discussed above. As such it is a good complement to the institutionalist approach and both contribute to a solid analytical frame for addressing the research question.

Process tracing, as discussed by early users of this method, is a method of within-case analysis of causal processes. As George and McKeown define it, process tracing does not solely rely on the comparison of variations across variables in each case, but also “investigate[s] and explain[s] the decision process by which various initial conditions are translated into outcomes.”⁴⁵ In other words, process tracing allows the researcher to investigate the process, and particular mechanisms at force, which lead from cause (independent variable/s) to effect (variation/occurrence of dependent variable). As such, process tracing is particularly appropriate for small-n comparative studies such as this one, where the small number of cases and observations would preclude the use of statistical methods and regressions to establish the causal relations between the explanatory variables and the outcome.

⁴⁴ Jeffrey T. Checkel, “It’s the Process Stupid! Process Tracing in the Study of European and International Politics”. ARENA. *Working Paper No.26*, October 2005.

⁴⁵ Alexander L. George and Timothy J. McKeown. "Case Studies and Theories of Organizational Decision Making" in *Advances in Information Processing in Organizations*. Vol.2, (1985) pp.21-58.

Moreover, process tracing is also useful for accounting of individual behaviour and how actors make certain choices and decisions in specific circumstances, especially in tracing the causal links that lead from one step to another in a certain (e.g. decision-making or policy-making) process. Checkel also notes that process tracing is strong on questions of 'how' and interactions, which is the category into which this thesis' research question falls.⁴⁶ Hence, this thesis applies process tracing when analysing the specific policy issues in Bosnia and Macedonia and examining the behaviour and interaction of political elites in these policies. The data for process tracing is overwhelmingly qualitative in nature, and includes historical memoirs, interviews, press accounts and documents - in this case voting records, transcripts from parliamentary and government discussions etc.

Based on a loose adaptation of the policy cycle (policy formulation – initial stage; policy realisation – decision making stage; policy learning – evaluation stage)⁴⁷ the table below summarises the major steps in the policy process which will be analysed for each of the policies selected in this study. The relatively structured nature of the policy-making process makes the application of process tracing easier as the stages of the process are already known as well as the key points during the process when actors make decisions (vote, negotiate, seek support, etc.). The six steps listed are part of most policy-making cycles, but additional steps are included in some of the case studies which require a more complex analytical mechanism.

⁴⁶ J. Checkel, "It's the Process, Stupid!"

⁴⁷ Peter Hall, "Policy Paradigms, Social Learning and the State" in *Comparative Politics*, Vol.25, No.3, (1993), p.275.

STAGE	STEP IN POLICY CYCLE	QUESTIONS
Initial stage	Priority on government/parties' agendas	High-Low priority?
	Articulation of proposal	Who proposes? What?
Decision-making stage	Coalition-building around proposal	Who supports? Who opposes?
	Outcome reached/voting	Compromise? Consensus?
Evaluation stage	Implementation of agreed proposal	Full, partial, none? Obstacles?
	Sustainability of solution reached	Success/Failure? Re-opened?

Policy stages and steps in policy cycle

Before elaborating on the specifics of case selection and data collection and analysis techniques used, some words on the consistency of the selected methodological tools with the basic ontological assumptions are provided. The flexibility of the institutional approach taken in this thesis allows for applying process tracing as the main analytical tool. The institutional structure constrains the political process and provides the main rules and norms designing the contours of the policy process, and individual policy cycles. However, within the given institutional frame the process can take many different directions, which is why process tracing is useful in analysing the factors that influence actors to make different decisions and steer the process in a different direction. Comparison of different instances of policy-making in the same country will allow mapping of the policy process and the various options and alternatives available to political actors as well as the factors that account for the different choice that political actors make during the policy process.

POLICY CASE SELECTION

The two countries which are compared in this thesis are post-conflict Bosnia and Macedonia. The main selection criterion, as outlined in the above sections is based on an empirical puzzle – the variable pattern of elite accommodation across ethnic lines in

different policy areas. Despite contextual and political factors suggesting that the opposite should hold true i.e. that political elites in Bosnia should accommodate less than elites in Macedonia, this is not the case. In this sense, Mill's method of agreement as 'most different' cases is applied to determine the comparison between the cases.⁴⁸ At the policy level, Mill's method is applied within each country case. In both countries two highly sensitive and contentious policy issues for ethnic relations are compared. However, despite their equally sensitive and problematic nature the outcomes in terms of political elite accommodation differ - one sees compromise and the other resistance. The policy cases analysed are 'most similar' cases where the variation in outcomes is explained.

The policy cases in both countries are also selected as 'most difficult' cases for ethnic accommodation. In order to explain which factors lead to greater or lesser ethnic accommodation in divided societies the policies analysed need to be difficult cases for accommodation, i.e. policy areas that have caused much ethnic tensions and elite disagreements over the years.⁴⁹ If a mutually acceptable solution was within easy reach then accommodation was the most likely outcome and the explanatory variables can not be expected to have had major impact. Moreover, the in-country and cross-country comparisons between similarly sensitive policies which have led to accommodation and to resistance further helps one isolate the effect of those explanatory factors that were present in the former cases. This facilitates the analysis of the links between the explanatory and dependent variables and enhances the validity of the findings.

⁴⁸ Todd Landman, *Issues and Methods in Comparative Politics: An Introduction*. (Abingdon: Routledge, 2003), p.70-71.

⁴⁹ G. King, R. Keohane and S. Verba, *Designing Social Inquiry: Scientific Inference in Qualitative Research*. (Princeton, Princeton University Press, 1994).

In Bosnia, the policy cases included are: police reform and military reform. Both the police and the army in Bosnia were heavily involved in the conflict as well as committing violence, war crimes and ethnic cleansing. Their continued functioning in each of the entities had been a thorny issue in Bosnian politics since the end of the war. Reforming the ethnically divided police and military forces and placing them under common state control was bound to raise nationalist passions and accusations for war-time actions. However, while police reform saw little elite accommodation and the political elites from the three ethnic groups could not come to an agreement, military reforms in Bosnia proceeded with less resistance across ethnic lines, despite the sensitive nature of security sector reforms and Bosnia now has a centralised country-wide army and military structure.

In Macedonia, minority education policy has been the subject of continuous contestation between the Macedonian and Albanian elites since 1991 and in 1994 the establishment of the unrecognised Tetovo University led to police violence and one casualty. Decentralisation has been similarly problematic as ethnic Macedonian politicians fearing secessionist attempts centralised the state in 1991 and rejected any demands for decentralisation. When the municipal offices in Albanian-majority towns of Gostivar and Tetovo displayed Albanian flags in 1997 the police intervened and there were several casualties as well as imprisonment for the mayor of Gostivar. Yet after 2001, reforms promoting decentralisation have in general proceeded with less contestation and resistance by political elites of all ethnic groups, while minority education remains an intractable problem despite numerous efforts to find a mutually acceptable and sustainable solution.

Policy cases	Towards ethnic accommodation	Towards ethnic resistance
Bosnia	Military Reform	Police Reform
Macedonia	Decentralisation Reforms	Minority Education

Policy cases in Bosnia and Macedonia

These four policies are the main focus of the empirical analysis in the thesis and the subject of in-depth process-tracing analysis in the following chapters. However, examples from other policies and policy issues are at times also used, although not analysed as thoroughly, wherever there is need to illustrate a point and further support a claim that arises from the analysis of the four main policy cases.

DATA COLLECTION AND AVAILABILITY

In order to conduct a valid analysis of the dependent variable and allow collection and analysis of data that would feed well into the indicators of the dependent variable, empirical data were collected and analysed for each of the stages in the policy-making process. This enables the analysis to trace the mechanisms leading from one to the next stage of the policy-making processes. During each of the stages of analysis various sources and types of data are used and thus the reliability of results and conclusion is strengthened. Finally, the results for different issues in different policies and states are compared and contrasted in order to arrive at conclusions regarding the way in which political elites in these states interact, accommodate or resist each other, and make decisions, and thus ultimately answer the research question of this thesis.

Considering the design of the dependent variable presented in the above sections, no significant problems with data availability and collection were encountered. The documents necessary for answering the above questions are public and official documents (legislation, legislation proposals, reform strategies, records of government and parliamentary debate, voting records, policy evaluations and reports, etc.) and are available to the wider public, either online or from archives upon request. Additional data were collected through interviews with representatives from the political leadership in each of the three states. The interviews were used to collect data about the personal experience and perceptions of the participants in the policy process that are not captured in official policy documents and records, but which help one to better understand the behaviour of a certain actor in the policy process. The questions used during the interviews were open-ended, as the interviews were aimed at the individual and their personal experience and narrative about the policy processes in which they have participated.⁵⁰

The interviewees are mostly still active politicians and civil servants therefore widely accessible and available for interviews. In addition, interviews with representatives from the international community - EU and NATO officials - and with local ambassadors were also conducted. The selection of interviewees was on the basis of their relevance to the policy in question, through the snowballing technique and reputation referral among their colleagues.⁵¹ In total, 40 interviews were conducted over a period of six months between

⁵⁰ Joel D. Abermach and Bert A. Rockman, "Conducting and Coding Elite Interviews" in *Political Science and Politics*. Vol.35, No.4 (Dec 2002), pp.673-676.

⁵¹ Kenneth Goldstein, "Getting in the Door: Sampling and Completing Elite Interviews" in *Political Science and Politics*. Vol. 35, No. 4, (Dec 2002), pp. 669-672.

April and October 2010, evenly distributed between Bosnia and Macedonia.⁵² Interviewees included politicians, journalists and diplomats, all interviewed in their native language. In addition, speeches, statements, interviews and other public remarks available either through media archives or through government's and ministries' press archives were used, while media archives (most of which are online for the period studied) were used for accessing commentaries, opinion pieces, features and news articles relating to public debate and discourse on the policies that are analysed. Finally, the EU official documents and statements, also available from EU's online archives, were used. The data collected are in three languages: English, Macedonian and Serbo-Croat, in all of which I am fluent, which facilitated the handling of data and conducting data analysis in particular.

THESIS STRUCTURE

From here this thesis proceeds in the following way: the second chapter provides an overview of the available academic literature related to the research problem, maps and reviews the existing knowledge on this topic and evaluates its usefulness and applicability for this study. Chapter Two further distils the available knowledge, arguments and hypotheses about the effects of the explanatory variables, while also elaborating on the definitions and theoretical approach used throughout the analysis.

Chapter Three, Four and Five present the empirical analysis of the research problem and the resulting findings. Chapter Three provides a historical and comparative analysis of the

⁵² The number of interview fits most social science guidelines about optimal 'sample size' for elite interviews, see: S. Kvale, *Interviews: An introduction to qualitative research interviewing*. (Thousand Oaks, CA: Sage, 1996).

power-sharing structures in Bosnia and Macedonia, tracing the institutional continuities and legacies that Yugoslav federal and republican institutions left on institutional structure in independent Bosnia and Macedonia. The chapter further traces the institutional developments after the dissolution of the Yugoslav federation and during the ethnic conflicts in both states, finding substantial similarities between post-conflict and communist-era power-sharing arrangements. It concludes with an investigation of the Dayton and Ohrid agreements' provisions and their implications for the policy-making processes and political actors in both states. Chapter Four examines the two policy cases in Macedonia, minority education and decentralisation, and investigates the reasons for more ethnic accommodation in the latter case as opposed to continued ethnic contestation in the former. The empirical findings suggest that post-conflict power-sharing arrangements have had a significant effect on elite accommodation, especially executive coalitions and veto mechanisms, while informal practices have helped build consensus on occasions and diffuse government crises. Chapter Five is focused on Bosnia and explores the factors that account for greater ethnic accommodation over military reform and those that can explain the failure to accommodate in the case of police reforms. The empirical findings suggest substantial influence of external actors and related informal practices in encouraging compromise between politicians from different ethnic groups, while among the formal institutions veto mechanisms appear to have the strongest effect on ethnic accommodation.

Chapter Six provides cross-country comparison and analysis of the findings and links the empirical case and country-specific findings to the theoretical debates presented in Chapter

Two. It further discusses the significance of the empirical and theoretical findings of this thesis and links them to the general political science literature in this subject while also pointing to the limitations of the research conducted for this thesis. Finally Chapter Six suggests potential additional areas of research that would contribute to better understanding of the problem analysed in this thesis.

CHAPTER TWO: THEORETICAL FRAMEWORK

INTRODUCTION

This chapter provides an overview of the available academic literature related to the research problem, maps and reviews the existing knowledge on this topic and evaluates its usefulness and applicability for this study. Considering that a lot has been written recently on post-conflict and ethnically-divided states, this thesis draws upon and builds on the existing scholarly work and aims through its findings to contribute to this body of literature. In the search for concepts, arguments and hypotheses that can be applied in this thesis, this chapter engages with several strands of social science literature that are most relevant to the research question. They include political elites and political parties theory, institutional theory, in particular post-conflict and power-sharing institutions literature and literature on

institutional legacies and informal institution, as well as works on external actors and Europeanisation.

This chapter is organised in the following way: the next section focuses on the key **actors** that define the research question - political elites. The following section discusses the **context** in which actors operate, namely post-conflict ethnically-divided societies. Both sections investigate how these concepts have been approached and studied in social and political science before narrowing down the definition most appropriate to this thesis. The rest of the chapter examines the theoretical debates over the explanatory variables that are used to explain accommodation-resistance patterns between political elites, the **institutional framework** and **external influences**. In particular, the explanatory factors analysed include: formal power-sharing institutions, institutional legacies, informal practices, political parties, as well as external actors – the EU, NATO and the High Representative in Bosnia. Each of these concepts is analysed within the academic debates in the field and the most cogent arguments and hypotheses about the impact of each variable are distilled into potential explanations that are explored and examined in the chapters analysing the empirical part of the research. The conclusion summarises the discussion from all sections and reviews the theoretical frame of the thesis.

1. ACTORS: POLITICAL ELITES

Political elites are the main political actors in every state. They are the persons who fill the most powerful positions in the state and administrative structure, they are the ones who defend and promote the interests of the social groups they represent, and they are the ones who ultimately agree or disagree over policy options that are later implemented by the administration. In the general political science discussion on the nature of political processes and reconciliation of divergent and conflicting interests in society over distribution of finite resources, political elites play the role of brokers of agreement between different groups and facilitate compromise and understanding between conflicting sides in politics. Political elites, therefore, are integral to every effort to understand and explain politics and the political and as such, they are at the centre of the study of how politics works, so their behaviour in terms of mutual accommodation and resistance is the main focus of this thesis.

While undoubtedly important in the general political process, under special circumstances, such as the collapse of regimes and radical institutional overhaul, political elites play a pivotal role in the consolidation of new political regimes and the legitimisation of new institutions. As many scholars of democratic transition and consolidation in Eastern Europe have noted, political elites played the most important role in the dismantling of the

communist regimes and the transition to democracy.⁵³ Moreover, political elites in democratising states also affect the consolidation of democratic institutions, since the extent to which political elites are committed to the democratic values embodied in the newly-established democratic institutions determines the pace of democratic consolidation. As has been often noted, once “democracy is the only game in town” or once political elites reach a consensus on the (democratic) rules of the political game, a country can be seen as safely set on the track towards a fully functioning liberal democracy.⁵⁴ In the post-conflict context, when the new post-conflict institutions are being established, the peaceful inter-ethnic cooperation and competition that these institutions embody will only take firm root once political leaders fully embrace and respect the new institutional design. Otherwise, the reconciliation and cooperation provisions will remain just a façade behind which exclusive ethnic politics will continue to thrive to the detriment of all. Although post-conflict reconciliation is a much wider and more complex process that extends to the entire population, inter-ethnic cooperation and democratic competition at the political elite level can also contribute to its success. As Nordlinger argues, political elites play a crucial role in regulating intense conflicts in divided societies, as they are the only players who can influence directly and positively post-conflict political outcomes by lending political

⁵³ See most actor-based explanations of post-communist democratization such as: J. Linz and A. Stepan, *Problems of Democratic Transition and Consolidation*. (Baltimore: John Hopkins University Press, 1996) and G. di Palma, *To Craft Democracies: An Essay on Democratic Transitions*. (Berkeley, University of California Press: 1990).

⁵⁴ J. Higley, J. Pakulski and W. Wesolowski, *Elite Change and Democratic Regimes in Eastern Europe*. (Basingstoke: Macmillan, 1998).

institutions legitimacy and respecting the rules and values these new institutions are set to promote.⁵⁵

Once institutions become widely accepted by all actors and their legitimacy is not contested, institutions tend to structure actors behaviour more than vice versa, even though politicians always retain a certain degree of leverage to adjust and change the institutional structure. Post-conflict Bosnia and Macedonia are moving exactly along these lines of solidifying post-conflict institutions and democratic political practices, so the need to study political elites and their actions is even more pronounced. Both the Dayton Peace Agreement and the Ohrid Framework Agreement were designed through externally led processes where the domestic political actors signed and committed to supporting the implementation of the provisions of these agreements. Their commitment to these documents and the pertaining institutional and legal structure was further ensured through external pressure by international actors, who were either directly in charge of overseeing implementation, such as the High Representative in Bosnia, or indirectly through conditionality for EU and NATO accession for which the successful implementation of these agreements is set as a requirement (both for Macedonia and Bosnia).

Thus, even though political elites do not operate in isolation from society at large and the external actors, due to their position as brokers in the political process and the specific conditions of institutional uncertainty in democratising and post-conflict states political elites are the main focus in this thesis. The next sections further discuss their

⁵⁵ Eric A. Nordlinger, Conflict Regulation in Divided Societies. *Occasional Papers in International Affairs*. Harvard University. No.29, (January 1972).

conceptualisation, features, and roles in the specific political context in Bosnia and Macedonia.

DEFINING POLITICAL ELITES

Contemporary studies of elites in social sciences are based on early twentieth-century studies of elites which introduced the term and theorised on the position, roles and nature of elites in different societies. From these early writers, three are especially influential in shaping subsequent debates and framing the way we think about elites today – V. Pareto, G. Mosca and R. Michels. They all talk of elites as indispensable to every society, from the most democratic to most authoritarian, and their definitions of elites concern elites' relatively small size and their various (historical, psychological, intellectual and material) capacities that entitle them to political power. Thus conceptualised, elites are situated in opposition to the masses and the 'elite versus mass' cleavage is what drives the discussions about stability or circulation of elites, violent suppression of masses, and revolutionary overthrows of elites.⁵⁶

Later works on elites place the emphasis on the structure of elites and the functions they perform for society. Based on earlier contributions by K. Manheim, R. Dahrendorf and H. Dreitzel, contemporary authors such as John Higley and Susan Keller define elites according to a performance-based criterion. According to these views, members of the elites are those providing services important for the whole society. Their selection is predominantly

⁵⁶ Vifredo Pareto, *The Mind and Society. A Treatise on General Sociology*. (New York: Dover Publications, 1935); Gaetano Mosca, *The Ruling Class. Elementi de Scienza Politica*. (New York: McGraw-Hill, 1939); Robert Michels, *Political Parties: A Sociological Study of the Oligarchical Tendencies of Modern Democracy*. (London: Transaction Publishers, 1999).

merit-based as citizens from all backgrounds gain opportunities to rise to elite positions in society, even though some, such as Bourdieu, claim the selection process is still skewed in favour of those with greater access to resources and education.⁵⁷ Following the functionalist concern with elites' performance of services, this thesis adopts Burton and Higley's definition of elites as "persons holding strategic positions in large or otherwise powerful organisations and movements, who regularly influence political decision-making"⁵⁸. This definition enables a discussion of elites that can focus on the relations between different groups of elites (or sub-elites) which represent different groups and interests in society, such as ethnic groups. Because of their strategic position in powerful organisations sub-elites control different yet related sectors of the state, such as political parties, government, administration, and together comprise the political elite. While ethnicity is certainly not the only division line between political elites, and is most often not a functional parameter, as regardless of ethnicity political elites perform the same functions for their constituents and the state, the functional approach allows for analysis of different sub-elite groups and how they interact across ethnic, ideological or other lines.

Based on the above definition, political elites in this thesis include members of the political leadership of a country, those who represent the country abroad, those who discuss and make the most important political decisions, policies and laws. In practice, in the two states analysed here, political elites include presidents, prime-ministers and ministers, top party

⁵⁷ S. Keller, *Beyond the Ruling Class. Strategic Elites in Modern Society*. (New York: Random House, 1963). J. Higley and M. J. Burton, *Elite Settlements*. (Austin: University of Texas at Austin, 1988). Pierre Bourdieu, *The State Nobility. Elite Schools in the Field of Power*. (Cambridge: Polity Press, 1996).

⁵⁸ Burton, Michael G. and John Higley, "Elite Settlements" in *American Sociological Review*. Vol.52, (1987), pp.295-307.

leadership, both in government and in opposition parties, as well as high-ranking parliamentary and administrative officials who are part of the political administration of each government and are usually appointed to their positions. The political elites analysed are representative of the ethnic groups as well as the political parties in their state, as ethnicity and political party affiliation are two major factors structuring post-conflict politics. Because of the deep ethnic divisions in the post-conflict context and political party dominance over civil society and state institutions, political elites in Bosnia and Macedonia are largely ethnic and party elites. Non-political elites are: military leadership, civil society and business community elites as well as intellectual and religious elites. These sub-elites have a certain influence in the political arena, and to the extent that they contribute to the policy debate and policy-making process their input is considered as part of the political context and discourse, but since they lack the power to make policies and make decisions, they are not be considered as members of the political elite.

The political elites' definition adopted in this thesis is particularly appropriate for analysing ethnic accommodation for several reasons. First, it allows for focusing on those groups which influence and make the most important decisions in society – political leaders. Focusing on decision-makers makes it easier to analyse their interactions and the processes through which they overcome conflict and divergent interests in order to reach a mutually acceptable solution. Second, by not treating political leaders as a single monolithic group, this definition allows for a dynamic relationship between different sets of sub-elites in different parts of society, or in this case different ethnic groups, thus facilitating the analysis of elite interaction which is the main focus of this study. The above definition of elites

enables one to examine the creation of elite compromise and resistance, as well as elite circulation and differentiation in the process of deep societal transformation, as it allows for varying interest between elite groups and regular interaction between them.

POLITICAL ELITE UNITY, CONTINUITY AND FRAGMENTATION

One of the main ways in which political elites' relate to and affect the political regime is through the extent and nature of elite unity. As Higley, Pakulski and Wesolowski suggest, elite unity or *normative unity* of elites, implies shared norms of political cooperation and competition.⁵⁹ Normative elite unity usually refers to consensual acceptance of democratic principles of political cooperation but, in this instance, it can be expanded to include elite commitment to the post-conflict institutions and principles enshrined in the peace agreements in Bosnia and Macedonia. Higley et al further argue that the greater the normative unity of elites the stronger and more stable the regime is. Normative unity results in political competition that, while allowing competition between various programmes and ideologies, does not threaten the basic tenets of the political regime and the state. In democratic regimes, unity refers only to shared norms about the rules of the political game, whereas political elites can support and promote different political, economic and social values. In totalitarian regimes the normative unity includes the political, economic and overall ideological values of elites.

Post-conflict politics often comes down to reinterpreting the letter of the peace agreements and attempts to adjust the institutional setting to the interest of political elites and the

⁵⁹ J. Higley, J. Pakulski and W. Wesolowski. Ibid.

groups they represent. In this sense, the unity of political elites in post-conflict politics can often be weak and the stability of the post-conflict regime threatened. While political leaders in Bosnia and Macedonia have put their signatures on the peace agreements, their behaviour does not always conform to this and on numerous occasions they have engaged in non-democratic political practises and challenged the Dayton and Ohrid agreements. Some, like Albanian parties in Macedonia find the Ohrid agreement insufficiently protecting the rights of Albanians, while some like the Bosniaks in Bosnia see Dayton as giving too many powers to ethnic groups at the expense of the state.⁶⁰ According to Higley et al, the extent of normative unity of political elites in Bosnia and Macedonia, their commitment to democratic and power-sharing values enshrined in peace agreements, would affect the stability of the post-conflict political regime.

A second aspect of elite unity according to Higley et al is *interactional unity*, which refers to the volume of regular interaction through official and unofficial channels between representatives of political elites.⁶¹ In post-conflict states, where the ethnic divisions run deep, political interaction across ethnic lines is often reduced to a minimum. Therefore, political dialogue between leaders is encouraged by external actors and deemed necessary for the successful implementation of policies and a proper functioning of democracy. The hesitation to regularly interact with political elites of other ethnic or ideological provenance undermines political elites' capacity to accommodate and reach mutually acceptable and enforceable policy decisions. Such divisions between political elites have been addressed in

⁶⁰ Only recently the leader of Albanian opposition DPA in Macedonia called for a 'new Ohrid Agreement', while in Bosnia even High Representative Paddy Ashdown, when faced with a deadlock, called for an update of the existing provisions.

⁶¹ Higley et al. Ibid.

studies of 'elite fragmentation'. Gallina notes the negative impact elite fragmentation has on democratic politics and policy-making, pointing to a gap between the democratic nature of post-communist institutions and the non-democratic behaviour of political elites. She attributes elite fragmentation to incomplete elite replacement after communism and the continuity of communist elites in post-communist politics which reproduced earlier communist divisions between friends and enemies of the regime, only in an inverted form.⁶² Indeed, elite replacement in Bosnia and Macedonia has been low. There are few comprehensive studies on continuity and circulation of political elites in these states, but many of the leading politicians have been active in politics or holding high positions in communist times before joining post-communist politics.

Similarly, when *post-conflict continuity of political elites* is rather high, previous divisions and antagonisms can be reproduced in post-conflict politics. In both Bosnia and Macedonia even some of the most nationalist politicians involved in the conflicts remain in politics.⁶³ The failure to cut a clear line between pre- and post- conflict politics, which allows old pre-conflict elites to continue playing an important part in post-conflict politics, could lead to reproducing enmity and polarisation in the post-conflict setting. In addition, pre-conflict elite continuity can also lead to failure to cut political elites' ties with previous informal (often armed and illegal) allies from the time of the conflict and allow these actors access to

⁶² Nicole Gallina, *Political Elites in East Central Europe: paving the way for "negative Europeanization"*. (Opladen: Budrich University Press, 2008).

⁶³ Most notably Macedonian Interior Minister at the time of the conflict, Ljube Boškovski, after being acquitted of the charges against him at the ICTY returned to Macedonia in 2008 and established a new political party, which performed surprisingly well on the 2009 presidential elections. In Bosnia many of the political leaders during the conflict were indicted by the ICTY and have not had the opportunity to return, but the lower level members of their parties remain active politicians and a complete transformation of political elites remains to be seen in both countries.

political power and increased influence in politics. This raises concerns about corruption, the viability of rule of law, but most importantly about the failure of post-conflict elites to adopt and uphold new values of ethnic tolerance and cooperation. Ultimately, the continued presence and influence of old elites in the political arena could lead to further reproduction of the 'old' ways and practices of politics even when a new generation of politicians arrives, since they too will be socialised into politics through the dominant values embodied by existing practices and embraced by older and more experienced politicians.

ETHNIC ELITES: CONSTRUCTING OR AGGREGATING ETHNIC IDENTITY?

The relationship between political elites and ethnicity is hotly contested in academic debates. Theoretical claims range from essentialist accounts of ethnic identity, in which political elites only aggregate and represent at state level,⁶⁴ to instrumentalist claims of political elites manipulating the masses into identifying with an ethnic group in order to achieve other, personal and political, benefits.⁶⁵ The recent constructivist view in social science sees ethnic identity neither as essentially given nor as entirely fabricated by elites, but rather as one of the many social identities that individuals have and juggle in the complex set of social situations.

Contrary to essentialist accounts, constructivists see identities as constructed and reproduced through the daily practices of human agents: concepts such as ethnicity, nation,

⁶⁴ Anthony D. Smith, *Myths and Memories of the Nation*. (New York: Oxford University Press, 1999); Anthony D. Smith, *Ethnic Origin of Nations*. (Oxford: Basil Blackwell, 1986).

⁶⁵ E. Hobsbawm, *Nations and Nationalism since 1780: Program, Myth, Reality*. 2nd Ed.(Cambridge: Cambridge University Press, 1992); B. Anderson, *Imagined Communities: Reflections on the Origin and Spread of Nationalism*. (London: Verso, 2006).

gender, race, sexuality etc. are contested and fluid and so are pertaining identities.⁶⁶ All group identities are built in opposition to the Other – the out-group which provides the external background against which the identity of the group, its features and its boundaries are constructed. This suggests that one of the ways that ethnic identity can change is through the changing environment and constellation of other groups perceived as constitutive for the group identity.⁶⁷ Recent Balkan history abounds with examples of such shifting and re-positioning of ethnic identities vis-à-vis other groups as political boundaries were shifting,⁶⁸ thus confirming the fluid nature of ethnic identities in the region.⁶⁹

In contrast to instrumentalist views, the constructivist take of ethnic identity and conflict does not treat elites as responsible for the (dis-)continued salience of ethnic identity. Ethnic identity is seen as part of the multiple social identities of each individual. What elites could contribute to are situations when the salience of ethnic identity increases and becomes the dominant source of identification and a mobilising force of political action for the group.⁷⁰ Or the opposite, political elites' actions could make a certain social identity less salient in a given political context. As such, the constructivist approach is particularly useful and is

⁶⁶ R. Jenkins, *Re-thinking Ethnicity: Arguments and Explorations*. (London: Sage Publications, 1997); Crawford Young, 'The Dialectics of Cultural Pluralism: Concept and Reality', in *The Rising Tide of Cultural Pluralism: The Nation-State at Bay?* Crawford Young, Ed., (Madison, WI: University of Wisconsin Press 1993). pp.3–35.

⁶⁷ Joane Nagel, "Constructing Ethnicity: Creating and Recreating Ethnic Identity and Culture" in *Social Problems*. Vol.41, No.1, (1994), pp.152-176.

⁶⁸ Macedonian ethnic identity in the early 1990s was built in opposition to dominant Serbian identity but by the end of the decade when independence from Yugoslavia was not contested anymore language and religion became the dominant identity markers in opposition to internal Albanian minority.

⁶⁹ Similar arguments on ethnic identities in Africa, see: Robert H. Bates, "Modernization, Ethnic Competition, and the Rationality of Politics in Contemporary Africa" in *State versus Ethnic Claims: African Policy Dilemmas*, ed. Donald Rothchild and Victor A. Olunsorola. (Boulder, CO: Westview Press, 1983); Leroy Vail, ed. *The Creation of Tribalism in Southern Africa*. (Berkeley, CA: University of California Press, 1991).

⁷⁰ Michael A. Hogg, "Social Identity Theory" in *Contemporary Social Psychological Theories*. Ed. P.J. Burke. (Stanford, Stanford University Press: 2006).

therefore embraced in this thesis. It allows sufficient space for agency, implying that elites, through their actions of ethnic accommodation or resistance at the political level, can contribute to gradual de-escalation of ethnic conflict and reconciliation of ethnic identities between former enemy groups. At the same time this view allows for treating many of the features and consequences of ethnic conflicts (violence, mass killings and expulsion) as stemming from primordial passions related to kinship, history, language and territory, because, as Kaufmann notes, the constructed nature of ethnicity does not prevent it from being experienced as real.⁷¹

The above discussion of political elites, their features and significance, provides a frame for the forthcoming analysis of political elites' accommodation and resistance in post-conflict Bosnia and Macedonia. The following chapters further reflect on elite divisions and continuities from communist and conflict periods, as well as political elite actions of accommodation and resistance that affect ethnic mobilisation and de-mobilisation in the post conflict context. How the deep ethnic divisions structure the post-conflict political context in which actors interact is the subject of the next section.

2. CONTEXT: POST-CONFLICT ETHNICITY

The political context and social environment in Bosnia and Macedonia is marked by the legacy of ethnic conflict. Ethnic conflicts differ from other types of armed political conflicts

⁷¹ S. Kaufmann, "Escaping the Symbolic Politics Trap: Reconciliation Initiatives and Conflict Resolution in Ethnic Wars" in *Journal of Peace Research*. Vol.43, No.2, (2006), pp.201-218.

as they include a pronounced identity component, so that at the basis of the conflict there is more than incompatible material interests or ideological views, but a perceived threat to the identity and inalienable rights of the individual/group as the opponent is seen to threaten the entire worldview and self-image of the group.⁷² Certainly those other factors, such as material and economic grievances of groups, ideological cleavages and distribution of political power, are related to ethnic conflicts and tend to exacerbate or alleviate them.⁷³ However, ethnic identity is at the centre of what drives political mobilisation of groups in ethnic conflicts. As Tajfel and Turner argue, in a situation of inter-group competition, a severe form of which are ethnic conflicts, individuals tend to perceive themselves and others in terms of their group identities.⁷⁴ This leads to continued salience of ethnic identity in the post-conflict political context, where ethnicity remains among the most powerful divisions in society. These specific features bear on the distinct nature of the political context in which political elites operate and would shed additional light on the complexities of elite interaction in such an environment.

The legacy of inter-group violence widens the gap between ethnic groups, so trust and solidarity between the ethnic groups are at levels possibly lower than before the conflict. The memory of violence and atrocities, whether through personal experience or anecdotal accounts, deepens the inter-group gap and solidifies groups' boundaries even more than

⁷² Related to E. Nordlinger's definition of 'intense conflict'. See: E.A. Nordlinger. *Conflict Regulation in Divided Societies*. p.9.

⁷³ E. Bonacich, "A Theory of Ethnic Antagonism: The Split Labour Market" in *The American Sociological Review*. Vol.37, (1972), pp.547-559. I. Walker and T.F. Pettigrew, "Relative deprivation theory: An overview and conceptual critique" in *British Journal of Social Psychology*. Vol.23, (1984) pp. 301-310.

⁷⁴ Henry Tajfel and John C. Turner, "An Integrative Theory of Inter-group Conflict" in *Organizational Identity: A Reader*. Eds. M.J. Hatch and M. Schultz. (Oxford: Oxford University Press, 2004).

the political elites' efforts to mobilise masses behind the ethno-nationalist projects. Violence and decomposition of the rule of law and order during the conflict also demonstrate that the state has lost its authority and is incapable of performing one of its basic functions – providing security to its citizens and protecting their lives and property. This further increases the salience of ethnic groups, as individuals fall back to their group for the provision of these basic services. The widespread fear and distrust of the other ethnic groups combined with the loss of state authority and legitimacy, due to its decreased capacity to provide security, lead to the increased importance of ethnic identity. Ethnic groups step in to fill the void opened by state failure.

In the weak institutional context of persisting war-time practices, the power and influence of ethnic groups and the largely informal networks developed during the conflict increases and they often continue to challenge state authority, even after new post-conflict institutions are established. They can thus slow down the pace of institutional recovery and consolidation of the post-conflict political and institutional system, but they can also supplement the weak formal institutions in the short-term by providing the services the state cannot.⁷⁵ Informal networks' power and influence pose greater concern in the politics of post-conflict ethnically divided societies when their activities include profit-generating services and control of illicit trade and trafficking, which creates vested interests for these networks in the policy process and the eventual outcome of post-conflict reforms. If these reforms are successful, they can endanger the functioning of informal networks. Full

⁷⁵ James Fearon and Davies Laitin, "Violence and the Social Construction of Ethnic Identity" in *International Organization*. Vol.54, No.4, (2003), pp.845-877. S. J. Sorensen, *State Collapse and Social Reconstruction in the Periphery: political economy, ethnicity and development in Yugoslavia, Serbia and Kosovo*. (Berghahn Books, 2009).

restoration (or establishment) of state authority and rule of law is a threat to such criminal networks and often an incentive for their members to get involved in the political process, directly or indirectly, in order to protect their interests. In the countries of the former Yugoslavia, the influence of such networks surviving the conflict and even expanding their influence and range of activities in the post-conflict context is well known and has been analysed by many researchers. Many post-conflict politicians have a background in armed networks dating back to the conflict and many more have developed strong links with such networks and at times co-opted them in various political, economic or security activities.⁷⁶

The effect of ethnicity is not limited solely to society level or among the population and within the informal sphere. Even more importantly, ethnic divisions permeate into post-conflict politics within the formal political institutions. Although most post-conflict political systems are designed to promote cooperation across and ethnic lines and discourage exclusive ethnic politics, they are also designed to translate dominant divisions in society into political cleavages, thus allowing ethnicity to drive political competition. Institutions are flexible enough and clauses aimed at protection of each group's access to power allow ethnic division to enter, and sometimes completely permeate the political arena. This results in continued politicisation of ethnicity or ethnicisation – organising politics based on

⁷⁶ For instance, Croatian President Tudjman's links to diaspora networks financing the war, or Serbian Prime Minister Djindjic's links to Belgrade's underground groups which eventually assassinated him. See: Peter Andreas, "Criminalized Legacies of War: The Clandestine Political Economy of the Western Balkans" in *Problems of Post-Communism*. Vol.51, No.3, (May/June 2004), pp.3-9. Francesco Strazzari, "The *Decade Horribilis*: Organized Violence and Organized Crime along the Balkan Peripheries, 1991-2001" in *Mediterranean Politics*. Vol.12, No.2, (July 2007), pp.185-209.

protecting the boundaries and interest of ethnic groups⁷⁷ – and the persisting salience of ethnic identity and group loyalty. Ethnicisation of post-conflict politics can make elite interaction more antagonistic as the salience of exclusive ethnic identities in politics remains unchallenged and makes elite accommodation over ethnically sensitive policy issues even more difficult. In both Bosnia and Macedonia features of ethnicisation of politics can be easily traced. Most items on the political agenda, ranging from truly sensitive issues such as security sector reforms, to more technical issues such as customs and tax reforms, have at times acquired ethnic overtones. Thus ethnicity is included in each policy debate even if the policy has no implications for ethnic relations, but deliberate linkages to such policies, or log-rolling, add to further ethnicisation of policy issues and politics in general.

The policy cases analysed in later chapters are all instances of policy issues which are highly sensitive for ethnic relations, requiring substantial accommodation efforts from political leaders to arrive at a mutually acceptable solution. They provide insight into how ethnicised issues are harnessed by political elites and reveal the factors that within such a highly ethnically charged context can lead to accommodation and eventual de-ethnicisation of politics. Turning to those explanatory factors, the following sections of this chapter investigate the theoretical links relating institutions to political elites' accommodation and resistance in the post-conflict policy process.

⁷⁷ M. Milikowski, "Exploring a Model of De-Ethnicization: The Case of Turkish Television in the Netherlands" in *European Journal of Communication*. Vol.15, No.4, (2000), pp.443-468. And D. Horowitz, *Ethnic Groups in Conflict*. (Berkeley: University of California Press, 1985) p.185.

3. INSTITUTIONAL FRAMEWORK: POST-CONFLICT INSTITUTIONS

The above sections discussed the main actors analysed in this thesis: political elites, and elaborated on the post-conflict post-communist context dominated by ethnic divisions in which these actors act and interact with each other in the policy process. Following the main objective of this thesis, to explain why political elites in post-conflict ethnically-divided states accommodate or resist each other in the policy process and when accommodation or resistance is likely to take place, this section looks at how institutions, both post-conflict arrangements and institutional legacies from previous regimes, affect ethnic accommodation and resistance.

Because ethnic identity is socially constructed, and as noted earlier, tends not to be fixed and immutable but rather re-created through everyday political practices and routines, one needs to look at those everyday political practices and routines in order to be able to understand the dynamics of ethnic identities. Ethnicity, it may turn out, is not always or even frequently the most important social identity guiding everyday actions of political elites. A closer look at daily political practices and their outcomes shows that practices are not random, but rather the outcomes of the constraints and incentives that institutions place on the political actors. They are enabled or limited by institutions which organise and structure the political process. Institutions are indispensable to the political process in every society and even though actors may play a substantial role in their initial design, the rules and constraints they provide are binding on all who engage in the political process. Thus

institutions affect how actors behave in different situations and how they perceive themselves under different circumstances; they shape actors' identities.

Therefore, the most appropriate definition of institutions for the present analysis is March and Olsen's view on institutions as "collections of interrelated rules and routines that define appropriate actions in terms of relations between roles and situations."⁷⁸ While institutions affect elites' behaviour, by defining appropriate actions and roles for them, they do not determine the behaviour of political elites. Institutions provide rules and roles for actors, but different sets of rules may be applied in any given situation, and depending on the nature of the situation (novel, routine, etc.) actors can choose from the available rules depending on their perception of the situation, their role and what they find to be the most appropriate course of action.⁷⁹ Thus this definition allows sufficient space for agency and does not over-determine political elite behaviour, while providing a framework for analysing the impact that institutions have on actors' choices.

In the post-conflict context, institutions are often the result of a major institutional overhaul introduced at the end of the conflict and aimed at restructuring the political system in a manner that would prevent a conflict from recurring. Most peace agreements, and definitely the Dayton and Ohrid Agreements in Bosnia and Macedonia, include a design for constitutional reforms that allows for the establishment of new institutions which would better regulate inter-ethnic relations and enable the resolving of ethnically sensitive issues in a peaceful manner. Post-conflict institutions are the main tools for post-conflict political

⁷⁸ J. G. March and J. P. Olsen, *Re-discovering Institutions*. (New York: The Free Press, 1989). p.160.

⁷⁹ J. G. March and J. P. Olsen, *Re-discovering Institutions*. pp. 21-38.

recovery, as they are expected to provide the necessary constraints and incentives for political actors to avoid violence and war.⁸⁰ Thus, post-conflict politics is largely institutional politics, and studying the progress and challenges of post-conflict states implies a strong focus on institutional dynamics and their influence on political actors.

An important corollary of the above discussion is that different institutional designs are likely to induce different elite actions, depending on the constellation of rules and experiences they embody for the actors. Before proceeding to consider how the specific power-sharing institutional arrangements, as a subset of political institutions aimed at reducing conflict in divided societies, affect the behaviour of political elites in Bosnia and Macedonia, this chapter first reflects on the impact of lingering institutional legacies. Next, the discussion turns to specific features of power-sharing arrangements in Bosnia and Macedonia, as well as considering political parties within power-sharing institutional designs. In addition, aiming to account for a more inclusive set of factors influencing elite behaviour, subsequent sections address the impact that informal practices and procedures exert on political elites.

INSTITUTIONAL LEGACIES

Institutions have a lasting effect, they shape actors' interests and identities and leave a lasting mark on actors' perceptions of themselves and others. Through establishing and reinforcing routine answers and roles for various situations and attaching greater meaning

⁸⁰ Nancy Bermeo, "The Import of Institutions" in *Journal of Democracy*. Vol.13, No.2 (2002), pp.96-110. Stefan Wolff, "Managing Ethnic Conflicts: The Merits and Perils of Territorial Accommodation" in *Political Studies Review*. Vol.9, No.1, (2011), pp.26-41.

to them, institutional stability and continuity increases.⁸¹ Once consolidated, institutions are very resilient and tend to last, as Pierson notes, through increasing returns, as the short time horizons for election-oriented politicians and the status quo bias in politics, make institutional change and reform more costly as time goes on.⁸² Actors accept and reproduce the norms embodied by institutions and thus the political regime gains greater stability and predictability. However, institutional change does happen. Whether through external shock, self-adjusting and punctuated equilibrium or incremental change,⁸³ institutions evolve or rapidly change and come to embrace new norms and values. Such periods of intense institutional change are known as critical junctures, which in a short time period allow political actors to choose from many available institutional options.⁸⁴ Once those choices are made the new institutions are 'locked in' and tend to consolidate and constrain political action, making drastic changes costly and unlikely. When in 1989 communism fell across Eastern Europe and in the next two years the Yugoslav federation fell apart, political actors in Macedonia and Bosnia faced a critical juncture when choosing the institutional design of their newly independent states. Many options were available, but the choices they made constrained their country's trajectory and in both cases ended up with violent ethnic conflict.

⁸¹ B.G. Peters, *Institutional theory in political science: the 'new institutionalism'*. 2nd edition. (London: Continuum, 2005).

⁸² P. Pierson, "When Effect Becomes Cause: Policy Feedback and Political Change" in *World Politics*. Vol.45, No.4, (1993), pp.595-628.

⁸³ On institutional change see: E. M. Immergut, "Historical Institutionalism in Political Science and the Problem of Change" in *Understanding Change: Models, Methodologies, and Metaphors*. Eds.A. Wimmer and R. Kossler. (Basingstoke: Palgrave, 2005); J. Real-Dato, "Mechanisms of Policy Change: A Proposal for a Synthetic Explanatory Framework" in *Journal of Comparative Policy Analysis*. Vol.11, No.1, (March 2009), pp.117-143.

⁸⁴ G. Capocchia and D. Kelemen, "The Study of Critical Junctures: Theory, Narrative and Counterfactuals in Historical Institutionalism" in *World Politics*, Vol.59, No.3, (2007) pp.341-369.

Even when institutions are completely overhauled or replaced by a new set of institutions and pertaining values and norms, they leave a legacy. Some of the previous norms survive as actors' learned and preferred actions and methods of interaction survive beyond the actual structures that gave rise to them. Cohen, March and Olsen claim that political actors, socialised into a certain institutional system, when faced with a novel situation will tend to first resort to familiar routines and ready solutions to answer the new problem.⁸⁵ This 'garbage can' approach accounts for institutional legacies that are sometimes integrated into a new institutional set-up but on other occasions go on to function despite the formal institutional values and norms. Such institutional legacies can vary at the policy level, so that some policy solutions can have a more lasting impact than others. Certain preferred policies can continue to shape actors preferences and views of the policy issues, while others will be supplanted by new ideas and practices. Given the deep institutional changes that Macedonia and Bosnia went through following independence and the conflicts, *this thesis will trace the effect that various institutional and policy legacies have on political elites' accommodation and resistance across ethnic lines.*

POWER-SHARING MECHANISMS

Following the general premise that institutions matter, this section looks further into the impact that institutions have on political elite behaviour by examining how a specific set of institutions – power-sharing institutions – affect the behaviour of political elites in terms of their tendency for ethnic accommodation or resistance. Scholars of power-sharing

⁸⁵ M.D. Cohen, J.G. March, J.P. Olsen, "A Garbage Can Model of Organizational Choice" in *Administrative Science Quarterly*, Vol. 17, No. 1. (Mar., 1972), pp.1–25.

arrangements claim that power-sharing institutions facilitate cooperation between elites in divided societies (along ethnic or other lines: e.g. religious, linguistic etc.) and allow for a peaceful and democratic political process mediating different groups' demands. The rich inventory of power-sharing institutional and political mechanisms aimed at facilitating across-group cooperation makes it also one of the favourite sources of post-conflict institutional designs for international engineers of post-conflict peace agreements and constitutional reforms. Power-sharing arrangements have been adopted recently in many post-conflict states including Bosnia and Macedonia, Northern Ireland, Kosovo, and South Africa. Evaluation of the empirical record of power-sharing institutions in these states, along with criticisms of the philosophical and theoretical underpinnings of power-sharing as a concept, have led to a lively debate within comparative politics on the merits of power-sharing as a principle of institutional design leading to peaceful and democratic politics in divided societies. By examining the impact of power-sharing institutions on elite accommodation in Bosnia and Macedonia, this thesis aims to contribute to this academic debate.

The debate on power-sharing institutions originates with the publication of Arend Lijphart's theory on 'consociationalism' or consociational democracy which he based on his study of the Netherlands and what he saw as Dutch exceptionalism in terms of the stability of the democratic regime despite the divided society.⁸⁶ Consociationalism, or power-sharing, is based on a set of power-sharing principles which allow deeply-divided societies to engage in

⁸⁶ Arend Lijphart, *The Politics of Accommodation: pluralism and democracy in the Netherlands*. (Berkeley: University of California Press, 1968).

peaceful moderation of conflicting and diverging group interests. According to Lijphart, the four main principles of consociational democracy are: *grand (executive) coalition*, *proportionality* (in distribution of parliamentary seats, political power and resources), *group autonomy* (most often territorial but also functional) and *veto rights* (for minority groups' protection of vital interests). These four principles comprise the core of power-sharing mechanisms employed in divided states, a variation and combination of some or all of which would be applicable to most divided societies regardless of the nature of the societal division, socio-economic and political context. In his later works, Lijphart developed these four principles further and eventually included additional factors such as a parliamentary political system (as opposed to presidential), a double legislative chamber (as opposed to unicameralism), durability of cabinets, constitutional flexibility, etc.⁸⁷ However, the four basic principles of power-sharing remain central to the academic debate on consociationalism and have proven most difficult to discredit by critics of Lijphart's work, as well as an integral part of institutional design practice, as the most durable and most frequently implemented mechanisms of power-sharing. Indeed, both Bosnian and Macedonian political systems to a different extent exhibit these power-sharing mechanisms, introduced as part of post-conflict institutional re-design in order to avoid relapse into ethnic conflict.

Grand executive coalition refers to an inclusive process of coalition-building in government where political parties or subjects representing all ethnic groups between which power is

⁸⁷ Arend Lijphart, *Democracies. Patterns of Majoritarian and Consensus Government in 21 Countries*. (New Haven and London: Yale University Press, 1984).

shared join the government. This principle is aimed at achieving cooperation between different groups and can vary in terms of the inclusiveness of political actors, from a grand all-inclusive coalition which includes all parties and remains with virtually no opposition, through a single-catch-all-party government, to a simple coalition including one party from each group.⁸⁸ Through coalition government political representatives from each ethnic group are meant to take part in the decision-making process, work together with representatives of other ethnic groups within a single cabinet, and come up with common policy solutions to problems troubling one or all ethnic groups in the society. Thus ethnic groups literally share the political power in their state, as opposed to for instance dividing the power between sectors or between regional administrative levels.

Executive coalitions are often criticised for making power-sharing states less democratic as they tend to strip politics of opposition due to their overly inclusive nature.⁸⁹ However, coalition governments, while inclusive of representatives of all ethnic (or other) groups, do not prevent intra-group political competition and multiple political parties competing for the votes of a single group. In both Macedonia and Bosnia, as well as in other power-sharing states, executive coalitions are accompanied by within-group political competition which adds a competitive element to the political process and ensures the healthy effects of opposition in democratic regimes are preserved. Coalition governments point to an important feature of power-sharing institutions – political elites as major actors upon which the responsibility for implementing power-sharing resides. Indeed the success of executive

⁸⁸ A. Lijphart, "Consociational Democracy."

⁸⁹ Brian Berry, "The Consociational Model and its Dangers" in *European Journal of Political Research*. Vol.3. No.4, (1975) pp. 393-413.

coalitions depends on the good will of political elites and their inclination to cooperate across ethnic lines. If political elites refuse to work with their counterparts from other ethnic groups, no functioning coalition can be forged and the efforts at power sharing will be futile. This is the source of additional criticisms of power-sharing, which see it as too dependent on elites, who can act in a morally hazardous way and exploit the system for their own benefit, as well as abuse it to promote further ethnic divisions as a means to securing their position as group leaders and thus also their hold on political power.⁹⁰

Coalition-building is a crucial power-sharing mechanism ensuring access to power for all groups in divided societies and the policy cases analysed in subsequent chapters examine if and how inter-ethnic coalition governments assist ethnic accommodation or lead to ethnic resistance.

The second power-sharing principle – proportionality – is aimed at increasing the representativeness of the political system by allowing fair representation of all ethnic groups in the state institutions – parliament, state administration, security forces, etc.⁹¹

Parliamentary representation is most often ensured through electoral engineering such as adaptation of the electoral system, rearrangement of the size of electoral districts, reserved seats in parliament etc. Both Bosnia and Macedonia have a closed list PR electoral system where political parties propose lists of candidates for deputies. Bosnia has a quite complex electoral structure combining bi-cameralism and federal parliaments, but the principle of

⁹⁰ N.A. Butenschon, "Conflict Management in Plural Societies: The Consociational Democracy Formula" in *Scandinavian Political Studies*. Vol.8, No.1-2, (1985), pp.85-103; S. Gates and K. Strom, *Power-sharing, Agency and Civil Conflict: Power-sharing Agreements, Negotiations and Peace Processes*. Policy Brief. (Oslo: Centre for Study of Civil War, 2007).

⁹¹ Arend Lijphart, "Self-determination versus pre-determination of ethnic minorities in power-sharing systems" in *Thinking about Democracy*. (London; NY: Routledge, 2008).

proportionality is enforced at all levels, from local, through canton and to entity, to state level. In addition to proportional representation electoral system and equitable representation in the public sector, proportionality entails proportional distribution of resources between the groups, such as fiscal decentralisation to bring resources closer to communities, ethnically-sensitive budgeting etc. In Macedonia fiscal decentralisation is aimed at ensuring fair access to state resources, while in Bosnia each of the entities and cantons has a separate budget. The proportionality principle, especially the PR electoral system, has been the subject of sustained academic criticism from 'integrationist' scholars, who claim it reinforces and strengthens ethnic divisions instead of bridging them. Horowitz criticises the PR electoral system as a divisive rather than an integrative measure in an already divided society, and advocates more integrationist measures, such as an alternative vote electoral system.⁹²

Representation is often supplemented by the devolution of political power from a centralised unitary state to various forms of *group autonomy* – usually territorial, especially in cases where the ethnic groups involved are concentrated relatively compactly within a certain part of the state territory. Although Lijphart did not emphasise the territorial aspect of group autonomy, lately power-sharing scholars have embraced territorial power-sharing as part of the power-sharing instrumentarium,⁹³ despite the controversial position of

⁹² Donald Horowitz, *Ethnic Groups in Conflict*. (Berkeley: University of California, 1985); Donald Horowitz, *A democratic South Africa? Constitutional Engineering in a Divided Society*. (Berkeley: University of California Press, 1991).

⁹³ J. McGarry and B. O'Leary, *The Northern Ireland Conflict: Consociational Engagements*. (Oxford: Oxford University Press, 2004).

territorial solutions to ethnic conflicts in conflict resolution literature.⁹⁴ There is no unified form of territorial power-sharing that can be used as a template in all ethnically divided societies. Practical instances of territorial power-sharing range from a fairly extensive model, such as Bosnia which is constituted as a federation of two entities, each of which has considerable political powers, and further within the Bosnian-Croat entity into regional units – cantons, and into municipalities at the local level, to a rather limited form of territorial power-sharing, such as decentralisation in Macedonia which only increased the authorities of local government units. The extent of territorial power-sharing can depend on many factors, such as the groups' homogeneity, the strategic and economic significance of the territory to the state etc.⁹⁵ but in all cases it is intended to provide some form of self-government for the minority group.

This thesis adopts a more inclusive view of group autonomy which includes not only territorial: federal and regional autonomy, but also functional autonomy: political and economic transfer of policy competencies to groups' control or to local governments. In the latter case, local political elites gain *de facto* autonomy over the policy process in specific policy areas where the political centre plays only a limited role. Functional autonomy has received limited academic attention beyond the discussion and recommendation of cultural and educational autonomy by authors who do not subscribe to the view describing benefits

⁹⁴ See: N. Sambanis and J. Schuhofer-Wohl, "What's in a Line? Is Partition a Solution to Civil War?" in *International Security*. Vol.34, No.2, (2009), pp.82-118. And E. K. Jenne, "The Paradox of Ethnic partition: Lessons from *de facto* partition in Bosnia and Kosovo" in *Regional and Federal Studies*. Vol.19, No.2, (2009), pp.273-289.

⁹⁵ Stefan Wolf, "Complex Power-Sharing and the Centrality of Territorial Self-governance in Contemporary Conflict Settlements" in *Ethnopolitics*. Vol.8, No.1, (March 2009), pp. 27-45.

of territorial solutions to ethnic conflicts.⁹⁶ In general, functional autonomy is considered as a less empowering solution to ethnic demands, being offered as a substitute for territorial autonomy.⁹⁷ Because the analysis in this thesis is focused on the policy level and the accommodation of political elites over controversial policy areas, the forthcoming analysis also reflects on the effects that functional autonomy in specific policy areas has on elite accommodation.

Thus defined, territorial and functional autonomy are mechanisms with a potentially large influence on the political elites in the policy process. They allow for decision-making autonomy in specified policy areas, which can theoretically have positive or adverse effects on the likelihood of political elites' ethnic accommodation. Power-sharing scholars insist on the positive effects of autonomy as a means of self-governance of ethnic groups within a single state which allows previously marginalized groups ownership of the political process.⁹⁸ Critics of power-sharing point to the potential dangers stemming from territorial power-sharing as the stepping stone to partition and secession. Rothchild and Roeder are particularly vocal in criticising both territorial and functional elements of power sharing, claiming that it provides ethnic leaders with “institutional weapons” with which to launch successful secession claims against the state by gaining the capacity to mobilise the masses and gather the necessary resources.⁹⁹ Roeder also suggests that the success of self-

⁹⁶ Ted R. Gurr, *Minorities at Risks: A Global View of Ethnopolitical Conflict*. (Washington DC: US Institute of Peace Press, 1993).

⁹⁷ M. Weller and K. Nobbs, *Asymmetric autonomy and the settlement of ethnic conflicts*. (Philadelphia: University of Pennsylvania Press, 2010).

⁹⁸ McGarry and O'Leary, *Northern Ireland Conflict*.

⁹⁹ D. Rothchild and P. Roeder, “Power Sharing as an Impediment to Peace and Democracy” in *Dilemmas of State-building in Divided Societies*. Eds. D. Rothchild and P. Roeder. (Ithaca: Cornell University Press, 2005).

determination and secession claims to a large extent is determined by the institutional resources available to political entrepreneurs, of which territorial autonomy or federalism is certainly amongst the most powerful.¹⁰⁰ Aiming to contribute to the scholarly debate on this issue, the forthcoming chapters study the impact that territorial and functional autonomy, in its different forms in Bosnia and Macedonia, have over the interactions of political elites. *Since all policy cases analysed are subject to either territorial or functional autonomy, this thesis investigates the positive or negative nature of the effects on elite accommodation and resistance and further illuminates the circumstances under which such effects materialize.*

The final power-sharing principle refers to groups' veto rights in the decision-making and policy-making processes. Bieber, who studies the power-sharing arrangements in the Western Balkans, considers veto rights to be the "most controversial mechanism" in these states because "they have the largest impact on decision-making processes".¹⁰¹ Veto rights introduce the power for all or some (minority) groups to block the adoption and implementation of specific policies, which are seen as harmful for the group. The range and nature of those veto powers can vary in different states. In Bosnia veto can be invoked when one of the three ethnic groups finds its "vital national interests" endangered by a specific policy proposal, while in Macedonia only a limited list of policies are subject to it. In Macedonia there are no veto powers as such, however, the requirement for double

¹⁰⁰ P. Roeder, *Where Nation-states Come From: Institutional Change in the Age of Nationalism*. (Princeton: Princeton University Press, 2007); P. Roeder and D. Rothchild, *Sustainable Peace: power and democracy after civil wars*. (New York: Cornell University Press, 2005).

¹⁰¹ F. Bieber, "The Challenge of Institutionalizing Ethnicity in the Western Balkans: Managing Change in Deeply Divided Societies" in *European Yearbook of Minority Issues*. Vol.3. (2003-4). p. 93.

majorities in parliament when passing legislation in certain policies plays virtually the same role, since a majority of non-majority ethnic groups' deputies need to support the proposal in addition to the overall majority votes which are required for the legislation to pass. The purpose of veto rights and qualified majorities is to give minority groups a greater say in the decision-making process and compensate for their minority status and numerical inferiority in parliament and government, which presents a potential danger of being marginalised and outvoted in the democratic political process which is based on majority decision-making practices. Critics have pointed out the negative effects of veto mechanisms, focusing on the inefficiencies they create in the policy-making process,¹⁰² as well as the potential to abuse veto powers by politicians aiming to boost their nationalist profile in politics.¹⁰³

In the framework of this thesis, veto rights are particularly important for studying elite interactions at the policy level since they provide political elites with a direct purchase on the policy process and its outcomes in terms of accommodation and compromise or resistance and veto. Therefore, by looking at how political elites interact in the policy process in areas where veto rights apply this thesis aims to investigate the impact that vetoes and qualified majority voting has on political elites in the policy process and examine when elite accommodation is more or less likely to take place. It is worth noting that this thesis does not subscribe to a simple interpretation of veto rights as only affecting the manner of elite interaction within the policies where a veto is invoked, but rather takes the

¹⁰² See: G. Tsebelis, "Elite Interaction and Institution Building in Consociational Democracies" in *Journal of Theoretical Politics*. (Jan 1990) No.2, pp.5-29. For Macedonia see: C. Chivvis, "The Making of Macedonia" in *Survival*. Vol.50, No.2, (2008), pp.141-162.

¹⁰³ See on Bosnian entity vote: D. Farrel's discussion in "Failed Ideas for Failed States? Liberal International State-Building in Bosnia and Herzegovina". *Center for Southeast Europe Working Paper Series # 1* (2009).

analysis further into how vetoes and threats to veto are used in the policy process and how different policies are linked, through log-rolling or otherwise, thus extending the impact the veto mechanisms have in the policy process.

The main elements of power-sharing institutional arrangements discussed above do not exhaust the list of institutional solutions that are, or can be applied, in post-conflict ethnically divided societies. Even the two cases analysed in this thesis, Bosnia and Macedonia, display different forms of these power-sharing principles, and in addition to them have incorporated a number of other measures to assist the peaceful and consensus-oriented nature of the political process, which has earned them the label 'complex power-sharing systems'.¹⁰⁴ Others have suggested various types of power-sharing arrangements that in addition to the political process would allow sharing power in the military and economic spheres.¹⁰⁵ Regardless of the empirical outlook of power-sharing institutions, or perhaps because of the varying empirical record of power-sharing states and each of the main power-sharing mechanisms, power-sharing remains one of the hotly contested topics in comparative politics and subject to continuous debate and criticisms. Even those who embrace the premise about the importance of institutions in shaping politics dispute the nature of the effects that power-sharing institutions have, accusing power-sharing of contributing to the opposite ends than the intended ones – namely contributing to greater ethnic division and institutionalisation of ethnic differences and thus rendering them more

¹⁰⁴ Stefan Wolf, "Complex Power Sharing."

¹⁰⁵ C. Hartzell and M. Hoddie, "Institutionalizing Peace: Power-Sharing and Post-Civil War Conflict Management" in *American Journal of Political Science*. Vol.47, No.2, (April 2003), pp. 318-332.

durable.¹⁰⁶ The aim of this thesis is not to provide conclusive evidence about one or the other side in this debate, but rather by looking at the empirical evidence from the policy process in two power-sharing systems, to shed additional light on when and under what conditions certain power-sharing institutions are more or less likely to contribute to greater ethnic accommodation, thus providing empirical flesh to better elaborate the theoretical and philosophical arguments of the power-sharing debate.

POLITICAL PARTIES

Although not part of the formal constitutional and institutional set-up, political parties are inseparable from the political institutions in every state and are largely considered part of the institutional structure in politics. Parties embody and promote norms and values, constrain the behaviour of their members and their rules and roles are infused with higher meaning for their members. They are not formally part of the power-sharing arrangement in consociational democracies either, but political parties are closely linked to power-sharing institutions as they play a key role in the political process and allow political elites to interact in the political arena. Even Lijphart in his initial formulation of consociationalism stressed the importance of political parties for the proper functioning of these institutions, as parties not individuals are the subjects between which power in government is usually shared.¹⁰⁷ Political parties also represent the aggregate interests of ethnic groups in divided

¹⁰⁶ P. G. Roeder and T. Chapman, "Partition as a Solution to Wars of Nationalism: Importance of Institutions" in *American Political Science Review*. Vol.101, No.4, (2007), pp.677-691; and P.G. Roeder, "Peoples and States after 1989: The Political Costs of Incomplete National Revolutions" in *Slavic Review*. Vol.58, No.4, (1999), pp.854-882.

¹⁰⁷ A. Lijphart, "Consociational Democracy."

societies and are the main vehicle that political elites use to win and hold on to political power. In other words, political parties are the main link between society and the state, which is governed by elected members of the political parties. Therefore, every endeavour to study the interactions between political elites needs to take into account the impact of political parties and the general structure and dynamics of the party system. This is especially so in post-conflict contexts, where political parties as representatives of ethnic groups dominate the political arena due to the weakness of civic or other social organisations.

A comprehensive overview of the literature on political parties and their typologies is outside the scope of this chapter. Political parties have been the subject of study for political scientists ever since the establishment of the discipline and a lot has been written since, little of which has a bearing upon the present analysis. For the purposes of adopting a workable definition of political parties, this thesis opts for a combination of classic definitions of political parties, Epstein's view of political party as "any group, however loosely organized, seeking to elect officials under a given label"¹⁰⁸ and Lipset's view of political parties as "systems of representation" which "contribute to the maintenance or dissolution of primary ties and to the perception of common interests, to the socialization and security of elites, the effectiveness of the polity in attaining societal goals..."¹⁰⁹ These two definitions capture the most important aspects of political parties – their role as means

¹⁰⁸ L.D. Epstein, "Political Parties in Western Democratic Systems" in *Political Parties: Contemporary Trends and Ideas*. Ed. Roy C. Macridis. (New York, Evanston: Harper&Row Publishers, 1967). p.126.

¹⁰⁹ M.S. Lipset, "Party Systems and the Representation of Social Groups" in *Political Parties: Contemporary Trends and Ideas*. Ed. Roy C. Macridis. (New York, Evanston: Harper&Row Publishers, 1967). p.43.

to attain political power and their role as vehicles of representation of the social context (groups' interests, values, etc.).

Epstein and Lipset point out that political parties engage both with the social structure of society, such as ethnic divisions or economic development, and the constitutional and institutional design of the state. Political parties compete for power within the institutional constraints set by the legal and constitutional system of the state, however, the issues, problems and programmes on which their competition is based represent the features and divisions of the social structure of society. Power-sharing institutional arrangements have substantial impact on the functioning of political parties. Among the four main power-sharing mechanisms, proportional representation electoral systems have the largest influence on political parties since they determine the rules of political competition in the country. While increased representativeness is an undeniable advantage of adopting a PR electoral system, some of its features and outcomes may lead to more ethnic resistance in the policy process. PR systems are seen as conducive to the development of political parties with exclusive group appeal, who get their vote from a single social group (ethnic, class or other) and represent the values and interests of that group in the legislature and government. Party support and voting preferences are a direct result of group membership and in return the party is perceived as the main protector of the group's interests.

Increasing ethnic representation, the growth of political parties with exclusive ethnic appeal has certain negative externalities which need to be taken into consideration: "politicisation" and "pillarisation" of politics and society. Politicisation refers to the overwhelming influence

of political parties in politics and society, when political parties are the main actors not only in the policy process but also dominate the political arena suppressing the civic sector and other forms of political activity. In addition, political parties also structure the relations in society where political party support becomes the dominant form of identification and means of career advancement.¹¹⁰ Politicisation is certainly not limited to power-sharing states or PR electoral systems, but the single-group focus of political parties makes it easier for parties to penetrate and dominate the group's social and political life. In politicised societies party influence spills over to the state and public administration, where party allegiance supplants neutrality and professionalism. Both Bosnia and Macedonia have been criticised for unbridled politicisation and party control in state and public institutions, suggesting that political parties have used the available institutional incentives to increase their control over political life and political elites can largely be considered as party elites.¹¹¹

Pillarisation is the effect of what political parties and political elites do to strengthen their grip on the group from which they draw their support. This includes building a strong party organisation and auxiliary infrastructure of party-related organisations, such as trade unions, youth and women's organisations, etc.¹¹² Pillarisation leads to encapsulating the individual within their group through developing the party and auxiliary infrastructure

¹¹⁰ A process similar to Italy's 'partitocrazia' before the 1990s, as well as in many other post-communist states where politicisation of society took place along political party lines. See: "Italy" in *Politics of Modern Europe*. Ed. M. Keating, (Aldershot: Elgar, 1999). Anna Gryzmala Busse, "Political Competition and the Politicization of the State in East Central Europe" in *Comparative Political Studies*. Vol.36, No.10, (December 2003), pp. 1123-1147. Anna Gryzmala Busse, *Re-building Leviathan: Party Competition and State Exploitation in Post-communist Democracies*. (Cambridge: Cambridge University Press, 2007).

¹¹¹ See consecutive Annual Progress Reports by the European Commission for both countries for the period between 2005-2011. Available at: http://ec.europa.eu/enlargement/press_corner/key_documents/index_en.htm

¹¹² M. Mendez-Lago, "Pillarization" in *Party Elites in Divided Societies: Political Parties in Consociational Democracy*. Ed. K.R. Luther. (London: Routledge, 1999).

around it, which further reinforces the divisive effects of the segmented society. This process has plagued the politics of post-conflict Bosnia and Macedonia, where political parties and political elites at the head of these parties have often obstructed the public sector reforms and establishment of neutral space for the civic sector, while individuals have used political parties as the only instrument for achieving their professional goals. This has opened the door for greater elite domination over the political arena, severely limiting the space for grass-root and civic initiatives in the policy process. Indeed, civil society in both countries is much weaker and mostly driven by external actors when compared to the wider neighbourhood or other post-communist countries.¹¹³

ETHNIC PARTIES AND ETHNIC OUTBIDDING

In ethnically deeply divided states, such as Bosnia and Macedonia, ethnicity and ethnic divisions in particular, tend to influence the political party system so that societal divisions are reflected among the political parties and drive political competition between them. Ethnically divided states therefore often see the rise of ethnic parties which “appeal to voters as the champion of the interests of one ethnic category or set of categories to the exclusion of others, and make such an appeal central to its mobilizing strategy.”¹¹⁴ Certainly many political parties in Bosnia and Macedonia can be categorised as ethnic parties.¹¹⁵ The

¹¹³ R. Belloni, “Civil Society and Peace-Building in Bosnia and Herzegovina” in *Journal of Peace Research*. Vol.38, No.2, (March 2001), pp.163-180. H. Blair et al, “Assessment of the Civil Society Sector in Macedonia”, USAID Macedonia. August 2003. Available at: http://pdf.usaid.gov/pdf_docs/PNACY078.pdf

¹¹⁴ K. Chandra, “Ethnic Parties and Democratic Stability” in *Perspectives on Politics*. Vol.3, No.2, (June 2005), pp.235-252.

¹¹⁵ The major Albanian political parties in Macedonia – Democratic Party of Albanians (DPA) and Democratic Union for Integration (DUI) – pledge to defend the interests of the Albanian community in Macedonia, even though DUI has made efforts to establish party branches in parts of Macedonia predominantly

rise and success of ethnic parties has often been considered inimical to democracy and democratic politics. Significant international efforts in Bosnia have been invested to promote multi-ethnic parties to power, although with limited success.¹¹⁶ Even proponents of power-sharing, such as Lijphart and Horowitz, have warned that there are “good systemic reasons why it is difficult to produce institutions conducive to the emergence of multi-ethnic democracy”¹¹⁷ and that institutional engineering through power-sharing arrangements offers “the least unfavourable prospects for peaceful democratic change.”¹¹⁸ In practise, while ethnically divided states can rarely boast an impeccable democratic record, ethnic parties have not often used anti-democratic rhetoric, even if at times they have considered secession and challenged state authority. It may indeed prove more difficult to engage in compromise and concession of electoral loss when parties are seen as the sole representatives of ethnic groups, but maintaining democracy in ethnically divided states is not impossible. Chandra claims that ethnic parties can sustain democracy depending on the institutional context within which ethnic divisions are politicised. If institutions restrict ethnicity to a single dimension democracy is likely to be destabilised, but if they encourage a multi-dimensional view of ethnicity democracy can be sustained.¹¹⁹ In

populated by Macedonians. The largest Macedonian party VMRO-DPMNE while officially multi-ethnic, embraces party symbols and rhetoric that clearly signal its exclusively ethnic-Macedonian appeal. Similarly, in Bosnia, the Serb Democratic Party (SDS) and even Union of Independent Social-Democrats (SNSD) appeal exclusively to Serbs, the Party of Democratic Action (SDA) is the main Bosniak (Muslim) nationalist party, and the Croatian Democratic Union of Bosnia and Herzegovina (HDZ) represents Croat. Non-ethnic party, Social Democratic Party (SDP) have only once scored an electoral victory in the Bosniak-Croat Federation on the 2000 elections.

¹¹⁶ Carrie Manning, “Elections and Political Change in Bosnia and Herzegovina” in *Democratization*. Vol.11, No.2, (2004), pp.60-86.

¹¹⁷ Donald Horowitz, “Democracy in Divided Societies” in *Nationalism, Ethnic Conflict and Democracy*. Eds. L. Diamond and M.F. Plattner. (Baltimore: Johns Hopkins University Press, 1994).

¹¹⁸ Arend Lijphart, *Democracy in Plural Societies*. (New Haven: Yale University Press, 1977). pp.136-7.

¹¹⁹ K. Chandra, “Ethnic Parties and Democratic Stability”, p. 236.

Bosnia and Macedonia, the presence of ethnic parties has not endangered democracy so far, even though both states have failed to fully consolidate their democratic regime and are widely considered to be only “partly-free” in international and regional rankings.¹²⁰

However, not all political parties in power-sharing states behave as ethnic parties and some do not engage in seeking exclusive electoral support from only one social (ethnic) group. Pivot parties, as they are often referred to, are smaller parties which often become part of the government coalition and add necessary electoral support to the government, but do not anchor their programme or appeal in group terms. In some of the more mature power-sharing systems in Western Europe, over time these parties have become important players in the political game, while new parties have even challenged the power-sharing nature of the political system, rejecting the principles of power-sharing politics and challenging the logic behind it.¹²¹ This has not been the case with Bosnian and Macedonian politics where power-sharing is still a novel principle, so political parties are still adjusting to its features and there has been almost no electoral volatility across ethnic lines. However, it does provide one possible option for future development of the political party system and the impact it has over political elite interactions.

And while the mere existence of ethnic political parties may not directly endanger democracy by preventing accommodation and compromise across ethnic lines, certain

¹²⁰ Freedom House in the Freedom in the World Index regularly ranks both Macedonia and Bosnia as ‘partly free’. For 2010, Macedonia and Bosnia are the only two ex-Yugoslav states still considered partly-free (with the exception of Kosovo). Freedom Index available at: <http://www.freedomhouse.org/template.cfm?page=15>

¹²¹ P. Pennings, “Party and Institutional Indicators of Change” in *Party Elites in Divided Societies: Political Parties in Consociational Democracy*. Ed. K.R. Luther. (London: Routledge, 1999).

aspects of ethnic party politics may contribute to such developments. *Ethnic outbidding*, a spiralling process of intra-group party competition where each party claims to be the most effective defender of group interests¹²² is one aspect of ethnic party politics that could result in lack of elite accommodation and increasingly conflict-oriented politics. Due to the PR electoral system and the larger number of political parties, this process, characteristic of ethnically divided politics, sees intra-group political subjects trying to outflank their opponents by proposing ever more extremist agendas and policies. As a result, politics in both groups moves centrifugally towards more ethnically exclusive policies as opponents answer the initial bidding by bidding even higher on the ‘protection of ethnic interests’ scale. This reinforcing ethnicisation of politics could threaten the power-sharing spirit of accommodation and mutually acceptable policy solutions reached by compromise, especially in an environment of ‘pillarised’ and ‘politicised’ political space, where what political parties do strongly reverberates across society.

Even early scholars of political parties noticed the inherent potential of some party systems to lean towards outbidding. In the 1960s, Lipset warned on the potentially harmful effects of PR multi-party systems by perpetuating divisiveness through the “tendency of parties to attack most virulently those with whom they have most in common and with whom they compete for a similar vote, thus magnifying the differences between them.”¹²³ While most PR systems may have this potential, it would be most fully realised in a post-conflict context of deep division between ethnic groups with a tendency in the population to identify

¹²² Definition by John Coakley, “Ethnic competition and the logic of party system transformation” in *European Journal of Political Research*. Vol.47, (2008), pp.766-793.

¹²³ S.M. Lipset, “Party Systems and the Representation of Social Groups”, p.65.

primarily with the ethnic group and where this is used by political elites to advance ethnically charged agendas.

Not all who study ethnically deeply-divided states agree that ethnic outbidding is either inevitable or as harmful as has been suggested. Chandra demonstrates that where multiple cross-cutting cleavages are present initial outbidding will be counterbalanced by actors bidding on alternative cleavages which would prevent spiral outbidding.¹²⁴ Mitchell, Evans and O'Leary claim that while parties which engage in outbidding and extremist rhetoric may gain greater electoral support, their stance will be diluted in the actual process of policy-making which is based on concessions and negotiations, so the eventual policy outcome as well as policy preferences of the wider population will become more moderate.¹²⁵ They support this view with findings from their research in Northern Ireland where, despite the electoral victory of the two more extremist parties on both sides, politics has not become more extreme and neither have the popular preferences. In view of this debate, and considering the potentially large bearing that ethnic outbidding can have on the policy processes in the Bosnian and Macedonian context, *the following chapters look at the policy process in Bosnia and Macedonia and examine the effects of ethnic outbidding on political elite accommodation and resistance.*

Moving beyond the constraints of formal power-sharing institutions, focusing on political parties in Macedonia and Bosnia allows wider scope for analysis of ethnic accommodation. The politicised administration and political arena, and the pillarised society, testify to the

¹²⁴ K. Chandra, "Ethnic Parties and Democratic Stability."

¹²⁵ P. Mitchell, G. Evans and B. O'Leary, "Extremist Outbidding in Ethnic Party Systems is not Inevitable: Tribune Parties in Northern Ireland" in *Political Studies*. Vol.57, No.2, (2009), pp. 397-421.

central role that parties play in the political process in these countries. Their tendency to translate ethnic divisions into political cleavages and outbidding cycles has the potential to enhance centrifugal tendencies in politics, which could increase ethnic resistance among political elites.

INFORMAL PRACTICES

The above sections discussed the effects of power-sharing institutions and political parties on political elite interactions. These institutions, by structuring the political game, limiting the available courses of actions and policy choices and determining the set of appropriate actions in a given situation have substantial influence on political actors and their behaviour. However, institutionalism literature further accounts for another major factor influencing the behaviour of political elites – the informal rules and practices, whose influence also constrains and guides political elites. In its endeavour to explain political elites' accommodation-resistance patterns, this thesis therefore looks beyond formal institutions and examines the role that informal institutions play in post-conflict politics in ethnically divided states.

March and Olsen's definition of institutions as “rules and routines that define appropriate actions in terms of relations between roles and situations”¹²⁶ allows sufficient space for analysing both formal and informal rules and routines that define actors' available roles and behaviour in various social situations. Using this wider approach to institutions, it is useful for the forthcoming analysis to distinguish between formal and informal rules and practices

¹²⁶ J.G. March and J.P. Olsen, *Re-discovering Institutions*.

– or institutions. Helmke and Levitsky distinguish between rules and routines that are created, communicated and enforced through official channels, which are formal institutions, and those created, communicated and enforced through unofficial channels, which they define as informal institutions.¹²⁷ The distinction between official and unofficial channels is particularly helpful for the analysis of political elite accommodation because of the frequent use of unofficial channels to communicate, bargain and negotiate by the politicians in Bosnia and Macedonia. In addition to the formal accommodation bodies enshrined in the constitutional framework of these states, such as the Inter-Ethnic Council in Macedonian parliament and upper houses of entity and state parliaments in Bosnia, agreements over sensitive issues are often reached in closed and informal meetings between party and group leaders and only later introduced to parliaments and other formal institutions. Therefore, by looking into those unofficial channels that create, communicate and enforce rules and routines this thesis aims towards a more inclusive and nuanced explanation of the factors behind ethnic accommodation and resistance in post-conflict Bosnia and Macedonia.

While formal institutions are embedded in the legal and constitutional framework of each state and their origins, codes of work and mandates can easily be established from legal documents, determining the same for informal institutions is a more challenging task. Studying informal institutions in this thesis is limited to the practices in which political actors engage outside formal institutions. The networks and interests behind such practices

¹²⁷ G. Helmke and S. Levitsky, “Informal Institutions and Comparative Politics: A Research Agenda” in *Perspectives on Politics*. Vol.2, No.4, (December 2004), pp.725-740.

are difficult to observe and confirm, so one can only speculate about their impact on the political process. Previous sections already suggested few sources of informal institutions. Political elite continuity from communist and pre-conflict periods allows strengthening and developing of relations between the formal and informal realm and for their continued influence over politics and policy-making. Moreover, as a result of the conflict, the gap between ethnic groups, filled with distrust and fear along with the erosion of state authority and rule of law, also contributes to the survival of informal practices providing for security for the ethnic group. These two combined legacies make informal practices an important political factor in the political process in post-conflict states.

Weak institutions, resulting from post-communist democratic transition and failure of the rule of law and state monopoly on violence during conflict, make politics more volatile, allow more space for actors to change and adapt the rules of the political process as well as for increased presence of informal practices that coexist and work in parallel to formal institutions. Because Bosnia and Macedonia have yet to fully consolidate their democratic and power-sharing institutional systems, the weak institutional context is particularly conducive to the strengthening of informal practices and channels of communication. In addition, the presence and influence of international actors in the post-conflict context is so extensive that it is bound to exceed the formal institutional channels and result in informal mechanisms of exerting pressure on domestic politicians. These processes in the case of Bosnia and Macedonia are not two distinct processes running independently of each other but rather overlap and interact, due to the overlap of the post-communist and post-conflict transitions. The double post-communist and post-conflict nature of informal actors in

politics leads to a potentially more thorough penetration of informal rules and practices in the political process and politicians' frequent reliance on informal rather than formal institutional tools in resolving policy problems.

POSITIVE AND NEGATIVE EFFECTS OF INFORMAL INSTITUTIONS

Most of the literature discussing informal practices is focused on their negative impact on the prospects for successful democratic transition and post-conflict ethnic accommodation. The literature on post-communist lustration and *nomenklatura* networks has considered extensively the negative impact that informal networks can have on young democracies, resulting in stalled reforms, weak institutions, clientelism and corruption.¹²⁸ Ganev discusses the impact of nomenklatura networks over the economic transition in Bulgaria claiming that at times they were quite influential and acted as an additional veto player in the policy-making process.¹²⁹ These trends were certainly not limited to Bulgaria, and things developed similarly in other countries in the region. In Macedonia, privatisation was conducted in an equally non-transparent manner benefiting mostly the old communist economic and political elites who used their positions to buy state-owned enterprises. By 2001, when the conflict took place, Macedonia already had a well-established 'transition elite'. In Bosnia, due to the ethnic conflict, which lasted from 1992 to 1995, privatisation

¹²⁸ N. Letki, "Lustration and Democratization in East-Central Europe" in *Europe-Asia Studies*, Vol. 54, No.4, (2002), pp. 529-552.

¹²⁹ V. Ganev, "The Dorian Gray effect: winners as state breakers in postcommunism" in *Communist and Post-Communist Studies*. Vol.34, No.1, (2001), pp. 1-25.

only really commenced after the end of the conflict, but its progress has been marred by corruption and criminal scandals much alike elsewhere in the region.¹³⁰

Similarly, various post-conflict literature deals with the negative effects of informal practices and networks in the post-conflict context. These networks are usually involved in activities of an illegal or semi-legal nature, including drug-trafficking, people smuggling and trafficking, arms trade, racketeering etc.¹³¹ Moreover, the influence of these post-conflict informal networks and their practices does not stem solely from their economic power and the resources at their disposal, but they also benefit from the aura of heroes and defenders of innocent populations around them, whose popular support they can use to put pressure on political elites. War-time hierarchies, loyalties and rules survive into post-conflict politics, especially when parts or entire armed structures are included in formal institutions, such as police and military forces, or become new political parties. These rules, hierarchies and practices run in parallel to those of formal institutions, often undermining them. Macedonian politics abounds with such instances, mostly because the general amnesty proclaimed after the conflict absolved members of the NLA and included them in state police forces, while NLA leadership became the core of the new DUI political party. Old NLA members often keep their "Commander" titles before their names, even if they have no military affiliation anymore. In Bosnia, despite international screening of police members

¹³⁰ Timothy Donais, "The Politics of Privatization in Post-Dayton Bosnia" in *Southeast European Politics*. Vol.3, No.1, (June 2002), pp.3-19.

¹³¹ Among others see: Lucia Montanaro-Jankovski, "Good Cops, Bad Mobs: EU policies to fight trans-national organised crime in the Western Balkans". *EPC Issue Paper No.40*. October 2005; Vera Stojarova, "Organised Crime in the Western Balkans" in *HUMSEC Journal*. Issue 1. (2007)pp.91-114.

after the war, many remained committed to their war leaders and the army in Republika Srpska provided support for war criminal and former leader Ratko Mladić well into 2002.

Although these two areas of research provide a useful insight into the informal side of politics in post-communist and post-conflict states, illustrating the extent to which informal networks and practices have penetrated into the official realm, they fail to capture all aspects of informal politics in these societies. Acknowledging the adverse effects that informal practices and networks can have on post-conflict democratic and power-sharing politics, this thesis maintains that informal institutions do not only produce negative outcomes, such as corruption, clientelism, parallel loyalties and hierarchies, but can positively affect ethnic accommodation. Lauth claims that some informal institutions, such as custom law, lobbying practices, etc., are not damaging to democracy but can help the transition and consolidation of democracy in the interim period before formal democratic norms and rules are fully established and accepted by all.¹³² Gryzmala-Busse and Luong also propose that informal institutions do not necessarily subvert formal democratic ones, but can often exist simultaneously and intertwine to produce the desired policy outcomes.¹³³ These informal practices are not illegal or involved in criminal activities, but provide parallel channels of interaction and communication for the political elites, outside of the official institutions of the state. Lobby networks, informal leader meetings, clubs and groups, establish an informal infrastructure that overlaps or supplements the official institutional structure. Such informal practices are common in many states and international

¹³² C. Lauth, "Informal Institutions and Democracy" in *Democratization*. Vol.7, No.4, (2000), pp.21-50.

¹³³ A. Gryzmala-Busse and J. Luong, "Reconceptualizing the State: Lessons from Post-Communism" in *Politics and Society*. Vol. 30, No.4, (December 2002), pp.529-554.

organisations such as the EU, but because of the weak institutional structure and deeply divided society in post-conflict states, they tend to play a more significant role in politics. The analysis in the empirical chapters will therefore also serve to investigate the instances of positive interactions between formal and informal institutions and the conditions under which these lead to greater ethnic accommodation or resistance.

Helmke and Levitsky suggest a two-axis frame for determining the possible interactions and effects of formal and informal institutions. Depending on the degree of convergence of outcomes that formal and informal institutions produce and the effectiveness of formal institutions, they develop four types of informal institutions.¹³⁴ Considering the low effectiveness of Bosnian and Macedonian formal institutions, only two of these are relevant for the analysis in this thesis, the 'substitutive' informal institutions which produce convergent outcomes to those of formal institutions, and 'competitive' ones, which result in divergent outcomes. Substitutive informal practices would therefore assist elite accommodation and enhance the formal institutional incentives and constraints for finding a mutually acceptable answer to ethnically sensitive problems, while competitive informal practices would undermine formal incentives for ethnic accommodation and lead towards greater resistance and continued ethnicisation of policy issues. Both kinds of informal practices may be present in the political processes in Bosnia and Macedonia, so by tracing the policy processes in various policy areas the following chapters will also analyse under when and what conditions informal institutions and practices have positive or negative influence on ethnic accommodation.

¹³⁴ G. Helmke and S. Levitsky, "Informal Institutions and Comparative Politics: A Research Agenda".

Finally, just like formal institutions their informal counterparts also tend to change over time. As formal political institutions change, especially as their effectiveness increases or decreases, the effects of informal practices can change. As formal democratic institutions consolidate and political actors internalise democratic norms and practices the impact of informal practices is likely to decrease. A change in the political context could create or destroy the need for a certain informal practice and the purpose it fulfilled in the political process. While institutional and constitutional reform does not necessarily affect informal rules and practices, the changes it introduces to the formal institutional set up can affect the logic and functioning of the informal institutions too.

4. EXTERNAL ACTORS: EU, NATO AND HIGH REPRESENTATIVE

It would be unwise to analyse the present-day domestic policy arena of any state as isolated from external influences, but when considering small post-conflict countries, which have hosted a number of international missions aimed at peacekeeping and reconstruction in addition to an array of foreign diplomats advising and guiding the actions of domestic political elites, such as the cases of Bosnia and Macedonia, it would be a futile exercise. External factors without doubt tend to play a very important role in domestic politics in post-conflict states. Therefore, in the analysis of political elite accommodation at policy level, this thesis takes into account the impact that external actors have over this process.

External involvement in Macedonian, and especially Bosnian politics, dates back to the beginning of the conflict and follows international efforts to put an end to violence and find

mutually acceptable solution for peace. After the end of the war peacekeeping missions, both military and civilian, were deployed. They were responsible for maintaining peace and security while top-ranking diplomats and domestic leaders crafted the details of the new political and constitutional orders as enshrined in the Dayton and Ohrid Peace Agreements. In those early post-conflict stages external actors are considered crucial for guaranteeing each side's commitment to the provisions in the peace agreements, without which relapse into violence is likely.¹³⁵ However, more than fifteen years after the conclusion of Dayton Agreement, Bosnia still hosts an internationally appointed High Representative with extensive executive powers, which to a considerable degree restrains the freedom of political elites to engage and interact in the domestic political arena. Moreover, at the beginning of 2000s both countries joined the EU's Stabilisation and Association process, designed as a preparatory tool for bringing the countries from the Western Balkans closer to the European Union, a process which also opened the door for greater influence not only of EU diplomats, who were already quite active in these countries, but also of EU bureaucrats, who as part of the monitoring and evaluation process gained access to every aspect of the legal, policy and administrative structure of these states. Similar, although less pervasive, have been the evaluating efforts for the countries' preparation to join NATO, where the country's military, security and overall political and democratic stability is evaluated before it is invited to join NATO or its Partnership for Peace programme.

¹³⁵ B.F. Walter, *Committing to Peace: The Successful Settlement of Civil Wars*. (Princeton: Princeton University Press, 2002)

There is a growing body of literature devoted to the challenges of EU and NATO accession by candidate countries which investigates the processes of policy approximation and the normative socialisation of domestic elites exposed to external influences of EU¹³⁶ as well as developing literature on EU's foreign policy and the effects of EU's 'soft' power in producing desired change in receiving states.¹³⁷ However, this thesis, while acknowledging their importance, looks at an alternative aspect of external actors' influence – it investigates how EU and NATO's involvement becomes part of the domestic policy equation by affecting the accommodation-resistance patterns in elite behaviour. Thus, the focus of analysis is on the domestic policy process, which is the central concern of this thesis, where the actions of external actors are translated into influences over domestic policy actors. This approach has been undeservedly understudied in the literature on NATO and EU enlargements and EU foreign policy, since by looking at the domestic policy arena, which is the exact spot where external influence is materialised into policy outcomes, one can trace what domestic elites gain from the external input and how they use it in the decision-making process. This approach contributes to a better understanding of how external influence over domestic politics in aspiring EU or NATO members works and complements the aggregate level studies on the same subject, while at the same time also helping researchers better understand the dynamics of political elites' interactions in these states.

¹³⁶ T. Borzel and T. Risse, "Conceptualizing the Impact of Europe" in K. Featherstone and C. Radaelli (Eds.) *The Politics of Europeanization*. (Oxford: Oxford University Press, 2003). (57-82); G. Pridham, "EU Accession and domestic politics: Policy consensus and interactive dynamics in central and eastern Europe" in *Perspectives on European Politics and Society*. Vol.1, No.1, (2000), pp.49-74.

¹³⁷ Z. Laidi, *EU Foreign Policy in a Globalized World: Normative Power and Social Preferences*. (London; New York: Routledge, 2008); N. Tocci and D.S. Hamilton, *Who is a normative foreign policy actor? The European Union and its global partners*. (Brussels: CEPS, 2008).

INHIBITING OR ENABLING? EXTERNAL ACTORS' IMPACT

In the late 1990s and early 2000s, with the accession of Central and East European states into the EU and NATO, most of the literature on the subject had positive views on the impact of the EU and NATO on the politics of aspiring members. Many scholars of eastern enlargements agreed to the fact that, through the adoption of policies required for EU and NATO membership, these organisations contributed to the consolidation of democracy in aspiring member states.¹³⁸ By using conditionality, stick-and-carrot techniques of inciting desired outcomes in terms of both policy adoption and implementation, EU and NATO were seen as a catalyst which accelerated the pace of democratic reforms, which due to their painful consequences for many parts of the population might have otherwise taken much longer and followed a less linear path. Moreover, the accession negotiations helped socialise the political elites of these states into democratic values and governance principles, which thanks to the long decades of communist rule were missing in the political culture of former communist states.¹³⁹

However, the practical record of EU and NATO integration of the Western Balkans states so far, as well as the analyses of some who studied the effects of integration on these states, do not unequivocally support such claims. Moreover, recent political developments in the EU since the financial crisis in 2008, reveal weaknesses in the way EU works internally,

¹³⁸ H. Grabbe and K. Hughes, *Enlarging the EU Eastwards*. (London: Royal Institute of International Affairs, 1998); K. Smith, *The making of EU foreign policy: The case of Eastern Europe*. (Houndmills: Palgrave, 2004).

¹³⁹ H. Grabbe, "Europeanization Goes East" in K. Featherstone and C. Radaelli (Eds.) *The Politics of Europeanization*. (Oxford: Oxford University Press, 2003). (303-330); M.A. Vachudova, *Europe Undivided: Democracy, Leverage and Integration after Communism*. (Oxford: Oxford University Press, 2005).

which negatively affect its reputation as a model for aspiring member states.¹⁴⁰ Western Balkan states present a much greater challenge for the EU than the former communist states of Central Eastern Europe, and some of the instruments that the EU and NATO successfully applied in the previous round of enlargement seem to be failing to produce the expected results in the Western Balkans. Noutcheva suggests that EU conditionality is rather ineffective in the Western Balkans when it comes to issues closely linked to sovereignty, security and group identity.¹⁴¹ Despite continuous EU and NATO pressures, political elites in Bosnia did not compromise easily over police reforms, nor did political elites in Serbia accept Kosovo's independence, nor did Macedonian elites show willingness to compromise over the name dispute with Greece. Gryzmala-Busse focuses on the effects of the EU on the policy-making space and notes that one of the effects of EU integration is the narrowing of the policy arena, as most of the policy templates and solutions are being provided by the EU as requirements for membership, which leaves little space for proper policy debate in accession states.¹⁴² The result of EU's policy dominance is political competition of personalised and confrontational nature, which in a situation of deep ethnic divisions accompanied by distrust and fears, can easily degenerate into ethnically extremist politics and further aggravate the ethnic balance in these societies.

Taking into consideration the above debate on the effects of external actors on domestic political elites and the policy process, this thesis *examines the impact of external actors on*

¹⁴⁰ The debt crisis in Greece, and to a lesser degree in Ireland, Spain and Portugal, suggests that successful market reforms may not always be the result of EU membership.

¹⁴¹ G. Noutcheva, "Fake, Partial and Imposed Compliance: Limits of the EU's Normative Power in the Western Balkans". *CEPS Working Document No.274/July 2007*. Available at: www.ceps.org

¹⁴² A. Gryzmala-Busse and A. Innes, "Great Expectations: the EU and Domestic Political Competition in ECE" in *East European Politics and Societies*. Vol.17, No.1, (2003), pp.64-73.

the domestic politicians by looking at how the external input is used in the process of policy- and decision- making, thus also examining when and under which circumstances the external input is enabling or inhibiting, resulting in greater or lesser ethnic accommodation.

CONCLUSIONS

This chapter offers an overview of the social science literature which this thesis uses to analyse the research question. The purpose of this chapter is to identify the most appropriate literature on the subject of political elites' ethnic accommodation in post-conflict ethnically divided states and thus carve out a theoretical niche to which this thesis contributes. Political elites, as the main subject of this research, are the starting point of the theoretical investigation. Following a review of political elites' theory, a functionalist definition of political elites is adopted and adapted to the needs of the thesis. The chapter proceeds to discussions on elite unity, fragmentation and continuity as the main features of political elites in the context of post-communist and post-conflict transformation.

After a brief overview of the social and political context in ethnically divided and post-conflict societies, outlining the features of ethnically dominated political processes, the chapter proceeds with a discussion of literature on the explanatory framework. Taking an institutionalist approach to the research problem, the chapter explores institutional continuities and change, as well as the impact of the specific institutional mechanisms adopted in the post-conflict period in Bosnia and Macedonia. These include various power-sharing mechanisms: executive coalition, veto mechanisms, and territorial and functional

autonomy. The following sections reflect on the role and impact of political parties and the dynamics of their competition over ethnic accommodation and expand the explanatory frame by including informal institutional practices in the analysis. Finally, external actors, the EU, NATO and High Representatives are analysed as additional factors affecting the behaviour of political elites. The theoretical review offers a discussion of the main concepts and arguments in each field of literature, mapping the on-going debates and controversial points, in order to derive the arguments with the largest explanatory potential for research question of this thesis.

CHAPTER THREE: INSTITUTIONAL BACKGROUND AND LEGACIES IN BOSNIA AND MACEDONIA

INTRODUCTION

This chapter examines the institutional and political background in Bosnia and Macedonia both before and after the Dayton and Ohrid agreements were signed in 1995 and 2001 respectively. The first part of the chapter explores the institutional legacies in Bosnia and Macedonia, mostly looking back to communist institutional structures in the former Yugoslav federation, but also referring back to earlier historical periods. Exploring these institutional legacies is central to understanding their impact on post-communist politics. The second part focuses on the years following 1989 and the dissolution of the Yugoslav federation, which led to the ethnic conflict in Bosnia in 1992 and inaugurated a decade of democratic transition before the 2001 ethnic conflict in Macedonia. During this period political actors' choices set the institutional and political contours of the new states, which constrained future choices and available solutions. The final part of the chapter looks in

greater details at the institutional arrangements that the Dayton and Ohrid agreements introduced in Bosnia and Macedonia, focusing in particular on the power-sharing nature of the post-conflict institutional set-up. The outlook of both institutional systems is further elaborated in the final sections of the chapter, with particular emphasis on the policy-making implications of both agreements.

This chapter argues that, while both the Dayton and Ohrid agreements were to a certain extent products of external actors trying to put an end to the conflicts, there are significant continuities between pre- and post- conflict institutions in both states. While the literature on the topic claims that the Dayton and Ohrid were imposed by external actors paying little heed to the needs of the domestic elites and often places the responsibility for the post-conflict politics failures to the lack of input that local politicians had in the post-conflict arrangements,¹⁴³ this chapter argues to the contrary. Domestic political elites were involved in the peace negotiations and they consented to the terms of the peace agreements, even if it was external actors who offered a set of different options. The post-conflict institutional outlook bears a notable resemblance to federal power-sharing provisions in Yugoslavia, as many of the features of post-conflict institutions reflect what domestic politicians preferred and were already familiar with.

¹⁴³For example early European Stability Initiative reports: “Imposing Constitutional Reform: The Case for Ownership” March 2002, or “Travails of the European Raj” July 2003, available at: www.esiweb.org

1. YUGOSLAV COMMUNISM: ETHNICITY AND IDEOLOGY

The analysis of institutional legacies in this chapter is limited to that of communist institutions. There are two major reasons for setting the scope of analysis to the immediate past, in addition to trying to avoid endless regression to past regimes: the longevity and penetration of the communist regime. Having lasted for more than four decades in Yugoslavia, communism was not only the dominant ideology and political system but the only system that political leaders at the head of the republics in 1990-1 would have been exposed to. The authoritarian nature of communism meant it prevented debate on alternative political values and penetrated deep into the political tissue and removed all but faint residues of previous regimes and institutions. This was especially true in Macedonia and Bosnia, which had no previous history and experience of independent statehood, so in 1990-1 their political leadership was left with a limited range of familiar institutional designs.

When in 1990 the constituent republics of Yugoslavia held multi-party elections and independence referenda that precipitated inter-ethnic violence, the Yugoslav federation was governed by the provisions of the 1974 Constitution, the fourth different constitution in Yugoslavia since 1945. Constitutional engineering was a common tool that Yugoslav political elites used to address the mounting political and economic problems of the federation. The constitutional history that all former Yugoslav republics share is the necessary starting point of analysis of their institutional legacy and the subsequent separate trajectories that the successor states undertook after the break-up of Yugoslavia. Indeed, as the following

paragraphs will demonstrate, the 1974 Constitution constrained the possible courses of action, shaped the ways Yugoslav political elites articulated their problems, and the types of solutions they sought.

One aspect of the 1974 Constitution that had undeniable influence on the political developments in Yugoslavia is the unresolved issue of sovereignty and self-determination. Much of the 1990-1991 debates between the republican communist elites were about the repository of sovereignty, or whether sovereignty resided in nations or republics, since the unclear wording of the Preamble left plenty of room for interpretation. The Constitution mentioned the people of Yugoslavia [‘narodi Jugoslavije’] who, based on their right to self-determination, including the right to secession, joined together in a federal republic, where their common and separate interests are realised and protected.¹⁴⁴ However, Art. 3, defines a republic as “a state based on the sovereignty of the people...” thus indicating that the republics, i.e. federal units are the expressions of sovereignty of the people in Yugoslavia. This tension between the national and territorial grounding of sovereignty, while dormant until 1989, created many misunderstandings in 1990 when the federation was on the brink of dissolution. Slovene and Croatian communist leaders argued for the territorial interpretation of sovereignty and claimed that republics, not nations, had the right to secede from the federal state union, while Serbian elites argued the opposite, demanding the right of people, or nations, to exercise self-determination.¹⁴⁵ These positions are quite understandable considering the distribution of the Serbs across the republics and the map

¹⁴⁴Osnovna načela. *Ustav Socijalističke Federativne Republike Jugoslavije*. [Basic Principles. Constitution of the Socialist Federal Republic of Yugoslavia]. (IP Official Gazette: Belgrade, 1974).

¹⁴⁵A. Helfant Budding, “People/Nation/Republic” in *State Collapse in SEE*. Eds. L. Cohen and J.D. Soso. (Lafayette: Purdue University Press, 2007).

of republican borders in SFRY.¹⁴⁶ Based on these arguments, Bosnian Serbs treated Bosnian independence as illegal, well into 1995, three years after Bosnia has been internationally recognized, and justified JNA's presence as preventing illegal secession from Yugoslavia. However, the unclear definitions of sovereignty, nations and republics made it impossible for republican elites to use the same concepts unambiguously and contributed to the stalemate and political crisis in 1990-1. Despite four decades of communist ideology, political elites in Yugoslavia lacked basic unity over the most fundamental concepts of statehood, such as sovereignty, which made the survival of the common state very difficult and posed a difficult start for democracy in the successor states.¹⁴⁷

More than a matter of interpreting the letter of law, the issue of sovereignty had immediate practical political implications. Republics gained significant powers in the 1974 Constitution, and this extensive decentralisation allowed them to exercise many state-like functions, which gave the sovereignty debate a tangible impact. Decentralisation of political power in SFRY, another institutional legacy of the 1974 Constitution, officialised earlier trends of political reforms favouring weaker centre and stronger federal units. In the thirty years between 1945 and 1974, SFRY had evolved from a highly centralised communist state to an almost con-federal formation with central powers limited to the army (JNA) and the league of communist parties (SKJ). Finally, in 1991, even those weak bonds dissolved along

¹⁴⁶There was sizeable Serbian population in the Croatia and Bosnian and Herzegovina, and many Serbs including Serbian political leaders feared that Serbs would become a minority if Yugoslavia dissolved along republican borders.

¹⁴⁷J. Higley, J. Pakulski and W. Wesolowski, *Elite Change and Democratic Regimes in Eastern Europe*. (Basingstoke: Macmillan, 1998).

republican borders, despite the external actors' explicit support for preserving Yugoslavia as a single though politically reformed state.

The trend towards decentralisation was prompted by many factors. Most importantly, the economic crisis that hit Yugoslavia in the 1960s caused fierce intra-party discussions between liberal and conservative Communists about the nature of the required reforms. While liberals demanded retreat of the state from the economy and further liberalisation, the conservative Communists argued for strengthening of the central state control over the economy. The eventual outcome was however a compromise: not de-etatisation of the economy but decentralisation of political power to republics, or rather shifting of the political centre to republican capitals, which exercised the same political powers over the economy.¹⁴⁸ Some argue that the empowering of republican capitals allowed reviving of nationalism among republican elites, which demanded further concessions from Belgrade, setting off the decentralisation cycle.¹⁴⁹ Others claim that national questions pre-dated the economic troubles and the Yugoslav federal framework could not reconcile the different interests and visions of its nations, so centrifugal tendencies were inevitable.¹⁵⁰ Ultimately, the outcome was an escalating trend of decentralisation that empowered republican institutions at the expense of federal ones. It enabled republican elites to pursue different

¹⁴⁸ D. Rusinow, "Re-opening of the National Question in the 1960s" in *State Collapse in SEE*. Eds. L. Cohen and J.D. Soso. (Lafayette: Purdue University Press, 2007).

¹⁴⁹ D. Rusinow, Ibid. Dragomir Vojnić, "Disparity and Disintegration" in *Yugoslavia: the Former and Future*. Eds. P. Akhavan and R. Howse. (Washington DC: The Brookings Institution, 1995).

¹⁵⁰ J. Irvine, "The Croatian Spring" in *State Collapse in SEE*. Eds. L. Cohen and J.D. Soso. (Lafayette: Purdue University Press, 2007). D. Nečak, "Historical Elements for Understanding the 'Yugoslav Question'" in *Yugoslavia: the Former and Future*. Eds. P. Akhavan and R. Howse. (Washington DC: The Brookings Institution, 1995).

policies in their republics and thus further reinforced the differences between them and emboldened the national (republican) lines that divided them. This trend was reflected on policy-making and elite interactions within and across republics, as more and more policy areas were included under the republican remit while federal institutions were weakened through the introduction of consensus rules and collective voting.

INSTITUTIONS, ACTORS AND POLICY-MAKING

Under the 1974 Constitution Yugoslavia had a bicameral federal parliament, composed of the lower chamber – Federal Parliament, where each republic was represented by thirty deputies, indirectly elected from lower republican level parliaments; and House of Republics and Provinces, where each republic was represented by a delegation of twelve deputies delegated from the republican parliaments (Art.291,292). *Equal collective representation* (parity) was thus a basic governing principle and was ensured and protected at all levels of federal institutions. The Presidency was composed on the same principle, including one representative from each republic and autonomous province in Yugoslavia, with individual members chairing the presidency on an annual rotational basis.

Each deputy in the Federal Parliament and each delegation in the upper chamber could initiate legislation (Art.293), but the independent policy realm of the federal parliament was limited to areas of federal budget under extraordinary circumstances, and managing its own affairs, while on all other areas, such as budget and monetary policy, regional development,

foreign policy and ratification of international documents, it could only act “in accordance” with republican parliaments (Art.286). The legislative and policy-making powers of the federal parliament, significantly constrained by the narrow policy realm, were further diluted by *consensus and collective voting rules*. Voting in the lower federal chamber was by simple majority, but the Constitution allowed change in the voting procedure on the demand of the majority of one republic’s deputies whenever an issue considered in the general interest of a republic was on the agenda or when addressing questions regarding the equal rights of nations in the federation (Art.294). This procedure, much like invoking veto for a national interest, was further amplified in the upper chamber proceedings, where voting was not individual but by delegations where each delegation needed an internal consensus (among its members) before it could cast a vote (Art.295). Thus, in the upper federal chamber collective voting and republican (national) veto were the rule rather than the exception. This made the federal legislature dependent on the republican delegations, and progress in parliament’s work was often hostage to inter-republican disputes and bargaining.¹⁵¹ Furthermore, the weak federal structures prevented the rise of a federal political elite that could counter-balance the centrifugal tendencies of republican elites and contribute to their greater unity.

Similar rules applied in the executive branches of government. The 1974 Constitution explicitly mentions “equitable representation of republics and appropriate representation of

¹⁵¹V. Dimitrijević, “The 1974 Constitution and Constitutional Process as a Factor in the Collapse of Yugoslavia” in *Yugoslavia: the Former and Future*. Eds. P. Akhavan and R. Howse. (Washington DC: The Brookings Institution, 1995).

autonomous provinces” when appointing members of the Executive Council, further emphasising the need for “attention to national composition” of the federal cabinet.¹⁵² Thus not only did the Constitution confirm the *principle of proportionality and equitable representation* in appointing government officials, but also distinguished between the nationality and republican origin of single members, paying additional attention to ensure that minorities, or nationalities, within republics were also represented at the federal level. The federal government was responsible for implementing federal policies, a portfolio much thinner after the adoption of the 1974 Constitution which benefited republican governments, and focused mostly on economic issues.

Republican parliaments on the other hand worked on a majoritarian principle and were much more efficient in passing legislation, and since 1974 in an increasing number of policy fields.¹⁵³ Republican parliaments adopted their own Constitutions, passed legislation in accordance with these and appointed the republic’s executive council. Overall, in most respects republics resembled proper sovereign states, including the right to borrow abroad and provide security through republican police. Federal institutions were used as forums for discussions and bargaining between republics’ party elites.

Naturally, the single most important actor, both on federal and republican levels was the Communist Party, or the League of Communist Parties (SKJ), at whose regular congresses

¹⁵² Deo Četvrti: Organizacija federacije. Član 348. *Ustav SFRJ*. [Part Four: Federal Organization. Art.348. Constitution of SFRY.] (Službeni vesnik: Beograd, 1974).

¹⁵³ V. Dimitrijević, *Ibid*.

the most important political questions were resolved. It was behind the curtains of the SKJ that any outstanding problems between the ethnic groups were resolved, as the official stance of Yugoslav leadership was that Yugoslavia had no ethnic problems or tensions. Though often called the glue that held Yugoslavia together, SKJ was exactly what its name suggested – a league, not a unified organisation, composed of the republican communist parties and until 1980 led by Tito as the Secretary General. The decentralised nature of the Yugoslav Communist Party was a distinct feature of Yugoslav communism, one that some attribute to the early stance that Tito took vis-à-vis Stalin concerning the right of every communist party to pursue its own course within the country, which was replicated on national level with respect to the constituent units of the Yugoslav federation.¹⁵⁴ However, regardless of the motivation behind it, SKJ was decentralised to the extent that even Tito sometimes had difficulties to exert full control over it, as the examples of the liberal economists of the 1960s and the Croatian Spring of 1971 show. He did remove the liberal reformists and Croatian nationalists from power, but also had to compromise by offering increased power and resources to republics and republics' party elites.¹⁵⁵

From institutionalist perspective, Yugoslavia, between 1974 and 1991, displayed many features of power-sharing arrangements. It was a state union of federal units, each of which had one or more titular nation, and which had substantial powers to create and pursue their policies on republican level. Moreover, federal units were ethnic in nature, even

¹⁵⁴ D. Jović, "Yugoslavism and Yugoslav Communism" in *Yugoslavism: Histories of a Failed idea, 1918-1992*. (London: Hurst and Co., 2003); Dimitrijević, *Ibid*.

¹⁵⁵ Rusinow, *Ibid*.

though for ideological reasons this was an implicit understanding, with the exception of Bosnia, which did not 'belong' to a single titular nation. Extensive territorial autonomy was combined with the possibility of blocking legislation and applying qualified majority voting in the lower chamber and collective vote and consensus voting in the upper chamber of parliament, closely resembling veto mechanisms designed to give each group the right to protect its interests and not be outvoted. The federal cabinet resembled an executive coalition, which included members from each republic. Finally, the principle of proportionality and equitable representation in executive branches also follows the proportionality principle of power-sharing institutions, even if it comes short of full proportional representation because of the non-competitive and closed nature of communist elections.

Despite the power-sharing outlook of its political system, there were suppressed inter-ethnic tensions which eventually burst into the political scene. In addition to burgeoning nationalism, there were two other major reasons why Yugoslavia did not function as a power-sharing state. First, power-sharing was limited to federal institutions, which had narrow and constantly decreasing power, and worked more as a façade than a real sharing of power between nations and their representatives. At republican level, politics was majoritarian and concentrated in the hands of the republican party elites, which rather than sharing it sought ways to strengthen their grip on it and engaged in nationalist mobilisation of the population. Republics lacked the institutional infrastructure to deal with issues

concerning the equal rights and representation of all ethnic groups and the citizens, who exercised their rights and duties within their republics, felt no benefits from federal power-sharing. Second, regardless of the institutional set up of republican institutions, the real political power resided outside the formal institutional realm, with the Communist Party and its political bureau, where a small circle of political leaders were making decisions with no wider consultation or debate. Federal and republican institutions, majoritarian or power-sharing as they were, still served to only rubberstamp the Party's decisions.

To summarise, this section shows that late communism in Yugoslavia displayed institutional features of power-sharing as embodied in the 1974 Constitution, and rather than imposed, these constitutional solutions were arrived at through negotiations, within the framework of the SKJ, by the domestic political elites. Actual power-sharing before 1991 was limited and it did not offer the Yugoslav political elites deep knowledge of how to successfully share power across republican and national lines, nor provided them with an unambiguous interpretation of sovereignty, nations and people. It did nevertheless acquaint them with how and when such institutions could work, but also provided them with insight on how to block and bypass institutional structures. The fact that in 1990, fifteen years after the adoption of the 1974 Constitution, there were deep divisions and even antagonism between republican elites, only shows that politicians learned how to pursue their interests despite the formal requirements for consensus at federal level – institutional cynicism and preference for informality that has not yet been overcome.

2. CRITICAL DECISIONS: PRE-DAYTON BOSNIA AND PRE-OHRID

MACEDONIA

During 1990-1991, following a protracted political crisis, breakdown of the SKJ Congress, multi-party elections in all republics, and endless meetings of the Presidency attempting to come up with an acceptable new frame for the defunct federal structure, Yugoslavia dissolved along its republican borders. This section does not look into the literature on Yugoslavia's break up or try to disentangle the complex web of events, persons, and histories that led to this outcome. Rather, following the initial objective of this chapter, this section traces the institutional changes and continuities as Bosnia and Macedonia seceded from Yugoslavia until the adoption of the Dayton and Ohrid Agreements.

The fall of communism across Eastern Europe and the former Soviet Union, and the subsequent dissolution of Yugoslavia led to a short period when political leaders had to choose how to restructure the defunct communist political system in their state along democratic politics lines. Facing a critical juncture, when options chosen would constrain future political developments,¹⁵⁶ Bosnian and Macedonian political leaders entered the first multi-party elections in November 1990, the results of which determined the composition of the first post-communist government and its political priorities. Shortly after their election, these politicians were faced with another major choice, that between independent

¹⁵⁶ Giovanni Capoccia and David Kelemen, "The Study of Critical Junctures: Theory, Narrative and Counterfactuals in Historical Institutionalism" in *World Politics*, Vol.59, No.3, (2007) pp.341-369.

statehood and continuation of the Yugoslav federation. The choices made during this brief period determined the subsequent trajectories of post-communist politics, which for both states ended in violent ethnic conflict. For Bosnia, this includes the period between 1991 and 1995, four years during which the country was drowned in ethnic war and violence, while for Macedonia this includes the ten years between 1991 and 2001, between independence and the ethnic conflict which led to the signing of the Ohrid Agreement.

BOSNIA 1991-1995: "THERE WERE NO INSTITUTIONS..."¹⁵⁷

The first multi-party elections in Bosnia, held in November 1990, saw the victory of newly-established ethnic parties against the re-branded former Communist Party of BiH. The three parties that won most votes in the elections, all based their platforms on exclusive appeal to a single ethnic group. Muslim SDA ('Stranka Demokratske Akcije') won 35% of votes; the Serbian SDS ('Srpska Demokratska Stranka') won 29% and Croatian HDZ ('Hrvatska Demokratska Zajednica') 18% of the votes.¹⁵⁸ Despite their nationalist appeal, aiming to replace the ex-communist party in power these three parties formed a coalition government largely based on power-sharing logic, as the main executive positions were divided between the three parties (and ethnic groups): Bosnian Muslim Alija Izetbegović, was appointed as a President of the presidency of the republic, Serb Momčilo Krajišnik, as the President of the Assembly and Jure Pelivan, a Croat, as Prime Minister.¹⁵⁹ In addition, Bosnia was the only

¹⁵⁷ Lord David Owen, talking about Bosnia during the war, in *Personal interview with the author*. 25 May 2010. London.

¹⁵⁸ Results from the Bosnian elections 1990. *Centralna Izborna Komisija BiH*. Available at: <http://www.izbori.ba/>

¹⁵⁹ David Owen, *Balkan Odyssey*. (London: 1995)

one among the Yugoslav republics to replicate the federal-style collective presidency in its new institutional structure, by opting for a seven-member collective presidency, an indicator of sensitivity to ethnic diversity in politics and reflecting early efforts to establish accommodating mechanisms in government.

POLITICAL PARTY	Seats in Parliament
Party for Democratic Action (SDA)	43
Serbian Democratic Party (SDS)	34
Croatian Democratic Union (HDZ)	21
Party for Democratic Changes (PDP) (former Communist Party)	15
Serbian Radical Party (SRS)	12
Others (greens, liberals, Bosnian Muslim movement)	5
Total	130

Table 1: Election results, December 1990 elections, Bosnia and Herzegovina¹⁶⁰

Bosnian political elites were no less prone to nationalism than their counterparts in other Yugoslav republics. The electoral platforms of victorious parties suggest otherwise. Their decision to opt for power-sharing mechanisms has more to do with the fact that no single party (or ethnic group) had won enough votes to be able to form a cabinet on its own, even if they would have preferred that to sharing power with other groups' parties. Therefore, it was comparatively more difficult to redefine Bosnia as the nation state of any one of the three ethnic groups, and not only because no group was demographically or politically dominant, but also because of the Bosnian tradition during Yugoslav times to share political power. In SFRY, Bosnia never had a single titular nation and was considered the republic of

¹⁶⁰ Source: Parlamentarna Skupština Bosne i Hercegovine. *Istorija parlametarizma u BiH*. Available at: <https://www.parlament.ba/istorija/default.aspx?id=27926&langTag=bs-BA>

Serbs, Croats and Muslims, the latter only recognized as a separate nation in the 1974 Constitution.

However, these initial efforts of Bosnian elites aimed at sharing political power across ethnic lines, did not prevent the descent into ethnic conflict. From a power-sharing perspective, with a coalition government, collective presidency and relatively even distribution of seats in Parliament, Bosnia seemed much more likely to witness ethnic accommodation than Croatia or Macedonia, where the winning nationalist Croat Democratic Union (HDZ) and VMRO parties respectively, did not consider including other ethnic groups in government. Perhaps Bosnian political elites would have been more successful in accommodating their differences through the institutional structure had the political climate in Yugoslavia been different. However, the pending dissolution of the Yugoslav federation posed to the new Bosnian leadership a greater challenge than managing ethnic relations – independence.

What was at stake in Bosnia during 1990-91 was more than the division and access to political power for different ethnic groups or their equality in terms of rights, distribution of resources and access to employment. Unlike in Macedonia, where there were virtually no Albanians in state institutions, the three major groups in Bosnia were relatively evenly represented in the public sphere. The challenge was of more fundamental nature: there was no consensus between the three constituent nations about the nature of the state of

Bosnia and Herzegovina. As other Yugoslav republics started seceding from the federation in the course of 1991, the Bosnian people and their leaders were incapable of reaching a wide consensus on the issue: Bosnian Serbs preferred staying as part of a smaller Yugoslavia consisting of Serbia, Montenegro and Bosnia, but Bosnian Muslims and Croats opted for an independent Bosnian state rather than remaining in Serb-dominated new federation.

When a shared vision of what constitutes the state and its people is lacking, institutional and political concerns about democratic managing of ethnic diversity are of secondary importance.¹⁶¹ This became apparent when in November 1991 Bosnian Serbs, led by SDS leadership, held a referendum in the Serbian dominated territories voting in favour of staying in a common state with Serbia and Montenegro. The referendum was deemed unconstitutional by the Bosnian institutions and declared invalid, much like the similar exercise of Albanians in Macedonia in 1992 when Albanians voted for a territorial autonomy.¹⁶² Bosnian Serbs however proceeded with establishing the institutional structure of a separate/autonomous republic. Serb members abandoned their seats in Bosnian political institutions, a process, tacitly supported by Milošević-led Serbia, which culminated with the Declaration of Republic of the Serb people of Bosnia and Herzegovina, soon to be Republika Srpska, by the separate Bosnian Serb assembly on 9 January 1992 and the

¹⁶¹ D. Rustow, "Transitions to Democracy: Towards a Dynamic Model" in *Comparative Politics*. Vol.2, No.3, (April 1970), pp.350-352.

¹⁶² Zeqirija Rexhepi, *Opšttestveno-političkite nastani kaj Albancite vo Makedonija 1990-2001*. [Socio-political events of Albanians in Macedonia 1991-2001]. (Tetovo: ARS-33, 2007).

adoption of its Constitution on 28 February 1992.¹⁶³ A month later, in March 1992 the rest of Bosnia voted on an independence referendum, boycotted by the Serbs, and in April 1992, Bosnia declared independence from Yugoslavia, although large part of its population refused to accept such an outcome.

Demands for territorial autonomy, and territorial solutions to ethnic problems in general, appear as the political elites' preferred way of addressing ethnic issues. Serbs declaring autonomous republics and regions across Bosnia and Croatia, Albanians demanding territorial autonomy in Macedonia, all rely on what was an established principle in Yugoslav (and Soviet) communist ideology concerning national diversity of granting territorial self-rule to ethnic groups, but avoiding any re-design of political institutions to make the central decision-making system more inclusive of diverse interests.¹⁶⁴ Yugoslav communists claimed to have solved the 'national question' in Yugoslavia by granting all nations self-rule and self-determination through the republics in which they lived, combined with a weak federal structure where common interests were to be negotiated and eventual conflicts of interest solved.¹⁶⁵ The decades-long experience with the Yugoslav institutional structure shaped how political elites articulated the problems of inter-ethnic relations and the types of solutions they proposed as an answer to these problems. Thus for ethnic leaders in Yugoslavia,

¹⁶³ History. National Assembly of the Republic of Srpska. Available at: <http://www.narodnaskupstinars.net/eng/pas/about.htm>

¹⁶⁴ See on ethno-federalism: P. Roeder, "Soviet Federalism and Ethnic Mobilization" in *World Politics*. Vol.43, No.2, (1991), pp.196-232.

¹⁶⁵ See E. Kardelj, *O osnovama društvenog i političkog uređenja*, (Zagreb, 1970); J.V. Stalin, "Marxism and the National Question" in *Works*. (Moscow, Foreign Languages Publishing House, 1954); and P.S. Ramet's analysis of nationalities policy in communist Yugoslavia in *Nationalism and Federalism in Yugoslavia 1963-1983*. (Bloomington: Indiana University Press, 1985).

territoriality (autonomy or independence) was the most attractive aspect of self-determination, even though some institutional solutions would have given minority ethnic groups greater say in the political process of the country. Instead of trying to find a mutually acceptable way of managing ethnic issues through alternative means, Serbian politicians immediately resorted to declaring an autonomous republic, the option used for Kosovar Albanians and Vojvodina Hungarians in Serbia, and the one they were most familiar with. The disregard for institutional solutions to ethnic issues was enhanced by another feature of communist politics, its intolerance for opposing views and the resulting lack of debate and negotiations and deep distrust in government.¹⁶⁶ The parliament or government coalition was not perceived as a forum for negotiations not as any real loci of power. Rather, territorial self-governance of ethnic groups, as the model successfully used for decades, was preferable.

During the next three years, from mid-1992 to the end of 1995, Bosnia plunged into devastating inter-ethnic civil war. The ambitious three-member coalition government and seven-member Presidency were reduced to a shambles as mass-scale violence and ethnic cleansing ensued in the civil war where all sides fought against each other in a struggle to gain as much territory as possible. The external actors, led by the European Community (EC) and the International Conference on the Former Yugoslavia (ICFY) a body established by the UN to deal with the problems in Yugoslavia, soon recognized Bosnia as an independent state

¹⁶⁶ B. Crawford and A. Lijphart, "Explaining Political and Economic Change in Post Communist Eastern Europe: Old Legacies, New Institutions, Hegemonic Norms and International Pressures" in *Comparative Political Studies*. Vol.28, No.2, (1995), pp 171-199. K. Jowitt, "Weber, Trotsky and Holmes on the study of Leninist regimes" in *Journal of International Affairs*. Vol.41, no.1, (1991), pp.31-48.

and claimed no support for changing the borders in the region.¹⁶⁷ While this constrained the actions of local elites by limiting the available external allies to support their secession projects, it did not much affect the situation on the ground where political leaders of the three ethnic groups strengthened their grip over political power. Systematic expulsion, violence, threats, property destruction, prevented political competition and opposition and led to the creation of ethnically homogeneous territorial units controlled by the leaders of the ethnic parties that won the 1990 elections in each group.

Throughout the war, the leaders of the three ethnic groups in Bosnia were engaged in peace negotiations, which were consequently only loosely based on the constitutional structure of Bosnia but rather included the political and military leaders of the three warring sides, plus representatives from Croatia and FR Yugoslavia (FRY). Many of those involved in the peace negotiations in Bosnia during this period agree that the negotiations were about territory, not about rights, resources or institutions.¹⁶⁸ The most contentious points in all the different peace plans devised by external negotiators, from the Carrington-Cutigliero Plan, through the Vance-Owen Peace Plan, the HM Invincible Place, the EU Action Group plan, to the Contact Group plan, were the maps not the proposed constitutional provisions.¹⁶⁹ Where the new ethnic boundaries would pass seemed to outweigh the importance of constitutional provisions or even the distribution of industrial plants and infrastructure and natural

¹⁶⁷ *Statement of Principles*. 26 August 1992. The London Conference. ICFY. Available from: *Balkan Odyssey Digital Archive*. Special Collections and Archives. University of Liverpool.
<http://sca.lib.liv.ac.uk/collections/owen/boda/lcprin.pdf>

¹⁶⁸ Lord David Owen, *Personal Interview with the author*. London, 25 May, 2010.

¹⁶⁹ See: David Owen, *Balkan Odyssey*; David Owen, *Personal interview with the author*. Carl Bildt, *Peace Journey: The Struggle for Peace in Bosnia*. (London: Weidenfeld and Nicholson, 1998).

resources. Percentages of territory were the main subject of discussions both in the negotiation rooms and among the international public and media. The foreign mediators involved claimed they were seeking solutions which would not legitimise the territorial gains made from ethnic cleansing and use of force, but they too were dragged into swapping villages and valleys to make the percentages fit and coax local assemblies and leaders to subscribe to peace.¹⁷⁰

Yet, before the end of the war in Bosnia and the signing of the Dayton Peace Agreement, some institutional features of the future constitutional outlook of the Bosnian state could already be discerned. In March 1994, encouraged by US representatives, Bosnian Muslim and Croat leaders signed the Washington Agreement, which put an end to the Muslim-Croat hostilities, and, among other things, established a frame for a future Muslim-Croat federation.¹⁷¹ Republika Srpska institutions were also becoming more accepted by the Serbian population in Bosnia as well as by international actors, even though Bosnian Muslim and Croat leaders refused to acknowledge any legitimacy to these institutions or their members as legitimate representatives of the Bosnian Serb population, a stance that by the end of the negotiations was also accepted by the foreign mediators who instead of Radovan Karadžić, Momčilo Krajišnik and Ratko Mladić, decided to negotiate with Slobodan Milošević as the representative of all Serbs.

¹⁷⁰ See Carl Bildt's account of the Dayton Negotiations in *Peace Journey*.

¹⁷¹ Washington Agreement. 1 March 1994. Available at: *Peace Agreements Digital Collection*. United States Institute of Peace.
http://www.usip.org/files/file/resources/collections/peace_agreements/washagree_03011994.pdf

Once the political leaders of the three ethnic groups in Bosnia signed the peace agreement at Dayton, the violence subsided and international troops were deployed to enforce and guarantee the terms of the Dayton Accords. However, those three years left a deep scar and a legacy of mistrust and division, which still marks Bosnian politics and society.

MACEDONIA 1991-2001: TOWARDS DEMOCRACY AND SOVEREIGNTY

The first multi-party elections in Macedonia took place in November 1990 and were won by VMRO-DPMNE,¹⁷² the nationalist contender to the reformed communists. However, while VMRO won the plurality of votes it did not win enough seats for a majority in parliament and could not on its own make government. Refusing to enter into coalition with either the Union of Communists in Macedonia - Party for Democratic Changes (SKM-PDP), the reformed communists, or the Albanian Party for Democratic Prosperity (PDP) VMRO was unable to form a government. Instead, a caretaker government was established and approved by parliament to govern the country in a politically neutral manner until the major issues of statehood and independence were resolved.

POLITICAL PARTY	SEATS IN PARLIAMENT
VMRO-DPMNE	37
Union of Communists in Macedonia - Party for Democratic Changes (SKM-PDP)	30
Party for Democratic Prosperity (PDP)	17
Union of Reformist Forces (SRS) and Youth Progress Party (MPS)	17
National Democratic Party (NDP)	6

¹⁷² The full name of the party is a combination of VMRO, which refers to the historical organisation that fought against the Ottoman Turks on the territory of Macedonia in the late XIX and early XX century and DPMNE, an acronym for Democratic Party for Macedonian National Unity.

Socialist Party of Macedonia (SPM)	4
Independents	3
Others (Party of Roma, Yugoslav Party, etc.)	6
Total	120

Table 2: Election results, December 1990 elections in Macedonia¹⁷³

Macedonia declared independence on September 8, 1991, after a successful referendum with a rather ambiguous question.¹⁷⁴ Soon afterwards, on November 17, 1991, the new Macedonian Constitution was adopted by the Parliament. Thus within a year from the elections, the main political institutions in Macedonia were established, along with the earlier election of Kiro Gligorov as President of Macedonia. One should note that the independence referendum was boycotted by the majority of the ethnic Albanian population in Macedonia, which, although did not affect the outcome of the referendum, posed some serious questions about the legitimacy of the newly founded state among different ethnic groups. Consensus among all groups in society (ethnic or other) on who the 'people' are and what the 'state' is, is one of the fundamental pre-conditions of establishing democracy according to scholars of democratisation¹⁷⁵, so failing to bring on-board all ethnic groups at the moment of establishing statehood is a missed opportunity for placing Macedonian statehood on a foundation of initial consensus. This came to haunt the political elites in the years that followed.

¹⁷³ Source: Državna Izborna Komisija. *Rezultati od izborite 1990*. Available at; www.sec.mk

¹⁷⁴ The actual referendum question was: *Are you in favour of sovereign and independent Macedonia, with the right to enter into future union of sovereign states of Yugoslavia?* [author's translation] suggesting both independence and eventual new union of Yugoslav states. The results from the voting for the referendum can be accessed at: Državna Izborna Komisija. *Rezultati od izborite 1990-2000*. [State Electoral Commission. *Results from the elections 1990-2000*] Available at: <http://www.sec.mk/Default.aspx?tabid=855>

¹⁷⁵ D. Rustow, "Transitions to Democracy: Towards a Dynamic Model" in *Comparative Politics*. Vol.2, No.3, (April 1970), pp.150-152. R. Dahl, *Polyarchy: Participation and Opposition*. (New Haven: Yale UP, 1971).

The new Constitution defined Macedonia as a democratic state, following liberal democratic principles, as was the case in most newly democratising states in East Europe. However, the Preamble also stated that “...*Macedonia is the nation state of Macedonians, which provides complete civic equality and permanent cohabitation of the Macedonian nation with Albanians, Turks, Vlachs, Roma...*”¹⁷⁶ a sentence that caused a lot of discord among the ethnic groups in Macedonia. Ethnic Albanian political leaders accused the Macedonian political leadership of promoting ethnic (as opposed to civic) nationalism and of distinguishing between first and second order citizens based on their ethnic origin.¹⁷⁷ Indeed, before 1991, the titular nations in the Macedonian republic were Macedonians, Albanians and Turks, and at least nominally they enjoyed equal rights and treatment in the Yugoslav state. The move to define Macedonia as the nation state of Macedonians only, was a break with Yugoslav practise and one which caused fear among the sizeable Albanian population, which felt stripped of its constituent nation status, demoted to a status of ‘minority’, and threatened by the nationalist intentions of the Macedonian political elite.

Nationalism was not new to Macedonia. Late Yugoslav politics was dominated by nationalism, within and across the republics. What was new after 1990 was the overt nature of nationalism and the freedom of political elites to go back and re-discover parts of history that were forbidden during communism, activity in which Macedonian political elites avidly indulged and which produced a backlash against the common Slavic history narrative of

¹⁷⁶ Preambula. *Ustav na Republika Makedonija*. [Preamble. *Constitution of Republic of Macedonia*.] (Skopje: Sluzben vesnik na RM, 1991).

¹⁷⁷R. Hayden, “Constitutional Nationalism in the Formerly Yugoslav Republics” in *Slavic Review*. Vol.51, (1992), pp. 654-73.

Yugoslavia and a turn towards ancient origins of the Macedonian nation.¹⁷⁸ These developments aggravated Macedonian relations with the neighbouring states, but also adversely affected internal inter-ethnic relations, as other ethnic communities responded with intensified nationalism of their own. After the 1992 self-administered referendum on territorial autonomy on western Macedonia, ethnic Albanians declared an autonomous republic of Ilirida.¹⁷⁹ Both the referendum and the autonomous republic were declared illegal by the Macedonian state and, unlike the Serbs in Bosnia, Macedonian Albanians did not have any external support or material and institutional resources to proceed with it, so the autonomous republic idea was abandoned.

Despite these initial problems voiced by the Albanian population, no amendments were made to the 1991 Constitution to accommodate their needs. Whether because the political leadership was focused mostly on external threats to the state, such as the retreat of JNA troops from Macedonian territory, battles for international recognition of the new Macedonian state in the face of the Greek veto in the European Community, or because they truly felt that that Albanians in Macedonia had no legitimate grievances, the issue was definitely not at the top of the agenda of the Macedonian government in the initial years after independence.¹⁸⁰ An often cited response to the complaints about the discriminatory

¹⁷⁸ In addition to promoting a view about the ancient origins of the Macedonian nation, instead of the communist time version about the Slavic origins of Macedonians, Macedonian politicians and historians engaged in rehabilitating efforts of historical figures such as Ivan Mihailov and Todor Aleksandrov who were associated with pro-Bulgarian ideas between the two world wars, as well as Metodija Andonov-Čento and others accused of anti-Yugoslav sentiments during and after the Second World War.

¹⁷⁹ Zeqirija Rexhepi, *Socio-political events of Albanians in Macedonia 1991-2001*.

¹⁸⁰ Denko Maleski, minister in the first cabinet. *Personal interview with the author*. Skopje, July 15, 2010.

language in the constitution referred to the opinions of the Arbitration Commission (known as the Badinter Commission), a body established by the ICFY to assess which of the former Yugoslav republics fulfilled new state recognition criteria. After a thorough analysis of the democracy, minority and human rights provisions of the new constitutions, the Badinter Commission stated that only Slovenia and Macedonia fulfil these criteria.¹⁸¹ Since Macedonian constitutional provisions seemed to have withstood the test of the European Community's commission, Macedonian political elites did not feel the need or obligation to further amend them to accommodate Albanian demands but rather discarded those demands as unreasonable. This also marks one of the first instances of relying on external actors to validate the decisions and policies adopted by domestic elites in terms of their compliance with democratic and European standards. This trend became more dominant in the following years, and especially after EU integration became foreign policy top priority.

In many other ways, the Macedonian state and institutions continued to function following established Yugoslav practices. The first president, even though not directly elected, was the dominant executive figure, especially in foreign policy, while the prime-minister and government's work was focused on economic and administrative issues. This can partly be attributed to the personal charisma of Kiro Gligorov, who was one of the most experienced politicians in Macedonia, but partly also to the habits inherited from Yugoslavia, where the President and Presidency were much stronger executive bodies than the government. It was

¹⁸¹ Conference on Yugoslavia Arbitration Commission. Opinion No.6. (Paris, January 11, 1992) Available from: *Balkan Odyssey Digital Archive*. Special Collections and Archives. University of Liverpool. <http://archives.liv.ac.uk/ead/html/gb141boda-p3.shtml>

only after the end of the first presidential term of Gligorov in 1994, and after he survived an assassination attempt in October 1995, that he withdrew from the political forefront and allowed the prime-minister to gain a leading role in executive government. He was succeeded in 1999 by Boris Trajkovski, a much younger and far less experienced politician, who did not aspire to gain more executive power. Thus, Macedonia evolved into a combination of semi-presidential and parliamentary political systems, with a directly elected president, constitutionally responsible for the armed forces and with shared authority over foreign policy and defence, but with a dominant prime-minister and government, which held the executive power in all governance areas.¹⁸² Theoretically, this system allowed for overlap between the president's and government's authorities, especially in the fields of foreign and defence policy, but during the first decade after independence no difficulties were encountered. The split executive branch of government however is a mechanism for executive power-sharing, which could force political elites from different ideological and ethnic background to cooperate on the most important political issues, although thanks to the matching party and ethnic affiliation of presidents and prime-ministers until 2001, this was never practised.

No reforms of the electoral system were undertaken after 1990 even though the nature of political and party competition was drastically changed since the fall of communism. Elections were conducted following majoritarian electoral rules throughout most of the

¹⁸² A. Spasenovski, *Sefot na drzavata i nadvorsenata politika*. [*The head of state and foreign policy*.] (Kocani: Evropa 92, 2008)

1990s, despite the ethnically diverse population and the deepening ideological gap between the two largest political parties (VMRO and the Social Democratic Union of Macedonia (SDSM) after SKM-PDP changed its name and ideology). Although some degree of proportional representation was introduced in 1998 when 35 out of 120 deputies were elected through PR, until 2002, Macedonia virtually functioned as a majoritarian electoral system.¹⁸³ The resistance to electoral reforms, understandably, came from the largest parties in parliament which had most to lose from introducing PR. And while Albanian parties (PDP, National Democratic Party (NDP) and PDP off-shoot, Democratic Party of Albanians (PDSh)) were in principle supportive of changing the electoral model, the concentrated Albanian minority in the west and north-west parts of Macedonia meant that Albanian parties were also benefiting from the existing electoral laws. In the public sector, where ethnic Albanians were also underrepresented, no reforms were undertaken to increase their access to public employment and services. This was particularly severe in the security and judiciary sectors, where there were almost no Albanians and which made these law enforcement institutions the least trusted by the ethnic minorities.

While there was no such constitutional requirement, all Macedonian governments after 1991 were coalition governments consisting of a senior Macedonian and a junior Albanian coalition partner. Even the initial caretaker government that ran the country through independence and transition periods had three Albanian members, and subsequent

¹⁸³ E. Friedman, "Party System, Electoral System and Minority Representation in Macedonia" in ECMI *European Yearbook of Minority Issues 2002-2003*. pp.227-246.

government cabinets usually had between four and six, depending on the size of the cabinet. Coalition government was partly a response to the need for a majority in parliament when no political party had overall majority, but cannot be seen as only a pragmatic measure to maintain governments' support in parliament. Coalition governments before 2001 were also a tool for ethnic accommodation, because Macedonian political parties could choose a Macedonian coalition partner instead of an Albanian political party, but in each occasion opted for the latter, and most importantly because even when one political party had won a clear majority in parliament, such as SDSM between 1994 and 1998, they still formed a coalition government with an Albanian party. Considering that the government was the main locus of power and policy-maker in Macedonian politics, this amounted to a significant concession to allow ethnic Albanians access to political power and accommodate their political demands, since they were involved in creating and implementing government policies. There were no external pressures or demands for coalition-building in Macedonia, and, in general during this period, external actors were involved elsewhere in the region, so Macedonian elites had greater freedom in deciding how to run the state and regulate inter-ethnic relations. Rather, executive coalitions in Macedonia seem to be an organic solution of the political elites which found a way to include ethnic minorities in government and thus provide them with access to political power.

To summarise, in the first decade after independence Macedonia did not embark upon a radical political transformation as was the case elsewhere in Eastern Europe. A new feature of Macedonian politics was the intensified Macedonian nationalism, which was vented through various official and unofficial channels and threatened the other ethnic groups in Macedonia. Macedonian political elites failed to unify behind the new statehood project, and divided on ethnic lines concerning the nature of the new Macedonian state. Albanians resented the ethno-national identity of the state, while Macedonians rejected Albanian concerns and both failed to engage with each other and discuss these issues openly. Apart from including Albanian political parties in government, few other efforts were undertaken to accommodate the needs of other ethnic groups. Relying on the republican institutions and governing practices inherited from Yugoslavia, Macedonia was not equipped to deal with national minority questions, which soon after erupted in an armed conflict.

BOSNIA AND MACEDONIA: A COMPARISON

On the eve of the dissolution of the Socialist Yugoslav federation, Bosnia and Macedonia were at a critical juncture point at which political elites needed to choose the institutional structure of their newly established states. The overthrow of communism, the dissolution of the common state, and the advance of democracy, offered an opportunity for a radical break with the past. Although to a different extent, in both states some form of ethnic power-sharing structure was adopted and accepted by political elites. However, much like the previous experience in the Yugoslav federation, these institutions failed to prevent

inter-ethnic problems, and both Bosnia and Macedonia experienced ethnic conflict soon after independence.

The above sections suggest two major factors behind the failure of both states to appropriately address ethnic issues with institutional solutions: no wider elite consensus on what the state and its citizens are, and political elites' preference for territorial solutions for ethnic diversity. In both states, large parts of the population, Serbs in Bosnia and Albanians in Macedonia, boycotted the independence referendums, thus questioning the legitimacy of the state among these ethnic groups. This lack of initial acceptance of the state by some ethnic groups coupled with the separate referendums on territorial autonomy that Bosnian Serbs and Albanians held and the lack of independent statehood history of the two states, remained a source of insecurity, distrust and divisions both among the political elites and populations and further aggravated inter-ethnic relations. It further testifies to the highly fragmented political elites divided across ethnic lines and failing to accommodate and reach a mutually acceptable agreement on the fundamental issues underlying the establishment of the new states. The advent of democracy did not provide a unifying platform for Bosnian and Macedonian political elites, but allowed further replication of ethno-national divisions within the new states.

In addition, ethnic political leaders in both states showed a preference for territorial solutions to ethnic problems leading to demands and declarations of territorial autonomy

and secession. This ideological legacy of Yugoslav communism has turned inter-ethnic negotiations during the conflicts into bargaining over territories and averted political elites from seeking institutional instruments for addressing ethnic grievances. Moreover, the experience of the failed Yugoslav federation has made dominant ethnic groups suspicious about federal and other territorial concessions to minority ethnic communities, as witnessed by Macedonian political elites' strongly negative reactions to any suggestions for federalisation and Bosnian Muslims' continuous efforts to re-centralise the Bosnian federation.

The rising conflict between the political elites of different ethnic groups and the deterioration of inter-ethnic relations against an institutional background largely inadequate to accommodate the demands of all ethnic groups, eventually ended up in armed ethnic conflicts in the two states. Such grave failure of the Bosnian and Macedonian states to deal with their domestic problems, which led to violence and destruction, invited external actors to get involved in the negotiation process in both states and presented an opportunity for another reform of the political and constitutional system, albeit with available options restricted by external actors. These new choices, embodied in the Dayton and Ohrid agreements, are the subject of the following sections.

3. POST-CONFLICT POWER-SHARING: DAYTON AND OHRID AGREEMENTS

DAYTON PEACE ACCORDS – THE LONG ROAD TO PEACE

In the three and a half years between mid-1992 and 1995, during which Bosnia went through a devastating inter-ethnic conflict, there were many efforts, of varying degrees of effectiveness, by external actors to put an end to the violence and convince the warring parties to subscribe to a peace agreement and institutional framework for a single Bosnian state. Even before the Bosnian conflict erupted, the European Community (EC) and the United Nations (UN) set up an International Conference on the Former Yugoslavia (ICFY) to deal with the various legal and political issues from the dissolution of Yugoslavia, as well as negotiating peace in the conflict areas in Croatia and Bosnia. Many foreign mediators and lawyers were involved in the negotiations between the three warring sides in Bosnia, before finally in November 1995 the Dayton Peace Accords (DPA) were agreed after weeks of protracted negotiations and consistent pressure, culminating in NATO air-strikes, from US and European diplomats involved in the peace process. The Peace Accords were officially signed in December 1995 in Paris, by the Bosnian President Alija Izetbegovic, the President of Croatia, Franjo Tudjman and the President of the Federal Republic of Yugoslavia (FRY), Slobodan Milošević. Although neither Croatia nor the FRY were officially at war with Bosnia, the inclusion of Tudjman and Milošević in the peace negotiations recognised their countries' involvement in the Bosnian war and implicitly treated them as the legitimate representatives of their respective ethnic groups in former Yugoslavia and in Bosnia.

Much has been written about the international efforts to bring peace to Bosnia and this chapter will not dwell in details on the various proposals and peace plans that failed to achieve their goal over the years.¹⁸⁴ However, many of those earlier peace plans set the stage and provided the basis on which the details of the DPA were developed. Most importantly for this analysis, the institutional structure of post-war Bosnia drafted throughout the years gives an insight into what type of institutions and constitutional arrangements domestic Bosnian elites found acceptable and what the external actors thought was adequate in a country like Bosnia.

Based on the initial work of the ICFY and Ahtisaarti's report on the possible constitutional structure of Bosnia, from the very beginning partition was ruled out and Bosnia's independence reaffirmed.¹⁸⁵ At the same time, as large parts of the territory were out of government control, a unitary centralised state structure was also abandoned and potential solutions were sought along the continuum of decentralised and federal state structures. The initial Vance-Owen Peace Plan entailed the creation of ten provinces (cantons), all of which were to be ethnically-mixed, and all with substantial administrative and governance powers including tax-raising and policing. The provincial governments would be composed following the proportional representation principle and based on the ethnic structure of the

¹⁸⁴ For a more detailed overview of peace negotiations see the accounts of David Owen, *Balkan Odyssey*, Carl Bildt, *The Peace Journey*, R. Holbrooke, *To End A War*. (New York: Random House, 1998).

¹⁸⁵ Statement of principles for new constitutional arrangements for Bosnia and Herzegovina. ICFY. 18 March 1992, Sarajevo. Available from: *Balkan Odyssey Digital Archive*. Special Collections and Archives. University of Liverpool. <http://sca.lib.liv.ac.uk/collections/owen/boda/ecco3.pdf>

province population but would make decisions using simple majority voting procedures. The central government would be responsible for foreign relations and commerce, and would work by consensus with the ICFY co-chairmen as arbiters during the interim period.¹⁸⁶ Thus from the very beginning, variations of a power-sharing institutional structure were deemed as the most adequate answer to the concerns and demands of the political elites in Bosnia. The final text of the DPA does not add much to the institutional and constitutional instruments used in the initial proposals – extensive decentralisation, proportional representation and collective voting and consensus constitute the backbone of institutional structure stipulated by the DPA.

The only significant departure from those power-sharing principles was made in the *HMS Invincible* peace plan, which was the closest to formal partition, when the negotiators proposed the creation of a union of three republics, one for each ethnic group. Each of the constituent republics had substantial freedom in international relations to enter into treaties and seek membership in international organisations, while after a period of two years republics could conduct an independence referendum and leave the union with the consent of the other two republics.¹⁸⁷ Even this was not entirely new, as similar solutions in the Yugoslav context were discussed during 1991 as part of the Izetbegovic-Gligorov Platform to remodel SFRY on con-federal principles, but subsequent plans abandoned the idea of three

¹⁸⁶ The Vance-Owen Plan. Agreement Relating to Bosnia and Herzegovina. 30 January 1992, Geneva. Available from: *Balkan Odyssey Digital Archive*. Special Collections and Archives. University of Liverpool. <http://sca.lib.liv.ac.uk/collections/owen/boda/sp13a.pdf>

¹⁸⁷ Agreement Relating to Bosnia and Herzegovina. September 1993. Available from: *Balkan Odyssey Digital Archive*. Special Collections and Archives. University of Liverpool. <http://sca.lib.liv.ac.uk/collections/owen/boda/sp12a.pdf>

separate entities. After the Washington Agreement of February 1994, which established the Croat-Muslim federation, the proposals focused on developing a federal state structure between two federal units, Serbian and Croat-Muslim, with no right to secession, which was the eventual outcome of Dayton's negotiations. With the exception of the *HMS Invincible* plan, the institutional proposals throughout the war centred on different power-sharing instruments within a single, if decentralised and federal, state. The minor differences between the initial Vance-Owen and Dayton peace plans provisions concerning the constitutional framework of the state suggest little controversy over the institutional details of the Bosnian state, and ultimately, that Bosnian politicians felt comfortable with the suggested institutional solutions.

*Map 1: Bosnia after Dayton*¹⁸⁸

[copy righted material]

The main problem in subscribing to any of the proposed peace plans usually laid in their annexes, in particular the annex which contained the map of territorial division between the various sub-state entities that the peace plans proposed. Very early on, the discussion about peace settlement in Bosnia acquired the overtone of distributing (percentage of) territory to (percentage of) ethnic group in the population. Indeed, the fact that there was 'ethnic cleansing' going on in Bosnia made it important not to award the perpetrators by allocating them more territory thanks to their control of 'cleansed' areas. However, soon the negotiations turned into trading territory as political leaders and foreign negotiators aimed

¹⁸⁸ Map of Bosnia and Herzegovina after DPA. Source: OHR.

to carve the agreed or desired percentage of Bosnian territory to be under the control of a given ethnic group. Even the final hours of the negotiations in Dayton were about defining corridors and adjusting entity boundaries to match the desired 49%-51% territory distribution between Republika Srpska and the Bosniak-Croat Federation.¹⁸⁹

The political leaders' insistence on gaining control over a certain percentage of Bosnian territory is quite puzzling, given that regardless of the percentages involved, no ethnically clean and totally inclusive territorial unit could have been created for any of the three ethnic groups. The population was distributed in such a pattern that population displacement would have been unavoidable. Even more puzzling in the face of the percentages negotiations is the disregard that political elites showed for the distribution of infrastructure, industry, natural resources in drawing the boundaries of the territorial units. Had they seriously contemplated independent statehood, such pragmatic concerns about the viability of their future states should have been taken into consideration. Had they been seriously committed to living together in a common state, more attention would have been paid to the constitutional and institutional details of the common state. Participants in the negotiations reveal the symbolic importance of 'historic lands' of the nation that Bosnian leaders attached to territory,¹⁹⁰ which along with communist-time preferences for territorial autonomy resulted in protracted negotiations over the final map of Bosnia. The war destroyed the nascent democratic regime in Bosnia and allowed the elected nationalist

¹⁸⁹Carl Bildt, *The Peace Journey*.

¹⁹⁰ Lord David Owen, in relation to the demands of Bosnian Serb members of negotiations, in *Personal interview with the author*. London, 25 May 2010.

leaders, the only ones represented in the negotiations process, to silence any opposition from within their ethnic group as well as alternative ideas about the post-war outlook of the Bosnian state. Ultimately, the outcome of the lengthy peace process was a single Bosnian federal state composed of two entities, following 49-51% distribution, and a complex power-sharing institutional structure outlined in the annexes of the DPA.

DAYTON BOSNIA – INSTITUTIONS, ELITES AND POLICIES

The DPA established a very complicated institutional structure for post-conflict Bosnia. The Bosnian Constitution, attached as an annex to the DPA, defines Bosnia as a federal state consisting of two entities, Bosnian-Croat federation and Republika Srpska, and three constituent peoples, Bosniaks, Serbs and Croats.¹⁹¹ The state can exercise authority in limited areas, such as foreign policy and foreign trade, human rights protection and reconstruction and refugee return in the immediate post-war years. The Constitution assigns all other competencies to the entities, although if both entities agree some competencies can be transferred to the state level. Such transfers have happened on several occasions, notably once in 2004 when defence policy and command of the army was transferred from entity to state level. The state institutions are designed following a consociational power-sharing logic, with parity applied in distribution of seats in parliament houses, collective presidency, and proportional representation from the highest federal to the lowest municipal level of government and elections. Access to political power and public administration is based on collective, group rights, with provisions guaranteeing the

¹⁹¹ Constitution of Bosnia and Herzegovina. Annex IV. *General Framework Agreement for Bosnia and Herzegovina*.

representation of each group at every level of government.¹⁹² The federal parliament consists of two houses, the lower House of Representatives consisting of 42 directly elected representatives, 28 from the Federation and the 14 from Republika Srpska, while the upper House of Peoples consists of fifteen deputies delegated from the lower entity-level parliaments, ten from the Federation and five from RS, a structure closely following power-sharing and reminiscent of federal Yugoslav structures from before 1991. Each house of parliament works with special quorum requirements and under rotating chairmanship, to prevent any ethnic group being outvoted or marginalised in parliament, while voting is conducted through majority voting, except when 'a vital national interest' of any ethnic group is declared to be at stake, in which case the group in question has the right to veto. Reconciliation committees in parliament are established to overcome deadlock in such situations, while the last level of appeal is with the Constitutional Court which is also composed of judges selected according to ethnic parity principle.

In addition to the extensive proportional representation and ethnic (group) parity in state institutions along with the special parliamentary procedures allowing veto to issues of 'vital national interest', post-Dayton Bosnian politics is also run through government coalitions, another consociational power-sharing mechanism. State government cabinets are constituted as a coalition of winning political subjects across the two entities, and ministers' posts are distributed evenly among coalition partners, making sure that deputy minister

¹⁹² S. Bose, *Bosnia after Dayton: Nationalist Partition and International Intervention*. (London: Hurst and Co., 2002).

positions are always assigned to representatives from other ethnic groups than the minister's, rather than allocating them by merit. The federal government started with a modest portfolio of only three ministries in 1996, but the number of ministries has now trebled, and there are today nine federal ministries, including a Ministry of Defence, Ministry of Justice and Ministry of Security.¹⁹³ The federal presidency is composed of three members, one from each group, directly elected by the population, which rotate as acting president of the state every eight months.

The state structure to a certain extent has been replicated at the entity level, especially in the Bosniak-Croat Federation (fBIH), where the same principles of proportional representation, ethnic parity and division of posts and consensus-driven decision-making are applied at entity, cantonal and sometimes also the municipal level, such as in Mostar. Each of the ten cantons has a separate constitution, government, and even police, which makes them quite independent from fBIH government, and render fBIH a substantially decentralised entity.¹⁹⁴ Republika Srpska has a unitary territorial structure, with only local, municipal-level government under the entity government, which compared to local government in fBIH are quite dependent on the entity government in Banja Luka. Thus, because RS is a federal unit with only one major ethnic group as a constituent nation, power-sharing mechanisms are sparsely applied, although proportional representation in elections has been introduced, since many Bosnians of non-Serb ethnic origin, who used to

¹⁹³ Council of Ministers of Bosnia and Herzegovina. Ministries. Available at: <http://www.vijeceministara.gov.ba/ministarstva/Default.aspx>

¹⁹⁴ S. Bose, *Bosnia after Dayton*.

live in the territory of RS, are still registered to vote in their former constituencies – a tool aimed to reverse the effects of ethnic cleansing during the war, but increasingly causing friction between Serb and other political elites.

In addition to this complex institutional and political structure of federal, entity, cantonal, and municipal levels of government, there is another powerful political subject in post-conflict Bosnian politics – the international community, through the High Representative (HR) and his Office of the High Representative (OHR). This civilian branch of the international forces dispatched to Bosnia at the end of 1995, though initially planned with a one-year mandate and limited advisory authority, has become arguably the single most important political actor in Bosnian politics after 1997. After the Bonn Summit of the Peace Implementation Council, an ad hoc body of representatives from governments and international organisations responsible for the implementation of the DPA provisions in Bosnia, the authority of the HR was significantly increased to allow him greater power, including the right to impose legislation, when parliament is at a deadlock, and the right to remove officials and directly elected politicians from office if they are deemed to violate the provisions of the DPA. HR powers were increased in view of the domestic politicians' inability and unwillingness to pursue the reform process at a satisfactory pace.¹⁹⁵ While consecutive HRs have not refrained from using their authority profusely and this has resulted in the implementation of many necessary reforms, which otherwise would have

¹⁹⁵ Office of the High Representative. *PIC Bonn Conclusions*. 10.12.1997. Available at: http://www.ohr.int/pic/default.asp?content_id=5182

lagged and stalled, it has also led critics to accuse the HR of 'governing Bosnia from above' and outside and to a questioning of the authenticity of Bosnia's progress after the war and the sustainability of reforms once the mandate of the HR expires.¹⁹⁶ Although the focus of the following analysis is on domestic politics, the OHR in Bosnia has affected the balance and outcome of political elites' interactions and needs to be considered as another actor in domestic politics, often with an agenda of its own.

BOSNIA'S TRACK RECORD AFTER DAYTON

Almost fifteen years have passed since the leaders of Bosnia, Croatia and FRY, signed the DPA and put an end to the ethnic war that plagued Bosnia for three and a half years. Looking at the DPA from the prism of this thesis, focusing on political elite accommodation at the policy level, a conclusion over the success of DPA is elusive. Indeed, on many levels, the DPA has been a success. In the fifteen years after 1995 no single serious violent incident has disturbed the peace introduced by it. Despite initial fears, the territorial integrity of the Bosnian state has been preserved and Bosnia has become a member of many international and regional organisations, thus exercising its sovereignty in the international arena. Most of the refugees have returned home and majority of them had their properties returned, and human rights protection bodies have been established. Taking the overview one step further, to the policy level, the state has been strengthened and some sensitive issues and policy areas have been transferred to the state level, which in itself shows some elite capacity for inter-ethnic cooperation. In the areas of taxation and finance, Bosnia has

¹⁹⁶ D. Chandler, *Bosnia: Faking Democracy after Dayton*. (London: Pluto Press, 2000).

implemented successful reforms and established a common taxation system, as well as central bodies for fighting organised crime and corruption. More recently, Bosnia was placed on the White Schengen List for visa-free travel in the Schengen zone after successfully completing the European Commission's list of reforms in the security and justice sector.

However, many of the reform laws and policies have been adopted through the pressure or direct influence of the HR, who through his power to dismiss officials has also made accommodation easier for political elites. Furthermore, despite the strong influence of the HR, Bosnian political leaders have proven incapable of cooperation and compromise on many issues. Most notably, constitutional reform has been stalled, despite the intense involvement of the HR, the EU and many foreign diplomats in Bosnia, and Bosnia is considered the regional laggard in EU integration, as reforms are slow or blocked in many policy areas. Many blame the complicated almost Byzantine institutional structure of Bosnia as set by the DPA, as the main reason behind the stalling of reforms and lack of accommodation, as its excessive decentralisation and segmentation allow for many points to block and retard the political process.¹⁹⁷ Indeed, the authors of the DPA did not include efficient administration and small government among the priorities when drafting the peace accords, and understandably so, as at the time the very survival of the Bosnian state was in question, so concerns about its efficiency were of secondary importance. Yet, fifteen years

¹⁹⁷ F. Bieber, "Power Sharing after Yugoslavia: Functionality and Dysfunctionality of Power-Sharing Institutions in Post-War Bosnia, Macedonia and Kosovo" in *From Power Sharing to Democracy*. Ed. Syd Noel. (Montreal: McGill-Queen's University Press, 2005).

on, while the survival of the Bosnian state seems beyond immediate concern, the daily lives of the Bosnian people are more affected by the details of the institutional design that the DPA introduced, as the ability of the state to provide services to them depends on how much political elites are willing and capable to accommodate each other in the policy-making process. The following chapters map and trace the paths of this process and its main actors in two policy areas, aiming to better understand when and why political elites are more or less inclined towards accommodation across ethnic lines.

OHRID FRAMEWORK AGREEMENT – POLITICAL BACKGROUND

In early spring 2001, when the first armed incidents between the ethnic Albanian National Liberation Army (NLA) and Macedonian security forces took place, institutional overhaul and reform of the political system was not on the domestic political agenda or the international community's one. Initial statements from EU and NATO officials at the time condemned NLA's violence, referred to the events as 'border incidents' in Kosovo, and supported the 'responsible leadership' of the Macedonian government to deal with its internal problems.¹⁹⁸ Yet, as the government proved incapable of curbing the violence and NLA's popular support was increasing, the external actors' policy towards the conflict changed. Indeed, the EU and NATO representatives that were quickly assigned and dispatched to Macedonia never directly negotiated with NLA representatives, but they implicitly

¹⁹⁸ See NATO Secretary General Lord Robertson, quoted in "Macedonia 'deal' on unity government" in *BBC News*, 8 May 2001. Available at: <http://news.bbc.co.uk/2/hi/europe/1318257.stm> or EC President Romano Prodi's statement in "President Prodi supports responsible leadership of FYROM" 9 March, 2001. Available at: <http://europa.eu/rapid/pressReleasesAction.do?reference=IP/01/343&format=HTML&aged=1&language=EN&guiLanguage=en>

recognised NLA legitimacy by addressing their demands and drafting a peace agreement that set the stage for reforms.¹⁹⁹

Pressed by external actors, the VMRO-DPMNE and PDSH coalition government invited the opposition to join them in a 'national unity' government, to give greater legitimacy and ownership of the difficult decisions that required to be made by the government to resolve the conflict.²⁰⁰ Intended as an exercise in power-sharing and inclusive governance, the national unity government was anything but united, as constant bickering between the political parties prevented any meaningful compromise and common decision-making. Divisions between SDSM-affiliated Defence Minister Vlado Bučkovski and VMRO-affiliated Interior Minister Ljube Boškovski prevented proper coordination of the military and police units, while both were out of step with President and Commander-in-Chief Boris Trajkovski. This short-lived attempt at across-the-spectrum power-sharing showed that even under extreme war-like conditions, political elites were barely able to coalesce around common policies and common vision about the future of the state. This did not set an encouraging precedent for the implementation of the Ohrid Agreement, which among other provisions, included guidelines for ethnic power-sharing within a unitary state, but ruled out any less formal integrationist post-conflict institutions which would rely on the common interests and identity of political elites to work properly.²⁰¹

¹⁹⁹ C. Chivvis, "The Making of Macedonia" in *Survival*. Vol.50, No.2, (2008), pp.141-162.

²⁰⁰ See Javier Solana's statements in "Macedonia: Solana To Show Support For Government" on May 28, 2001 in *RFL/RL*. Available at: <http://www.rferl.org/content/article/1096539.html>

²⁰¹ On consociational vs. integrationist power-sharing see: B. O'Leary, "Introduction" in M. Kerr, *Imposing Power-Sharing*. (Dublin, Irish Academic Press, 2006).

One important legacy of the national unity government is that it did adopt the Ohrid Framework Agreement as drafted by the external facilitators and some leading domestic constitutional law experts.²⁰² The Ohrid Framework Agreement was signed by the leaders of the four largest political parties in Macedonia, the two Albanian ones: DPA and PDP, and the two Macedonian ones: SDSM and VMRO-DPMNE, on August 13, 2001. The NLA leadership was not present nor invited to the negotiations, but they embraced the agreement fully (and have remained committed to it ever since), so it must have included many of the demands they had communicated to their Albanian colleagues in government and foreign negotiators.

OHRID FRAMEWORK AGREEMENT – BASIC PRINCIPLES AND MECHANISMS

The text and provisions of the agreement are rather short and simple, especially when compared to more verbose and complicated peace agreements, such as the Dayton Peace Accords. As its name suggests, the agreement is merely a framework, to set the foundation for an institutional structure that domestic political actors will develop further following their own needs and priorities. The basic principles reflect the values that all sides – Macedonian, Albanian and international – were set to preserve or promote in the new institutional set up in Macedonia. The five basic principles include commitments to: *non-violent conflict resolution, no territorial solutions to ethnic issues, protection and inclusion of ethnic groups in public life, decentralisation of political power, and evolving nature of*

²⁰² Some sources cite US diplomat Richard Frowick as the author of the initial draft of the Ohrid Agreement, see: C. Chvvis, “Making of Macedonia”, while former Interior and Foreign Minister and Law Professor, Ljubomir Frckovski, and Law Professor Vlado Popovski, were among the domestic authors.

constitutional solutions.²⁰³ Each of those principles addresses the fears and concerns of some of the parties involved. Thus, the most important principle for ethnic Macedonian political elites, who feared the agreement as a prelude to federalisation of Macedonia, is the preservation of the unitary nature of the state. For the Albanians, the commitment to reflect the multi-ethnic composition of the population in the public sector is an answer to a long-term grievance over their exclusion from public administration. Moreover, the commitment to decentralisation and subsequent re-drawing of municipal boundaries to reflect the population's ethnic composition amounted to some form of self-governance for Albanians in Macedonia to compensate for the lack of territorial autonomy.

In the spirit thus set by the basic principles, the effective provisions of the Framework Agreement contain a mix of standard power-sharing instruments aiming to provide institutional, but not territorial, incentives for political elites to peacefully resolve problems and address the grievances of the Albanian community in Macedonia. Decentralisation provisions, as a substitute for fully fledged territorial autonomy, call for extensive political and fiscal decentralisation of political power in Macedonia following a nation-wide census and adjustment of municipal boundaries to match the ethnic composition of the population. Special emphasis is placed on the transferring of some police authorities to local level, as a means to addressing security concerns. Provisions regarding equitable representation call

²⁰³ Basic Principles. *Framework Agreement*. 13 August 2001. English version available at: <http://faq.macedonia.org/politics/>

for increased representation of ethnic groups in all public bodies and at all administrative levels to match their respective percentage in the population.

Special parliamentary procedures refer to the requirements for a double majority in parliament votes on a set of policy issues deemed sensitive for inter-ethnic relations (and those include: culture, education, language, personal documents, use of national symbols and local government issues).²⁰⁴ This is to serve the purpose of a veto mechanism for the less numerous ethnic groups and prevent them from being outvoted on issues considered of special importance for them. The list is exhaustive, does not refer to veto as such or to vital national interests, and is therefore a departure from traditional power-sharing or earlier similar instruments (the Dayton Accords, for instance) towards more flexible power-sharing but still retains the logic of inclusive decision-making. In addition, an Interethnic Council has been established in Parliament, consisting of equal number of Macedonian and Albanian representatives and smaller number of other minorities, as an advisory and reconciliatory body to resolve outstanding issues in this area.

The past ten years witnessed struggles between the political elites regarding the span of policies where Badinter's principle, as the double majority requirement has become known, would apply. The 2006 post-election political crisis led to bitter discussions between the winning VMRO leadership and Democratic Union for Integration (DUI) counterparts over

²⁰⁴ Special Parliamentary Procedures. *Framework Agreement*. 13.08.2001

whether it should apply to government-coalitions. This was not explicitly mentioned in the agreement. Eventually, after a two-year parliamentary crisis, VMRO gave in and in 2008 a new VMRO and DUI coalition government was formed.²⁰⁵ While the informal practice of inter-ethnic government coalition existed even before 2001, the 2008 precedent introduced the practice of government coalition between the winning Macedonian and winning Albanian party, which took the initiative away from the Macedonian parties who used to invite their Albanian partners to join the coalition and divided the electoral process in two separate elections, one among Macedonians and one among Albanians, each of which determines one of the coalition members.

The framework agreement further contains provisions about the official use of the Albanian language and the state provision of education in languages other than Macedonian.²⁰⁶ Education was one of the Albanian community's early demands from the Macedonian state and these provisions in the Ohrid Agreement aimed to appease those grievances by introducing reforms in this area.

OHRID FRAMEWORK AGREEMENT: IMPACT AND TRACK RECORD

²⁰⁵ See N. Ragaru's discussion in "Macedonia: Between Ohrid and Brussels" in *Is There an Albanian Question? Chaillot Paper No.107*. (Brussels: Institute for Security Studies, 2008)

²⁰⁶ Education and Use of Languages. *Framework Agreement*. 13.08.2001

The Ohrid Framework Agreement is generally seen as a success by international and domestic politicians, and analysts.²⁰⁷ Indeed one of the most telling factors of its success is the absence of violence and the containment of political conflict within institutions. The open-ended nature of the Framework Agreement has also been said to allow for greater space for elites to arrive to compromise and consensus.²⁰⁸ Some local analysts even consider the very reliance on institutional over territorial mechanisms for power-sharing as a success in itself.²⁰⁹ Policy-making has not been blocked or stalled due to double majority requirements, and governments have been able to pursue their legislative agenda without major obstacles, as reforms in the areas of agriculture, environment, energy and defence, business regulations, etc., have been successfully implemented since 2001, as part of Macedonia's efforts to join the EU and NATO.

Critics claim that the agreement made the legislative process more complicated and therefore accommodation and compromise less likely. Referring to double majority requirements, Chivvis claims that the complex policy-making mechanisms would further stall reforms as agreement would be more difficult to reach.²¹⁰ Ragaru warns that the Framework Agreement embodies two opposite principles: one to bring the two

²⁰⁷ Evaluations of OFA track record on its 10th anniversary by one of its authors, Ljubomir Frčkovski, and the Vice PM responsible for implementing OFA, Abdulaqim Ademi, were positive. 24.06.2011. Audiologs available at: <http://policy.mk/ofa11/audio-logs/>

²⁰⁸ See Florian Bieber's comparison of power-sharing in Bosnia, Kosovo and Macedonia in "Power Sharing after Yugoslavia: Functionality and Dysfunctionality of Power-Sharing Institutions in Post-War Bosnia, Macedonia and Kosovo" in *From Power Sharing to Democracy*. Ed. Syd Noel. (Montreal: McGill-Queen's University Press, 2005).

²⁰⁹ S. Ordanovski and A. Matevski, "Between Ohrid and Dayton: The Future of Macedonia's Framework Agreement" in *Sudosteuroopa Mitteilungen*. No.4 (2007), pp.46-59.

²¹⁰ C. Chivvis, "Making of Macedonia."

communities closer (through equitable representation and proportionality) and one to enclose and separate them (through decentralisation and separate education).²¹¹ This paradox inherent to the Framework Agreement could create tensions as society and politicians respond to contradictory incentives. Indeed, in many areas problems remain and the debate is charged with ethnic tones, especially concerning the use of Albanian as an official language, the status of former NLA fighters, as well as the resolution of four cases of alleged war crimes committed by the NLA during the war, which the ICTY had returned to Macedonian courts for consideration.

The track record of post-2001 Macedonia has been mixed, as in some instances elites found a mutually acceptable policy solution much easier than with other more controversial policies. By tracing the policy- and decision-making process in these fields, the following chapters point out the factors, institutional and other, that at different points in the process impact on the political elites and produce a positive, accommodating, outcome or a deadlock.

CONCLUSIONS

This chapter provides an overview of the institutional and political context in Bosnia and Macedonia from late communism, through democratic transition and independence, to ethnic conflicts and the post-conflict recovery period. The sections above traced the evolution and continuity of institutions in different political and governance contexts in the

²¹¹N. Ragaru, "Macedonia between Ohrid and Brussels."

two countries as well as the critical points when political actors' choices set the institutional structure that shapes the political and policy processes. The chapter discussed the effects of communist-era ethnic power-sharing institutions on subsequent institutional choices by political elites in Bosnia and Macedonia, which along with the preference for territorial autonomy, shaped the ways political actors articulated and addressed ethnic problems.

The trademark feature of Bosnian and Macedonian political elites throughout the period analysed in this chapter is their fragmentation along ethnic lines and the lack of shared understanding of the basic concepts of statehood, sovereignty and rules of the democratic game after 1991. The divisions that precipitated the break-up of the Yugoslav federation over irreconcilable interpretations of sovereignty and self-determination, were further replicated in the new Bosnian and Macedonian states, which were established without the consent of all ethnic groups and their political elites, weakening their legitimacy and the basis for building democracy. This initial lack of unity among the political elites in the two states eventually led to armed conflict, as politicians proved incapable of coming to a negotiated solution to ethnic problems.

Different forms of power-sharing institutions were present in Bosnia and Macedonia from late communism to the present. Since 1974 the Yugoslav federal system embodied many power-sharing mechanisms, most of which were replicated in Bosnia after the 1990 elections resulted in a coalition of ethnic parties. However, without the coercive power of

the Communist Party, power-sharing institutions in Bosnia between 1990-2 did not manage to contain the ethnic tension and erupted in ethnic hostilities. Macedonia preserved most Yugoslav republican institutions. Although informal power-sharing practices, such as inter-ethnic coalitions, were adopted, these proved insufficient to prevent the outburst of ethnic violence ten years after Macedonia declared independence from Yugoslavia. The reliance on territorial instead of political and institutional solutions to ethnic problems inherited from communist ideological tenets and the lack of consensus among different ethnic groups about the nature and borders of the new states, undermined the accommodating potential of power-sharing institutions.

Therefore, contrary to many common claims, the current, post-conflict institutional set up in Bosnia and Macedonia is not entirely new and imposed by external actors. While external actors indeed put much pressure over domestic politicians in the negotiation processes in both states, domestic political elites already familiar with power-sharing institutions in the Yugoslav and post-Yugoslav contexts, opted for the current institutional design. Previous power-sharing experience did not provide political elites with insights into best practices of managing inter-ethnic relations, apart from resolving problems informally within the Communist party political bureau. Therefore, in tracing the progress that domestic political elites in Bosnia and Macedonia have made in accommodating each other in different policy areas, perhaps the most interesting question to answer is why within the power-sharing

context political elites do manage to accommodate, given the history of failed power-sharing attempts.

CHAPTER FOUR: MINORITY EDUCATION AND DECENTRALISATION IN MACEDONIA

INTRODUCTION

This chapter looks at the developments in Macedonian post-conflict politics. The focus is on minority education and decentralisation, the two most sensitive policy areas for ethnic relations in Macedonia which have undergone substantial reforms since 2001. The main purpose of this chapter is to examine how politicians from the two ethnic groups interacted at the policy level and to outline what led to their accommodation or resistance across ethnic lines.

The two policies analysed have divergent outcomes in terms of political elites' accommodation. In the area of decentralisation, despite early contestation, the political elites across ethnic and ideological lines have adopted a mutually acceptable policy solution. In the area of minority education, no such policy solution has been found, and the policy suffers from repeated attempts at reform and contestation by various actors, reinforcing the

ethnic division between political elites. Ten years after the end of the conflict in 2001, minority education still causes tensions in ethnic relations in Macedonia, while decentralisation has transformed into a technical policy issue.

The findings suggest that post-2001 power-sharing institutions in Macedonia were successful in increasing the political power of ethnic minority groups, through veto mechanisms and executive coalitions, but did not always lead to political elite accommodation nor produce policy outcomes that alleviated inter-ethnic tensions. On the contrary, the initial elite accommodation in the area of minority education has resulted in segregated education which has further aggravated ethnic relations. What led to success in the case of decentralisation reforms was the creation of a cross-cutting “local vs. central” political cleavage and shared identity by local elites that allowed successful accommodation and overcoming of past legacies that caused resistance among Macedonian politicians. External actors also contributed to greater accommodation either by relying on conditionality to elicit the desired behaviour by domestic politicians, or by supporting informal accommodating practices such as independent advocacy bodies or closed leaders' meetings.

1. MINORITY EDUCATION POLICY IN MACEDONIA

HISTORICAL LEGACIES IN MINORITY EDUCATION POLICY

Education is not the most obvious and pressing area of reform in the aftermath of a violent ethnic conflict. The immediate concerns of most post-conflict societies are focused on more difficult security-related issues that affect the survival and physical safety of the population, and the state and its institutions. Therefore the initial post-conflict agenda rarely includes education reforms, but focuses on disarmament, demobilisation, re-integration, and democratic elections. Indeed, these security issues were also present in the immediate post-conflict period in Macedonia, but did not cause much debate or problems in implementation. Instead, the eyes of the population were turned towards other reforms stipulated by the Ohrid Framework Agreement (OFA), among which reforms of the education system to improve non-majority communities' access to and quality of education (henceforward, minority education) was one of the most contentious.

Minority education has been one of the central policy issues in Macedonian politics, both before and after the 2001 conflict. It is an issue that has marked and shaped the relations between Macedonians and Albanians in the last two decades, and generated much of the inter-ethnic tensions since 1991. However, the problems pre-date Macedonian independence and have roots in the Yugoslav policies and grievances that the new

Macedonian state inherited with independence.

In the Yugoslav Federation (SFRY), Albanians, Turks and Serbs, in Macedonia had extensive rights to use their native language in local institutions and to receive primary and secondary education in their mother tongue. University-level instruction at Macedonian universities was conducted only in Macedonian, but Albanians from Macedonia could and often did go to Prishtina University in Kosovo, where opportunities for university education in Albanian existed. These were the rights that Albanians, as a constituent nation of the Macedonian republic in SFRY, could enjoy according to the republican and federal Constitutions.

Yet it would be misleading to suggest that Albanians' education rights in SFRY were improving with the increased power of republican elites. With the rising tide of nationalism in the late 1970s and especially during the 1980s, the situation of Albanians worsened. Some Serbian politicians were intent on curbing the extensive autonomy that the province of Kosovo enjoyed, a trend that culminated with Milošević abolishing Kosovo's autonomy and most of the freedoms that Kosovo Albanians enjoyed. Macedonian leaders followed the Serbian example in their stance towards the Albanian population's rights in Macedonia, even though they did not partake in the anti-Albanian rhetoric and scaremongering among the population, like some Serbian Arts and Sciences Academy members who warned of the 'soft genocide' that Albanians were allegedly committing.²¹² Albanians in Macedonia during

²¹² Milosevic speech at Gazimestan, 28 June, 1989. Available at: [Slobodan Milosevic, Political Speeches. <http://www.slobodan-milosevic.org/spch-kosovo1989.htm>](http://www.slobodan-milosevic.org/spch-kosovo1989.htm); SANU Memorandum, 1986. Available at: [Making the History of 1989. Primary Sources. <http://chnm.gmu.edu/1989/items/show/674>](http://chnm.gmu.edu/1989/items/show/674) Both sources

the 1980s lost some of the minority education rights they enjoyed, among which were the right to secondary education and use of Albanian in local-level institutions. Moreover, with the dissolution of SFRY and subsequent Macedonian independence, Macedonian Albanians lost access to the higher education in their mother tongue provided by Prishtina University. These measures were understandably seen as discriminatory and assimilatory by the Albanian population. They generated frustration that poisoned the relations between Albanians and Macedonians.

Regaining the lost rights became a powerful political cause for the Albanian political elites in Macedonia after independence. The new political context, ideologically – with the fall of communism, and strategically – with the removal of Belgrade as the centre of power, provided opportunities to reopen some of those questions and reclaim the rights lost in the previous decade. A deputy from the first Albanian political party in Macedonia, the Party for Democratic Prosperity (PDP), told how immediately after independence they introduced the questions of minority education and use of Albanian in Macedonia, demanding the issue of language use to be addressed in the new Macedonian Constitution.²¹³ For the Macedonian political elites, the new political context was not seen as an opportunity to re-negotiate ethnic issues, but rather as a threat to the survival of the newly established Macedonian state. Thus Albanian demands for re-opening the questions of education and the use of Albanian language fell on deaf ears, as the Macedonian political elite focused on considering

illustrate the discourse about how Albanians were overtaking and expelling Serbs from Kosovo and other historical and holy Serbian territories.

²¹³ Mersel Biljali, Member of Parliament for PDP, 1994-2002. *Personal interview with the author*. Skopje, 28 July 2010.

how to run an independent state and gain international recognition, while the gap between the two major ethnic groups was widening.

The sensitivity of language, as a political issue, does not stem solely from Albanians' frustration with the abolishing of their rights in SFRY. Language strikes a sensitive note with Macedonians as well. Since the codification of the Macedonian language in 1945 it has been the subject of repeated attacks from Bulgarian politicians and academics, who did not recognise the existence of a separate Macedonian language, but claimed it was a dialect of Bulgarian. These language arguments marked the official Yugoslav-Bulgarian relations with animosity for many decades before the dissolution of SFRY and soured the relations between Macedonia and Bulgaria after 1990.²¹⁴ After independence also came the name dispute with Greece and the lack of international recognition of Macedonia as a sovereign state. This was an additional blow to the already low self-confidence of Macedonian political elites sensitive to all challenges to the Macedonian nation or state. Thus they became very defensive of the language, viewing it as one the most pronounced and most challenged identity markers of the Macedonian nation, a feeling also predominant among the wider population. Any demands for increased use of the Albanian language were perceived as additional attacks on Macedonian statehood and nation 'from the inside'.

Since the issue of minority education for Albanians was not addressed in the initial period of establishing the state and its constitutional order, the tension remained to plague ethnic

²¹⁴ For a very detailed overview see: Chapter 10: The "Historical" Debates: Macedonia, in Robert R. King, *Minorities under Communism: Nationalities as a Source of Tension among Balkan Communist States*. (Cambridge: Harvard University Press, 1973).

relations in Macedonia throughout the 1990s. Culmination was reached with the failed attempt in 1994 to establish an Albanian-language university in Tetovo, an Albanian majority town, which triggered violent response from the police. The status of Tetovo University became the most contentious issue in the debates about minority rights and ethnic relations in the following years. Because of the intense ethnic resistance and contestation in the years prior to 2001, Tetovo University was the most indicative test for the capacity of political elites from both ethnic groups to resolve ethnically sensitive issues in the new, power-sharing context after the war. Therefore, the following section traces the policy processes related to its establishment and legalisation both before and after 2001, reflecting on the political elite's accommodation and resistance across ethnic lines. The second case in the area of minority education refers to a failed attempt to introduce compulsory Macedonian language classes for Albanian pupils in 2010. Almost a decade after the conflict, the case explores the persisting problems of minority education in Macedonia, which continues to be framed in ethnic terms. Initially introduced as a measure to increase the ethnic integration in primary schools, compulsory Macedonian language tuition turned into a source of major government tension between Macedonian and Albanian coalition partners, revealing the shortcomings of the post-conflict political system in Macedonia and its inability to resolve problems with minority education.

CASE 1: TETOVO UNIVERSITY: ESTABLISHMENT AND LEGALISATION

Despite continuous demands for higher education in Albanian, Macedonian politicians refused to accommodate their Albanian partners in government and allow Albanians access to mother-tongue education, strongly opposing ideas for an Albanian language university or even for Albanian language courses in existing universities. In 1994, without obtaining government approval, a group of Albanian intellectuals and politicians established Tetovo University (TU), an Albanian-language university in the north-west Albanian dominated part of the country. High-ranking PDP members were deeply involved in establishing the controversial university. The declaration for establishing the university, signed and approved by all Albanian MPs and mayors was read in the Tetovo headquarters of PDP.²¹⁵

The government at the time was composed of the Social Democratic Union of Macedonia (SDSM), which controlled an absolute majority in Parliament, and PDP as a junior partner. The actions of SDSM and PDP over TU revealed a major chasm between the coalition partners. The response of the government was to send police troops to Tetovo to break-up the celebrations and opening ceremony. While members of PDP were involved in establishing illegal educational institutions, SDSM leaders resorted to using violence as an

²¹⁵ Z. Rexhepi, *Opšttestveno-političkite nastani kaj Albancite vo Makedonija 1990-2001*. (Tetovo: ARS-33, 2007).

answer to the demands for education reform. Although government use of violence to suppress undesirable popular demands was not unusual in the region during the 1990s, this example stands out as one in which the government used violence against its own coalition partner, thus rendering any notion of accommodation through informal inter-ethnic executive coalitions very problematic. Indeed, a senior member of the first SDSM cabinet confirmed that Albanian members of the coalition often “served only as décor” while they were not even consulted over issues concerning the Albanian population, such as sending security forces to prevent the opening ceremony of the TU in December 1994.²¹⁶

And yet, the coalition survived this incident and SDSM and PDP remained in power until the next elections in 1998. An illegal but functioning university using the Albanian language was difficult for Macedonian government to ignore, and the violence of the TU opening ceremony certainly attracted enough attention to the problem to prompt the government to react. This may be the reason the coalition survived, as over the next few years SDSM came up with proposals to introduce courses taught in Albanian in the Pedagogic Faculty in Skopje and to introduce ethnic quotas in universities for students from minority backgrounds, to increase their access to education.²¹⁷ This was not what PDP demanded, nor what SDSM would have preferred had it not been for the violence in Tetovo, but it was a compromise, an initial attempt at accommodating the demands of the ethnic minorities and adopting a policy that would be acceptable for both sides. The first instance aimed at ethnic

²¹⁶ Denko Maleski, Foreign Affairs Minister 1991-1993. *Personal Interview with the author*. Skopje, 15 July 2010.

²¹⁷ Law on the languages of instruction at the Pedagogical Faculty. *Official Gazette of Republic of Macedonia* (No.05/97), 6 February 1997. Also available at: www.pravo.org.mk

accommodation occurred only after political elites on both sides had resorted to drastic steps: Albanians to establishing illegal institutions, Macedonians to using violence.

Although the law on languages of instruction was adopted in Parliament and the Constitutional Court ruled in favour of its alignment with constitutional principles upon subsequent challenges, it is difficult to see it as a success, either for ethnic relations or for elite accommodation in Macedonia. What followed only turned this initial victory into a disappointment. The Macedonian opposition at the time, conservative and more vocally nationalist VMRO-DPMNE, launched massive student protests against the law and brought thousands of students and citizens onto the streets, chanting slogans of ethnic hatred and intolerance. Meanwhile the opposition leaders deemed the law a “dangerous precedent of raising the rights of national minorities above international standards”.²¹⁸ This scared the already reluctant SDSM, as the proposed compromise not only lacked popular support, but allowed the opposition to take people to the streets and raise fears of a violent overthrow of the government.

No further instances of ethnic accommodation with regards to the sensitive issues of minority education followed, and the Macedonian elites in government, outflanked by the more nationalist opposition, retreated and abandoned ethnic accommodation. In this instance, VMRO-DPMNE drawing on the public sentiment engaged in successful ethnic outbidding. Nationalism and ethnic outbidding thus strangled the fledgling attempts for

²¹⁸ VMRO-DPMNE reaction quoted in “Deset godini od protestite koi go izmenija političkiot ambient” [Ten years from the protests that changed the political ambiance], in *Utrinski Vesnik*, 17 February 2007. Available at: <http://www.utrinski.com.mk/?ItemID=3B91761ECFEA5B479DDBAFDC6C0A2782>

ethnic accommodation in government coalitions, and despite the relatively moderate stances of both Macedonian and Albanian partners in government, their hands were tied and little progress was achieved without formal power-sharing arrangements. The case of establishing TU in 1994 demonstrates the limits of the pre-2001 political system in Macedonia in encouraging elite accommodation and integrating the divided society.

Considering the events from the previous decade, when in 2001 violence broke-out between the Albanian rebel groups and Macedonian security forces, education was already a contentious topic in inter-ethnic relations in Macedonia. Therefore, it is not surprising that the Ohrid Framework Agreement (OFA) directly addresses the issue of Education and Use of Languages, stipulating that “[s]tate funding will be provided for university level education in languages spoken by at least 20 percent of the population of Macedonia...” and “[in] primary and secondary education, instruction will be provided in the students' native languages...”²¹⁹ These two provisions in the OFA set the ground for adopting a minority education policy that would improve the educational rights of Albanians in Macedonia, providing mother-tongue education from primary school to university, and thus finally settle this issue that has caused many problems in Macedonian politics since independence.

By signing the OFA, the leaders of the four largest political parties in Macedonia not only put an end to the violence and conflict, but also committed themselves to implementing the reforms that the OFA envisaged. Therefore, education was high on the agenda of the next

²¹⁹ Section 6. *Ohrid Framework Agreement*. 13 August 2001.

government which came into office after the 2002 elections. It was a coalition between SDSM and the new political party that sprang up from the political leadership of the Albanian rebel groups, the Democratic Union for Integration (DUI).

PARTY	Ethnic Affiliation	Leader	Terms in government
VMRO-DPMNE	Macedonian	Ljubčo Georgievski Nikola Gruevski	1998-2002; 2006-2010
Social Democratic Union of Macedonia (SDSM)	Macedonian	Branko Crvenkovski Vlado Bučkovski Zoran Zaev	1992-1998; 2002-2006
Party for Democratic Prosperity (PDP)	Albanian	Abdurahman Aliti Abduladi Vejseli	1994-1998
Democratic Party of Albanians (PDSH)	Albanian	Arben Xhaferi Menduh Thaci	1998-2002; 2006-2008
Democratic Union for Integration (DUI)	Albanian	Ali Ahmeti	2002-2006; 2008-2010

Table 1: Major political parties in Macedonia

The SDSM-DUI coalition was a big breakthrough in political-elite power-sharing. A coalition with those who only several months before the elections were called “terrorists” and “criminal gangs” was perceived as very risky by SDSM leaders. DUI leaders waged a war against Macedonian political elites and accepting them as coalition partners required overcoming deep prejudices. Yet, refusing to enter into a coalition with DUI would have been an even riskier move – refusing to acknowledge the will of the Albanian electorate, who overwhelmingly supported DUI on the elections, and would have threatened the fragile peace. Journalists recount how SDSM leader Branko Crvenkovski and the president Boris Trajkovski were trying to transfer the obligation of meeting DUI leader Ali Ahmeti to each

other.²²⁰ No one wanted to be the first to shake Ahmeti's hand on camera, fearing the public's reaction to such a meeting, which would legitimise and transform the Albanian rebels' leader into a coalition partner. In such a precarious context, coalition negotiations had to be conducted in closed meetings outside state institutions and away from media attention. According to OSI Foundation director Vladimir Milčin, it was in the OSI offices in Skopje that the first such meeting took place, when high-ranking SDSM and DUI members met to discuss the government's programme after the end of working hours in the neutral and safe space of the foundation, with no one but himself and the cleaning lady to witness it.²²¹ After several weeks, despite the fresh memories and nationalist rhetoric from the conflict, SDSM and DUI agreed on the programme and structure of the government coalition and completed the new set of legal and institutional tools and mechanisms that OFA introduced. Most importantly for this case, for the first time since independence an Albanian minister of education was appointed. DUI's Azis Pollozhani took over the education portfolio to manage the forthcoming educational reforms.

In early 2004, ten years after it was founded, Tetovo University was finally on parliament's agenda. Deputies were considering draft legislation to legalise its status. The draft proposed legalising five of the eight existing faculties in the university, funding from the state budget, and resolving the status of the students already enrolled and those holding degrees from TU through the legal and institutional mechanisms provided by the existing Law on Higher

²²⁰ Borjan Jovanovski, Journalist and Media Advisor to President Trajkovski, 2001-2004. *Personal Interview with the author*. Skopje, 15 July 2010.

²²¹ The first such meeting between SDSM's Radmila Šekerinska and DUI's Teuta Arifi took place in Open Society Foundation's premises in Skopje. Vladimir Milčin, Executive Director of FOSIM since 1992. *Personal Interview with the author*. Skopje, 28 July 2010.

Education.²²² Following the provisions of the OFA, a double majority was required to adopt legislation in the area of education. An overall majority plus a majority of Albanian deputies had to support the proposal before it could be adopted. As required, the law was passed with an overall majority of 68 votes, and 26 votes from the Albanian deputies. Only VMRO-DPMNE deputies did not support the law, while the Albanian opposition – the Democratic Party of Albanians (PDSH), despite their criticism for the proposal voted in favour of it.

The adoption of this law, which put an end to the decade-long ethnic and political tensions over higher education in Albanian language, took one of the longest plenary sessions of the Macedonian parliament to pass the proposal. Legalising TU was a difficult challenge for the first inter-ethnic government coalition in post-conflict Macedonia, testing the strength of the new institutional set-up and the resilience of political elite accommodation.

In stark contrast to SDSM-PDP coalition relations before 2001, SDSM and DUI made a prior agreement to legalise TU in 2002. The Vice Prime Minister Radmila Šekerinska revealed how there was no strict obligation in OFA to legalize TU, but that they thought it would be good to resolve the issue that had so often resulted in raising ethnic tensions between Macedonians and Albanians.²²³ The opposition vehemently opposed the draft law. While VMRO-DPMNE claimed not to be against the OFA provisions for higher education in Albanian, they claimed that OFA did not explicitly call for the legalisation of Tetovo

²²² Law on establishing state university in Tetovo. *Official Gazette of Republic of Macedonia*. (No.05/2004) 23 February 2004. Also available on: www.pravo.org.mk

²²³Radmila Šekerinska, Vice PM 2002-2006. *Personal interview with the author*. Skopje, 6 September 2010.

University, and that with the establishment of the private South East European University (SEEU) in 2001 as well as the minority quotas and Pedagogical Faculty courses taught in Albanian, this requirement was completely fulfilled and there was no need to legalise TU.²²⁴ In their public statements, VMRO-DPMNE further claimed the law would deepen the ethnic gap in Macedonian society by establishing a separate university where students would only study in Albanian and thus discouraging Albanian and Macedonian youth from integrating and interacting through education,²²⁵ a move away from their over nationalist rhetoric during the 1997 protest against higher education reforms.

In Parliament, the Albanian opposition, PDSH, criticized the proposal for failing to provide good quality higher education for Albanians. PDSH criticized the government for “establishing” rather than “legalising” TU, thus denying the continuity of the institution from 1994, and consequently demanding re-evaluation of all those holding degrees from Tetovo University. It further attacked the government proposal for only recognising five of the eight departments, thus discriminating against those students who were studying in the unrecognised departments. Finally, in the proposal to establish TU the opposition saw an attempt to undermine SEEU, which was already providing university education in Albanian, and instead of expanding the departments and courses offered at SEEU, it created

²²⁴ Transcripts from the forty-fifth session of the Parliament of R. Macedonia, on 9 December 2003. Parliament of Republic of Macedonia. *Transcript Archives*. Available at: www.sobranie.mk

²²⁵ Žarko Karadžoski, MP for VMRO-DPMNE, quoted in *Utrinski Vesnik*. 24 February 2004. <http://217.16.70.245/?pBroj=1377&stID=5909&pR=2>

competition between the universities offering the same selection of courses.²²⁶

PDSH proposed amendments to the text, so that it would better answer the needs of the Albanian population in Macedonia, and thus engaged in ethnic bidding.²²⁷ PDSH criticised the governing Albanian party for doing too little to defend the interests of the Albanian population in Macedonia. However, without public support for those outbidding efforts in this instance they proved fruitless. Recognising TU was a major achievement for the Albanian population, even if it fell short of the demands of PDSH, DUI felt no pressure to join in the outbidding game. And while the OFA did not explicitly call for recognising TU, it did require state-funded higher education in Albanian, a provision clearly pointing to resolving the status of TU, since SEEU is a private institution.

Bidding on the ethnic or ‘patriotic’ scale was not the only tool at the opposition’s disposal in the policy process. Next, VMRO proposed interpellation of the Minister of Education, whose work on legalising TU they described as activities with “illegal institutions” and described TU as a “para-university” signalling their resistance to its legalisation.²²⁸ When the interpellation attempt failed because of insufficient votes, both VMRO and PDSH took up filibustering and engaged in hours-long talks against the proposed legislation, preventing the closing of the

²²⁶ Zamir Dika and Menduh Thaçi, MPs for PDSH, in Transcripts from the first sitting of the forty-fifth session of the Parliament of R. Macedonia on 11 December 2003. Parliament of Republic of Macedonia. *Transcript Archives*. Available on: www.sobranie.mk

²²⁷ See John Coakley’s definition of ethnic outbidding in “Ethnic competition and the logic of party system transformation” in *European Journal of Political Research*. Vol.47, (2008), pp.766-793

²²⁸ Transcripts from the forty-fifth session of the Parliament of R. Macedonia, on 9 December 2003. Parliament of R. Macedonia. *Transcript Archives*.

plenary debate and voting on the proposal. By the end of the tenth sitting, the government withdrew the proposal from the Parliament's agenda. The filibustering had worked.

A month later, the government reintroduced the proposal to Parliament through a procedure for urgent issues. Although the issue of Tetovo University had been around for almost ten years, and was hardly urgent, the procedure for debating urgent issues included limited time for debate, and thus prevented filibustering. This time the Law on establishing state university in Tetovo was adopted. Despite all of the efforts against adopting the proposal, none of the opposition parties actually voted against it. VMRO-DPMNE deputies left the parliament, saying they "did not want to take the historic responsibility for voting on the law,"²²⁹ a statement suggesting they found the law harmful for ethnic Macedonians. Although PDSH deputies criticised the law during the entire process and used all institutional means available to prevent its adoption, when the voting took place they voted in favour of it.

The struggle over TU did not finish in Parliament. VMRO-DPMNE encouraged President Trajkovski not to sign the decree enacting the law and to return it to Parliament. However, he signed the presidential decree claiming the law was good and allowed access to

²²⁹ Žarko Karadžoski, Coordinator of the VMRO-DPMNE parliamentary group, in the Transcripts from the fifth sitting of the fifty-first session of the Parliament of R. Macedonia on 21 January 2004. Parliament of Republic of Macedonia. *Transcript Archives*. Available at: www.sobranie.mk

education to many young people in Macedonia.²³⁰ Finally, the law was challenged in front of the Constitutional Court, which ruled in favour of its constitutionality. With the Constitutional Court's decision all legal and institutional channels for challenging the law on TU were exhausted by the opposition, which refrained from using non-institutional means to oppose the policy. The next academic year, 2004-2005, Tetovo University became the third state university in Macedonia.

Although there were no obstacles to implementing the law on TU, as well as the additional reforms in primary and secondary education for Albanians, the outputs of these reforms did not result in improved inter-ethnic relations and de-ethnicisation of education policy. The establishment of separate, Albanian-language educational institutions, from primary to post-graduate level, resulted in segregation of Macedonian and Albanian students and their encapsulation in an ethnically-exclusive education system. That the effects of the post-conflict OFA-inspired reforms in education were not as expected was soon visible to all who followed the progress of reforms in Macedonia. Violent incidents between students from different ethnicities became very common, especially in ethnically-mixed towns. School authorities responded by physically separating the students from different ethnic groups, first in different shifts (morning and afternoon) and eventually in separate buildings. Violence between Macedonian and Albanian students in high-schools in Kumanovo, Struga and Tetovo not only made the main headlines in the media, but incited heated discussions

²³⁰ Boris Trajkovski, quoted in "Trajkovski go potpiša ukazot za tetovski ot univerzitet" [Trajkovski signed the decree for Tetovo University] in A1 News, 20 February 2004. Available at: <http://www.a1.com.mk/vesti/default.aspx?VestID=29272>

between concerned parents, local authorities and the central government about whether integration in schools was possible, even if desirable.

Indeed, the roots of ethnic intolerance and youth violence in Macedonian schools are deeper than the post-2001 interventions in the educational system. The curriculum contains very few references to other ethnic groups' history and culture and the teaching staff have scant training and no incentives to mainstream multiculturalism in classes. The support staff tends to downplay the ethnic component of youth violence fearing media attention and damaged school reputation, thus leaving ethnic violence untreated in schools.²³¹ What has made this problem more acute and more visible is the language division that accelerated after 2001 as education in Albanian became more available and the number of Albanian language classes increased in schools in areas populated with Albanians. As the right on mother tongue education was being promoted through making education in Albanian more available, inter-ethnic integration through education suffered. Instead of exposing them to each other, schools made Albanian and Macedonian children more encapsulated in their own ethnic group, as not only classes but extra-curricular activities also became mono-ethnic. Schools justified those measures on the grounds of the language gap, but the policy effects were equivalent to those of *de facto* ethnic segregation.²³² The resulting lack of contact between ethnic groups made schools fertile ground for breeding prejudice instead of fighting it, demonstrating the limited success of post-conflict education reforms in

²³¹ Violeta Petroska-Beška et al., *Multiculturalism and inter-ethnic relations in education*. (Skopje, UNICEF Office, 2009).

²³² Violeta Petroska-Beška et al., *Multiculturalism and inter-ethnic relations in education*.

alleviating ethnic tensions in education.

ACCOMMODATION AND CONTINUED ETHNICISATION: DISCUSSION

With the introduction of power-sharing mechanisms after 2001, the dynamic of political elites' interaction in Macedonia had changed. *Executive coalition and veto mechanisms* altered the ways that governments functioned and policies were made, in particular in the area of minority education. Intra-coalition consensus on legalisation of TU was the single most important factor that explains the success of the proposal to legalise TU. Unlike the SDSM-PDP coalition from 1994-1998, when coalition partners had opposite stances on the issue, the SDSM and the DUI had agreed on a common government programme at the start of the term and both partners respected those commitments. The intra-coalition consensus was strong enough to resist the ethnic outbidding attempts from the opposition, as both the DUI and the SDSM refused to respond to opposition's ethnic bids. Moreover, the combined votes that the coalition controlled in Parliament were sufficient for fulfilling the double-majority requirement.

The SDSM-DUI coalition worked better than its predecessor in accommodating ethnic differences because DUI's influence and bargaining leverage in cabinet was much greater than that of the PDP. The double-majority requirement that OFA introduced meant that the SDSM could not pass education legislation without the support of Albanian deputies in Parliament, a limitation that the SDSM did not have in 1994. This provided incentives for the Macedonian party in government to seek the support of their Albanian partner and take

their demands more seriously. Thus the double-majority voting requirement made executive coalitions more successful in sharing power between Macedonian and Albanian parties in power.

Introducing power-sharing did not limit political competition, as some critics claim.²³³ On the contrary, in addition to the government-opposition front, it opened an intra-Albanian government-opposition front, thus creating room for political competition between Albanian political elites. As a result, *ethnic outbidding* also started to occur in the Albanian bloc. Ethnic bidding increased in volume after 2001 and it was present both among Macedonian and Albanian parties. Despite this and the introduction of PR electoral system, ethnic outbidding was not more successful than previously.²³⁴ Even without the interference of *external actors*, which in this instance were completely detached from the policy process, the government managed to repeal the bidding attacks and successfully accommodate over the issue of legalising TU.

At a more general level, this case also addresses issues about the efficiency and effectiveness of power-sharing mechanisms. The case of TU demonstrates that policy-making was efficient. A stable majority, commanding enough votes in parliament for the double majority requirement, pursued a policy course without being blocked by the opposition or another institution. Notwithstanding the regular democratic mechanisms

²³³ B. O'Leary discussion in "Introduction" in M. Kerr, *Imposing Power-Sharing*. (Dublin, Irish Academic Press, 2006).

²³⁴ See earlier discussion in Theoretical Framework Chapter on ethnic outbidding and S.E. Lipset (1967) and Rabushka and Shepsle (1975) arguments.

available to the opposition, the power-sharing decision-making apparatus was not inefficient, as some argue.²³⁵ Neither double majority vote nor the inter-ethnic reconciliation committee in parliament created a policy bottleneck, and the government agenda was being implemented at a steady pace.

Although power-sharing institutions were functioning efficiently, their effectiveness in resolving ethnic problems in society by adopting a mutually acceptable solution was more problematic. Minority education remained a problematic topic for ethnic relations even after TU was legalised. The *functional autonomy* that was introduced in the area of education for Albanians led to the creation of two entirely separate and ethnically-exclusive educational systems in Macedonia. Since 2001, education became more segregated and society more divided as a result. Thus, although political elites accommodated over the adoption of proposed reforms and their implementation, the results that the adopted policy was producing were divisive, so the issue remained ethnicised.

CASE 2: COMPULSORY MACEDONIAN IN PRIMARY SCHOOLS

Political elites were not unaware of the divisive trend in education, which led to segregation, but the direction of education reforms since 2001 has been towards providing mother-tongue education opportunities for minorities not towards building an integrated multi-ethnic educational system. The OFA says nothing about integrating the ethnic groups

²³⁵ C. Chivvis, "The Making of Macedonia" in *Survival*. Vol.50, No.2, (2008).

through education, merely that “[in] primary and secondary education, instruction will be provided in the students' native languages.”²³⁶ That is also the criterion for measuring the progress of education reforms and the successful implementation of the OFA, as required for EU and NATO integration. Naturally, the OFA says nothing against multi-ethnic integration in education and these two policy directions are not necessarily mutually exclusive. But the OFA offered no set of guidelines that can be used to overcome the difficulties, resulting in a painful trial-and-error cycle of policy adjustments dealing with the symptoms of growing segregation in Macedonian schools.

Such outcomes from minority education policy further suggest that reforms focusing on single ethnic groups attract greater support among the ethnic group members than cross-group reforms. As some critics argue, power-sharing does not provide incentives for cross-group politics.²³⁷ Instead it encourages political elites to seek single-group support for their platforms. With the additional benefit of presenting such ethno-centric policies as fulfilling the requirements set by the OFA, a radical change in the direction of minority education policy in Macedonia seems very unlikely, as the case with compulsory Macedonian language in primary schools illustrates.

On the 2006 elections the government changed, seeing SDSM and DUI replaced by a coalition of VMRO and PDSH, as the Albanian partner. Despite the changes in the course of many policy areas, the VMRO – PDSH coalition did not reverse minority education reforms.

²³⁶ OFA. Section 6. Education.

²³⁷ D. Horowitz, *Ethnic Groups in Conflict*. (Berkeley: University of California, 1985) argues that power-sharing hardens group boundaries and prevents moderate cross-group politicians from winning.

Although when in opposition VMRO opposed many of the measures the previous government adopted, in order to roll-back those reforms they needed a double majority in parliament, which they were unlikely to win since that would entail PDSH voting against the mother-tongue education measures for Albanians. Thus consecutive education ministers launched various projects in education, but did not adopt multi-ethnic or multi-lingual education as a policy priority.²³⁸ By the next elections and the new coalition government between VMRO and DUI in 2008, education for ethnic minorities had fallen down the reform-priorities agenda. Seven years since the OFA, the major reforms it envisaged were seen as completed or in advanced stages of implementation, and the government's attentions were turned towards economic reforms and bread-and-butter policies that would improve citizens' quality of life. The government's four-year programme had little to propose on minority education and nothing concerning multi-ethnic education or ethnic integration through education.²³⁹

Therefore, it was not the government coalition, or even the opposition, who put the issue of integrated education on the political agenda. Rather, international organisations and a few domestic NGOs kept the problems of ethnic segregation and ethnic violence in schools in the spotlight. The news abounded with stories about the problems in Macedonian

²³⁸ Pero Stojanovski, Minister for education 2008-09, "Obrazovanie za promocija na vistinskite vrednosti" [Education for promoting true values], Interview in *Prosveten Rabotnik*. Vol.56, No.964, (March 2009). Nikola Todorov, Minister for education 2009-2010, "Dobar nastavnik - osnova za dobro obrazovanie" [Good teacher – basis for good education], Interview in *Prosveten Rabotnik*, Vol. 56, No.967/8, (November 2009). Both interviews available at: <http://www.prosveten.mk>

²³⁹ Government of Republic of Macedonia, *Program for the work of the Government of Republic of Macedonia for the period 2006-2010*. (Skopje, 2006). Available at: http://vlada.mk/files/programa_za_rabota_na_vladata_mk.pdf

education of ethnic segregation, with violent incidents and demands for separate shifts and buildings for Macedonian and Albanian students.²⁴⁰ In addition to media attention, the issue was taken up by some of the influential international organisations present in Macedonia, such as the USAID and OSCE, which pressured the government to take measures to address the issue. The government coalition, faced with domestic and external pressure, responded by committing to prepare a strategy for integrated education with the assistance of OSCE's High Commissioner for National Minorities (HCNM).

A long-term strategic document, the Strategy for integrated education was prepared by the Ministry of Education and OSCE HCNM without the deliberate consultation and feedback that a legislative procedure entails. Although Albanian politicians were not closely involved in drafting the strategy, their expectations were that if, once adopted, it called for further reforms in education, the double-majority vote requirement in parliament would be sufficient to ensure acceptable amendments on the existing education legislation. Indeed, the strategy proposed five sets of recommendations relating to: integration through common activities, through better knowledge of languages, better training of teachers, curricula reform and harmonisation and school management.²⁴¹ It aimed to open up multi-ethnic integration through education while not limiting the right to mother-tongue

²⁴⁰ Among many news stories: "Violent high-school protests" in A1 News. 23 October 2002.

<http://www.a1.com.mk/vesti/default.aspx?VestiID=13259>; "High-school fight between Macedonians and Albanians in Struga" in Utrinski Vesnik. 28 March 2009. www.utrinski.com.mk;

²⁴¹ Ministry of Education and Science, *Čekori kon integrirano obrazovanie vo obrazovniot sistem na Republika Makedonija*. [Steps towards integrated educational system in Republic of Macedonia]. Skopje, 2009.

Available at:

http://mon.gov.mk/index.php?option=com_content&view=article&id=649:integriranoobrazovanie&catid=67:novostimon&Itemid=128

education for all ethnic groups in Macedonia.

Shortly after the strategy was adopted in 2009, the ministry of education made a decision to introduce compulsory Macedonian language classes for all Albanian students from first year of primary school. The minister, Nikola Todorov from VMRO, claimed that the Law on primary education provides an obligation to study Macedonian for all students, as it is the official state-language in Macedonia, and although Albanian children were already learning Macedonian at school, Macedonian language classes started in fourth grade. English classes on the other hand started in first grade, which the minister found to be unacceptable in the public educational system.²⁴² He justified the measure on the basis of the recommendations from the strategy for integrated education, which indeed suggested learning Macedonian from the first grade, but also called for incentives for Macedonian children to learn Albanian, a recommendation that the minister did not address nor include in his decision.²⁴³ To make matters worse, the minister announced the decision during winter holidays, to take effect at the start of the second term of the school year, rather than waiting until the start of the next year.

This decision of the ministry of education caused many bitter reactions from the international community in Macedonia, the Albanian teachers, parents and NGOs. The measure was immediately rejected by Albanian teachers and parents, who claimed that the

²⁴² Nikola Todorov, cited in “Albančinjata mora da učit makedonski” [Albanian children have to learn Macedonian] in *Vreme*. 14 January 2010. Available at: <http://www.time.mk/read/2d78dfa648/5f0c6404e7/index.html>

²⁴³Ministry of Education and Science of RM, *Strategy for integrated education*.

curriculum of first graders was already too heavy and children could not study three languages from the age of six. The Albanian parents threatened not to send their children to school and the Albanian teachers' union threatened not to teach if the minister insisted on proceeding with the controversial measure. NGOs quickly collected 15,000 signatures from the population to challenge the decision in front of the Constitutional Court.

The DUI was demanding that compulsory Macedonian be treated as an education policy issue that needs to be resolved in parliament by using the double majority, an instrument that required their full support for the proposal before it could be adopted, and would have accompanied it with measures encouraging Macedonian children to study Albanian. In a move revealing the lack of intra-coalition agreement on the issue, VMRO, through the education minister, rejected the calls to use the available power-sharing and reconciliation mechanisms to come to a more balanced solution, and thus triggered a government crisis. The rift between the coalition partners was immediately seized upon by the opposition. PDSH accused the government of discriminating against Albanians,²⁴⁴ and accused the DUI of collaborating with VMRO to assimilate the Albanians in Macedonia, thus openly bidding on the ethnic scale as the better protector of Albanians' interests in Macedonia. The opposition objected to the manner in which the DUI was neglected in the policy-making process. PDSH's Sulejman Rušiti, former minister of education, accounted how his own daughter learned Macedonian since pre-school age, but that it was a decision for the Albanians to make, not

²⁴⁴ Ilyas Halimi, Vice-President of PDSH, quoted in "Makedončinjata da učat albanski" [Macedonians to learn Albanian] in *Utrinski Vesnik*, 1 September 2009. Miruse Hoxha, Vice-President of PDSH, quoted in "DPA se oglasi za izučuvanje na makedonski jazik od prvo oddelenie" [PDSH view on learning Macedonian from first grade] in *Kanal 5 News*, 16 January 2010.

<http://www.kanal5.com.mk/default.aspx?mId=37&eventId=56875&tip=video&egId=13>

one to be imposed from above.²⁴⁵

The DUI responded to PDSH's bid through Fazli Veliu, a senior NLA and DUI figure, who addressed the PM Nikola Gruevski in a public letter stating that the DUI will never support this decision of the government, would leave the coalition if VMRO proceeds with adopting such discriminatory decisions, and compared the anti-Albanian methods used by Gruevski to those of Milošević.²⁴⁶ While the letter was not publicly embraced by DUI leader Ali Ahmeti, his relations with Veliu were such that no one doubted that the DUI leadership was familiar with the contents of the letter and that it was intended as a warning to VMRO about the survival of the government coalition.²⁴⁷ Not surprisingly, the nationalist statements of Albanian political elites triggered equally ethnically charged responses on the Macedonian side. Soon after Veliu's letter to the PM, the Association of Macedonian Veterans from 2001 responded with a public letter to Veliu, accusing him of anti-Macedonian rhetoric, disrespect of the OFA as well as the many benefits that the VMRO-led government has brought to the Albanians in Macedonia.²⁴⁸ In only ten days, what started as a decision to allegedly bring the two ethnic groups closer through integrated education, developed into a fully-fledged government crisis revealing worrying signs about the state of ethnic relations in Macedonia.

The OSCE HCMR Knut Vollebaek sent an urgent letter to the government and the minister of

²⁴⁵ Sulejman Rushiti, Minister for Education 2006-2008, MP for PDSH, *Personal interview with the author*. 22 July 2010.

²⁴⁶ Fazli Veliu, Founder of DUI, public letter to PM Gruevski published by *ALSAT-M TV News*, 25 January 2010.

²⁴⁷ Fazli Veliu is a maternal uncle of DUI leader Ali Ahmeti, and his closest collaborator since their time in UÇK army in Kosovo in 1997-1999 and NLA army in Macedonia in 2001.

²⁴⁸ "Pismo na pismoto od Veliu" [Letter to the letter from Veliu] in *Alfa TV News*. 26 January 2010. Available at: <http://www.time.mk/read/cfb43ca5c0/0defbda141/index.html>

education asking to defer the implementation of the decision and to conduct additional preparatory work before proceeding with it.²⁴⁹ On the brink of a diplomatic crisis on top of the rising domestic one, representatives of the international community in Macedonia quickly got involved and demanded deferral of the measures. EU and US ambassadors tried to reconcile the DUI and VMRO leaders by organising informal meetings with the leadership of the two coalition partners and by brokering an agreement between them. The two most influential ambassadors in Macedonia, involved in resolving the problem that the compulsory Macedonian language teaching measure created, revealed that the problem was not in the contents of the measure, but in the manner in which it was being “rammed through.”²⁵⁰ Imposed without conducting the necessary preparatory work with the local stakeholders or consulting the coalition partners, it struck a sensitive note with the Albanian leadership by reminding them of the policies and assimilation measures which were often imposed on Albanians in former Yugoslavia.²⁵¹ Perhaps even more importantly, by attempting to enact measures in education without using the double-majority procedures in Parliament, VMRO appeared to be taking away the bargaining leverage of the Albanian coalition partner and reducing it to its pre-2001 insignificant role in government.

The government coalition survived the crisis. The leaders of the two parties in government,

²⁴⁹ Excerpts from Vollebaek’s letter quoted in “Ne brzajte so jazikot” [No hurry with the language] in *Vreme*. 27 January 2010. Available at:

<http://www.vreme.com.mk/DesktopDefault.aspx?tabindex=0&tabid=1&ArticleID=132413&EditionID=1928>

²⁵⁰ Anonymous, Western state Ambassador to Macedonia. *Personal interview with the author*. Skopje, 23 July 2010. Erwan Fouere, H.E. EU Special Representative and Head of EC Delegation to Macedonia. *Personal interview with the author*. Skopje, 14 July 2010.

²⁵¹ Both Velju’s letter’s references to Milošević and Sulejman Rušiti’s interview used comparisons with Yugoslav time assimilation practices, signalling sensitivity to those policy legacies.

VMRO's Nikola Gruevski and DUI's Ali Ahmeti, met behind closed doors and, prompted by external actors, resolved the problems. The meeting was informal and no conclusions from the conversation were made public, but the crack in the government coalition was repaired. The minister of education did not withdraw the decision, but it was not implemented as the majority of schools across the state ignored the ministry's decision and did not teach Macedonian during the second term. In the meantime, the Constitutional Court issued a ruling stating that the decision to introduce compulsory Macedonian was unconstitutional, because all decisions concerning the education of minorities had to be made following the double-majority parliamentary procedure. In the same ruling the Constitutional Court reasserted that the Parliament was the only institution in Macedonia that could adopt laws and interpret their meaning, not the minister, while in case of conflicting interpretations, the Inter-ethnic Council in Parliament served as a reconciliation body.²⁵² It was a ruling stating that the post-2001 constitutional order in Macedonia and the power-sharing mechanisms introduced in the constitutional amendments have been violated by using an executive decision where legislative procedure should be applied. The Constitutional Court reaffirmed the permanence of power-sharing principles in Macedonian policy making which had been put under question with the government's decision.

CONTINUED ETHNIC CONTESTATION: DISCUSSION

This case demonstrates how the lack of prior *intra-coalition agreement* reflects negatively on

²⁵² Constitutional Court of Republic of Macedonia, *Ruling No.70/2010-0-1*, 14 July 2010. Available at: <http://www.ustavensud.mk/domino/WEBSUD.nsf>

ethnic accommodation. Because the DUI and VMRO had not previously agreed on how to proceed with reforms for integrated education and the minister of education proceeded to adopt the measure without informally or formally, in parliament, consulting the DUI, the measure was met with resistance and ultimately resulted in failure.

Because the only way that the measure could have been adopted and implemented was by amending the existing legislation through double-majority voting in parliament, this case also shows the effect of the *veto power* that Albanian politicians gained with the OFA. In this instance, the double-majority requirement allowed them to prevent the adoption of a measure seen as undesirable and harmful to the Albanian community. Even though VMRO tried to bypass the double-majority by avoiding the legislative procedure, the Constitutional Court reaffirmed the importance of the double-majority voting procedure as the mechanism protecting non-majority groups from being out-voted.

Since 2001 and subsequent education reforms, Albanians have enjoyed *de-facto functional autonomy* in the area of education. The linguistic division in the Macedonian educational system implies that from primary school to post-graduate study Albanians have separate educational institutions, run and managed by themselves. The attempt to impose compulsory Macedonian was seen as encroaching upon this autonomy and elicited strong reactions not only by politicians but also by local schools, Albanian teachers' union and parents, who have been enjoying the benefits of self-governance in education.

In addition to the formal power-sharing mechanisms, *legacies* of previous discrimination played an important role in creating resistance among the Albanian elites and population. Imposing measures affecting only the Albanian population without consulting its leaders or those affected by it was reminiscent of times in SFRY when Albanians were often subject to such unannounced assimilatory measures by republican or federal governments. The effect of the legacies is even clearer when one notes that the contents of the measure, learning Macedonian from first grade, was not itself controversial, but rather it was the manner in which it was introduced. Had Albanians had a greater say in designing and introducing the measure resistance could have been avoided. The memories of pre-2001 politics when there were no power-sharing mechanisms to safeguard minorities' interests were recent enough for Albanian elites to fear that they could lose these benefits. The behaviour of the party in power, trying to avoid power-sharing procedures, only contributed to Albanians fearing the lingering effects of legacies of minority oppression.

Legacies of past discrimination played into the opposition's ethnic bids. PDSH used popular fears and discontent to launch *ethnic outbidding* criticism at the DUI, who ended up outflanked by its opposition and with no support from its coalition partner in advocating compromise solutions through parliamentary mechanisms. This left the DUI vulnerable to ethnic outbidding and trying to respond by bidding higher and attacking its coalition partner, which eventually incited an escalating response from the Macedonian side. Although Macedonian opposition did not bid on the ethnic scale, it did not down-bid either as no one from the SDSM argued against the imposition of the measure. Successful outbidding

eventually prevented compromise and accommodation over the issue.

The *external actors* had an enabling influence on the political elites in this case. First, it was the OSCE who put the issue of integrated education on the agenda and helped the ministry of education prepare the strategy. Without this external push and assistance, it is unlikely that the government would have pursued the issue on its own. More concerned than domestic leaders about the segregation in Macedonian education, external actors tried to address the shortcomings of post-OFA education reforms. Second, once the government crisis escalated, influential ambassadors tried to reconcile Macedonian and Albanian members of the coalition and prevent the government from falling. They provided neutral space for leaders' meetings and negotiations in embassies and facilitated the reaching of an *informal agreement* over the issue to patch up the crack in the coalition. It was this informal and closed meeting between the VMRO and DUI leaders that stopped the cycle of nationalist rhetoric and prevented greater crisis.

Finally, this case opens a more general question about the political actors' perceptions of and attitudes to power-sharing. Power-sharing literature claims that political elites tend to benefit from it, as it enables them to remain in power as representatives of their ethnic group. Even many of the criticisms aimed at power-sharing accuse it of being too dependent on elites for its successful functioning, arguing that only an 'elite cartel', not the population,

benefits from such an arrangement.²⁵³ However, the actions of VMRO in this case suggest that some among the political elite have not accepted power-sharing, and the across-group concessions and compromises it implies, as a permanent part of the political system. They tried to get around the double-majority requirement for education reforms and introduce measures through an executive act, even though there were no signals from the DUI that they would oppose the measure. Although accommodation was attainable, VMRO-DPMNE did not seek it which was eventually more costly as the measure was abandoned. Despite short-term costs, some among the Macedonian politicians may prefer going back to pre-2001 arrangements when no compromises with Albanian coalition partners were necessary, thus threatening the stability of the post-conflict political arrangement that OFA introduced. This indicates a continuing lack of unity among the political elites in Macedonia, as ten years after the signing of OFA, the basic principles of the political system and the rules of political competition are still being implicitly disputed by some.

MINORITY EDUCATION SINCE 2001 – THEORETICAL IMPLICATIONS

Since 2001, accommodation over issues of minority education had initially improved, with the legalisation of TU, but soon deteriorated again as problems with ethnic violence and segregation aggravated ethnic relations in this area. The unsuccessful attempt to introduce compulsory Macedonian for Albanian students made the situation worse as Albanians and Macedonians in government failed to find an acceptable solution to address the need for

²⁵³ See S.M. Halpern, "The disorderly universe of consociational democracy" in *West European Politics*. Vol.9, No.2, (1986), pp. 181-197.

better ethnic integration in schools. The outcome of ten years of education reforms is a system linguistically and ethnically divided and a set of political elites divided over the direction of future reforms.

At the formal institutional level, the cases show that ***power-sharing arrangements are a necessary pre-requisite for elite accommodation***. Only after 2001 was the contentious issue of higher education in Albanian resolved, as the increased power of Albanian parties in executive coalitions made them an equal partner to the Macedonian parties in issues where double-majority voting applied. Indeed, the introduction of double-majority, as a type of veto mechanism for the Albanian minority in Macedonian politics, increased the bargaining power of Albanian elites in government. The threat to withhold their support for a policy proposal provided sufficient cause for Macedonian elites to accommodate them. When Macedonian politicians tried to bypass power-sharing arrangements, in the case of compulsory Macedonian, the policy failed. Albanian elites saw an attempt to rollback power-sharing and to revert to exclusionary politics, and even though the contents of the proposal were fundamentally non-problematic, they responded with strong resistance against it.

The only notable changes in political party dynamics concern the intensified intra-group competition among Albanian parties. Their increased influence in governing coalitions also meant that the Albanian elites took greater responsibility in front of the Albanian electorate for the government's decisions and policies. This drew a clear line between the governing

and opposition party in the Albanian bloc and opened space for criticism and competition. The clear differentiation between government and opposition party in the Albanian bloc also created opportunities for ethnic outbidding, which were previously absent. The findings however do not provide enough support for arguments claiming that ethnic outbidding intensifies with PR electoral system and power-sharing politics.²⁵⁴ Ethnic bidding was very intense among Macedonian parties in 1994-1997 when TU was established, even though Macedonia at the time had a majoritarian electoral system. After 2001, ethnic bidding was common in both blocs, but only successful in the instance with compulsory Macedonian when there was no common moderate position between the coalition partners, which dragged the DUI into an outbidding cycle with the opposition's PDSH. When in 2004 PDSH tried an outbidding strategy over TU legalisation, it failed, suggesting that ethnic outbidding is not inevitable under power-sharing and PR systems.

Informal practices, in the form of closed leaders' meetings, took place only when formal mechanisms failed to bring about accommodation, as a last resort for overcoming a political deadlock. The case with compulsory Macedonian illustrates how it was only when the Prime Minister and the leader of DUI, prompted by foreign ambassadors, met behind closed doors that the impending government crises was averted and nationalist rhetoric stopped. These informal meetings are effective in resolving issues that formal institutions fail to solve and as such compensate for the ineffectiveness of power-sharing mechanisms. Although they are

²⁵⁴ Integrationist arguments, see D. Horowitz, *Ethnic Groups in Conflict*.

not transparent and the public is not informed about what was discussed or agreed, and there is no means to hold the leaders accountable for such agreements, the external actors have been willing to promote and support such form of high-level accommodation. Their effectiveness in avoiding government crises and ethnic tensions compensates for the lack of democratic credentials. While similar informal practices (bargaining, lobbying etc.) are common elsewhere in democratic politics, in the ethnically divided context in Macedonia they tend not only to supplement the official policy process, but also serve to diffuse rising ethnic tensions, especially when formal reconciliation mechanisms, such as the Inter Ethnic Council in parliament, fail to perform their role.

Legacies of past discrimination exacerbated the resistance amongst Albanian elites and contributed to the failure to introduce compulsory Macedonian in primary schools. The cases indicate that ten years of power-sharing politics were insufficient for political elites in Macedonia to accept power-sharing mechanisms and values as an integral part of the political system. Among the Macedonian politicians, some tried to introduce policy changes without double-majority voting in parliament, thus indicating a preference for pre-2001 policy-making practices which often excluded minorities. Among the Albanians, memories of discrimination in SFRY and pre-2001 Macedonia led them to reject an otherwise acceptable proposal, recognising an attempt to undermine their position in the political system and the rights of Albanian population in society. These divergent perceptions of the underlying purpose and direction of the institutional set-up in Macedonia pose a serious problem to overcoming ethnic tensions and divisions. They reveal how the rules of the political game

are still being implicitly renegotiated and political elites lack the normative unity to make the political system stable and fully democratic.²⁵⁵

In addition to the lack of elite consensus on the rules and values of the political process, the ineffectiveness of power-sharing policies, even when implemented properly, in leading to improved ethnic relations and de-ethnicisation of sensitive issues, is another major reason for the failure of ethnic accommodation in minority education. Although initial education reforms, such as TU legalisation, were successfully adopted and implemented through power-sharing mechanisms in parliament and government, their outcomes led to greater divisions between ethnic groups and ethnic violence. Thus minority education remained a sensitive issue, poisoning ethnic relations and raising nationalist passions and rhetoric. These findings provide support for arguments claiming that power-sharing does not necessarily bring divided societies closer, but rather can further harden ethnic groups' boundaries by solidifying them into institutional frames.²⁵⁶ Whether that is an inevitable outcome of power-sharing political systems or whether there are factors that can lead to successful accommodation and de-ethnicisation of sensitive issues is open to further debate. The next case of decentralisation reforms outlines some factors that can lead to improved ethnic relations.

²⁵⁵ J. Higley, J. Pakulski and W. Wesolowski, *Elite Change and Democratic Regimes in Eastern Europe*. (Basingstoke: Macmillan, 1998).

²⁵⁶ P. G. Roeder and T. Chapman, "Partition as a Solution to Wars of Nationalism: Importance of Institutions" in *American Political Science Review*. Vol.101, No.4, (2007), pp.677-691; and P.G. Roeder, "Peoples and States after 1989: The Political Costs of Incomplete National Revolutions" in *Slavic Review*. Vol.58, No.4, (1999), pp.854-882.

2. DECENTRALISATION POLICY IN MACEDONIA

HISTORY AND LEGACIES IN DECENTRALISATION

Decentralisation was one of the main features of Yugoslav communism during the last decades of the Yugoslav federation. As discussed in previous chapters, the 1974 Constitution of SFRY provided for extensive transfer of authority from federal to republican level, continuing an earlier trend that started in the 1960s as an answer to the economic problems of Yugoslav communism. By the end in 1980s, federal institutions held little political and economic power and most issues in domestic politics were resolved by each republic. Although decentralisation was not as advanced inside the constituent republics, municipalities had substantial powers in several important areas, such as: urban planning, education, health and even some police and judiciary competencies.²⁵⁷ This period of extensive decentralisation has become the standard against which later decentralisation efforts in Macedonia were measured. Former Vice Prime Minister, Radmila Šekerinska compares municipalities in SFRY to little states, with sufficient capacity to run local economic, political and judicial affairs. Dušica Perišić, Director of the Association of Local Government Units (ZELS), compared decentralisation in SFRY to that in Scandinavian countries, pointing out that none of the successor states had followed that trend in decentralisation after independence.²⁵⁸

²⁵⁷ Part Two. Chapter 2. Municipalities. *Constitution of SFRY*. (Belgrade: Službeni List, 1974)

²⁵⁸ Radmila Šekerinska, *Personal interview*. Dušica Perišić, Director of ZELS, *Personal interview with the author*. Skopje, 23 July 2010.

Indeed, with the dissolution of the Yugoslav federation and the subsequent independence of Macedonia, there was a radical break with this Yugoslav tradition. Soon after declaring independence in 1991, the government centralised all political and economic authority. Without public debate on the issue or a political discussion in Parliament, the government simply issued an executive decision that took away all but the basic powers from municipalities. There was little protest over this decision of the government and few tried to contest it in parliament. After all, few were used to regarding parliament as a real locus of power, since assemblies during communism have served to simply rubber-stamp the decisions agreed on Communist Party sessions and congresses.

Some politicians explain this turn towards centralisation as a result of the fear among political elites about governing an independent state.²⁵⁹ Few of those who took the leading political positions in newly independent Macedonia had had much experience with running a fully sovereign state and that fear translated into an urge to centralise all political power in the hands of few at the top. Moreover, the dissolution of Yugoslavia was seen as a strong argument against federalism or any other form of territorial devolution of political power. Denko Maleski, foreign minister in the first Macedonian government, confirmed that it was common for Macedonian politicians at the time to view Yugoslavia's demise as a result of too powerful republics and too weak central institutions incapable of brokering an agreement between republics.²⁶⁰ Any demands for decentralisation, regionalisation or similar forms of territorial devolution of political power were immediately rejected as threats to the

²⁵⁹ Radmila Šekerinska, Vice PM 200-2006. *Personal interview*. Skopje, 6 September 2010.

²⁶⁰ Denko Maleski, Foreign Minister 1991-1993. *Personal interview with the author*. 15 July 2010.

statehood and sovereignty of the Macedonian state.

However, over the next decade the adverse effects of political and economic centralisation became evident for most among the political elites in Macedonia. The overly centralised administration was inefficient at providing services to the citizens, who needed to travel to Skopje for all major services from the public sector, from transport and construction, to judiciary. This created frustration with the state, which often acquired an ethnic overtone, as the state was seen as especially discriminatory towards the minorities in providing the necessary services to them. The fact that minorities were underrepresented in the public administration did not help in making ethnic minorities feel equally well served and treated by state institutions.²⁶¹ However, unlike the education issue, centralisation affected all municipalities, predominantly Macedonian as well as predominantly Albanian ones, so in relative terms the state was not discriminating against Albanians and minorities.

There were additional external pressures from international financial organisations, such as the IMF with which Macedonia had arranged assistance packages, to reform the large, centralised and inefficient administration.²⁶² By the end of the decade, among other reforms in the public sector, with the 1999 Public Administration Reform Strategy, the government was also considering decentralisation.²⁶³ The realisation of the strategy was proceeding

²⁶¹ F. Bieber, "Power-sharing in Macedonia" in *Power-sharing and OFA implementation*. (Skopje:FES,2008).

²⁶² International Monetary Fund, "Former Yugoslav Republic of Macedonia—Enhanced Structural Adjustment Facility Medium-Term Economic and Financial Policy Framework Paper, 1998–2000," 1997. Available at: <http://www.imf.org/external/np/pfp/mace/mace01.htm>

²⁶³ Government of Republic of Macedonia. *Strategy for reform of the public administration*. May, 1999. Available at: http://rja.gov.mk/files/documents1/Strategija_RJA_mk.pdf

slowly, so it is difficult to judge how successful decentralisation would have been without the OFA provisions explicitly calling for decentralisation. An awareness of the need to decentralise political power was growing among the political leadership, as the early resistance against it had subsided in view of the need for greater efficiency of the public sector.

In 2001, when the terms of the OFA were being negotiated, decentralisation was one of the major issues discussed. Decentralisation came as a substitute for territorial autonomy demands by the Albanian minority, since the Macedonian side was strongly opposed to any federal solutions or solutions involving territorial autonomy for the predominantly Albanian north-west parts of Macedonia. The attitudes of ethnic Macedonian political elites were still affected by the failure of the Yugoslav federation, where federalism was developed on the ethnic principle, discouraging them from pursuing a similar course in dealing with ethnic minorities in Macedonia. Federalism was seen as the first step towards secession, therefore one of the basic principles of the OFA denounces federalism, claiming “there are no territorial solutions to ethnic problems.”²⁶⁴ This meant that decentralisation was the agreed instrument which would allow greater participation, access to political power and resources, and finally a form of self-government for Albanians in Macedonia. As a high-ranking DUI member described it, “decentralisation has been the mechanism chosen to achieve what federalisation promises.”²⁶⁵ Indeed, this statement summarises the feelings and expectations

²⁶⁴ Basic Principles. *Framework Agreement*. Ohrid, 13 August, 2001. Available at: http://siofa.gov.mk/mk/dokumente/Ramkoven_dogovor.pdf

²⁶⁵ Ermira Mehmeti, MP for DUI 2002-present. *Personal interview with the author*. 23 July 2010.

that Albanians had from decentralisation. Thus when, with the signing of the OFA, decentralisation became one of the top priorities for the government, Macedonian and Albanian political elites had divergent hopes and expectations from decentralisation; Macedonians hoped it would make the state more efficient but feared it would lead to federalisation and secession, while Albanians hoped that decentralisation would allow self-government and access to resources similar to those of federal states.

Decentralisation reform after 2001 was anchored in two major pieces of legislation, which restructured the distribution of political and administrative authority between the central and local levels of government. The Law on local self-government increased the competencies of local government units and specified the institutional, legal, and financial tools at their disposal to pursue the new set of responsibilities. The Law on territorial organisation of municipalities re-drew the municipal map of Macedonia, cutting the number of municipalities from 123 to 86, in view of creating local government units capable of performing the newly-devolved responsibilities. Adopted between 2002 and 2004, these two laws contain the gist of decentralisation reforms and their negotiation and adoption witnessed major contestation within and across ethnic lines, as elaborated in the next section. The second case refers to an initiative to increase the funding sources for municipal budgets in 2007 and 2009. Several years after the initial decentralisation reforms were implemented. This case traces the changes in political elites' attitudes and approaches towards decentralisation, moving away from ethnically-charged rhetoric towards more technical discussions over the merits of the legislative proposal.

CASE 1: EMPOWERING LOCAL GOVERNMENT 2002-4

Decentralisation was already on the government and parliamentary agendas, even before the first post-conflict elections of 2002. It was to be one of the first policies that would go through the reformed policy process involving power-sharing mechanisms in parliament (double majority, inter-ethnic reconciliation council) and government (drafting the contents of the legislative proposals). Therefore, both the public and NATO and EU representatives were closely following the decentralisation reforms, anticipating the outcome of the first efforts at institutional power-sharing in post-conflict Macedonia.

Between the signing of the OFA in August 2001 and the next elections in September 2002, the government in Macedonia was a grand 'national unity' coalition, established to negotiate the end of the conflict and run the country through the transition period. It was composed of the four largest political parties, VMRO-DPMNE and SDSM from the Macedonian bloc and PDP and PDSH from the Albanian. At the time, the DUI, the political party that succeeded the Albanian rebel groups, did not exist and did not participate in the political process. The coalition had no specific programme or agreed priorities apart from the termination of the conflict and adoption of the OFA and related constitutional amendments. Ministers in the cabinet had different, even opposing, attitudes on many policy issues which affected the quality of policy-making and ethnic accommodation.

One of the first decentralisation laws after the conflict passed by the 'national unity' government was the Law on Local Self-government (LLS). Prepared by the minister of local

government, Faik Arslani, Albanian from PDSH, it redefined the competencies and authority of municipalities and the local tier of government according to the provisions in the OFA. Although a product of the grand coalition cabinet, once in parliamentary procedure, it emerged that the proposal was not jointly prepared by the coalition partners in government, since both Macedonian parties found it problematic. Two major arguments were offered against the proposed LLS during the parliamentary debates. First, there was a fear that the provisions allowing municipalities to cooperate and build common institutions in the areas of education, health, energy etc., would be used as a pretext to establish some form of regional institutional structure among predominantly Albanian municipalities. Many from SDSM and smaller Macedonian parties openly stated their fears that such legal provisions presented in terms of more efficient functioning of local government would be abused and lead to regionalisation of the state.²⁶⁶ Few explained why regionalisation would be bad for Macedonia, but the underlying logic was that regionalisation would be a prelude to territorial autonomy and federalisation, which for ethnic Macedonians, political elites and the population, was only a step away from secession. The second argument against the law concerned the proposed transfer of authorities and competencies from the central to the local level, which caused resistance by central institutions. Decentralising authority in health, energy management, education, and other policy competencies stipulated by the proposed law was seen to diminish the authority of central institutions, whose ministers and directors resisted the proposed changes and demanded keeping those competencies at the

²⁶⁶ Nikola Popovski, MP for SDSM, quoted in "Parlamentot blokiran so zakonot za lokalna samouprava" [Parliament blocked by Law on local self-government] in *A1 News*, 7 December 2001. Available at: <http://www.a1.com.mk/vesti/default.aspx?VestID=4205>

central level.²⁶⁷

The two arguments embodied two different logics, the first one based on ethno-national concern and mistrust in ethnic minorities, who are perceived as disloyal to the state; the second an institutional logic of resistance against the changes that would take powers away from the existing institutions. While not necessarily related, on this occasion these two arguments combined well, the first pursued by one Macedonian party (SDSM), the second by the other (VMRO), to create a clear ethnic cleavage between Macedonian and Albanian parties in parliament and to unite the two largest Macedonian parties together against the proposal. This was one of the first visible effects that power-sharing produced in Macedonian politics, Macedonian political elites were required to discuss and consider policy proposals that they considered unacceptable and to seek support for legislative changes from Albanian parties. The agenda-setting powers of the Albanian political elites had increased substantially, since before 2001, issues unpopular for both SDSM and VMRO, would never have been included in the parliament's agenda.

Such division between the Albanian and Macedonian parties in Parliament soon led to a deadlock. While the double-majority vote required Albanian support for passing the law, the resistance of Macedonian parties meant that there were insufficient votes for a simple majority in parliament. As it became clear that the SDSM and VMRO would not withdraw the amendments, Albanian parties, unable to reject the amendments without majority

²⁶⁷ Transcripts from the first sitting of the 95th session of the Parliament of R. Macedonia on 6 December 2001. Parliament of R. Macedonia. *Transcript Archives*. Available at: www.sobranie.mk

Macedonian support, left parliament and refused to take part in its work until the amendments were withdrawn. Formal power-sharing was not yielding the immediate results that Albanian politicians expected. Instead, they called for an informal leaders' meeting, where the leaders of the four largest political parties would meet, discuss the law and the amendments, and come up with a solution that parliament could confirm.

The Albanian parties also called on the representatives from the international community to support this proposal and encourage the Macedonian political elites to accept it. As this debate was taking place during the first months after the conflict, when the situation was still not stable, the international community intervened and demanded the law to be adopted. Passing the LLS was set as a condition for holding the international donors' conference for Macedonia, aimed at raising money for rebuilding and reconstruction of the damages caused by the conflict. Adopting the crucial systemic law that would pave the way for successful decentralisation of political power would show to donors that the Macedonian government was committed to implementing the OFA and building sustainable peace. International representatives in Macedonia reveal that in the early days after the conflict they did not hesitate to intervene in the political process and use conditionality to elicit the desired response from domestic politicians. The security situation at the time was seen as vulnerable and fragile. The domestic political elites were also aware of this, which made them more willing to listen and follow the advice of the international community.²⁶⁸

²⁶⁸ Anonymous, EC Delegation official. *Personal interview with the author*. Skopje, 4 August 2010.

After more than a month of debates, amendments, and negotiations between the leaders of the four largest parties and the international representatives, the members of the Albanian parties returned to Parliament, the opposition withdrew the amendments, and the LLS was passed by consensus.²⁶⁹ Very little actual accommodation through the new institutional mechanisms took place. The major factor explaining the eventual adoption of the law by all four political parties was the pressure from the international community, in particular the conditionality attached to the law and the international donors' conference. There was no coalition agreement about mutual concessions, nor was a wider consensus across the political spectrum sought. Yet, although the power-sharing mechanisms did not immediately produce accommodation, neither was eventual success ruled out. The pressure of the international community convinced all among the political elites that accommodation was indispensable, whether they arrived at it independently through the formal institutional procedures, or whether the international community exerted sufficient pressure for all to cooperate and agree. The double majority requirement in parliament was also respected, although external factors facilitated its work.

The problems created by the Law on local self-government were nothing compared to the controversies raised by the draft Law on territorial organisation (LTO) two years later. Based on the OFA provision requiring "revision of municipal boundaries", the draft LTO aimed to redraw the municipal boundaries in Macedonia, to allow for creating viable municipalities that would have the capacity to take on all the authority that the process of decentralisation

²⁶⁹ Zakon za lokalnata samouprava na RM. [Law on local self-government]. *Official Gazette of R. Macedonia*. (No.5/02) from 29 January 2002.

would transfer from central to local level. Since 1996, Macedonian territory was organized in 123 municipalities with minimal powers and authorities, which is why their size and limited human and material capacity was not considered problematic. Transferring competencies to local governments required larger municipalities with greater capacities to enable them to benefit from such transfer.

In 2004, the government was composed of the SDSM and DUI, who had won most votes on the 2002 elections among the Macedonian and Albanian electorate. Much like the case with legalising TU, the two parties in government had previously reached an agreement on the need to reduce the number of municipalities and worked together to develop the draft LTO. There were going to be problems about such a draft law even if the question was only about deciding which municipalities would meet the criteria for taking over the authorities that through decentralisation would be transferred from the central level. Once the government drafted the law, there were referendums in several smaller rural municipalities declaring they did not want to be abolished and merged with other neighbouring municipalities.²⁷⁰ There were fears among these municipalities that they would be neglected by the government, both central and local, if they lost their municipality status, even though decentralisation was aimed at increasing the power of local governments. However, the revision of the municipal boundaries became linked to another major provision from the OFA – the right to use languages other than Macedonian as official if more than 20% of the

²⁷⁰ Aleksandar Geštakovski, Minister for Local Self-government 2002-2006, Interview for *RL/RFE*. 16 May 2004. <http://www.makdenes.org/content/article/1473883.html>

population was using them as their mother tongue.²⁷¹ Changing the municipal boundaries would increase the territory on which Albanian would be official language in addition to Macedonian. Finally and perhaps most controversially, the shifting of municipal boundaries and the adding and subtracting of suburban and rural areas to some mixed municipalities was perceived as an effort to create more municipalities in which Albanians would be the majority. This generated protests and resistance among the ethnic Macedonian population in some mixed areas, most notably in the towns of Struga, Kičevo and Kumanovo, in which the ethnic balance was such that they were rendered potentially Albanian-majority towns.

The problems were related to Art.12 which listed the towns and villages that belonged to each of the initially 62, and eventually 86, municipalities replacing the previous 123.²⁷² The opposition on the Macedonian side argued that by adding large rural municipalities to the towns of Struga and Kičevo, the ethnic structure of these municipalities would be changed from mixed to Albanian-majority towns. This would lead to a 'soft cleansing' of Macedonians in those areas, as they would leave these municipalities, which would eventually lead to division and federalisation of the state.²⁷³ The opposition further accused the government of neglecting the outcome of the local referendums that many municipalities held against their merging with other municipalities, and called upon the obligation stemming from the ratification of the European Charter for Local Self-

²⁷¹ Framework Agreement. Education and Use of Languages.

²⁷² Zakon za teritorijalnata organizacija na lokalnata samouprava vo RM. [Law on territorial organisation]. *Official Gazette of R. Macedonia* (No.55/04) from 16 August 2004. Also available on: www.pravo.org.mk

²⁷³ Statements of VMRO-DPMNE MPs, in Transcripts from 10th to 15th sitting of the 50th session of the Parliament of R. Macedonia. Parliament of Republic of Macedonia. Transcript Archives. Available at: www.sobranie.mk

Government, and especially its Art.5, which stipulates that changes of municipal boundaries can only be done in consultation with the local population.²⁷⁴ By not taking the referendums into consideration, the government would act undemocratically, making policies that neglect popular input and participation in the process.

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*Map 1: Municipalities in Macedonia, as according the LTO from 2004.*²⁷⁵

At the same time, the Albanian opposition, PDSH and PDP, criticised the proposed territorial organisation of municipalities for playing with municipal boundaries to create dominant Macedonian ethnic majorities. PDSH members of parliament accused the government of creating municipalities in the north-western part of the country that did not have sufficient infrastructure, natural, economic or human resources and geographic compactness to function as sustainable municipalities. The only criterion for their establishment was that

²⁷⁴ European Charter of Local Self-Government. *Council of Europe*. 15 October 1985. Available at: <http://conventions.coe.int/treaty/en/treaties/html/122.htm>

²⁷⁵ Source: Ministry of Local Self-Government of Republic of Macedonia, Decentralisation. Available at: <http://www.mls.gov.mk/mk/flash/?v=4C6D7BBD5E664BAAD340E47FDF5574C767C585C3>

they contained dispersed Macedonian population areas and united them in a single Macedonian-majority municipality.²⁷⁶ In parliament, both the Macedonian and Albanian opposition parties accused the governing parties of betrayal of their ethnic group's interest and attempted to outflank them with a more nationalist discourse and ethnic bidding. Moreover, the opposition also attacked the government proposal on the grounds of democracy and transparency, for ignoring the local referendums outcomes, thus also bidding on a separate scale of democracy.

The governing parties, the SDSM and DUI, did not respond to the ethnic bids. They could not at the same time betray both Macedonian and Albanian interests. If they worked to create some municipalities with Albanian majority and some with Macedonian, then both communities' interests were protected to an equal extent and the proposed solution would be a good compromise. However, the government insisted that the municipal boundaries were not designed following demographic criteria, but by creating capable and sustainable municipalities.²⁷⁷ While the government could afford to ignore ethnic bids, the criticism over undemocratic policy-making and ignoring obligations from international law was difficult to dismiss. Although it was unreasonable to expect that any municipality would vote for its own abolishment, the outcomes of the local referendums pointed to a major resistance among the population towards the proposed policy. The government therefore introduced

²⁷⁶ Statements of PDSH and PDP MPs, in Transcripts from 10th to 15th sitting of the 50th session of the Parliament of R. Macedonia. Parliament of Republic of Macedonia. Transcript Archives. Available at: www.sobranie.mk

²⁷⁷ Aleksandar Geštakovski, Minister for Local Self-Government, Statement in the Transcripts from 9th and 10th sitting of the 50th session of the Parliament of R. Macedonia on 11 and 12 February 2004. Transcript Archives. Parliament of R. Macedonia. Available at: www.sobranie.mk

some changes to the original proposal and, instead of 62, the final legislative proposal listed 86 municipalities. The most controversial case, of adding the Albanian rural areas of Zajas and Oslomej to the town of Kičevo, was abandoned, as were some other proposed mergers of rural municipalities in order to safeguard the right to self-government of smaller ethnic groups such as Turks in Centar Župa, and Muslims in Plasnica.²⁷⁸

Popular pressure through referendums along with opposition pressure in parliament made the governing coalition more willing to accommodate and incorporate some of the criticism and popular input in the revised version of the law. However, when several months later the law was re-introduced in parliament for the vote, deputies were no closer to agreement than during the first reading of the proposal in February 2004. The opposition rejected the new proposal and accused the government of “bargaining behind the scenes” between SDSM and DUI leaders instead of open debate in parliament to change the proposal.²⁷⁹ Despite resolving the most contentious issues the coalition partners left Struga municipality boundaries unchanged. Earlier in the year, when the text of the proposal first became public, the World Macedonian Congress, a Macedonian-Diaspora organisation based in North America, called for a referendum on the proposed law on territorial organisation, and managed to collect 180,000 signatures from Macedonian citizens to fulfil the constitutional

²⁷⁸ The initial proposal had merged these municipalities with other Albanian-majority areas, so Turks and Muslims would be a below-20% minority and have no right to enjoy OFA language and education rights in the new municipality.

²⁷⁹ Statement in the Transcripts from 72nd session of the Parliament of R. Macedonia on 26 July 2004. *Transcript Archives*. Parliament of R. Macedonia. Available at: www.sobranie.mk

requirement for calling a national referendum.²⁸⁰ VMRO-DPMNE quickly joined the referendum camp, advocating rejection of the LTO, despite the accommodating steps by the government which changed the text of the proposal following the initial criticisms.

A national referendum greatly increased the stakes of the policy process. The campaign that preceded the actual referendum was not about Art.12 of the Law, neither was it about the actual boundaries of the Struga municipality and how to come up with an optimal municipal map. The campaign quickly turned into a plebiscite over the OFA and what it stood for. The opposition and pro-referendum camp argued against the policies that would arguably lead Macedonia to federalisation or even partition, while the government, with the assistance of the international community, campaigned that OFA policies stood for EU integration and reconciliation.²⁸¹ The representatives of the international community recognised in the referendum a real threat to the post-conflict political order in Macedonia and did not desire to question the OFA and the changes it introduced in the constitutional structure in Macedonia. Therefore, the international community firmly took the side of the government and supported the government campaign by statements asserting that if the referendum passed the OFA political system would be severely undermined and so the progress with EU and NATO integration of Macedonia would be blocked.²⁸² The EU issued an official statement about the referendum in Macedonia, calling on the Macedonian citizens not to go out to

²⁸⁰ Though hardly a genuine civil society organisation, WMC has many supporters in Macedonia and generally takes hard nationalist stands on political issues, usually in Macedonian foreign policy and outstanding issues with Greece and Bulgaria, but on this occasion picked-up a domestic issue. Its leader and founder, Todor Petrov, was an independent MP in the first Macedonian Parliament 1990-1994.

²⁸¹ C. Chivvis, "The Making of Macedonia" in *Survival*. Vol.50, No.2. (2008) pp.141-162.

²⁸² A. Bjorkdahl, "Norm-maker and Norm-taker: Exploring the Normative Influence of EU in Macedonia" in *European Foreign Affairs Review*. Vol.50, No.1, (2005), pp.257-278.

vote, the unusual contents of which only indicated how serious the threat to the stability of Macedonia the referendum was perceived to be.²⁸³ Committed to promoting democracy and participation, the EU typically calls for greater voter turnout and encourages citizens to vote, but on this occasion the threat to peace and security seemed serious enough to overcome concerns over the democratic contents of the anti-referendum campaign.

On 7 November 2004, more than 400,000 citizens, mostly ethnic Macedonians, voted on the referendum. The vast majority of these, more than 95%, voted in favour of the referendum question, which asked for keeping the existing territorial organisation of 123 municipalities.²⁸⁴ The turnout of 26.3% of the electorate was insufficient and so the referendum was declared unsuccessful. This meant that the Law on territorial organisation, which the parliament adopted in July 2004, with the required double majority vote, would enter into force immediately and local elections were scheduled soon afterwards.

Given the controversies in adopting the initial decentralisation reforms, few in 2004 would have predicted that the outcomes of such a highly contested policy would come to be evaluated as positive by all sides and that decentralisation would soon cease to cause tension in ethnic relations in Macedonia. However, after the first local elections in November 2004 and the start of initial stages of decentralisation in January 2005, the

²⁸³ Declaration by the Presidency on behalf of the European Union on the 7 November referendum in the former Yugoslav Republic of Macedonia, 2 November 2004, Brussels. *EUROPA Rapid*. Available at: <http://europa.eu/rapid/pressReleasesAction.do?reference=PESC/04/125&format=HTML&aged=1&language=EN&guiLanguage=en>

²⁸⁴ Press Release. 7 November 2004. *MOST. Referendum 2004*. Available at: http://camost.org/index.php?option=com_content&task=category§ionid=4&id=24&Itemid=39

benefits of the policy soon became evident. For the citizens, who had lived in a highly centralised state since 1991, their fears that its unitary nature was under threat were negated as services became more available at a local level and they were afforded greater participation in decisions concerning their communities. Assessments conducted after the 2009 local elections suggested that citizens were satisfied with the extent and quality of services provided by the local government, especially in areas where the competencies of the local government were increased, such as: communal services, urban planning and education.²⁸⁵ Citizens were also aware of many problems that plague the work of local government institutions, such as politicisation, corruption, and party affiliation of local administration.²⁸⁶ However, the overall picture was positive. As a result, inter-ethnic relations at the local level became more relaxed as a large majority of Macedonian citizens found inter-ethnic relations in their municipality to be very good or excellent²⁸⁷ and many Macedonian citizens thought ethnic relations in their municipality to be much better than their perceptions of the state of ethnic relations in the country as a whole.²⁸⁸

Although the competencies of municipalities increased since the start of decentralisation in 2005, Macedonia still remains one of the most centralised states in Europe, devoting the smallest share of GDP to local government and with very low income for citizen per capita in most of the municipalities.²⁸⁹ This is a severe limit on the municipalities' capacities for exercising their competencies and some smaller rural municipalities struggle with providing

²⁸⁵ OSCE Spill-over Monitor Mission to Skopje. *Decentralisation Survey 2009*. (Skopje, December 2009)

²⁸⁶ OSCE Spill-over Monitor Mission to Skopje. *Decentralisation Survey 2009*.

²⁸⁷ OSCE Spill-over Monitor Mission to Skopje, *Ibid*.

²⁸⁸ Common Values. *Analysis of the inter-ethnic relations in Republic of Macedonia*. (Skopje: Koma, 2009).

²⁸⁹ OSCE, *Decentralisation Survey 2009*.

the necessary services for their citizens. Thus, the much-debated provision in the Law on local self-government about inter-municipal cooperation in practise worked in a more mundane manner than the ethnic Macedonian politicians had feared. Inter-municipal cooperation has become the tool that municipalities use to pool resources for projects that they cannot afford to run themselves, predominantly in areas such as waste management, fire-fighting, local development zones and 'business incubators'.²⁹⁰ The fears about the linking of Albanian-majority municipalities into some regional formation with separate institutions that would endanger the sovereignty and territorial integrity of the Macedonian state, seemed to have disappeared, at least from the political elites' rhetoric. Furthermore, municipalities are encouraged to use inter-municipal cooperation to become efficient in providing services to citizens, as central government elites are reluctant to give up more budget funds for the needs of local governments.

FROM CONTESTATION TOWARDS ACCOMMODATION: DISCUSSION

Although *grand coalition* is one of the four basic power-sharing elements listed by Lijphart, the cases above show that accommodation within the 'national unity' government until September 2002 was more difficult than accommodation in the next cabinet which featured only two parties. The SDSM and DUI had harmonised their attitudes on sensitive issues before initiating the reforms, while reaching an agreement in the wider coalition, which had

²⁹⁰ Gordana Milošević-Jurukovska, "Inter-Municipal Cooperation: Macedonian Case" at Skopje Workshop 2009. *UNDP and CoE Inter-Municipal Cooperation Project*. Available at: http://www.municipal-cooperation.org/images/8/8c/Presentation_Skopje_Workshop_UNDP_FYROM_2009.pdf

no common programme beyond ending the ethnic violence, proved more difficult. Moreover, in the 'national unity' cabinet parties were divided in their support for proposed reform along ethnic lines and there was no intra-group government vs. opposition contestation, which made the ethnic cleavage more salient. However, having Albanian and Macedonian parties both in government and opposition prevented government-opposition competition from running along ethnic lines, instead displacing contestation inside each ethnic group. Intra-group competition thus made accommodation across ethnic lines easier as issues were not promoted or opposed by only one ethnic group.

Furthermore, intra-group *party competition* is not limited to ethnic bidding only. As the case with LTO shows, the opposition combined ethnic bidding with criticisms over excluding public input in the policy process. The latter proved the more fruitful road to pursue as the government withdrew and revised the proposal in view of the local referendums. However, the national referendum was a major move by VMRO-DPMNE to bid on the ethnic scale, not only against the proposed LTO but potentially against the entire OFA. Although it failed to reach the required threshold, the referendum showed that, with public support, ethnic bidding can quickly turn into ethnic mobilisation of the population, which could result with renewed ethnic tensions to an overthrow of power-sharing arrangements. As a direct expression of the popular will, it would have been difficult for the government to ignore the referendum had it been successful. The referendum also disclosed that the wider population was lagging behind the political elites in understanding and supporting the changes introduced by the OFA. It indicated that the government, while succeeding in building intra-

coalition agreements had failed to come up with a strategy to educate the population about the OFA and the resulting policy and institutional changes, suggesting that in democracies even in the short run populations need to be on board with elite actions, otherwise they will lose power.²⁹¹

In both cases, residues of *institutional legacies* affected the attitudes and behaviour of political elites. Ethnic Macedonian politicians showed deeply rooted resistance to federalism, inherited from the break-up of Yugoslavia, which made them sensitive to discussions about territorial aspects of decentralisation. Both laws illustrate the sensitivity of discussing any aspect of territorial expression of ethnicity and ethnic rights. The contentious point concerns territorial expression of ethnicity, in the former case through the provision allowing municipalities to build joint institutions and common services, which raised fears over uniting all Albanian-dominated municipalities in Western Macedonia, and in the latter case through the re-design of municipal boundaries, which raised fears of creating Albanian majorities in the newly designed municipalities. Few disputed the increased competencies and the new institutional mechanisms, such as the double-majority vote, that were introduced with these laws, as matters of territory and borders/boundaries resonated much more strongly with past experiences.²⁹²

The influence of *external actors* in the adoption of both laws was substantial. International representatives in Macedonia used conditionality to elicit greater accommodation between

²⁹¹ A. Lijphart debate with critics in *World Politics* (1969).

²⁹² See previous chapter for discussion of Yugoslav views of territorial solutions to ethnic issues. Also, *Sabrina P. Ramet. Nationalism and Federalism in Yugoslavia 1963-1983*. (Indiana University Press, 1984)

Macedonian and Albanian political elites. Linking the adoption of LLS to holding a donors' conference and the adoption of LTO to progress with EU integration provided external actors with carrots to reward or withhold depending on the domestic elites' behaviour. This resulted in compliance from domestic politicians and the population (the majority of which did not vote on the referendum), which eventually led to adoption of the proposed reform. Although conditionality was an effective tool and led to results desired by external actors, its extensive use may lead to domestic politicians expecting additional rewards every time they behave in accommodating manner. By taking the value of accommodation and compromise in their own right, and replacing them with external rewards, the logic of power-sharing and accommodation can be undermined and lead to extended external involvement in domestic politics.

Finally, the case with LLS shows that attempts at *informal accommodating practices* outside the legislative and executive institutions were present from the very beginning of power-sharing in 2002. When LLS adoption was blocked in parliament, Albanian political parties did not refer it to the Inter Ethnic Council in parliament, but called for informal leaders' meetings at which to resolve problems with the proposal. Reflecting on the successful Ohrid negotiations in 2001, where party leaders and international representatives came to an agreement that official institutions could not produce, Albanian political elites showed a preference for this mode of resolving problematic issues. Given the lack of prior agreement on the issue between coalition members, the double-majority requirement was causing

delays and blocking the policy process, so arriving at an acceptable compromise outside the public and media scrutiny appeared as an attractive alternative to complicated parliamentary procedures.

CASE 2: INCREASING FUNDS FOR MUNICIPALITIES

Popular satisfaction with the effects of decentralisation, along with the increased capacities and resources for local government units, led to the rising significance of the *local political elites* in Macedonia. A sub-elite consisting of the mayors of all municipalities and leading local politicians, the local political elites had existed since independence, but because of the minimal power and influence they had over local political affairs in the centralised political context until 2004, their impact on politics was limited. However, as decentralisation increased the resources and decision-making powers of local politicians, mayors and councillors alike, so did their profile and importance rise, not only in local but also in national politics. Soon, high-ranking party members were running in local elections as candidates for mayors in the larger towns, as the post of mayor allowed them authority comparable to that of some executive positions. Moreover, after completing their initial terms as mayors, many local politicians rose higher in the ranks of their political parties, being appointed to high party positions. Zoran Zaev, a popular mayor of Strumica, became the leader of SDSM after their defeat on the 2006 elections; Marjan Risteski, in his second term as mayor of Prilep, is also a member of the highest party body, the Executive Committee, of VMRO; while Nevzat Bejta, former mayor of Gostivar, became DUI's minister

of local self-government in 2009. These examples illustrate how decentralisation empowered local political elites, by making local politics an important part of political competition at national level and opened another, local, route to gaining influence at central-level politics.

In addition to the increased political power and resources, the existence of a strong independent body that aggregated and represented the interests of local political elites before the central government further contributed to the empowerment of local elites. The Association of Units of the Local Self-government (ZELS), established in 1972 as part of the Yugoslav efforts towards decentralisation and empowerment of the local administration, had been virtually powerless for most of its existence. As decentralisation had become one of the most important and controversial political issues in the immediate post-conflict period in Macedonia, ZELS, with the help of foreign donors, became an independent forum where the mayors of all 86 municipalities regularly met to discuss the outstanding issues and build common positions. Funded mostly by membership fees of the municipalities, but also from foreign-donor project funds, ZELS became an active advocate of the interests of its members before the central government. Members of ZELS were able to shed their ethnic and political party 'hats' and join the discussion solely as mayors and local councillors. Most importantly, ZELS facilitated the creation of a local vs. central cleavage, an alternative to the ethnic and political-party cleavages that had hitherto shaped Macedonian politics.

Director of ZELS Dušica Perišić explains its success through its independence from

government and its rules of procedure which favour consensual decision-making. Greater authority for local government is the only common denominator between the local political elites who come from various ethnic, political and geographic backgrounds, and ZELS makes that shared interest the most salient one in the interaction amongst local political elites.²⁹³ Indeed, reaching consensus on some issues proved easier than with others. ZELS did not even discuss the draft Law on territorial organisation, as it was considered inappropriate to discuss the future abolishment of some municipalities in the presence of their current mayors.²⁹⁴ This tendency to structure issues pertaining to decentralisation policy along the local vs. central government cleavage has narrowed the space for contesting them on ethnic or political-party grounds. This makes ethnic accommodation much easier, as local interests cut across party and ethnic group interests, and prevents resistance by any political actor or group. The case with amending the Law on financing the municipalities illustrates how this is reflected in the policy process.

When the initial Law on financing the municipalities was adopted in 2004, along with the other major laws from the 'decentralisation package', little attention was paid to the sources of funds for municipal budgets, as the decentralisation debate at the time was highly ethnicised and dominated by the discussion over municipal boundaries. However, soon after decentralisation was implemented in 2005, problems with local-government funding became apparent. Municipal authorities had problems financing the activities that were devolved to them, which resulted in their running up debts that they could not service. By

²⁹³ Dušica Perišić, *Personal interview with the author*. Skopje, 23 July 2010.

²⁹⁴ Dušica Perišić, *Personal interview*.

the end of 2006, when the start of the second, fiscal, stage of decentralisation was scheduled, only 13 of 86 municipalities had fulfilled the criteria to proceed.²⁹⁵ The majority of municipalities had insufficient human resources and capacity to handle budgeting, management, audit and reporting requirements, many had blocked accounts because of debt, and none had managed to realise the planned budget.²⁹⁶ The first set of mayors and councillors, elected on the 2004 elections, soon realised the financial limit to their capacity to benefit from decentralisation and in ZELS came up with a unanimous demand for increased funds for local government.

When the new Parliament convened after the July 2006 elections and VMRO and PDSH replaced the SDSM and DUI in government, ZELS tabled a proposal for changes and amendments to the law on financing of municipalities, demanding an increase in the percentage of Value-Added Tax (VAT) allocated to local government from 3% to 4.5%. The proposal was placed on the agenda by opposition deputies, which did not work to its advantage, since the opposition did not control enough votes in Parliament for the proposal to pass. However, the parliamentary debate about the proposal revealed that the governing party was not entirely against the proposal and many government deputies expressed public

²⁹⁵ Abdulmenaf Bexheti, "Do kade sme so vtorata faza na fiskalnata decentralizacija?" [How far along are we with the second phase of decentralisation?] in *Good Governance*. (2006) Available at: http://gg.org.mk/index.php?option=com_content&task=view&id=80

²⁹⁶ Abdulmenaf Bexheti, "Fiskalnata decentralizacija i predizvicite na lokalniot ekonomski razvoj" [Fiscal decentralisation and the Challenge of Local Economic Development] in *Friedrich Ebert Stiftung*. (2006) Available at: <http://www.fes.org.mk/pdf/Abdulmenaf%20Bedzeti%20Fiskalna%20decentralizacija.pdf>

support for the idea of increasing the funds available to municipalities.²⁹⁷ The proposal was not adopted, on grounds of insufficient financial analysis and justification for the proposed percentage increase, but the debate was surprisingly technical and revolved around tax rates and tax collection, while ethnicity and ethnic relations were not mentioned. Less than three years after the referendum over the territorial organisation, the debate over decentralisation was framed in technical terms and, apart from lateral references to opponents' past views, increasingly stripped from ethnic rhetoric.

The 2009 local elections were the first held under a VMRO-DPMNE government. As tradition dictated that the president of ZELS should be a mayor with a governing-party background, the elections resulted in a VMRO mayor taking over the position. Soon after, on recommendation by ZELS, the government prepared a proposal for changes and amendments to the law on financing the municipalities. The new proposal contained the same provision as the 2007 proposal, an increase in the VAT share allocated to municipalities from 3% to 4.5%. The new set of mayors retained the consensus over the need to increase their funds and used their unanimity and political-party influence to get the issue onto the government's agenda.²⁹⁸

The plenary debate was similarly technical and revolved around issues of fiscal performance of the government and municipalities, as well as the level of control the central government

²⁹⁷ Statements of Ristana Lalčevska, MP for VMRO-DPMNE 2002-2008; Silvana Boneva, MP for VMRO-DPMNE 2002-present, Transcripts from the 2nd sitting of the 23rd session of Parliament of R. Macedonia from 5 March 2007. *Transcript Archives*. Parliament of R. Macedonia. Available at: www.sobranie.mk

²⁹⁸ ZELS, *Systematized positions of ZELS, June 2009*. Available at: <http://www.zels.org.mk/Default.aspx?id=c55495aa-db99-41ef-84fb-be2a40fe178b#>

should retain over the fiscal activities of municipalities.²⁹⁹ On this occasion every political party supported the proposal, even on the Albanian side. Even the mayor of Aračinovo, one of the largest Albanian municipalities, phrased his criticism in terms of urban vs. rural municipalities, accusing the government of neglecting the rural municipalities which would not benefit as much from the VAT share increase.³⁰⁰ Despite coming from the opposition's New Democracy (DR) a spring-off from PDSH, the mayor of Aračinovo did not engage in ethnic bidding. Moreover, the Albanian opposition did not approach the issue through an ethnic lens, rather they chose to bid on the cross-cutting urban vs. rural cleavage, thus contributing to de-ethnicising decentralisation policy in Macedonia.

Upon adoption of the proposed amendments, they were duly implemented and local government units soon had increased financial resources at their disposal. There are still many problems and challenges with decentralisation policy in Macedonia, but virtually none of them is framed in ethnic terms. Party divisions between government and opposition parties are replicated at local level and that often leads to differential treatment of municipalities by the central government, as municipalities with mayors from government party background tend to have preferential treatment by the government in approval of projects, loans and budgets.³⁰¹ Local vs. central cleavage also remains important, as local and central elites negotiate the rights to dispose and manage public land and property in

²⁹⁹ Transcripts from the 2nd sitting of 83rd session of Parliament from 24 December 2009. Parliament of R. Macedonia. *Transcript Archives*. Available at: www.sobranie.mk

³⁰⁰ Bastri Bajrami, Mayor of Aračinovo, DR, in "Increased VAT per cent for municipalities" in *Radio Free Europe/Radio Liberty*. Available at: <http://www.makdenes.org/content/article/1917309.html>

³⁰¹ See European Commission, Annual Progress Reports for Macedonia between 2009-2010, sections on decentralisation. Also, EUSR and Head of EC Delegation, HE. Erwan Fouere, *Personal interview with the author*. 14 July 2010, Skopje.

municipalities. However, party and local vs. central cleavages appear to have replaced ethnic contestation of decentralisation policy in Macedonia.

FROM ACCOMMODATION TOWARDS DE-ETHNICISATION: DISCUSSION

The above case shows how in a period of three years decentralisation policy underwent major transformation. From a highly contested ethnicised topic, decentralisation became an issue about allocation of tax revenues between the central and local government. The outcomes from the implementation of early decentralisation reforms had positive impact on ethnic relations and the quality of services provided to citizens. This relaxed ethnic tensions and fears of creeping federalisation and the issue soon lost its ethnic appeal.

The most important factor that explains successful accommodation is the empowerment of local political elites and emergence of an independent advocacy body, ZELS, which allowed neutral space for mediation of the mayors' common interests. Without ZELS it would have been difficult for all mayors to articulate their common interest and demands from the central government, as there was no other body to provide a neutral and *informal forum* where local politicians would be able to shed their ethnic and political party 'hats' to discuss only local government problems. The neutral institutional structure had facilitated elite socialisation, through regulated rules of procedure and unanimous decision-making, which in turn accelerated the development of distinct 'local' political elite interests.

ZELS's work allowed the creation of a cross-cutting cleavage in the area of decentralisation, local vs. central government, which runs across political party and ethnic group divide. This shifted the dominant line of contestation, so other cleavages, ethnic and political party, became less salient. The existence of local vs. central cleavage narrowed down the space for ethnic bidding and other forms of *party competition*, as both Macedonian and Albanian opposition parties were represented among the mayors in ZELS and supported the common position of ZELS. Cross-cutting cleavages offset ethnic bidding tendencies of the power-sharing system, confirming previous research findings on this issue.³⁰²

The influence of *external actors*, although indirect, greatly facilitated accommodation in this case. By providing financial assistance to ZELS and ensuring its independence from government and political parties, external actors enabled the creation of an informal and neutral space where local political elites would negotiate and arrive at mutually acceptable solutions without additional external incentives. This facilitated accommodation, strengthened the values of power-sharing and allowed for less direct involvement of international representatives in domestic politics.

DECENTRALISATION IN POST-CONFLICT MACEDONIA: CONCLUSIONS

Decentralisation policy in post-conflict Macedonia can reasonably be considered a success. In the last decade from a completely centralised state, Macedonia has evolved into an increasingly decentralised one, where issues of local self-governance are not phrased in

³⁰²In particular K. Chandra's argument about ethnic bidding in India, in "Ethnic Parties and Democratic Stability" in *Perspectives on Politics*. Vol.3, No.2, (June 2005), pp.235-252.

terms of ethnic relations and grievances. The above sections, which traced the policy process and decision-making practices in decentralisation policy in Macedonia since the end of the ethnic conflict, suggest several findings relevant to the theoretical debate about post-conflict ethnic accommodation and resistance in ethnically divided states.

The *formal power-sharing mechanisms* introduced by the OFA were the necessary condition for successful decentralisation reform. They increased the agenda-setting and bargaining powers of Albanian politicians in government coalition and thus forced Macedonian politicians to take their interests into account. Without having decentralisation at the top of the government agenda and without a coalition agreement between SDSM and DUI over the LTO, an agreement over the new municipal map of Macedonia would have been more difficult. The two-party coalition formations worked better than a grand coalition, which although representative and inclusive had no common programme or policy priorities and discouraged intra-group competition. Smaller coalitions also allowed for stronger opposition and encouraged intra-group party competition, which led to cross-cutting ethnic and government vs. opposition lines of contestation and de-ethnicisation of decentralisation.

Informal practices and procedures further contributed to successful accommodation over decentralisation. Informal coalition deals are a necessary by-product of coalition governments, moreover, they are at the core of executive power-sharing, as they unite the

priorities and interests of different groups under a single government platform.³⁰³ Without them accommodation is problematic, as demonstrated by the case of LLS where the grand coalition had no previous agreement. Informal bodies that aggregate and advocate group interests are another form of informal practice that helped political elites reach consensus. ZELS provided a neutral negotiating space for mayors where they could reach a wide consensus over decentralisation issues across political-party and ethnic lines. Such cross-cutting consensus allowed them to successfully advocate their interest before the central government and avoid resistance on ethnic or ideological grounds. Cross-cutting interests reduce framing policies in 'zero-sum' terms, as it is difficult to show that only one ethnic group benefits from the policy.³⁰⁴ Once a policy is perceived in 'win-win' terms, accommodation becomes much easier and leads to agreement over proposed reforms.

On two instances the *international community* used conditionality to induce political elites to accommodate. With the LLS in 2002, conditionality with the international donor conference was sufficient for Macedonian parties to abandon their resistance. However, in the second instance, when the EU and NATO stood against the referendum over territorial organisation of municipalities, VMRO-DPMNE did not give up and persisted with the nationalist rhetoric demonstrating the limits of external actors' influence over domestic elites. Although often effective and advocated by students of consociation,³⁰⁵ external actors' relation to power-sharing is ambiguous. External actors only intervene when they

³⁰³ Arend Lijphart, *The Politics of Accommodation: pluralism and democracy in the Netherlands*. (Berkeley: University of California Press, 1968).

³⁰⁴ Similar argument as Kanchan Chandra, "Ethnic Parties and Democratic Stability" in *Perspectives on Politics*. Vol.3, No.2, (June 2005), pp.235-252.

³⁰⁵ Michal Kerr, *Imposing Power-Sharing*. (Dublin: Irish Academic Press, 2006).

need to remedy the failure of formal institutions to successfully solve political problems, thus lending stability to a divided political system. As political elites become more accustomed to power-sharing constraints they are expected to need less external interference, but they can also come to rely on external input for solving thorny issues, thus leading to continued dependence on external actors. Support for independent bodies that create cross-cutting cleavages and identities is another means of external influence, one with less immediate results but with greater long-term potential to decrease ethnic divisions and reduce external involvement.

Finally, the *decentralisation and federalism legacies* from SFRY account for the initial resistance against decentralisation among Macedonian politicians. The experience from SFRY, which fell apart along its internal federal units' borders after a long period of increasing decentralisation, disinclined Macedonian leaders from pursuing a similar course. Decentralisation, as a territorial answer to minorities' demands for autonomy and self-governance, was seen to lead to federalisation and eventual secession. Previous experience with Kosovo Albanians' demands for secession from SFRY only aggravated the situation further as Albanians were seen as harbouring similar desires as their ethnic kin across the border. It was not until the initial outcomes of decentralisation policy failed to provide any evidence of secession activities that such fears were relaxed and decentralisation better accepted by ethnic Macedonian politicians and population.

CONCLUSIONS: MACEDONIA SINCE 2001

This chapter examined the dynamics of political elite interactions in post-2001 Macedonia in two policy areas: minority education and decentralisation. By looking at those two policy areas, both highly sensitive for ethnic relations, the chapter maps the factors that affected the policy processes and led towards greater accommodation in one case, and towards resistance and continued contestation in the other. While both issues were very sensitive for ethnic relations immediately after the end of conflict, ten years later decentralisation has stopped causing ethnic tensions, while minority education is still a thorny issue between Macedonians and Albanians in Macedonia. From the analysis and discussion presented in the above sections, the following conclusions summarise the findings and link them to the theoretical discussions presented in Chapter One and Two.

Power-sharing is a necessary condition for political elite accommodation. Both with minority education and decentralisation, it was only after OFA-inspired constitutional changes, which introduced formal power-sharing, that the most sensitive problems were addressed. Before 2001, there was very little progress with reforming higher education and decentralisation. However, ***power-sharing is not sufficient for elite accommodation or for improving ethnic relations in ethnically divided states.*** Despite almost a decade of power-sharing, minority education not only remains a dividing issue in Macedonia, but also shows how elites are still reluctant to accommodate over sensitive issues, and even try to by-pass power-sharing mechanisms to achieve their goals. Although power-sharing mechanisms resulted in accommodation over legalising Tetovo University, the outcomes of those reforms did not improve ethnic relations among the youth, and did not integrate the two groups

through the education process. Power-sharing thus does not necessarily lead to solving ethnic problems in divided states, and can even prolong the existing ethnic divisions as critics of power-sharing often suggest.³⁰⁶ Thus, although this chapter provides evidence in support of the hypotheses linking greater accommodation to particular power-sharing mechanisms, such as executive coalition and veto mechanisms, it also suggests that through functional autonomy and ethnically-exclusive policy domains, the effects of power-sharing can be divisive and reproduce ethnic divisions.

What led towards more elite accommodation in the case of decentralisation were the informal practices of aggregating cross-cutting interests of local-level politicians which made ethnic divisions less salient and removed the ethnic undertone from decentralisation policy. Absent in the case of minority education, where because of functional autonomy interest bodies, such as teachers' unions, are also ethnically separate, these *informal practices complemented the formal power-sharing mechanisms in eliciting accommodating behaviour* from the political elites in both groups and led to improved ethnic relations.

Power-sharing per se does not threaten the quality of, or prospects for, democracy in post-conflict ethnically divided states. On the contrary, power-sharing in Macedonia can strengthen political competition within each ethnic group, and by empowering minority political actors, also increase the responsibility of minority political elites before the population. The policy process in the two areas analysed appears equally competitive and

³⁰⁶ See 'integrationist' critics of power-sharing: D. Horowitz, F. Bieber etc.

efficient, as the double majority vote encourages intra-coalition accommodation and compromise, which does not slow down the actual institutional policy process. Although ethnic bidding is common, it is not the only strategy the opposition employs nor is it the most successful one. Ethnic outbidding was successful in only one instance, with compulsory Macedonian language, and even then an informal leaders' meeting broke the outbidding cycle and prevented larger ethnic mobilisation. The findings in this chapter suggest that despite a PR electoral system, ethnic outbidding has not increased in Macedonia, although the case with compulsory Macedonian does seem to confirm the hypothesis that when ethnic outbidding cycles do occur, political elites tend to accommodate less.

However, the tendency to rely on informal 'bargaining' between individual politicians could weaken the state institutions, by diverting power to individuals and informal practices. The legislative branch is threatened by a strong executive as debate and reconciliation are removed from parliament which only rubberstamps the decisions already informally agreed. The marginal role of parliament and parliamentary reconciliation mechanisms, such as the Inter-Ethnic Council, along with a communist legacy of making most important decision in party headquarters, can prevent the consolidation of the division between legislative and executive branches of government and parliamentary control over the executive. Thus while the findings in this chapter suggest informal practices can have positive impact on ethnic accommodation, they also point out to the potentially negative effects that continued reliance on informal practices can have on democratic consolidation.

In this light, the effects of external actors' influence also seem ambiguous. While external interventions and conditionality press elites towards more accommodation, they also divert legitimacy from formal institutions, hollowing them out of their constitutional prerogatives. In some cases these stabilising influences can be temporary, as with external influence during early decentralisation reforms in 2002 and 2004. In this case, as political elites got accustomed to accommodation, external actors did not need to intervene, and were not involved in later decentralisation reforms, apart from their support for ZELS. But political elites can become dependent on external actors to encourage them to accommodate, and as the compulsory Macedonian case shows, ten years after 2001, external diplomats still facilitate and broker agreement between domestic elites. Although aimed at greater accommodation, ***external actors' influences and informal practices can slow down the process of institutional consolidation of power-sharing arrangements in the post-conflict context.***

Finally, although functional and territorial autonomy are often conflated as to their effects on ethnic relations in divided societies, the cases analysed in this chapter suggest the opposite. De facto functional autonomy that Albanians enjoy in education affairs resulted in an ethnically exclusive and divided policy domain, and separate educational system for Macedonians and Albanians. This further separated the two communities and prevented the creation of alternative cleavages and interests apart from the ethnic, as even teachers' unions and student organisations are run in an ethnically exclusive manner. However, the territorial autonomy that decentralisation awarded to municipalities in a set of policy areas

(urban planning, public safety, local development etc.) had the opposite effect since all municipalities are ethnically mixed to a certain extent and the benefits of self-governance were shared among members of all ethnic communities rather than a single ethnic group. This chapter therefore shows that functional and territorial autonomy can have opposite effects on ethnic accommodation in the post-conflict context, as increased self-governance for ethnically-mixed territorial units resulted in better ethnic relations than functional autonomy in certain policy areas.

CHAPTER FIVE: MILITARY AND POLICE REFORM IN BOSNIA AND HERZEGOVINA

INTRODUCTION

This chapter traces the progress of military and police reforms in post-conflict Bosnia. It investigates the factors behind ethnic accommodation in military reform, as well as the resistance to, and the failure of, police reform. The initial stages of stabilisation and post-conflict recovery in Bosnia were completed by 2001. The country has since embarked on an ambitious reform agenda, under the lead of international representatives, to take it towards democratic consolidation and NATO and EU membership. Both military and police reforms have been part of this larger reform package, which aims at bringing Bosnia into the European political mainstream. After the country expressed interest in Partnership for Peace (PfP) membership in 2002, its domestic political elites from all three ethnic groups managed to successfully negotiate the implementation of military reform. This resulted in

an invitation for PfP membership for Bosnia in December 2006. In contrast, despite repeated negotiations, external pressure and conditionality for progress on EU integration, the political leaders failed to find an acceptable model for reforming the police. By the time the EU ratified the Stabilisation and Association Agreement with Bosnia in 2008, there had been almost no progress on police reform, even though it was the main EU requirement.

The findings here suggest that the main reason behind ethnic accommodation in the case of military reform is the informal practice of negotiating reform proposals in 'reform commissions' before they are officially sent to legislative institutions for debate. These reform commissions allow a neutral and safe space for negotiations where, aware of each other's veto powers, political leaders from the three groups make accommodating concessions to reach acceptable solutions. Other than the various veto mechanisms available to each group and entity, power-sharing elements appear to have limited impact on ethnic accommodation. Weak central government and the lack of entity-level executive coalitions make accommodation across the three ethnic groups difficult and encourage nationalist politics. Extensive functional and territorial autonomy for the entities makes politicians defensive of their entity competencies. They are sceptical to any reform entailing transfer of competencies to state level. The continued and deep involvement of external actors, whose executive powers allow them to influence entity politicians, also account for greater ethnic accommodation in military reforms, although the failed attempts to reform the police point to the limits of external influence over domestic political elites.

SECURITY IN POST-CONFLICT BOSNIA

In November 1995 the General Framework Agreement for Peace in Bosnia and Herzegovina (better known as the Dayton Peace Accord) was agreed in Dayton, Ohio. Bosnia had been an independent state for little more than three years, the entirety of which it had spent in a devastating ethnic conflict between its three major ethnic groups: Bosnian Muslims, Bosnian Croats and Bosnian Serbs. The conflict resulted in hundreds of thousands of victims, most of whom were civilians killed in “ethnic cleansing” acts, as the three sides aimed to carve out ethnically homogeneous territories for their own ethnic group. Bosnian war atrocities such as the Srebrenica massacre, the Sarajevo siege, the Foča mass-rapes and the bombing of the Mostar Bridge, revealed the utmost failure of the state and international institutions to protect humans from suffering and to safeguard human life and dignity.

After a difficult and protracted negotiation process between representatives of the warring sides and the international mediators appointed by the UN, by the end of 1995 a peace agreement was agreed by all sides. The Dayton Peace Accords (DPA) was signed in Paris in December 1995 and contained among its annexes the new Constitution of Bosnia and Herzegovina. The new Bosnian Constitution established a new set of institutional and legal mechanisms to stop the violence and set the foundations for rebuilding the Bosnian state. One of the first tasks confronting both domestic political elites and the international community in their endeavour to rebuild peace and a working state was to restore security. Immediate security concerns included lingering ethnic violence; widespread possession of small and heavy arms; developed networks of armed forces without any civilian or political

control; and complete mistrust between ethnic groups and state institutions. Only after these were resolved, would Bosnia be able proceed with further reforms towards reconciliation and democratic consolidation. Thus, measures required for ensuring a minimum level of public security were the highest priority in the immediate post-conflict period.

The DPA mandated international organizations: NATO, OSCE and the UN, rather than Bosnian institutions, with the task of addressing urgent security problems in the aftermath of the conflict. Annex 1A and 1B of the DPA regulated the role of the international community in the security domain in post-conflict Bosnia. Annex 1A (Military Aspects) limited the authority of domestic armed forces - both the Army of Republika Srpska (VRS) and the Army of the Federation of Bosnia and Herzegovina (AfBIH) - and tasked international forces with implementing the territorial and military aspects of the DPA.³⁰⁷ This included separation of the armed forces, oversight over the transfer of territories between the two entities, and patrol of the inter-entity border. The international troops were under the command of NATO, which had received a Chapter VII mandate from the UN Security Council to authorise military intervention in case of breach of peace, or in this case breach and obstruction of the DPA. NATO stationed 60,000 troops on Bosnian territory in the first months after the conflict, who were responsible for providing security under the

³⁰⁷Annex 1A. *Dayton Peace Accords*. 21 November 1995. Available at: <http://www.nato.int/ifor/gfa/gfa-home.htm>

IFOR and SFOR missions' mandates, removing any threats to the implementation of DPA and facilitating reform of the AfBIH.³⁰⁸

Annex 1B (Regional Stabilization) outlined the initial measures of confidence-building between the two sides in Bosnia (as well as between Bosnia, FR Yugoslavia and Croatia) under the auspices of the Organisation for Security and Cooperation in Europe (OSCE).³⁰⁹

Those measures included: confidential negotiations, military liaison, notification of military activities and locations of heavy weapons, and the disbandment of armed groups. Both NATO and OSCE completed their tasks successfully. Despite numerous political spoilers of the peace process in Bosnia, especially among the Bosnian Serbs whose leadership resisted the implementation of DPA, no violent incidents took place to endanger the precarious peace that DPA established. Unlike their UN predecessors, who had no power to militarily intervene during the war, NATO troops were a formidable military force who would not refrain from using military might in order to achieve their goals. In getting local political and military leaders to co-operate on the necessary measures for providing security and building confidence, the international community relied on its military strength. As one advisor of the first High Representative (HR) Carl Bildt admitted, "the most blunt tool we had at our disposal were 60,000 over-armed troops that we could use, so in terms of military we had a very strong stick."³¹⁰ Although "blunt", this strong leverage ensured that immediate military threats were addressed and any resistance from domestic actors removed, which provided the necessary background for any further security sector reform in Bosnia.

³⁰⁸ SFOR Mission. NATO. Available at: <http://www.nato.int/SFOR/organisation/mission.htm>

³⁰⁹ Annex 1B. Dayton Peace Accords.

³¹⁰ Michael Maclay, Political Advisor to Carl Bildt, 1996-7. *Personal interview with the author*. London, 29 April 2010.

While NATO and OSCE took over military security, the UN International Police Task Force (IPTF) was responsible for civilian police tasks and ensuring sufficient levels of law enforcement and public safety. The IPTF was additionally entrusted with investigating human rights abuses among members of the police forces, which had been heavily involved in the conflict on all sides.³¹¹ Police officers in both RS and fBIH were screened for abuses of human rights and war crimes. Those found to be implicated in such actions and crimes were not issued with the certificate required for continuing their employment in the police. By 2002, between 1,500 and 2,000 police officers were de-authorised for failing to comply with IPTF criteria, including some 190 suspected of having committed crimes against humanity during the war.³¹² The IPTF thus took measures to increase public safety and popular confidence in the police, whose reputation had been severely damaged during the war.

The actions of NATO, OSCE and the UN targeted the most pressing and urgent security needs of Bosnian society after the end of the war. But this process was far from smooth, as there were many in Bosnia who objected to the DPA, international military presence, and control of the armed forces. In RS, where the Serbian Democratic Party (SDS) of Radovan Karadžić was in power, resistance was the strongest. Accused of war crimes and ethnic cleansing, Karadžić and his military chief Ratko Mladić were shunned by the international community and were not included in the Serbian delegation during Dayton negotiations. Instead, Serbian President Slobodan Milošević signed the agreement on behalf of the Serbian population in Bosnia. Getting SDS leaders to co-operate and sit at the same table as

³¹¹ United Nations Security Council. *Resolution 1088 (1996)*. Available at: <http://daccess-dds-ny.un.org/doc/UNDOC/GEN/N97/026/19/PDF/N9702619.pdf?OpenElement>

³¹² International Crisis Group. "Policing the Police in Bosnia: A Further Reform Agenda". 10 May 2002. Available at: <http://www.crisisgroup.org/~media/Files/europe/Bosnia%2046.ashx>

Bosniak and Croat leaders was a difficult task that often stalled the progress and pace of international security measures. Moreover, the conflict left a dark legacy of ethnic violence and crime, which further deepened the gap and lack of trust between ethnic groups in Bosnian society. In this context, further security reforms required both sensitivity to the delicate ethnic balance established by DPA, and domestic support from the leaders and people of the three ethnic groups.

DOMESTIC AND CIVILIAN DRIVERS FOR SECURITY REFORM

“There are only so many things you can do with a tank. You can park it at a corner and create a temporary sense of security, but when it comes to changing the mentality of people, tanks don’t help.”³¹³

Michael Maclay’s words sharply capture the situation that Bosnia faced in 2001-2002. International organisations and military troops had addressed the urgent security issues after the conflict by ensuring that peace was not violated and that public security was maintained at sufficient levels. However, any further reforms necessary for strengthening democracy and rebuilding functioning state structures were beyond the domains of NATO and UN troops. These tasks required both civilian administration and greater involvement of domestic political actors; to design solutions that would answer the needs of the Bosnian population and thus to restart the broken democratic political process on new power-sharing principles, which the DPA had laid out.

³¹³ Michael Maclay, Political advisor to Carl Bildt. *Personal interview with the author.*

Indeed, the international community also provided civilian support for the implementation of the DPA by creating the position of a High Representative (HR). The HR was accountable to an ad hoc body, the Peace Implementation Council (PIC), composed of nations and agencies involved in the peace process in Bosnia.³¹⁴ Initially, between 1995 and 1997, the HR had limited powers and his success was dependent on the domestic political elites' willingness to proceed with the implementation of the DPA. Such commitment was sorely missing, especially among the Bosnian Serb politicians. After the initial slow progress in implementing the civilian aspects of the DPA, the PIC significantly increased the powers of the HR at its Bonn meeting in 1997. It granted the HR the final authority to interpret the Dayton Accords and the power to impose interim and other measures necessary to implement them, which in practice included imposing legislation as well as changing and removing some people in political and administrative positions.³¹⁵

These executive powers, better known as the Bonn Powers, elevated the position of the HR to one of the most powerful political actors in Bosnian politics. The Bonn Powers enabled the HR to influence the legislative and executive processes in Bosnian politics on a par with democratically elected domestic politicians. Consecutive HRs did not refrain from using them - with increasing frequency. In 1998-99 the then HR, Carlos Westendorp, had used the executive powers on average four times a month, but their use increased to three times as

³¹⁴ The PIC includes 55 members, while PIC Steering Board, which gives political guidance to the HR includes: Canada, France, Germany, Italy, Japan, Russia, United Kingdom, United States, the Presidency of the European Union, the European Commission, and the Organisation of the Islamic Conference (OIC), which is represented by Turkey.

³¹⁵ "PIC Bonn Conclusions". Bonn. *PIC main meeting*. 10 December 1997. Available at: http://www.ohr.int/pic/default.asp?content_id=5182#11

much during Wolfgang Petritsch's term as HR in 2000-2001.³¹⁶ By the time Lord Paddy Ashdown took over the HR office in 2002, there were 153 actions based on the Bonn Powers.³¹⁷ While some among the domestic politicians resented the powers at the HR's disposal, all complied with his decisions since they were backed by the support of the SFOR NATO troops.

Although the Dayton Agreement introduced substantial changes to the constitutional design of the Bosnian state and its set of political institutions, there was a notable continuity among the political elites who came to interact through the new institutional structure. All post-conflict elections until 2002, except the 2000 elections, were won by the parties that had won the 1990 pre-conflict elections and led the three ethnic groups throughout the war period, as the table below shows. The Party for Democratic Action (SDA), led by President Alija Izetbegović, won most votes among the Bosniaks; Radovan Karadžić's Serbian Democratic Party (SDS) won most votes among the Serbs; while the Croatian Democratic Community (HDZ BiH) won most among the Croats.³¹⁸ Getting these parties to work together through the power-sharing mechanisms introduced by the DPA was a difficult task, especially in light of their undiminished nationalist rhetoric - which was their winning ticket on elections - and the availability of institutional tools for blocking accommodation.

³¹⁶ European Stability Initiative, "The Bosnian Protectorate" in *Return to Europe*. June 2008. Available at: http://www.esiweb.org/index.php?lang=en&id=311&film_ID=5&slide_ID=31

³¹⁷ European Stability Initiative, "The Bosnian Protectorate".

³¹⁸ Central Electoral Commission of BiH. *Elections statistics*. Available at: <http://www.izbori.ba/default.asp?col=Statistika>

Party	Leader/s	Ethnic affiliation	Government terms
Party for Democratic Action (SDA)	Alija Izetbegović, Sulejman Tihić	Bosniak	1990-2000; 2002-2010
Serbian Democratic Party (SDS)	Radovan Karadžić, Dragan Čavić	Serb	1990-2006
Croat Democratic Union BIH (HDZ BIH)	Dragan Čović	Croat	1990-2010
Party for Bosnia and Herzegovina (SBIH)	Haris Silajdžić	Bosniak	2006-2010
Social Democratic Party (SDP)	Zlatko Lagumdžija	Non-ethnic/ Bosniak	2002-2002
Union of Independent Social Democrats (SNSD)	Milorad Dodik	Serb	2006-2010

Table 1: Major parties in Bosnia and Herzegovina, ethnic affiliation and terms in government

In the initial post-Dayton years, SDS leaders not only resisted reforms that the DPA required, but were under the continued influence of its former leader Radovan Karadžić, who although indicted by the Hague Tribunal, was openly giving statements and moving freely in Republika Srpska. It was not until the strengthening of the Union of Independent Social-Democrats (SNSD) around 2002, that any serious opposition challenged SDS's resistance and rejection of DPA. Among the Croats the dominance of the ethnic HDZ was even stronger. HDZ regularly won the majority of the Croat vote and no serious challenger for its electorate has emerged. While more accepting of the DPA than Serbs, Croats and HDZ political leadership often resented the fact that there was no Croatian entity in Bosnia; since Croats are also numerically inferior to Bosniaks in the Federation, they also felt exposed to the threat of being outvoted. Among Bosniaks the support for the DPA was the highest, but SDA's programme and rhetoric did not differ much from its Serb and Croat counterparts in their reliance on ethnicity and war-time references to mobilise the electorate. SDA, however, faced better organised opposition, primarily from the Social-

Democratic Party (SDP), the only party to openly reject ethnic labels and stand for multi-ethnic Bosnia. Another contender for Bosniak votes has been Haris Silajdžić's Party for Bosnia and Herzegovina (SBIH), a nominally multi-ethnic party with predominantly Bosniak membership, which has stood for centralised Bosnia and rejected the DPA's dividing of Bosnia in two entities. SDP has only scored a single electoral victory against SDA, in the 2000 elections, thus briefly interrupting the SDA stay in government.

The undiminished dominance of ethnic parties in Bosnia has caused concern among international representatives who had hoped that their influence would wane in the face of moderate and multi-ethnic parties.³¹⁹ External actors hoped that as Bosnian society recovered from the conflict traumas, more mundane issues of economic reform and welfare would divert voters' support from ethnic to non-ethnic parties, or would make ethnic parties change and adapt their platform accordingly. Some explain these parties' longevity in power with the impact that they had on shaping the institutional landscape in post-conflict Bosnia. Basseneur claims that the basic principles of the DPA were built around the interests of those politicians and that the DPA empowered the political class in the post-conflict period, by both absolving them of responsibility for their actions and allowing them to capitalise on spreading nationalist fears among the population.³²⁰ Others, such as Humphreys and Jelišić, explain the success of ethnic political parties with the electoral

³¹⁹ See C. Manning, "Elections and political change in post-war Bosnia and Herzegovina" in *Democratization*. Vol.11, No.2, (2004), pp.60-86. Also, B. Reilly, "Political Engineering and Party Politics in Conflict-Prone Societies" in *Democratization*. Vol.13, No.5 (2006), pp.811-827.

³²⁰ Kurt Basseneur, Democratization Policy Council, Sarajevo. *Personal interview with the author*. 28 September 2010. Sarajevo.

system, which they claim includes no incentives for the success of moderate parties.³²¹ They cite 'integrationist' concerns with the PR electoral system, which encourages parties to seek single groups' support in elections.

Whatever the reasons for their repeated electoral success, their dominance in the Bosnian political arena was undeniable. Although they shared a commitment to ethno-national rhetoric, over the decade following the DPA they failed to develop a way to co-operate and accommodate over important policy issues, or even over the structure and outlook of the Bosnian state. Bosniak politicians preferred a centralised state, while Serb and Croat leaders a decentralised one, where entities and cantons had as many competencies as possible. The lack of shared democratic values and priorities about the future of the Bosnian state made accommodation across ethnic lines problematic, as is evident in the slow progress of post-conflict reforms and the extensive involvement of the HR in overcoming such deadlocks. Perhaps the only aspect where there was notable conversion in the attitudes of the majority among the Bosnian political elites was EU and NATO integration. Politicians from all three ethnic groups pledged support for Euro-Atlantic integration of Bosnia. This consensus was confirmed when, in July 2001, the Presidency of Bosnia and Herzegovina issued a Declaration on the readiness of Bosnia to become a member of the NATO's Partnership for Peace (PfP) programme. The declaration served as the background against which NATO issued guidelines for reforming the Bosnian military in order to fulfil the requirements for

³²¹ M. Humphreys and J. Jelusic, "A missed opportunity: State-building in Bosnia and Herzegovina (October 2002 to October 2006)" in S. Blockmans, J. Wouters and T. Ruys (Eds.), *The European Union and Peacebuilding*. (The Hague: TMC Asser Press, 2010).

joining the PfP.³²² Similarly, the commitment to EU membership served as an incentive for pursuing police reforms, albeit with a lesser success than NATO's pull in the case of military reform.

Since 1996, policy-making in Bosnia has been slow, but several strands of reforms have nevertheless been successfully implemented. Usually initiated by external actors, and financially and technically supported by international organisations, reforms in areas of monetary and fiscal policy, banking and indirect taxation, have been agreed between the political leaders of the three major ethnic groups. Even in more sensitive areas, such as organised crime and corruption, progress has been achieved; common customs services were created in 2004 and a state body for fighting organised crime was established in 2002. Below the state-level, each entity and canton has been responsible for drafting and implementing policies. This resulted in significant variation in the pace of adoption and quality of implemented policies, based on the human and financial capacities of the canton or entity.

1. MILITARY REFORM IN POST-DAYTON BOSNIA

In pre-conflict Yugoslavia, the army had remained a federal institution, despite increasing decentralisation in many other areas. This allowed the military to stay free from the influence of the interests of individual republics and their leaderships. With an aim of protecting the territorial and ideological sovereignty of the entire Yugoslav federation, the

³²² D. Hadžović, "Defence Reform in Bosnia and Herzegovina" in A.H. Ebnother, P.H. Flurri and P. Jureković (Eds.), *Security Sector Governance in the Western Balkans: Self-Assessment Studies on Defence, Intelligence, Police and Border Management reforms*. (Vienna and Geneva, 2007).

Yugoslav People's Army (JNA) was widely perceived as being neutral and beyond republican squabbles, but instead serving only the higher national interests of Yugoslavia.

However, the wars that followed the dissolution of the Yugoslav federation tarnished the reputation that JNA had enjoyed. Under the control of Milošević, the JNA supported the Serb side in the Croatian and Bosnian conflicts and abetted the Serbian paramilitaries that fought in these wars with weapons, ammunition and equipment. Although the JNA was not directly involved in committing ethnic cleansing and war crimes, its association with groups and persons who committed such acts implicated it in those activities, further destroying any remaining faith in its neutrality and professionalism. Admittedly, by the time of the Bosnian war there were only Serbs and Montenegrins left among the JNA ranks, any other officers and conscripts having left to join their new states' armies, so there was little Yugoslav about the JNA that was fighting in Croatia and Bosnia.

When the war in Bosnia was over, there was no effort to create a common state army along the JNA model. The DPA did not even envisage defence as a state competency; the two entities were individually responsible for it and all other aspects of military policy. The only areas that the DPA listed within state authority were: foreign relations, monetary and customs policy, air traffic control and communications, as well as immigration, asylum and return of refugees.³²³ It is in these areas that the most progress in ethnic accommodation has been achieved since 1996, as the political leadership of the three ethnic communities have had to co-operate within the central-state government. Therefore, between 1995 and

³²³ Article III. Annex 4: Constitution. Dayton Agreement. 21 November 1995. Available at: <http://www.nato.int/ifor/gfa/gfa-home.htm>

2002 there were two separate armies within Bosnia, the AfBIH – the Army of the Federation of Bosnia and Herzegovina and the VRS – the Army of Republika Srpska. The AfBIH was formed as a result of the Washington Agreement in 1994, which merged the Bosniak and Croat armed troops that had fought in the war, sometimes against each other.³²⁴ After the initial separation of the VRS and AfBIF by NATO troops at the end of the conflict, the armies had maintained limited contact through the confidence-building measures of the OSCE, but had functioned by and large as two separate organisations within the Bosnian state.

Given the separation of the two armies within different entities and the confinement of defence policy within entity policy domains, there are two crucial points on which the forthcoming analysis of military reform in Bosnia is focused. The first case concerns the establishment of a Ministry of defence as part of the central-state government, which transferred part of defence policy from entity to state level. The second case refers to the creation of a single army in Bosnia, following political elites' efforts at ethnic accommodation over this sensitive issue. Both cases are part of the country's overall efforts to reform its military and defence sectors in order to be able to join NATO's PfP programme.

CASE 1: ESTABLISHING STATE-LEVEL MINISTRY OF DEFENCE (2002-2003)

The impetus for changing this military-sector status quo, which had been stable since late 1995, came from two directions, one functional and one strategic. The functional reason was the need to cut the costs of defence, while the strategic was a shared desire to join

³²⁴ Military Arrangements. Washington Agreement. 1 March 1994. Available at: http://www.usip.org/files/file/resources/collections/peace_agreements/washagree_03011994.pdf

NATO and its PfP programme. At its May 2000 meeting in Brussels, the PIC declared that the levels of spending on the two armies were unsustainable and demanded further actions to cut their sizes and cost. The PIC members demanded a roadmap that would pave the way for gradual creation of a state-level defence establishment.³²⁵ Similar demands were presented by NATO officials when they responded to Bosnian interest in joining the PfP programme. During his visit to Sarajevo and Banja Luka in January 2002, NATO's Director for the Balkans, Robert Serry, stated that Bosnia needed stronger efforts in order to fulfil the requirements for PfP membership. He also stated that reducing the armed forces and creating a joint plan and organised system of command and control at the state level were priority tasks for the country.³²⁶ Thus in order for Bosnia to be able to achieve one of its strategic priorities in foreign policy, PfP and NATO membership, Bosnia had to establish state-level defence institutions.

Although the need for defence reform existed and reforms were encouraged both by NATO and the PIC members, the issue did not become a priority on the domestic political agenda until late 2002. The HR at the time, Lord Ashdown, used a scandal in the RS military to justify urgency in changing the status quo and initiating military reforms. The scandal involved the Serbian member of BIH presidency, Mirko Šarović, who had been selling weapons to Iraq in violation of a UN embargo against arms trade with the country. Šarović, as the directly elected President of RS, was the Chairman of the RS Supreme Defence

³²⁵ Military Issues. *PIC Declaration – Annex*. Brussels. PIC Main Meeting. 24 May 2000. Available at: http://www.ohr.int/pic/default.asp?content_id=5201

³²⁶ Institute for Security and International Studies. "Balkan Regional Profile: The Security Situation and Region-Building Evolution of South-Eastern Europe". Research study 01, 2002. (Sofia, 2002). Available at: http://www.isis-bg.org/Research_Studies/Balkan_Regional_Profile/2002/Balkan2002_01.htm#vi_2

Council - the body which oversaw the transaction between the "Orao" arms factory that produced the weapons and the Iraqi authorities. Although RS authorities tried to avoid repercussions by preparing a report that placed the responsibility on minor officers in the factory, it was clear that Šarović and highest-level RS politicians were involved. Additional pressure was created when SFOR revealed that VRS intelligence units had been conducting surveillance on US, OHR, and NATO officials in Bosnia.³²⁷ These two events showed that the state of the military sector in Bosnia was such that it required immediate reform. Otherwise, Bosnia would end up in breach of international law and liable to sanctions for violating a UN embargo and spying on international officials.

The opinions held by Bosnian politicians of various ethnic and party backgrounds over the extent and direction of military reforms varied greatly. The senior coalition partner in the fBIH, the SDA, preferred the creation of a single army and state-level defence institutions and abolishing of entity armies and ministries of defence. Other Bosniak parties shared this stance. However the SDS, which was in power in RS, feared that the creation of a single army would mean that it would be dominated by Bosniaks, leaving Serbs unprotected without an army of their own. It preferred keeping the VRS under entity control. The SNSD rejected the idea of a single army and argued for the complete demilitarisation of Bosnia. Its leader, Milorad Dodik, claimed that the only two countries that Bosnia could use an army against were Serbia and Croatia, who were signatories to the DPA and therefore committed to preserving peace in Bosnia, which rendered maintaining an expensive army for Bosnia

³²⁷ P. Ashdown, *Swords and Ploughshares: Bringing Peace to the 21st Century*. (London: Weidenfeld and Nicholson, 2006).

pointless. The HDZ was also not too keen to abolish the AfBIH, where Croats were a more equal partner to Bosniaks, for a single army where they were likely to have a lesser say and control. Getting the leadership of the two entities to agree to a common proposal for military reform in view of their diverse preferences and interests seemed unlikely, especially so since there was no state-level body that could initiate such a reform, with defence an exclusively entity competence.

Therefore, it was up the High Representative, who placed the issue on the agenda, to find the most appropriate means to pursue the reform process. Lord Ashdown proceeded to establish the Defence Reform Commission (DRC) which consisted of representatives from both entities; experts and elected officials; as well as internationals. It was chaired by James R. Locher, a former US Assistant Secretary of Defence. The commission was mandated to propose legislative and policy changes that would reform Bosnia's military sector to fulfil the PfP membership requirements.³²⁸ As an ad hoc body not part of any state or entity institution, the DRC functioned as a forum where the representatives from the three ethnic groups in Bosnia and the international community would negotiate acceptable solutions before official proposals for reform would be introduced to the entity and state parliaments for formal debate. The reform commission thus situated the negotiation process in a less formal setting, where differences and conflicts would be resolved without resorting to veto and other resistance mechanisms that could block the entire proposal. Removed from public scrutiny, members of the DRC could freely debate reform away from media and

³²⁸ Office of the High Representative, Decision Establishing Defence Reform Commission. Sarajevo, 8 May 2003. Available at: http://www.ohr.int/decisions/statemattersdec/default.asp?content_id=29840

public attention. Naturally, the proceedings of the reform commission were affected by the awareness of formal veto and entity voting mechanisms, which is why a solution acceptable to all sides was sought. Once such a solution was found, the formal assent of the political elites would be within reach, since their objections would have already been addressed by the DRC. If they had not, any of the three groups could have blocked the proposal in the state House of Peoples, where entity voting and group vetoes could be invoked, even if the proposal had passed entity legislatures.

Indeed, the bulk of the disagreements over the proposed reforms were addressed within the framework of the DRC. Faced with Serb and Croat resistance, Bosniak representatives dropped their demands for creation of a single army. Serb representatives, although favouring the status quo, accepted the creation of state-level defence bodies as long as the two armies were kept under entity control. Such a compromise also suited the Croats, who did not object to the transfer of entity competencies to the state. As a minority in their own entity, they hoped for more equal influence in state-level institutions because of the parity principle applied there. In this context, in its final report the DRC delivered a compromise proposal retaining the two entity armies and entity ministries of defence, while also establishing a state-level defence ministry to control and co-ordinate the work of the entities.³²⁹ It was a proposal expected to be smoothly adopted in entity parliaments before passing to state legislature.

³²⁹ Defence Reform Commission, "The Path to Partnership for Peace", September 2003, Sarajevo. Available at: <http://www.ohr.int/ohr-dept/pol/drc/pdf/drc-eng.pdf>

While its adoption was indeed smooth in the fBIH Parliament, the opposition among Serbs, led by Milorad Dodik's SNSD, refused to vote for the proposed constitutional amendments until his demands for abolishing conscription were accepted.³³⁰ Although the SDS-led government was behaving accommodatingly to Bosniak demands for state-level defence authority, the opposition did not bid on the ethnic scale, but criticised the government for opting for a more costly solution. This postponed the adoption of the laws and amendments proposed by the reform commission because constitutional amendments in RS required two-thirds support in parliament in Banja Luka, which fell short of the ruling majority's support. Even though the government of RS supported the proposed reform, as did all fBIH politicians, an outcome secured by negotiations within the DRC, by refusing to support constitutional changes in entity parliament, the opposition in RS could block the entire reform. Eventually, after external pressure and persuasion from the High Representative, the SNSD gave the reform proposal its support and voted to amend the RS Constitution and Law on defence.

In the following months, measures and recommendations agreed during the DRC sessions and contained in its report were enforced and state-level institutions in the area of defence were established in Bosnia for the first time, along with some down-sizing of the two armed forces. Although the rationale behind the reform was creating a more efficient and cost-effective defence sector in Bosnia, the outcomes of the reform suggested otherwise. While a new state-level ministry of defence was established, the entity ministries were not

³³⁰ "SNSD insistira na ukidanju vojnog roka" [SNSD insists on abolishing conscription] in *Nezavisne Novine*. No.1935. 4 November 2003.

abolished and retained the majority of their competencies, including managing and running the armies in each entity. The state-level ministry's role was to co-ordinate the work and co-operation between the entity institutions, a role already performed by the OSCE. Thus, instead of cutting the bureaucracy and streamlining defence competencies, the reform resulted in the creation of an additional layer of administration at the state-level, placing a further burden on the Bosnian budget, a large percentage of which was already being spent on funding the bloated public sector.³³¹

TOWARDS STATE LEVEL DEFENCE POLICY: DISCUSSION

While not overly successful in cutting the costs of defence, in terms of ethnic accommodation between political elites in Bosnia this first instance of military reform can be evaluated as relatively successful for two reasons. First, there was a general consensus that military reform was necessary. This was accepted by all among the Bosnian political elites as needed to join the PfP and cut the budgetary costs. The only disagreement was as to the manner of reform; Bosniak parties interpreted NATO's recommendations as requiring the establishment of a full state-level defence institution whereas the SDS preferred as little adjustment to the status quo as possible. Second, all sides made concessions to accommodate others and arrive at a mutually acceptable proposal. The final policy solution that was adopted was a compromise among the preferences of each side. This also

³³¹ BiH has been spending over 50% of GDP on the public sector, and between 1999-2002 close to 60% of GDP. See: International Monetary Fund. Bosnia and Herzegovina: Selected Issues and Statistical Appendix. *IMF Staff Country Report* No.00/77. June 2000.

contributed to the issue becoming less ethnicised, as no side could advance ethnic grievances or see itself as having been outvoted and marginalised in the policy process.

The availability of *entity voting and veto* in state legislature made all sides willing to compromise as every group's leverage was equal. Without such formal power-sharing requirements, negotiations in the DRC might not have led to consensus. Given the lack of state-level bodies or forums where defence negotiations could be initiated and held, the establishment of the DRC enabled domestic political leaders, assisted by international actors, to engage and discuss defence reform in a *less formal setting*, and to eventually reach an agreement over it. Without the reform commission, state-level executive coalition between the three ethnic groups would have been insufficient to lead to accommodation over defence reform, as state-level government had no authority over defence issues.

Moreover, in the case of RS where there was *intra-group party contestation*, there was no ethnic bidding. On the contrary, resistance between the government and opposition in RS was framed in functional, economic terms as the SNSD was not trying to outbid the government on the 'ethnic interests' scale by proposing demilitarisation. This case demonstrates the capacity of the political elites to accommodate across ethnic lines pointing out the DRC as a successful mechanism for negotiating and articulating preferences and concessions. By including members of the armies in fBIH and RS in its work, the DRC further enhanced its chances for success, as members of the armed forces did not display resistance against the proposed changes in the chain of command and civil control when those were transferred from entity to state level.

CASE 2: A SINGLE ARMY FOR BOSNIA (2004-2006)

*"I could not have created the unified army if it was not agreed by the politicians. Because it was ultra vires for me, eventually all these [reforms] had to get through Parliaments."*³³²

Paddy Ashdown, HR 2002-2006

Although there were no institutional or political obstacles to establishing state-level defence institutions envisaged with the first stage of defence reform, the control that the newly established state ministry of defence and parliamentary committee on security affairs were able to exert over entity armies and ministries proved to be very limited. Efforts to increase state-level control were met with institutional inertia because the control of day-to-day running of the armed forces remained within entity governments' authority, as did most of the staff and personnel. Moreover, some parts of the armed forces were not even under entity governments' control. The VRS maintained relations with war criminals indicted to the ICTY, whom they should have been trying to arrest instead of protect. In December 2004, EUFOR, which replaced SFOR, conducted a raid in one of the VRS underground facilities in Han Pijesak. It discovered evidence that Ratko Mladić had recently been hiding there and had been receiving regular assistance from the VRS.³³³ This incident showed that the ongoing defence reform in Bosnia was not nearly deep enough to eradicate such illegal practices, which were not limited only to political elites. In order to prevent the VRS from aiding Mladić or other war criminals, more comprehensive reforms were required.

³³² Lord Paddy Ashdown, High Representative in Bosnia 2002-2006. *Personal interview with the author.* London, 23 June 2010.

³³³ "Mladić bunker secrets revealed" in *BBC News*, 23 December 2004. Available at: <http://news.bbc.co.uk/2/hi/europe/4122257.stm>

Again, it was HR Ashdown, using this incident as a pretext, who brought military reform back onto the agenda. Co-operation with the war-crimes tribunal in The Hague was one of the main provisions in the Dayton Agreement, as well as a crucial condition for any progress with NATO and EU integration. Resistance to the obligation to fully co-operate with the ICTY would make the RS government, by protecting Mladić, liable to serious sanctions. Ashdown used this as a threat in order to motivate the Serb leadership to participate in further reform of the military. He froze the assets of the SDS and removed officials in the VRS who had been involved in supporting war criminals. In the same speech, Ashdown announced further military reforms whose direction and end-point were clear: entity ministries of defence were going to be abolished and replaced by a single state-level ministry, responsible for a single Bosnian army.³³⁴ Ashdown extended the mandate of the DRC and assigned it the task of preparing and negotiating the legislative solutions necessary for further reforms.

Bosniak leaders welcomed the prospect of further military reforms, especially since the end-point was a centralised defence apparatus with a single army, which had been their goal from the beginning. The Croat politicians, seeing that the reform was moving generally along the lines they desired, opted to take a less active role in negotiations. However, the Serb politicians' response was much less co-operative. After having his party assets and accounts frozen, the RS Prime Minister, Dragan Mikerević, accused Ashdown of "not respecting the democratic will of the people and the democratic institutions of the country"

³³⁴ "High Representative Maps Out Process to Tackle War Criminal Networks and to Reform BiH's Security Institutions", OHR, Sarajevo, 16 December 2004. Available at: http://www.ohr.int/ohr-dept/presso/pressr/default.asp?content_id=33742

by performing “*diktat par excellence*” when demanding “transfer of competencies of the army and military policy to the state level, while forgetting how much political will and efforts were necessary to ensure the reform of the armed forces.”³³⁵

However, since further military reform was triggered by serious misconduct among RS officials and implicated some in aiding war criminals, the RS leadership feared that the HR could impose military reform without necessarily taking their views into account. Indeed, Ashdown announced the reforms as part of the same package of measures which included removal of police and army officials in the RS, freezing of assets of the SDS and demands for legal action by RS courts against those involved in the Han Pijesak affair. Unwilling to support further centralisation of the army, but fearing exclusion from the reform process if they refused to participate, Serb members begrudgingly took part in the work of the commission as it reconvened. This allowed them to express their views concerning, and needs from, the new military, and to incorporate these, along with other groups' input, into the final policy proposal. Additional pressure was provided by the RS opposition's ever-louder criticisms of the SDS's corrupt rule, which had cost the RS both money and a substantial part of its sovereignty – the army. Again, the Serb opposition was not overtly resorting to ethnic bidding; instead, it used arguments about corruption to attack the government for leading Republika Srpska to give up its army”.

By September 2005, the reform commission had published its final report, which outlined the necessary legislative and constitutional changes required. Given that the end-point of

³³⁵ Dragan Mikerević, cited in “Ešdaunove mere mogu da izazvaju konfuzno stanje” [Asdown’s measures can cause confusion] in *Nezavisne Novine*, 17 December 2004. Available at: <http://www.novine.ca/arhiva/2004/0984/svet.html>

reforms was known from the start, and it included the creation of a single army, the negotiations revolved around the smaller details and transitional periods required to complete the transfer of competency from entity to state level. As expected, the final report recommended creating a single state ministry of defence and single armed forces by transferring all military competencies from entity to state level. Aiming to cut costs further, it recommended abolishing the conscript army and moving towards a small professional army, thus accommodating SNSD demands from the previous round of military reforms. The new Armed Forces of Bosnia and Herzegovina (AFBIH), instead of two separate forces, were to consist of three battalions, under a single administrative and operational command and funded by a single military budget.³³⁶ Those recommendations entailed comprehensive interventions in the defence legislation at entity and state level, as well as constitutional amendments that needed to be approved by entity and state parliaments.

Although the SDS leader and members of the DRC had agreed to the proposed reforms, not least because they wanted their party bank accounts released, they still had to convince members of their own party in parliament to vote for the proposal. The largest opposition party, the SNSD, was happy to support a single small professional army as it had been arguing for since 2002. For the SDS, accepting a single army meant abolishing the VRS, with which they had the closest ties. Such a U-turn in party stance was hard to accept for many among SDS members, who persisted in supporting the VRS. However, the SDS managed to consolidate its ranks to support the proposed changes, despite resistance among some of

³³⁶ Defence Reform Commission, "AFBIH: A Single Military Force for the 21st Century", Final Report, Sarajevo, September, 2005. Available at: <http://www.mod.gov.ba/files/file/dokumenti/lzvjestaj-2005-bs.pdf>

its legislators. To boost support, the RS President, Dragan Čavić, addressed the RS deputies before the vote saying: “There is no VRS anymore. It is true, it is gone, and I support that. Do you know why? Because the ABiH and HVO are also gone.”³³⁷ He justified the reform as a break from the past of 1992-95 towards a new page of NATO and EU membership. Additional support was provided by arguments referring to Yugoslav experiences, which suggested that even in largely decentralised federal states there was only one army. Petar Kunić, an SDS member of the BIH House of Representatives, explained that in every federation there is only one army, which is under state control, while federal units are responsible for public safety and order.³³⁸ Eventually, only the members of the Serb Radical Party (SRS) voted against the proposal and the RS Constitution was successfully amended, to allow a full transfer of defence competencies to the state.

Some public outcry against the move followed, especially from VRS war veterans and families of war victims in RS, who saw the abolishing of the VRS as a national betrayal. This was not enough, however, to prevent the reform’s implementation. Adopted without veto or the 'vital national interest' clause in both chambers of the BIH Parliament, the reform proceeded with implementation. The new legislation provided for sufficient transition periods to allow for officers to be gradually decommissioned, financially compensated and retrained for alternative careers, which made implementation less painful for the

³³⁷ Dragan Čavić, cited in “Narodna skupština RS prihvatila reform odbrane” [RS National Assembly accepted military reform] in *Deutsche Welle World News*. 1 September 2005. Available at: <http://www.dw-world.de/dw/article/0,,2484835,00.html>

³³⁸ Dr Petar Kunić, Professor of Law and Member of House of Representatives for SDS 2002-2006. *Personal interview with the author*. 21 September 2010, Banja Luka.

stakeholders.³³⁹ The link between successfully reforming the military and obtaining PfP membership was emphasised throughout the process and remained the most powerful pull factor in proceeding with the reform. Indeed, by the end of 2006, at the NATO Summit in Riga, the NATO Alliance delivered upon its promise for PfP membership. Recognising that the initial conditions for PfP membership set in 2002 had been fulfilled, NATO invited Bosnia to join the PfP programme together with Serbia and Montenegro.³⁴⁰ According to Lord Ashdown this was the most important factor explaining the success of military reform - NATO's clear and unwavering 'magnetic pull' - which enabled him to persuade the RS and cantonal parliaments to agree to the creation of a unified army.³⁴¹

TOWARDS ETHNIC ACCOMMODATION: MILITARY REFORM

Military reform has been one of the most successful reforms in Bosnia since the end of the war. Most commentators agree that in terms of local political ownership; successful implementation and lack of spoilers; and clean conditionality by the international community, military reform has proved a success.³⁴² Considering that the two rounds of military reform entailed significant changes in legislation, but also in the constitutional design and functioning of entities and the Bosnian state, it took more than just a superficial

³³⁹ Defence Reform Commission, "AFBIH: A Single Military Force for the 21st Century."

³⁴⁰ NATO, "Alliance offers partnership to Bosnia and Herzegovina, Montenegro and Serbia" in *NATO Update*. 29 November 2006. Available at: <http://www.nato.int/docu/update/2006/11-november/e1129e.htm>

³⁴¹ Lord Paddy Ashdown, *Personal interview with the author*. 23 June 2010, London.

³⁴² D. Hadžović, *The Office of the High Representative and Security Sector Reforms in Bosnia and Herzegovina*. (Sarajevo: Centre for Security Studies, February 2009); M. Humphreys and J. Jelišić, "A missed opportunity: State-building in Bosnia and Herzegovina (October 2002 to October 2006)"; M. Caparini, "Security sector reforms in the Western Balkans" in *SIPRI Yearbook 2004: Armaments, Disarmament and International Security*. (Stockholm: SIPRI, 2004).

accommodation between the political elites to arrive at such an outcome. Several factors combined to allow for successful accommodation among the different ethnic political elites.

Although power-sharing in Bosnia requires state-level *inter-ethnic coalitions*, the SDA-HDZ-SDS coalition had little notable effect on accommodation over military reform. Because defence and military issues were entity competencies, state-level bodies had no authority, legislative or executive, over defence policy. The reform could not be and was not initiated by any state body and the state-level coalition had no direct effect on the progress of reform. However, as the state-level coalition partners were parties in power in each of the entities, their interactions within state government and regular decision-making over issues within the state's purview would have set precedent and standard procedures for accommodation. *Veto mechanisms*, such as entity voting in BiH Parliament and entity parliaments' assent for transfer of competencies at state-level, had a more obvious impact on the elites' accommodating behaviour. Because the proposal for military reform had to be first adopted by each entity (and canton in the fBiH) parliament before the state parliament would consider it, it had to be acceptable to all groups. If not, each group had a mechanism available to block the progress of reform. Therefore, politicians were more ready to compromise and accommodate their differences, as failure to do so would have meant failure of the reform as well as failure to achieve a greater goal - PfP membership. Bosnia's extensive *territorial autonomy, and functional autonomy* in the area of defence, meant that military reform also entailed breaking the territorial link between the separate armies and the two entities. Although in the post-conflict period the AfBiH and VRS had not been much involved in providing security for citizens, the existence of a separate army conferred

certain sovereignty traits on entities, the abolishing of which caused resistance among some groups in society, such as war veterans in RS.

The two cases show that most of the negotiations took place in the DRC rather than through the formal state and entity institutions. The DRC was an ad hoc body, chaired by an international, where the formal power-sharing mechanisms did not apply and there were no veto powers or consensus requirements. The commission was not a decision-making body, rather an advisory one, tasked with drafting a proposal for reforms that would subsequently be submitted to elected representatives for approval. However, because the DRC included both military professionals and political representatives from the three ethnic groups, it served as a forum where most of the objections that politicians from the three groups had were pre-emptively addressed, but without causing an institutional deadlock by resorting to veto usage, as the case could have been in parliament. This *less formal environment* that the DRC created resulted in compromise proposals that were much easier to pass in entity and state parliaments, because most objections had already been addressed.

By including representatives of both armies among the members of the DRC, the HR ensured that the interests of the military community in both entities would be taken into account when drafting the reform. Army representatives did not object to reform – most resistance came from political quarters and was not related to protecting the interests of the army. Resistance arose because Bosniak political elites preferred a single army to increase the power of the central state by adding a significant additional competency –

defence.³⁴³ On the other side, Serbian elites preferred complete demilitarisation to prevent the dominant Bosniak side from having a large army under its control.³⁴⁴ However, the armies themselves did not factor much in the political calculations of elites. Since the signing of DPA, the activities of both the AFBiH and the VRS had been severely limited because of the large international military presence in Bosnia. Therefore, by centralising the military, political leaders in both entities were not giving up political control over the military - they had not enjoyed that since 1996 - but giving up entity competency to state-level control. Indeed, some have suggested that the reason military reforms were successful in Bosnia is because the armies had not been under governments' control since 1995, therefore there was little party-political penetration in the military, and very little for political elites to give up.³⁴⁵ This can explain why there was virtually no *ethnic bidding* over military reforms within the three groups. On the Bosniak side, there was a wide consensus between the governing SDA and the opposition SDP and SBIH on the desirability of centralising defence, so the opposition did not challenge the SDA's stance. Among the Serbian parties: while governing, the SDS preferred minimal change to the status quo; the opposition did not accuse them of betraying the ethnic group's interest by giving up the army as the army was already out of their control, but instead asked for abolishing the army altogether, or at least abolishing conscription.

³⁴³ Reuf Bajrović and Emir Suljagić, SDP. *Personal interview with the author*. 27 September 2010. Sarajevo.

³⁴⁴ Gordana Milošević, SNSD and Adviser to RS Prime Minister, *Personal interview with the author*. 20 September 2010. Banja Luka.

³⁴⁵ Srećko Latal, International Crisis Group. *Personal interview with the author*. Sarajevo, 27 September 2010.

The *external actors* played an enabling role in this instance. They helped establish an initial consensus on the need for military reform; they created a less formal setting for negotiations; and they maintained a clear conditionality for PfP membership. The initial consensus on the need for military reform allowed for less resistance against the reform and limited most disagreements and negotiations to the methods of reform. The objectives of the reform, making the Bosnian military more cost-efficient and compatible with NATO requirements for PfP membership, remained uncontested, even if not initially achieved. Furthermore, NATO provided a set of clear guidelines and conditions required for granting Bosnia PfP membership. These conditions remained unchanged and were indiscriminately applied to Bosnia and other states in the region, which contributed to the credibility of the conditions. NATO further showed that the conditionality applied was fair and consistent by granting Bosnia an invitation to join the PfP at the end of 2006, once the progress with military reforms had been advanced.

Moreover, Lord Ashdown exploited his agenda-setting powers to place the issue on top of the political agenda and skilfully used the problems revealed in the military sector to trigger a debate on reforms. By establishing the DRC he created a safer environment for interaction and negotiations and thus not only diminished eventual blocking of reforms in parliament, but also minimised the need to use the Bonn powers to impose solutions. Indeed, eventually the three parliaments (one state and two entity ones) adopted the necessary legislation and amendments. Yet, the case of creating a single army shows that some political actors resent the executive powers of the HR, and a lot of the contestation during this reform was between the Serb leaders and the HR, not between the political elites of the

three ethnic groups. By filling in the gap between the two entities, the external actors not only facilitated inter-entity negotiations, but also displaced direct ethnic confrontation and contestation between Serb and Bosniak or Croat politicians, which made ethnic accommodation easier to achieve.

Finally, *institutional legacies* also had a positive impact on ethnic accommodation in the case of creating a single army. Yugoslav legacies of a state-level neutral army, removed from the control of republican leadership, seem to have survived the conflict and post-conflict challenges to the JNA concept of military. Even SDS members, who in principle opposed the transfer of military authority from entity to state level, admitted that a single state-controlled army was a reasonable solution. The notion of a single neutral army beyond particular federal units' interests seems to have survived among political leaders in RS and made them more prone to compromise over centralising military competencies.

2. POLICE REFORM IN POST-CONFLICT BOSNIA

Unlike the army, the police in the SFRY had been within the domain of each republic. Each republic had its own police force, including intelligence services, with loose co-ordination at the federal level. Police forces were responsible for public safety and order, but also had paramilitary authority mandating them to assist the army in case of emergency and war.³⁴⁶

There were provisions for representativeness of all ethnic groups within a republic in the

³⁴⁶ Each republic had with their Constitution regulated the role of the police in defending the territory and political system of the state. See for instance Constitution of Socialist Republic of Macedonia in *Official Gazette of SRM* (No.7/1974) and Law on Internal Affairs of SR Macedonia in *Official Gazette of SRM* (No.37/1980).

police forces, although these were not too strictly implemented and some groups, because of traditional or economic reasons, tended to be under-represented. Therefore, when Yugoslavia dissolved along its republican borders, each newly independent state inherited its own police force. Lacking an army, the new states used the police to protect their borders and, where conflicts erupted, to fight against the other parties. In Bosnia, the police force was deeply involved in the ethnic conflict, used as a fighting and ethnic cleansing tool by political leaders of the ethnic groups. Yugoslav-era police forces were quickly purged of members of other ethnic groups and each group took over the facilities and infrastructure in the territory they controlled.³⁴⁷ The politicians, used to employing the police as a political tool during communist times, did not refrain from using it for new political goals and purposes during the conflict. Having never enjoyed the good reputation that JNA had due to the army's detachment from every-day politics, public perceptions of the police were further marred by forces' involvement in the conflict, war crimes and violence.

After the conflict, the International Police Task Force (IPTF) UN mission was established to screen the police forces for war criminals and human-rights abusers. However, the mandate of the IPTF did not extend beyond that, so it could not undertake more substantial reforms of the police and law enforcement structures in general. In 2002 the IPTF was replaced by an EU police mission, European Union Police Mission in Bosnia and Herzegovina (EUPM BIH), whose mandate was similarly limited to providing assistance and strengthening the operational capacity of Bosnian police forces, but did not extend to restructuring or

³⁴⁷ A. Mayer-Rieckh, "Vetting to Prevent Future Abuses: Reforming the Police, Courts, and Prosecutor's Offices in Bosnia and Herzegovina" in *Justice as Prevention: Vetting Public Employees in Transitional Societies*. A. Mayer-Rieckh and P. Greiff, Eds. (New York: Social Science Research Council, 2007).

evaluating the performance of local police forces.³⁴⁸ Some progress was achieved when, in 2002, the state investigation and protection agency was established to fight organised crime across Bosnia, making it the first state-level security institution. This was built upon in 2004, when a single intelligence agency replaced the entity-based agencies. However, the need for further reforms of the regular police in Bosnia remained, as the police forces in the two entities and ten cantons were ethnically divided, heavily politicised, overstaffed and refused to co-operate with each other.³⁴⁹

It was Lord Ashdown, after he took over the HR office in 2002, who first addressed the need for further reform in law enforcement. In his initial address to the Bosnian population, he announced that rule of law was going to be the top priority for the OHR during his mandate. Supported by the PIC, which on its next meeting welcomed the announced priority,³⁵⁰ he managed to get most of the political elites to sign up to a reform agenda based on this priority before the 2002 elections.³⁵¹ Although this agenda did not specifically refer to police reforms, its adoption set the background for launching police reform. Police reform had already been becoming a priority political topic because Bosnia's aspiration to join EU's

³⁴⁸ EU Police Mission in Bosnia and Herzegovina. Mandate. Available at:

<http://www.eupm.org/OurMandate.aspx>

³⁴⁹ A. Mayer-Rieckh, "Vetting to Prevent Future Abuses: Reforming the Police, Courts, and Prosecutor's Offices in Bosnia and Herzegovina."

³⁵⁰ Communique by the PIC Steering Board. 27 March 2002. Available at: <http://www.eusrbih.org/int-com-in-bih/pic/1/?cid=422,1,1>

³⁵¹ Office of the High Representative, "An Agenda for Reform Agreed Between the Government of Bosnia and Herzegovina and the International Community." 10 April 2002. Available at: http://www.ohr.int/pic/default.asp?content_id=28072

Stabilisation and Association process required full co-operation with the ICTY, as well as strengthening of the rule of law and law enforcement bodies, including the police.³⁵²

Moreover, the decentralised state structure created by the DPA had resulted in a large and inefficient bureaucracy, especially in the fBIH where each of the ten cantons had their own government institutions, civil service and police. This placed a major burden on the budget, which without external aid could not have covered the costs for running the state. In the RS the situation was similar and although the administrative structure was more centralised, it was equally inefficient, still working according to principles inherited from Yugoslav times. It was clear that the public sector would need to be reformed in order to make it sustainable, especially since the direct budget contributions that Bosnia had been receiving since the end of the war were decreasing and soon to stop.³⁵³

In June 2004, an EU-financed report on the financial, organisational and administrative assessment of the police in Bosnia was published as part of the functional review of the Bosnian public sector. The assessment and report, conducted by external organisations, presented the strength and weaknesses of the police and pointed to the areas and issues that required immediate attention and reform in order to improve rule of law and police efficiency. Among other conclusions, the report pointed out that the decentralised structure of the Bosnian police forces was not a “weakness *per se*” but that the lack of structural co-

³⁵² European Union. Enlargement. “Communication from the Commission to the Council and the European Parliament of 26 May 1999 on the stabilisation and association process for countries of South-Eastern Europe” [COM(1999) 235 final – Not published in the Official Journal]. Available at: http://europa.eu/legislation_summaries/enlargement/western_balkans/r18003_en.htm

³⁵³ “Bosnia and Herzegovina” in Imogen Bell (Ed.), *Central and South Eastern Europe in 2004*. 4th Edition. (London: Europa Publications, 2003).

operation between the three layers of police authority and control: at state, entity and canton level, was a serious shortcoming. It said that this needed to be addressed by establishing nationwide ties to hold the whole police system together and to ensure efficiency, coherence and inter-operability.³⁵⁴ The report further recommended the establishment of a police restructuring commission, which would take up the task of drafting the necessary legislative and policy changes with the assistance of foreign expertise, after political consensus on the status quo and need for reform had been established.

However, such domestic consensus was hardly present among Bosnian politicians. In the fBIH, there existed at least some general understanding about the desirability of police reform between the three Bosniak parties. The governing SDA was supportive of any reforms likely to strengthen state capacity and prospects for EU integration. Among the opposition, the SBiH was even more vocal on the need to reform and unite the police forces under central control, following their agenda for a unitary Bosnian state. However, this attitude was not shared by Croats and Serbs. Although in the fBIH there were ten separate police forces and ministries of interior, HDZ leaders were opposed to transferring police competency from canton to entity or state levels, as that would mean giving up one of the few powers that Croats had in Croat-dominated cantons. Recognising the need for reform,

³⁵⁴ Final Assessment Report. Financial, Organization and Administrative Assessment of the BiH Police Forces and the State Border Service. Sarajevo, 30 June 2004. Available at: <http://www.delbih.ec.europa.eu/files/docs/publications/en/FunctRew/BiHPoliceFinalReport2004-06-30ENPRINT.pdf>

HDZ member Miroslav Bagara admitted that the “state is too big and expensive” but claimed that greater decentralisation of power would be a better solution.³⁵⁵

In RS, neither the ruling SDS nor the major opposition party, SNSD, were supportive of a police reform entailing central control over police forces. Unlike the VRS, which had been out of their control since 1996, the police was an instrument that politicians regularly used for political purposes, whether to employ party supporters, attack and arrest political opponents, or target returnees from other ethnic groups. In explaining this government-opposition consensus, a high-ranking SNSD official referred to “the 10,000 people who are now employed by the entity that would become state employees” and the fact that “it won't be their friends and relatives that make decisions any more, but decisions will be made by state institutions and people they don't know,” confirming the close ties and politicised relation between political parties and the police.³⁵⁶ Lord Ashdown was aware of this situation. He knew that “the police was a tool that politicians used to preserve their power structures and to carry out their wishes and strengthen out their positions,”³⁵⁷ which was why police reform was necessary.

Between 2004 and 2008 there were continuous efforts on the side of the HR and the entire international community involved in Bosnia, to proceed with police reforms in the country. However, as the following sections discuss, very little progress was achieved in this area, because political elites in Bosnia repeatedly failed to accommodate over the sensitive issue.

³⁵⁵ Miroslav Bagara, HDZ Canton Sarajevo. *Personal interview with the author*. 25 September 2010. Sarajevo.

³⁵⁶ Gordan Milošević, Senior Adviser of Milorad Dodik. *Personal interview with the author*. 20 September 2010.

³⁵⁷ Lord Paddy Ashdown, *Personal interview with the author*. 23 June 2010, London.

In the course of these four years, the negotiations centred over two different reform proposals, one advanced by Lord Ashdown, based on the work of the Police Restructuring Commission (PRC); the second, proposed by Miroslav Lajčak during his term as a High Representative between 2007 and 2008. The following sections examine the interactions between political leaders from the three ethnic groups over these two proposals, tracing the factors behind the ethnic resistance encountered in both cases.

CASE 1: ASHDOWN REFORM PROPOSAL (2004-2005)

Following up on the Functional review report and drawing on the successful experience of the DRC, the HR proceeded to establish a Police Restructuring Commission (PRC) in July 2004 and entrusted it with the task of drafting the necessary legislative and constitutional changes. The PRC consisted of political representatives from both entities (ministers of interior), police professionals (Directors of Police), local representatives (selected mayors) and associated members from international organisations and diplomatic missions in Bosnia (EUFOR, EUPM, US, UN etc.). Wilfried Martens, a former Belgian PM in whose mandate Belgium reformed its multi-ethnic police, was appointed as the Chair and authorised to draft the final conclusions and recommendations.³⁵⁸ To provide general guidelines for reforms, the EU issued a list of three conditions that police reform needed to fulfil before Bosnia could start Stabilisation and Association Agreement (SAA) negotiations: (1) exclusive state-level competency on budgetary and legislative matters; (2) local policing regions designed

³⁵⁸ “Decision Establishing the Police Restructuring Commission”, Office of the High Representative. Sarajevo, 5 July 2004. Available at: http://www.ohr.int/ohr-dept/rule-of-law-pillar/prc/prc-key-doc/default.asp?content_id=34149

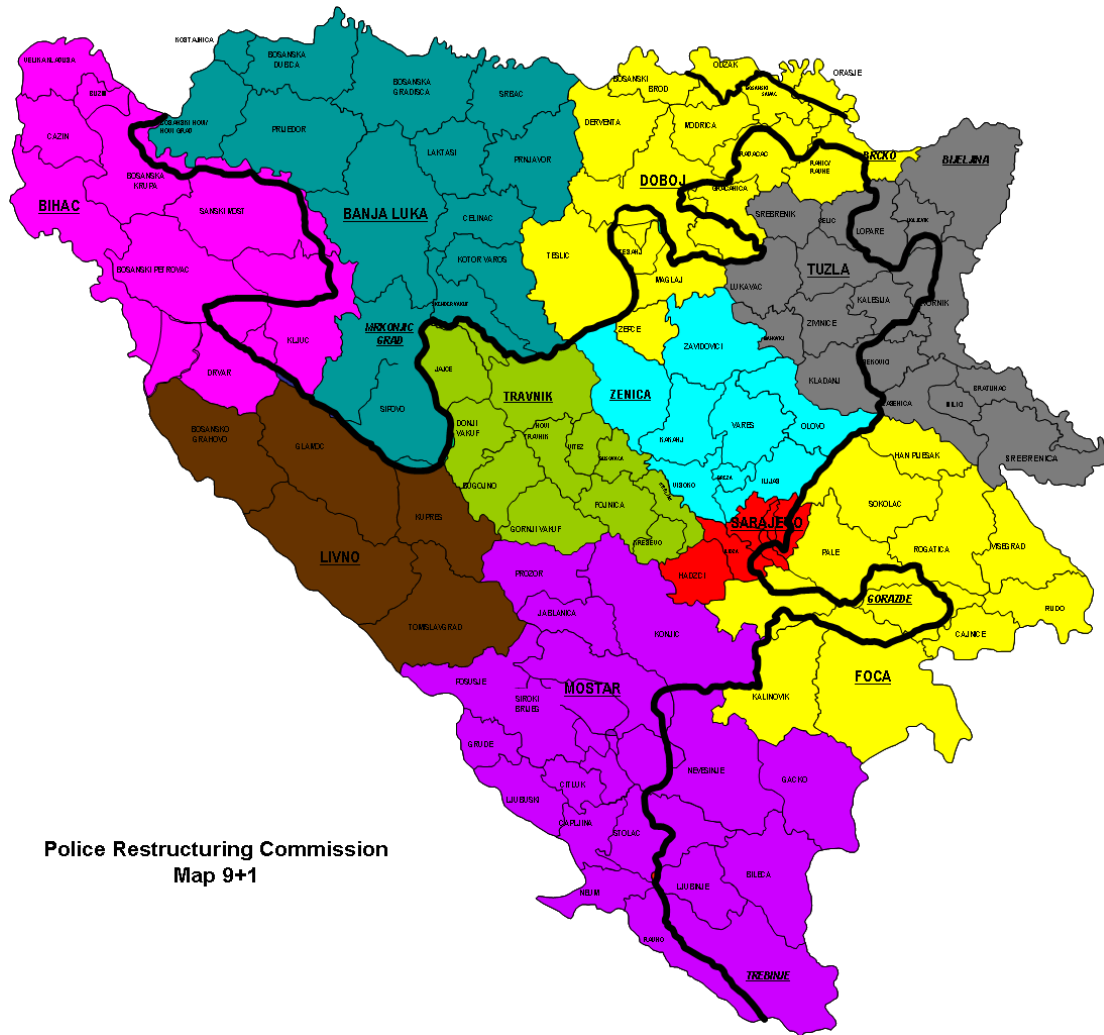
on effectiveness criteria not politics; and (3) no political interference in policing.³⁵⁹ The HR expected that the pull of signing the SAA, combined with the informal negotiations setting of the new reform commission, would result in a similar outcome as PfP membership and DRC work had in the case of military reforms.

However, there was a significant difference in procedural rules between the DRC and the PRC. In the PRC, the Chair could decide when a sufficient level of consensus has been reached, rather than waiting for actual consensus between members to emerge. This caused immediate concern in RS, which through its entity parliament, instructed the Serb members of the commission not to agree to any reform that would entail changes in the RS Constitution. In doing so it rejected any transfer of competencies from entity to state level. This initial objection of RS members was not addressed by the HR, who insisted on keeping the rules of PRC work as they were, missing an opportunity to build an initial consensus among domestic elites. Despite being modelled after its military reform predecessor, the PRC failed to perform the role that the DRC did for defence reform – provision of a safer environment where objections could be addressed before the formal institutions received a proposal for legislative and constitutional changes. Serb elites did not see the PRC as a forum where their concerns would be taken seriously, since the unilateral decision of the Chair could completely ignore them in the final report, so they made sure that no concessions would be made before the official reform proposal reached parliament.

³⁵⁹ “Letter from Rt. Hon. Christopher Patten, Member of the European Commission to Mr. Adnan Terzić, Prime Minister of Bosnia and Herzegovina” 16 November 2004. Available at: <http://www.ohr.int/ohr-dept/rule-of-law-pillar/prc/prc-letters/pdf/patten-letter.pdf>

The discussions in the PRC revolved around two major issues: improving the central oversight and co-ordination of police forces by establishing state-level structures, and re-designing the local policing areas (LPAs). On the first issue some level of consensus could be reached, since police professionals from both entities agreed on the need to improve the co-ordination and control of police forces. However, this still required political approval from Republika Srpska and RS political elites in general, who needed to authorise any transfer of competency from entity to state level, which was far from a bygone conclusion. On LPA boundaries however, there was no consensus. The PRC worked with three options: with five, ten and eleven LPAs respectively. All three options cross-cut the inter-entity boundary line (IEBL) between the two entities however, to which both Serbian and Croat representatives objected (see maps 3 and 4). At the end of the six-month mandate of the commission, the Chair could only conclude in his final report that no political consensus had been reached. He noted that there was professional consensus on the issue of state control and oversight, suggesting that further reform efforts should be directed towards widening this consensus, while for LPA boundaries, where agreement seemed impossible, he advocated greater flexibility by the HR.³⁶⁰

³⁶⁰ Final Report on the Work of the Police Restructuring Commission in Bosnia and Herzegovina. December 2004. Available at: <http://www.ohr.int/ohr-dept/preso/pressr/doc/final-prc-report-7feb05.pdf>



**Police Restructuring Commission
Map 9+1**

Map 3: Proposed Local Policing Areas, in PRC report, 9+1³⁶¹

Contrary to the PRC recommendations, Lord Ashdown refused to seek compromise with the RS elites and decided to pursue both state-level co-ordination of police structures and cross-IEBL local policing areas. RS politicians, who had been unconvinced in the merits of police reform in the way Ashdown had pursued it from the start, only became less inclined towards the entire project when he refused to make any concessions at each consecutive step. By the time the PRC report was published in January 2005 and a reform proposal sent

³⁶¹ Source: Office of the High Representative. Police Restructuring documents. Available at: <http://www.ohr.int/ohr-dept/psau/prc/>

to entity parliaments for consideration, it was becoming clear that RS was going to reject it. Both the government and opposition in RS were united in rejecting the proposal and willing to use entity veto to prevent its adoption. Indeed, over the following nine months to October 2005, the RS parliament rejected three different versions of the police reform proposal. This forced the HR and EU to go back on their initial conditions and demands, much to the discontent of Bosniak political elites, who had subscribed to the initial reform proposal and taken the three EU conditions for police reform seriously.

After the initial rejection of police reform proposal in the RS parliament in January 2005, the resistance intensified. Despite the high-level visits of EU Foreign Policy High Representative Xavier Solana and EU Enlargement Commissioner Olli Rehn, who demanded a breakthrough and progress with police reforms in order to start SAA negotiations, the popular and political-elite attitudes in RS remained negative.³⁶² When RS President Čavić agreed under the heavy international pressure to certain concessions, local delegations from his own party, SDS, rejected his stance. When the parliament rejected the police reform proposal for a second time on 30 May 2005, ruling SDS members voted against it along with the opposition. Transferring further competencies to the state had always been an unpopular project in the RS, but Ashdown's inflexibility in negotiating the terms of police reform added to the prospect of losing control over a powerful political tool, the police, made Serb politicians implacable on the issue.

³⁶² Statement by Ollie Rehn, EU Commissioner for Enlargement for police reform. 29 April 2005. Available at: http://www.ohr.int/ohr-dept/rule-of-law-pillar/prc/prc-pr/default.asp?content_id=34584

If Lord Ashdown had been hoping that the pull of EU conditionality and starting SAA negotiations would be sufficient to induce concessions and accommodation by the Serb elites, he had given up these thoughts by the summer of 2005 when he amended the initial proposal to make it more acceptable in RS. Thus, in September 2005 negotiations on police reforms resumed with a new proposal tabled by the BIH Prime Minister Adnan Terzić, which included some concessions to Serb demands and allowed for longer transition periods for transferring police competencies to state level. Although a clear concession to Serb demands and an accommodating step on the HR's behalf, this new proposal did not prove sufficient to overcome Serb resistance. The parliament in Banja Luka rejected the amended proposal, which for them had remained fundamentally the same - demanding transfer of police from entity to state control.

Trying to avoid a complete failure of the reform process, the HR used sanctions against the governing party in RS, based on incriminating information about illegal acquisition of party funding by SDS, and threatened it with “death by a thousand cuts” to induce more accommodating behaviour. Soon after, the pressure resulted in RS President, Dragan Čavić, producing a new watered-down proposal on police reform. This proposal did not include any reference to changing the borders of local policing areas, but did have a list of caveats to using police reform as a precedent for any other future efforts to transfer competencies from entity to state level.³⁶³ Although this proposal bore very little resemblance to the initial police reform idea, it was accepted by all: the HR, the EU and political elites in the

³⁶³ Agreement on Restructuring Police Structures in BIH. 5 October 2005. Available at: http://www.ohr.int/ohr-dept/rule-of-law-pillar/prc/prc-key-doc/default.asp?content_id=36200

Federation. After exhausting both sanctions against RS and promises about SAA negotiations, it seemed that no further concessions would be gained from the Serbs and the only alternative was to completely abandon the whole reform. By mid-October 2005 entity and state parliaments had adopted Čavić's agreement on police reform and on 21 October 2005, the European Commission recommended starting SAA negotiations with Bosnia to the European Council.

Although SAA negotiations started soon after, not much in the way of police reform followed in Bosnia. The public and adversarial nature of negotiations process drained the commitment for implementing reform from all sides. It was clear that Serbian elites preferred no police reform to any weak version of it, while Bosniak elites felt that what was agreed was no real reform and felt betrayed by the international community who had given up its initial conditions. The agreement itself contained no executive provisions apart from establishing a Directorate for Police Restructuring Implementation (DIPR) which was to come up with a plan for implementing the agreed principles of police reform. Implementation was slow, and once Paddy Ashdown left the HR post in January 2006, the reform came to a complete standstill.

FAILURE OF THE ASHDOWN PROPOSAL: DISCUSSION

Much like with the above cases of military reform, in the case of the Ashdown proposal for police reform, *executive coalitions* at state-level have shown no significant impact over the outcome of reform negotiations and the prospects for ethnic accommodation over the issue. While the main actors involved in the negotiations were members of the political

parties in the state government coalition, this did not contribute to them approximating their views over police and neither was the state-level coalition used as a framework for any negotiations. The extensive *territorial autonomy* that entities enjoy in Bosnia combined with the *functional autonomy* of entities in many policy areas, including police, resulted in major resistance among Serb political elites to giving up their exclusive control over police and sharing it with other ethnic groups at the central level. On the other hand, *veto mechanisms* had a very tangible impact on the outcome of the negotiations; thanks to veto mechanisms available to them, Bosnian Serb politicians were able to block the progress of the proposed police reform. On several occasions the RS parliament officially rejected the proposal, which protected the Serb population from having an unpopular policy measure imposed on them, meaning vetoes served their intended purpose of protecting the ethnic group from being outvoted. However, the actual and repeated use of vetoes made it more difficult to accommodate and accept the amended proposal when it finally arrived. Unlike the implicit threat to use veto, its actual use made it more difficult for Serb politicians to reverse their course and make concessions.

The High Representative, although he had placed the issue on the policy agenda and established a reform commission, failed to play a fully enabling role in this case. Lord Ashdown's refusal to accommodate the Serb politicians, in terms of the rules of procedure in the PRC at the start of the reform talks, resulted in increasing resistance on the Serb side throughout the process. Aware of the sensitive and important role of police for domestic political elites, the HR failed to provide the *informal space* where the details of this ethnically and politically sensitive reform would be negotiated without the antagonism of

invoking vetoes in parliament. Moreover, he selected and promoted some of the conclusions from the PRC report, instead of allowing domestic political actors to agree about the direction in which to pursue the reform. Thus, although successful in aligning the rest of the *external actors* behind him, Lord Ashdown failed to persuade the Serb politicians of the merit of his proposal. He eventually resorted to applying pressure on RS government through his executive powers, which led to half-hearted short-term compliance, but did not result in commitment to implement the agreed reform or to de-ethnicise the resistance against police reform in RS.

CASE 2: LAJČAK'S REFORM PROPOSAL (2007-2008)

When Lord Ashdown left Bosnia in 2006 he was replaced by German diplomat, Christian Schwartz-Schilling, as the new High Representative. Arriving ten years after the DPA had been signed, Schwartz-Schilling was announced as the last HR, one who would not rely on the Bonn powers in order to push reforms, but allow domestic elites to take ownership of the political process and agree on necessary reforms. The international community was seeking to wrap-up its civilian mission in Bosnia, replacing Ashdown's interventionist style with a more detached, facilitating influence.

At around the same time, in February 2006 the SDS-led government lost support in the RS parliament and a new cabinet led by SNSD leader Milorad Dodik took over until the forthcoming elections in October 2006. International representatives regarded Dodik and SNSD as the less nationalist and more co-operative party in RS, and thus an easier partner for reforms. Indeed, Dodik was committed to implementing the DPA and his party

supported EU and NATO integration for Bosnia. Yet between February and October 2006, the new RS government did not implement a single measure related to police restructuring, instead blocking the entire process. In the October 2006 elections, Dodik scored a resounding victory against the SDS, which was seen as a reward to the policies and attitude of the SNSD during its previous months in office. Once in government, the SNSD continued the course of resisting any constitutional change that would lead to further transfer of competencies from RS to the state. After all, the DPA and Bosnian constitution had ascribed police as an entity competence.

In the Federation, the 2006 elections saw declining support for the SDA, which though winning a plurality of Bosniak votes, did not have a majority in the FBiH parliament and entered into coalition with the SBIH. The SBIH leader, Haris Silajdžić, won the Presidential race among Bosniaks on a nationalist platform calling for the abolition of RS and centralising the state. Among the Croats, HDZ dominance was challenged for the first time, as a break-off party HDZ-1990 took some of the seats in parliament, splintering the Croat vote and allowing the Social Democratic Party's candidate Željko Komšić to be elected as a Croat member of BIH Presidency. Elected mostly with Bosniak votes, Croats did not see Komšić as their legitimate representative. Fears that this precedent could turn into regular practice of being outvoted made Croatian elites more apprehensive about their future in a centralised Bosnian state.

Fresh impetus was given to police reform only with the arrival of Miroslav Lajčak as the next HR in July 2007. Although his predecessor was meant to be the last HR in Bosnia, his

approach had not resulted in the expected outcomes: political elites had not taken ownership of reforms and had mostly blocked any progression of the political agenda. Therefore, Lajčak reverted the international community's stance by once again pursuing a more active and interventionist approach to domestic politics. Police reform was one of the priority issues on Lajčak's agenda. Using the earlier link between Bosnia's progress in the Stabilisation and Association process and a somewhat-successful agreement over police reform, he aimed to revive the pull of EU conditionality on Bosnian political elites by setting a deadline supported by the EU: 30 September 2007, for Bosnian politicians to reach an agreement on implementing police reform in order for the SAA to be initialled.³⁶⁴ By August 2007, he had circulated a Draft Protocol on the implementation of police restructuring based on the earlier documents signed by Bosnian politicians and the work of the DIPR, which was the only body established under the previous reform attempt.³⁶⁵ Lajčak's proposal included timelines and deadlines for implementation, and all it required was political leaders' approval and official parliamentary adoption.

However, Lajčak's Draft Protocol faced resistance, both in RS and the FBiH. The two major opponents to his proposal were Dodik's SNSD and Haris Silajdžić's SBIH - both members of the state-level governing coalition. Dodik opposed any further transfer of competencies of RS to the state, while Silajdžić advocated abolishing of the entities and creating a centralised Bosnian state. Therefore, both found Lajčak's proposal unacceptable, Dodik as too

³⁶⁴ Joint Press Conference of International Agencies. Sarajevo, 11 September 2007. Transcripts available at: <http://www.eusrbih.org/media/pc/1/?cid=1940,1,1>

³⁶⁵ United Nations Security Council, *Thirty-second report of the High Representative for Bosnia and Herzegovina, 1 April – 31 October 2007*. 5 November 2007. (S/2007/651) Available at: <http://www.securitycouncilreport.org/atf/cf/%7B65BF9B-6D27-4E9C-8CD3-CF6E4FF96FF9%7D/Bosnia%20S2007651.pdf>

centralising, while Silajdžić as not sufficiently centralising. Both controlled sufficient votes at entity- and state-level institutions to be able to prevent any proposal being adopted without their approval. Although with completely opposing agendas and thus very unlikely allies, in their resistance Dodik and Silajdžić's positions were complementary in undermining the compromise solution offered by the HR. Unlike the usual instances of ethnic outbidding, it was the governing parties rather than the opposition who indulged in nationalist rhetoric, while the opposition was either more moderate (among Bosniaks SDP was more moderate) or supported the government's stance (in RS SDS supported SNSD).

The debate on police reform was linked to discussions on constitutional reforms in Bosnia. These were becoming increasingly pressing because the Dayton Constitution was seen as limiting Bosnia's capacity to function in an efficient way and proceed with reforms necessary for EU integration. Indeed, with the arrival of Dodik in power in the RS, the prospects for any reforms that entailed constitutional amendments for transfer of competencies to the state seemed very bleak. Dodik made clear that no further amendments to the RS Constitution would be made with that purpose.³⁶⁶ Moreover, the HR had no authority to intervene and use executive powers to remove Dodik because the executive powers could only be used in cases where the implementation of the DPA was impeded. On the contrary, Dodik's insistence on keeping police as entity-level competency was completely in accordance with the DPA, which envisaged it as such and allowed for

³⁶⁶ All among the SNSD members interviewed confirmed this as the backbone of SNSD platform and success factor on consecutive elections. Dušanka Majkić, Presiding at the House of Peoples (Upper Chamber) at BiH Parliament, *Personal interview with the author*, 22 September 2010; Gordan Milošević, Political Advisor to Milorad Dodik, *Personal interview with the author*, 20 September 2010; Djuro Beronja, Security Adviser to RS President, *Personal interview with the author*, 20 September 2010.

transferring competencies to the state only with the explicit support of entity parliaments. The SNSD saw police reform, as well as similar previous reforms in defence and judiciary, as hollowing out the entities and taking from them some of the sovereignty vested in them by the DPA. It therefore opposed any such reform.

Although constitutional reforms were necessary for a smoother police reform they were not any easier to agree than police reform. When in 2006 the internationally sponsored April package for constitutional reforms failed, it revealed the incompatibility of the views of different ethnic political elites over the nature and structure of the Bosnian state. The Bosniaks preferred a more centralised state in control of the major policy areas such as defence, police, judiciary etc.; the Serbs would not agree to further centralisation of authority or any diminishing of RS sovereignty; while the Croats rejected both visions of a centralised and entity-driven state opting for a regionalised structure in which at least one region would be Croat-dominated. As the HR noted, those visions were difficult to reconcile in a single constitutional reforms package and this doomed the chances for successful constitutional reform.³⁶⁷

With the lack of an appropriate constitutional framework, police reform was also blocked. From the initial agreement on police reform in October 2005, its progress was tied to the constitutional provisions for police, which limited the scope for both redesigning the boundaries of LPAs and for transferring legislative and budgetary competencies from the entities to the state. Lajčak tried an alternative solution by introducing measures that would relax veto and quorum requirements in the BIH Parliament and make adopting legislation

³⁶⁷ *Thirty-second report of the High Representative for Bosnia and Herzegovina, 1 April – 31 October 2007.*

easier. RS politicians immediately rejected this and recognised a backdoor attempt to introduce changes in the power-sharing mechanisms at state-level, allowing other groups to adopt legislation when Serb members of parliament were absent. As a response, BIH Prime Minister, Nikola Špirić, resigned from his position and all Serb members of state institutions threatened to leave their positions, thus blocking the work of the state-level government, if the HR's decision was not revoked. Relaxing the veto mechanisms, which according to a high-ranking SNSD member "meant survival for [them]," did not prove a productive way to advance police reform.³⁶⁸ Lajčak revoked the measure.

This measure of the High Representative served to strengthen the resistance among Serb politicians. It confirmed to them their fears that police reform was not about reforming the police to improve public security and cut public spending, but that the real aim was to dismantle the RS by stripping all its competencies. Several among the RS politicians expressed such opinions during interviews, citing the "double standards" of the EU, which while demanding centralisation of police in Bosnia, had demanded police decentralisation in other post-conflict states such as Macedonia and among its member states had no consistent model of policing.³⁶⁹

After consecutive negotiation rounds at HR-organised leaders' meetings had failed to result in an agreement and with the 30 September deadline was approaching fast, Dodik and Silajdžić both refused Lajčak's Draft Protocol. Silajdžić's SBIH had previously also blocked the

³⁶⁸ Dušanka Majkić, SNSD Chair of BIH House of Peoples, 2006-2010. *Personal interview with the author*. Banja Luka, 22 September 2010.

³⁶⁹ Perica Rajčević, Member of RS Parliament for SNSD, Chair of EU Affairs Committee. *Personal interview with the author*. 21 September 2010. Banja Luka; Duško Glodić, Advisor of the RS President. *Personal interview with the author*. 21 September 2010. Banja Luka.

adoption of the April Package of constitutional reforms in the upper house of BiH Parliament, because they had found it did not pursue far enough the idea of a unitary and civic state.³⁷⁰ He did not hesitate to reject proposed police reform as too weak a compromise too. Dodik, who had supported the April package, retreated to his former position after its failure and rejected any transfer of police competencies from entity to state level. Both politicians tried to avoid the blame for undermining Bosnia's progress on EU integration, to which they otherwise declared support, by drafting a separate protocol for police reform two days before the 30 September deadline, which did not address the sensitive topics of LPA boundaries and state co-ordination and control. As the protocol was merely a declaration of support for reforming the police forces in Bosnia, with no executive provisions and commitments, the High Representative rejected the last-minute effort to appease the EU and proceed with the SAA's ratification.

It was only after breaking another deadline by Lajčak on 15 October and rejecting another draft protocol presented by the Croat parties, HDZ and HDZ-1990, that finally on 28 October 2007, the leaders of the major political parties of the three groups agreed on a declaration about police reform. The Mostar Declaration, as it became known, confirmed the commitment to the three EU principles for police reform but stated that:

“the structure of the single police forces of Bosnia and Herzegovina shall be in line with the constitutional structure of the country [and the] new and reformed police structure of Bosnia and

³⁷⁰ European Stability Initiative, “Bosnia: Constitutional Reform”. June 2008. Available at: http://www.esiweb.org/index.php?lang=en&id=311&film_ID=5&slide_ID=32

Herzegovina shall be based on relevant provisions of the Constitution of BiH, which shall take form during the process of constitutional reform”.³⁷¹

It thus tied any further progress of police reform to the success of constitutional reform without setting any timeframe for it. Again, while falling short of the stated aims of police reform, this document was accepted by the European Commission as a sufficient token of commitment to reform and the SAA was initialled on 4 December 2007.

The Mostar Declaration was followed up with an Action Plan for implementation and in April 2008 two laws envisaged in the Action Plan and the Declaration were adopted by the BiH Parliament. The Law on Directorate for Co-ordination of Police Bodies and Agencies for Support to Police Structure of Bosnia and Herzegovina and the Law on Independent and Supervisory Bodies of Police Structure of Bosnia And Herzegovina did not require constitutional changes and were the only actual legislation adopted as part of the police reform.³⁷² Their adoption and the establishment of the additional state-level institutions aimed at co-ordination and supervision of entity-level police forces was accepted by the EC as a sign of progress in implementing the agreed reforms. Noting this progress, the EC ratified the SAA in June 2008, thus ending the protracted process of conditionality-driven police reforms in Bosnia. No further progress has since been achieved on police reform in Bosnia. The Bosnian state still does not have legislative and budgetary control over police forces and LPA boundaries remain unchanged. The thirteen different police forces and ministries of interior have not been abolished, but instead supplemented with additional

³⁷¹ “DECLARATION on honouring the commitments for implementation of the police reform with aim to initial and sign the Stabilisation and Association Agreement,” Mostar, 29 October 2007. Available at: <http://www.eusrbih.org/policy-docs/?cid=2109,1,1>

³⁷² “Official Gazette of Bosnia and Herzegovina”, (No.36/08).

state-level institutions.³⁷³ This only expands the burdensome administrative network around policing and security rather than making it more efficient, as the initial idea for police reform stated. As there has been no progress in constitutional reform since 2008, despite several efforts (Butmir Talks 1 and 2, Prud process etc.), no breakthrough with police reform has been attempted. In RS, the resistance towards police reform and any other transfer of entity competencies to state level continues. This stance brought the SNSD leader another electoral victory in October 2010, rewarding the resistance he showed during this and other reform attempts. The public remains resistant to police reform. There has been very little bottom-up demand for police reforms in RS and popular trust and satisfaction with the work of the police is higher than in the federation.³⁷⁴

A SECOND FAILURE: LAJČAK'S PROPOSAL: DISCUSSION

In the case of the second attempt at police reform no actual vetoes were used to block the reform proposals. No proposal was introduced in parliaments before an agreement had been reached and the support of all actors who could block the proposal had been obtained. Thus, rather than actual vetoes the implicit threat that they might be invoked was used to negotiate a solution acceptable to all sides. The importance of *veto mechanisms* for reaching any form of accommodation was further confirmed when Miroslav Lajčak tried to amend the quorum requirements at BIH parliament and make the voting procedure easier.

³⁷³ Each of the ten cantons in the fBIH has their own police force and ministry of interior, RS and fBIH have entity level ministries and police forces, and at the state level SIPA and Border Police amount to thirteen different police forces and corresponding ministries. This has often been used as an argument for police reform both by international and domestic commentators.

³⁷⁴ Satisfaction in police work and trust in the police remains higher in majority Serb areas, between 65-78%, while in the federation ranges between 35-65%. UNDP. Early Warning Reports Bosnia and Herzegovina, 2000-2006, 2008, 2010. Available at: <http://www.undp.ba/index.aspx?PID=14>

The resistance from Serb politicians showed how valuable they find the leverage that veto mechanisms give them in the political process.

Instead of a reform commission, the negotiations over Lajčak's proposal took place in closed meetings – an *informal setting*. There, facilitated by the HR, the leaders of the major political parties of the three ethnic groups negotiated the details of the proposal. Unlike the reform commission, these meetings had no rules of procedure, reporting or voting requirements, but provided a neutral space for debating police-reform proposals.

In addition to convening the informal leaders' meetings and attempting the reform of veto mechanisms in the state parliament, the High Representative also tried to revive EU conditionality in order to encourage greater accommodation among Bosnian political elites. His efforts were only mildly successful, as the two deadlines he set were not respected by the domestic politicians and they only seemed to pay lip-service to their declared support for EU integration. The credibility of *external actors* was further undermined by the EU's previous inconsistency over the three criteria for police reform, which it had given up during Paddy Ashdown's attempts to seal an agreement with Bosnian Serb politicians in 2005.

Finally, *institutional legacies* of decentralised police forces in the federal arrangement of the Yugoslav federation further strengthened resistance – chiefly among Bosnian Serb politicians – but also among Croat ones. This legacy disinclined political elites in RS from accommodation, as did the fact that models of decentralised policing were common among many EU states. Thus, even though a superficial agreement committing to some form of

police reform was achieved, it was not implemented. Neither was the issue de-ethnicised, and it still causes ethnic tension in Bosnian politics today.

ETHNIC RESISTANCE OVER POLICE REFORM: THEORETICAL IMPLICATIONS

The two attempts at police reform in Bosnia between 2004 and 2008 demonstrated the limits of accommodation between political elites in the country. In both instances the elites resisted the proposed reforms and used the institutional and political tools available to block the progress of reforms, despite the coming under pressure from the HR and the EU. The strongest resistance came from the Serb elites, although some Bosniaks also resisted compromise, which prevented the adoption of constitutional reforms that could have brought about agreement on police reform. The cases suggest that the factors detailed below explain the politicians' failure to accommodate across ethnic lines.

The exact nature of the police as an institution proved as problematic at the practical political level as the specific contents of the proposed reform. Since the police are responsible for providing everyday security to the public and for enforcing the laws and order, their control is of importance to both political elites and the people. The link that RS's elites constructed between police reform and sovereignty was more than a rhetorical tool; it drew on the history of the conflict and the police's role in establishing and protecting RS as a quasi-state entity. Serbs feared that "RS would lose its identity if it gave up the police," a fear acknowledged by Ashdown who knew that "for the Serbs the police was much more

of a symbol of maintenance of a separate identity, than their army".³⁷⁵ Yet, instead of pursuing police reform in a manner that would reassure the Serbs that the reform was not aimed against RS and its sovereignty, Ashdown opted to try to centralise it, despite the availability of other options (in the Functional Review).

Given the symbolic and pragmatic importance attached to the police, to protect their group's interests, Serbian politicians relied on formal power-sharing instruments, entity voting in the BIH Parliament and entity parliament assent. Introduced to prevent the outvoting of a numerically inferior group, *veto mechanisms* were used, mostly by Serb politicians (but also by Bosniak ones), to prevent the adoption of a policy perceived as harmful to their group's interests. Prior to the actual vetoes, the threat of their use was employed as bargaining leverage in order to negotiate a proposal that would accommodate Serb demands and views on police reform. This failed because Ashdown refused to adapt PRC rules of work to a more consensus-oriented mode, thereby preventing the negotiation of a proposal acceptable for all three sides. At which point Serbian politicians delivered on their threats and repeatedly vetoed the reform proposal in the RS parliament until a proposal acceptable to them was adopted.

Two other power-sharing instruments failed to bring political elites closer to accommodation. Extensive territorial and functional autonomy made the *compulsory executive coalition* at state-level virtually powerless in police-related affairs, as the police were not among its competencies. All power was concentrated in the entities, whose assent

³⁷⁵ Igor Gajić, Editor-in-Chief of *Reporter* magazine in Banja Luka, *Personal Interview with the author*, Banja Luka, 21 September 2010; Lord Paddy Ashdown, *Personal Interview with the author*, 23 June 2010.

was required in order to transfer police to the state-level. In RS there was no requirement for executive coalition though, so the parties in power (both the SDS 2004-2006 and the SNSD 2006-2008) pursued single-group interests. In the FBiH, Bosniak-Croat coalitions did contribute to accommodating the Bosniak and Croat sides, but that still left a major gap between the two entities' governments' attitudes over police reform, with no formal forum to address it.

Functional autonomy awarding substantial sovereignty traits (such as security) to entities instead of the central government further enhanced the link between police and entity power. Having enjoyed full control over the police for ten years after the end of conflict, political leaders proved unwilling to give it up. Rather, as critics of ethno-federalism have suggested, they used autonomy as an 'institutional tool' to launch attacks on the central state and to prevent police reforms.³⁷⁶ Previous federal experience and Yugoslav *institutional legacies* further exacerbated the effect of territorial autonomy, by disinclining the RS political leadership to consider reforms that would centralise police control. Instead, Serbian politicians treated the proposed reforms as a backdoor attempt to take competencies away from their entity and strip from them yet another area of self-governance. Numerous examples of decentralised police structures across the world, particularly those of EU members who were advocating centralisation in Bosnia, diverted attention from the merit of the reforms themselves and from the poor quality of policing in Bosnia, instead to attempts to discredit the proposal.

³⁷⁶ P. Roeder, *Where Nation-states Come From: Institutional Change in the Age of Nationalism*. (Princeton: Princeton University Press, 2007).

The gap between entity and central-state powers made entities the main locus of *political party competition*. Entity elections decided which parties were going to be represented at state-level institutions. However, inter-ethnic and inter-entity relations featured prominently in entity politics, as the SBIH platform for abolishing entities and the SNSD platform for no further competency transfers show. Because the entity government in the fBIH did not include Serbian parties and the RS cabinets included only Serbian parties, no party in power needed to moderate its stance. On the contrary, government parties in both entities, the SNSD and the SBIH, were more extremist in their rhetoric and behaviour (vetoing reform) during 2007-08 police reform than the opposition. This resulted in no ethnic bidding between intra-group political parties, as outbidding requires a relatively moderate government party willing to make concessions to other ethnic groups.³⁷⁷ As this was not the case with either the SNSD or the SBIH, the opposition either supported them (the SDS in RS) or was more moderate (the SDP in the fBIH). Although police reform witnessed no ethnic bidding and therefore no intra-group competition, it did not result in a less adversarial policy process. On the contrary, the lack of an intra-group political frontier intensified the inter-group division lines, as politicians resorted to centrifugal nationalist arguments. Such intensified ethnicisation of politics implies that the post-Dayton political system in Bosnia failed in this instance to prevent ethno-nationalist politics, despite the deliberate constitutional mechanisms introduced to avoid it. This confirms some 'integrationist' concerns about the capacity of power-sharing arrangements to produce

³⁷⁷ John Coakley's definition of ethnic outbidding in "Ethnic competition and the logic of party system transformation" in *European Journal of Political Research*. Vol.47, (2008), pp.766-793.

intra-group competition, without which most political contestation remains centred on the ethnic cleavage.³⁷⁸

Despite initiating police reform and keeping it on the political agenda, *external actors* in this case failed to facilitate accommodation. The EU did not apply clear and consistent conditionality in SAA negotiations and ratification. Instead it revoked its own three criteria for successful police reform and by the end of the process was ready to accept much less than it initially required. To the RS leadership, which had no interest in changing the status quo, the EU's inconsistency demonstrated that they could win SAA without making many concessions over police reform. Inevitably this led to greater resistance among RS politicians, especially in implementing the agreed reforms. Moreover, on the Bosniak side, the EU's hesitation led to the SBiH coming up with its own demands that went far beyond EU's criteria, calling for RS to be abolished and the state fully centralised. The result demonstrated the limits of EU conditionality and increased resistance on both sides, rather than the compromise and accommodation the EU had aimed for.³⁷⁹

By failing to provide a safe and neutral environment for negotiations and compromising his own neutrality, Paddy Ashdown did not manage to facilitate inter-ethnic accommodation during the first attempt at police reform. At the start of negotiations, the working rules of the PRC signalled a departure from previous examples of reform commissions, such as the DRC. Instead of allowing veto to all sides, the PRC Chairman would not resort to voting, but

³⁷⁸ D. Horowitz, *Ethnic Groups in Conflict*. (Berkeley: University of California, 1985).

³⁷⁹ On limits of EU conditionality in Balkan politics see: G. Noutcheva, "Fake, Partial and Imposed Compliance: Limits of the EU's Normative Power in the Western Balkans". CEPS Working Document No.274/July 2007. Available at: www.ceps.org

would personally decide when sufficient consensus had been reached. As this did not guarantee to Serb members that their objections would be considered or addressed, they rejected the PRC as an appropriate forum to negotiate police reforms. The HR's failure to establish any space for negotiations that would obviate the need for formal vetoes made successful police reform far less likely.

In the second case, Miroslav Lajčak avoided committing the same mistake and convened informal leaders' meeting to negotiate the details of his reform proposal. Moreover, in two instances: when Lord Ashdown refused to change PRC rules of procedure; and when Miroslav Lajčak tried to relax voting requirements in BiH Parliament, as external actors they failed to consider the interest of at least one ethnic group and to act in an unbiased manner. Such behaviour affected the HR's position as a neutral arbiter between the three groups and caused distrust and resistance, especially among the Serb politicians.

More generally, these two cases show that fifteen years after Dayton's adoption, the political system it introduced is seen as temporary and subject to renegotiation and change both by members of the international community and by domestic politicians. Lord Ashdown's frequent statements that "Dayton is the floor not the ceiling" and the need "to go beyond Dayton", along with Haris Silajdžić's calls for abolishing RS and Lajčak's attempts to relax voting and quorum rules in Parliament, all provide evidence to many Serbs and Croats that the mechanisms guaranteeing them protection from being outvoted are under threat. Such fears about the transience of power-sharing mechanisms give rise to fears about becoming a minority in a Bosniak-majority dominated state. Although proposals for

reforming Dayton often stem from a desire to create a more efficient state structure, especially among international actors³⁸⁰, Croats and Serbs in Bosnia still fear the efficiency of a state that would work against their groups' interest. This makes Bosnian elites fundamentally still divided over the basic structures and principles around which to organise the common state.

CONCLUSIONS: POST-DAYTON BOSNIA

Military and police reforms were among the most important political reforms in Bosnia in the past decade. They marked a move forward from strictly Dayton-related politics of stabilisation and reconstruction to democratic consolidation and empowerment of the local political elites. The success of military reform brought PfP membership to Bosnia and propelled the country closer to NATO membership. Successful police reform would have helped Bosnia's bid for closer EU integration, but its failure instead revealed underlying problems in the constitutional structure of the Bosnian state and stalled the country's progress towards EU membership. Although neither of the reforms were envisaged in the DPA and both were brought onto the political agenda by the HR, domestic political elites reacted differently in the two cases. The above sections explored the reasons for elite accommodation and resistance and investigated the factors that led to successful reform and accommodation in military reform and resistance and failure in police reform.

The formal power-sharing mechanisms in Bosnia show a mixed record in enabling ethnic accommodation. Various veto mechanisms, entity voting in state institutions and entity

³⁸⁰ Paddy Asdown, *Swords and Ploughshares*; ICG reports.

parliament assent, by allowing each group the right to block a proposal, contributed most to accommodation among political elites. In the case of military reform, each group was willing to make concessions during the DRC negotiations and arrive at a mutually acceptable solution, because otherwise any group dissatisfied with the outcome could have blocked the proposal. During police reform attempts, it was the entity veto that allowed Serbian politicians to block an unacceptable proposal. Veto mechanisms protected groups from being outvoted and disregarded in the policy process and thus allowed the necessary conditions for ethnic accommodation. However, veto mechanisms on their own are insufficient cause for accommodation, and their repeated use consolidated Bosnian Serb resistance against police reform, placing additional obstacle for subsequent accommodation.

However, other power-sharing mechanisms resulted in even less accommodating outcomes. Combined territorial and functional autonomy for entities disinclined political leaders to give up entity competencies. The state was too constitutionally weak to be able to centralise competencies without the assistance and pressure of the external actors, especially in cases such as police reform, where a powerful political tool of entity politicians was at stake. Such extensive autonomy therefore resulted in turf-protecting behaviour from entity politicians, which often led to resistance to reforms. Not only are most political competencies located within the entities but the state lacked central political elite, since it is entity politicians who were delegated to represent their entities at the central level. This made the creation of a central cross-cutting political identity and centre vs. entities cleavage more difficult to build. Having the final decision-making powers over centralisation

or decentralisation of political power reside with federal units, rather than the central state, made inter-entity and inter-ethnic accommodation more difficult.

Consequently, state-level executive coalitions had very limited effect on accommodation. Although inclusive coalition cabinets are expected to be the locus where groups share executive power and jointly make policies, in Bosnia central state coalitions were not involved in military and police reform. Having compulsory executive coalitions only at state level and only between Bosniaks and Croats in the FBiH, meant that at the entity level, where most decisions were made, ***there was no executive power-sharing between the three groups***. On the contrary, in RS, due to its predominantly Serb population, government cabinets featured exclusively Serb parties and no efforts were made to accommodate other groups' interests. This made negotiations over police reform more adversarial, as no prior agreement or common stance between the groups and entities existed over the issue, and after the failure of the PRC there was no institutional space where such agreements could be forged. Therefore, ***power-sharing mechanisms in Bosnia are not sufficient for ethnic accommodation***. Even though veto mechanisms can help groups' interest to converge, insufficient executive power-sharing and extensive group autonomy hinder political agreement and compromise across entities.

The set-up of the political system in Bosnia affects the prospects for ethnic accommodation but does not directly undermine the democratic nature of the political process. Although central government cabinets do not stand or fall together on single elections, but each coalition partner faces separate (entity and cantonal) elections where their performance on

cantonal and entity-level government is evaluated, ultimately everyone has democratic legitimacy either through direct election or delegation. The efficiency and effectiveness of the political process can suffer as the multiple government layers protract the policy-making and implementation processes and diverse institutional cultures can affect the quality of the final outcomes and services provided to citizens. However, a ***greater threat to democracy in Bosnia is posed by the persisting ethnicisation of politics***. The Dayton power-sharing mechanisms seem to have failed to prevent the recurring of ethnic mobilisation and nationalist politics. The lack of entity-level inclusive cabinets and predominantly entity-based politics provide no incentives for intra-group contestation that could lead to moderation of inter-group politics, resulting in homogeneous group-based political preferences.

In the case of military reform what led to greater accommodation, in addition to the veto mechanisms, were informal practices of negotiation and sustained external support for it. The semi-formal setting of the DRC, where military reform was negotiated and concessions made, before a solution acceptable for all sides was reached, established a safe and neutral space for accommodation. The importance of informal practices was enhanced further by the lack of any formal setting at state level where the entity leaderships could have pursued those negotiations, given the limited set of powers and competencies of the state. Thus, ***informal practices supplemented the formal institutions to produce political accommodation across ethnic lines***.

External actors, especially the HR, were crucial in attaining accommodation and enabling inter-entity negotiations, given the institutional gap between entity governments in Bosnia. The HR facilitated the negotiations by establishing the two reform commissions and streamlining international conditionality from NATO and the EU into the domestic political process. In order to perform this facilitating role successfully, the HR needed to be neutral and unbiased, with no agenda of his own, or preferences for one group over the others. Once he was perceived to have lost those qualities, as in the case of police reform, the HR failed to facilitate accommodation between the ethnic groups. Moreover, the Bosnian case, with *the prolonged presence and undiminished influence of external actors, shows that there is a danger of dependency on external actors in post-conflict states*. In addition to facilitating accommodation through his executive powers, the HR had come to serve as an arbiter and interpreter of DPA provisions. He also administered justice for violations of the DPA, so supplanting the role of other accountability bodies, but allowed no judicial or democratic recourse against his decisions. Such a powerful position of the HR could threaten the full consolidation of Bosnian democracy and its institutions, which fail to perform their constitutional functions in the shade of external actors. It could simultaneously create an expectation among domestic political actors for external impetus for ethnic accommodation, making them less likely to engage in ethnically accommodating behaviour.

CHAPTER SIX: CROSS-COUNTRY COMPARISON AND CONCLUSIONS

This chapter compares the findings from the policy cases analysed in Bosnia and Macedonia and synthesises them into more theoretical and generalisable answers to the question of ethnic accommodation. By comparing the factors that led political elites towards more accommodation over some ethnically sensitive issues to those that led towards ethnic resistance and tensions, this chapter distils the effect that different explanatory variables had on ethnic accommodation and resistance and links those effects to the hypotheses presented in Chapter One. Not all hypotheses that were examined in the empirical chapters were shown as valid in the empirical analysis of the policy cases. This chapter argues that formal power-sharing mechanisms are necessary for accommodation but shows that some such mechanisms, such as functional and territorial autonomy, can lead to more resistance, while veto powers and executive power-sharing tend to facilitate accommodation. Informal practices tend to support accommodation and supplement the work of formal institutions, but the evidence presented also suggests that they can stall the consolidation of formal democratic institutions. Furthermore, the findings show that increased intra-group

competition has not led to more successful ethnic outbidding between political parties. Finally, within the institutional constraints of post-conflict political systems, external actors and institutional legacies tend to shape the contents and directions of particular policy proposals and domestic actors' framing and perceptions of policy proposals. These influences can be enabling and lead to accommodation, but also inhibiting and incline domestic actors towards resistance and continued ethnicisation.

After presenting a cross-country analysis and discussion of the findings, the chapter proceeds to the conclusion of the thesis. By, reflecting on the research question and the answers provided by the empirical analysis, this section summarises the findings and links them to the general literature on politics in deeply divided post-conflict states. It outlines the original contribution that this thesis has made to the theoretical debates on power-sharing in comparative politics, on external actors in international relations and to area studies literature. The chapter concludes by drawing the limitations of the research presented in this thesis and by mapping the areas where the findings suggest further research.

1. POST-CONFLICT BOSNIA AND MACEDONIA

Upon the dissolution of the Yugoslav federation along its republican borders in 1990-91, both Bosnia and Macedonia were faced with the challenge of managing inter-ethnic relations in their largely ethnically diverse societies. After the initial failure to diffuse ethnic tensions and come up with a political solution to rising ethnic problems in society, both states went through violent ethnic conflict. In Bosnia violence ensued immediately after independence in 1992, while in Macedonia it was in 2001, almost a decade after Yugoslavia fell apart. Despite the different timing, in both states the conflicts resulted in restructuring of the institutional and political architecture of the state, aimed at allowing greater inclusion and access to political power for all ethnic groups. The Dayton and Ohrid Agreements, which put an end to the violence in each state, also contain provisions for the new post-conflict constitutional structure.

Since the end of the ethnic conflicts, Bosnia and Macedonia have avoided lapsing into violence and conflict has not recurred. However, ethnic tensions have remained. As this thesis has demonstrated, some issues and policies remain highly sensitive and problematic for ethnic relations, despite efforts to come up with a mutually acceptable solution for all groups. Seeking an explanation for the continued ethnic contestation of some policies, this thesis has investigated the factors that led to greater ethnic accommodation over some policies and those that led to continued ethnic resistance. The following sections present

the comparative findings from the country-based analyses, but also discuss what these cases confirm or challenge in the existing literature on post-conflict politics.

POWER-SHARING ARRANGEMENTS

In both Bosnia and Macedonia, the present power-sharing arrangements were introduced by the Dayton and Ohrid agreements in order to facilitate democratic and accommodating post-conflict politics. The impact of three elements of power-sharing arrangements in Bosnia and Macedonia was further examined in this thesis: inter-ethnic executive coalitions, veto mechanisms, and territorial and functional autonomy.

In line with Bieber's claim, chapters Four and Five confirm that veto mechanisms indeed have a significant impact on the policy process.³⁸¹ *Veto mechanisms prevented each side from being outvoted and gave especially the numerically inferior side the guarantee that its interests would not be neglected.* Veto mechanisms affected the outcome of the policy process in two ways: directly, through invoking and using veto, and indirectly, through implicit threats to use veto in negotiating more acceptable policy proposals. However, the direct and indirect uses of veto had different effects on ethnic accommodation. Direct veto use led towards more ethnic resistance, while its indirect use towards more accommodation.

During police-reform efforts in Bosnia, the Serb side directly used veto to prevent the adoption of a policy proposal it had considered harmful to its interests. This blocked police

³⁸¹ F. Bieber, "The Challenge of Institutionalizing Ethnicity in the Western Balkans: Managing Change in Deeply Divided Societies."

reform, but allowed Serbs to protect their interests in the policy process. However, this made accommodation more difficult later on. When after the initial rejection High Representative Ashdown amended his reform proposal, it was more difficult for the RS parliament to adopt police reforms only weeks after it had voted against it. In Macedonia, the abandoning of the compulsory Macedonian proposal was an implicit recognition of direct veto too. After the Albanian party in the government coalition rejected the proposal it would have been futile to introduce it in parliament, where it would have failed to get enough votes for double majority. Similarly, after the rejection the measure was never adopted, not even an amended version of it has been presented to parliament.

More frequent was the indirect use of veto, when the entitlement to group veto encouraged all sides to negotiate and compromise until an acceptable solution had been found. In Macedonia this happened through the intra-coalition agreement between Macedonia and Albanian coalition partners, which, prior to proposing legislation aiming to legalise Tetovo University and introduce decentralisation, had agreed to the contents of reforms. In Bosnia the availability of group and entity veto facilitated negotiations in the Defence Reform Commission, where consensus solutions over military reform were sought. Thus, the indirect use of veto has encouraged compromise and concessions, enabling political elites to reach accommodating outcomes in the policy cases analysed in both countries. While most academic work refers to direct vetoes and their harmful effects, the wider focus of this thesis, which includes indirect uses of veto mechanisms, shows that the opposite is often true. When used indirectly, veto mechanisms result in more

accommodating policy proposals. These findings are true in both countries, despite the differences in the nature and extent of veto mechanisms in Bosnia and Macedonia.

Executive inter-ethnic coalitions also facilitated accommodation across ethnic lines. The nature and competencies of government coalitions was different in the two countries. In Macedonia, executive coalitions combined with veto mechanisms for Albanians, resulted in intra-coalition agreements on the most sensitive ethnic issues and policy proposals addressing those problems that were adopted by parliament. Because each partner depends on the other for adopting legislation in parliament and for survival in office, both proved willing to compromise and accommodate. The only exception was the VMRO-DUI coalition in 2010, which failed to agree over the issue of compulsory Macedonian language. The result was a failed proposal, an outcome which only proved that Albanian support was necessary. This outcome can be explained by the lesser dependence of VMRO on DUI for staying in power, because between 2008 and 2010 VMRO already controlled an overall majority in parliament and only required DUI's support for those areas designated for double-majority voting. This instance also indicated the threats from power-dividing instead of power-sharing in coalitions, another factor undermining their beneficial effects. If coalition cabinets do not make government programmes and policies jointly but only divide the portfolios and domains between each other, genuine compromise and solutions to ethnically sensitive issues will tend to be more difficult to reach. Instead of designing education reform jointly, it was only VMRO that led the education sector without input from their Albanian partners. This resembled the pre-2001 situation when, despite inter-ethnic coalitions, the dominant Macedonian partner rarely sought approval from the

Albanian parties in government. Although the subsequent Constitutional Court ruling deemed attempts to exclude Albanians unacceptable, they are still possible in the existing political set-up. The limited areas of double-majority voting and the prospects for a single party controlling a majority in parliament can serve as incentives for those among ethnic Macedonian politicians who might resent sharing political power with Albanian coalition partners.

The Bosnian case reveals that *the lack of proper executive coalitions at entity level makes accommodation more difficult*. Inter-ethnic coalitions including all three groups are only present at state level, where each entity and ethnic group are also entitled to veto. Only the FBiH has a Bosniak-Croat coalition, while in RS there is no requirement for executive coalitions.³⁸² State-level coalitions in Bosnia do not provide sufficient incentives for accommodation for two reasons: the most sensitive policy areas are not within the central government's authority, and the members of central government cabinet are delegated from entities, not directly elected. The central government in Bosnia is responsible for only a few policy areas, while the most sensitive policy domains remain under the remit of entity governments, where no requirements for inter-ethnic coalitions or group veto exist. Moreover, because of the limited competencies of the state, not much policy-making and decision-making takes place at the state level. When it does, it is subject to entity voting, which implies that entity delegations should have previously agreed on the proposal.

³⁸² There is a requirement for representativeness of government cabinets in RS, based on 1991 census, but not a requirement for coalition, which results in governing party appointing Bosniaks and Croats from its members. The representation of other groups but the three constituent nations is even more problematic across BiH, as the recent case at the European Court of Human Rights demonstrated. See *Sejdic and Finci vs. Bosnia and Herzegovina*, at Council of Europe. Ruling Available at: http://www.coe.org.rs/eng/news_sr_eng/?conid=1545

Coalition partners are delegated from entities and they do not depend upon each other for staying in office. Rather, what happens in entity-level parliaments determines whether they survive in office.

The Bosniak-Croat coalition in the federation contributed to greater accommodation between these two groups, as the policy cases in this thesis show that the greatest resistance was between Serbs and the two other groups. However, the lack of inter-ethnic coalitions in RS makes Serb politicians less inclined towards compromise with other groups, since they do not depend on their support in entity politics. Thus, although Bosnian power-sharing is often criticised for its complicated and overly constraining nature,³⁸³ it appears that a major power-sharing element is missing, or rather, is placed at the level where it has limited effect on ethnic accommodation. Instead, informal reform commissions in both military and police reforms played the role of executive coalitions where negotiations on reforms contents took place.

In line with Lijphart's argument, this thesis shows that executive coalitions, as the means to draft mutually acceptable policies for all groups, are crucial for ethnic accommodation.³⁸⁴ The lack of inter-ethnic coalition leads to greater resistance, as shown in the Bosnian case. It also leads to the need to find a substitute for executive coalitions in ad hoc reform commissions to deal with contentious policy issues. These findings are supported by the evidence in both countries, even though the nature of executive coalitions varies between the two. Another similarity between the two countries is the lack of evidence that executive

383 See F. Bieber's discussion in: "The Challenge of Institutionalizing Ethnicity in the Western Balkans: Managing Change in Deeply Divided Societies" in *European Yearbook of Minority Issues*. Vol.3. (2003-4).

384 See Lijphart's discussion of power-sharing elements in: A. Lijphart, "Consociational Democracy" (1969).

coalitions limit democratic political competition. Contrary to Berry's criticisms of coalitions,³⁸⁵ in both countries there was regular intra-group competition between government and opposition parties, as well as turnover of parties in government and opposition.

Unlike veto and inter-ethnic coalitions, the effect of territorial and functional autonomy on ethnic accommodation at the policy level is less clear. The findings from the Macedonian case studies suggest that territorial rather than functional autonomy is more conducive to accommodation. In the case of minority-education policy, there was functional autonomy established after 2001, allowing Albanians to run their own educational system from primary to higher level in their mother tongue. This created an ethnically exclusive policy domain where decisions made by Albanian leaders affected only Albanians. Such policy design, although agreed at the elite level, did not result in de-ethnicisation of minority education. Instead it led to greater segregation and tensions between the youth, as the two groups had no contact and exposure to each other, encapsulated in their own exclusive educational systems. These divisions further prevented the rise of cross-cutting alternative identities and cleavages in this area, maintaining ethnicity as the main line of political contestation.

Increased territorial autonomy in decentralisation was not accompanied by ethnically exclusive rights and benefits, but thanks to the multi-ethnic composition of the municipalities both groups benefited equally from increased local self-government, which eventually led to a relaxing of ethnic relations at the local level and de-ethnicisation of

³⁸⁵ See B. Berry, "The Consociational Model and its Dangers" (1975).

decentralisation policy. It has commonly been argued that territorial autonomy and decentralisation tend to pave the way to secession.³⁸⁶ When such autonomy was implemented based not only on ethnic criteria though, it led to greater accommodation than creating ethnically exclusive policy domains, which pull populations as well as leaders further apart and fuel further ethnic tensions. Moreover, as regions are rarely fully ethnically homogeneous, ethnic diversity at regional or local level would allow all communities to feel the benefits from increased local or regional authority. However, territorial autonomy in Macedonia is limited to decentralisation and increased power of local governments, which falls short of the extensive territorial autonomy that groups enjoy in federal states. Therefore, these findings can not be easily generalised for other cases of more extensive territorial autonomy.

In Bosnia, territorial and functional autonomy are combined in the extensive powers and authority of entities and cantons. Both police and military reforms were efforts to reduce this autonomy and transfer their functional control to central level. Both cases showed the difficulty of reducing functional autonomy, since removing exclusive policy domains from groups' control tends to result in defensive behaviour of politicians who see it as an attempt to limit their power. Ethnically exclusive policy competencies tend to turn policy-making into a zero-sum game for ethnic political elites. While for the average citizen the services that are available might not differ much in each case, for the political elites having exclusive control over certain policy is more desirable than having to share that competence with

386 D. Rothchild and P. Roeder, "Power Sharing as an Impediment to Peace and Democracy" in *Dilemmas of State-building in Divided Societies*. Eds. D. Rothchild and P. Roeder. (Ithaca: Cornell University Press, 2005).

other political actors. Shared control over policy areas implies more compromise and concessions, while exclusive control sees less need for them, and therefore results in less accommodation. This further explains the success of military reform in Bosnia. Although the military was territorially divided in two entity forces, it was not under the exclusive control of ethnic political elites, but under international control. This made it easier for entity politicians to centralise it, as the transfer did not diminish their personal and group power, while giving up exclusive control over the police would have tangibly reduced their political power.

Seeing politics in zero-sum terms of personal and group political power disinclines political actors from accommodation. The findings from previous chapters suggest that functional autonomy tends to often result in zero-sum perceptions of politics among local political elites and lead to greater resistance across ethnic lines. Thus, there is some evidence that functional autonomy provides local ethnic elites with 'institutional weapons' to resist the majority. Contrary to Rothchild and Roeder's claims though,³⁸⁷ there is almost no support for the argument that those "weapons" are used to further increase the power of local elites, since there were no efforts to expand functional autonomy to additional areas.

POLITICAL PARTIES

³⁸⁷ D. Rothchild and P. Roeder, "Power Sharing as an Impediment to Peace and Democracy" in *Dilemmas of State-building in Divided Societies*.

The party systems in both countries feature strong ethnic parties and ethnic voting is still the rule, as voters' volatility across ethnic lines is almost non-existent.³⁸⁸ While multi-ethnic parties which openly diverge from ethnic politics exist in both states, they do not fare particularly well in elections. The PR electoral system allows for greater group representation and has expectedly resulted in greater fragmentation of the party system, which has frequently led to fierce intra-group competition. However, despite these features of the political party systems in Bosnia and Macedonia, the empirical findings in this thesis provide thin support for their vulnerability to ethnic outbidding and resulting ethnic radicalisation of politics.

While ethnic bidding is undoubtedly common, especially on ethnically sensitive issues such as the policy cases analysed in both states, ethnic outbidding is less so. The opposition often resorted to bidding on the ethnic scale but the parties in government did not often respond to such bids by outbidding. The above analysis suggests that ethnic bidding is mostly unsuccessful when intra-coalition agreement has been reached in advance between government partners. When government politicians believe they have already secured the best possible compromise for their own group, bidding higher and pushing for better deal for their group would only result in a failure of the entire proposal. In Macedonia, the DUI did not respond to ethnic bidding by the PDSH in 2004 when Tetovo University was legalised and municipal borders redrawn, without suffering electoral losses or decrease of public support. It was only when no coalition agreement existed over compulsory Macedonian in

³⁸⁸ UNDP, "People Centred Analyses" 2008-2010 and "Early Warning Reports" 2000-2010, provide statistics about the proportion of the population willing to vote across ethnic lines, which remains very low in both countries.

2010, that the DUI entered an outbidding cycle with opposition the PDSH and further raised ethnic tensions.

In the two Bosnian cases both ethnic bidding and outbidding between government and opposition parties were rare. More common was intra-party and intra-coalition ethnic bidding. During early attempts at police reform it was SDS membership in RS that challenged the SDS leader Dragan Čavić over agreeing to accept police reform proposal from the High Representative Ashdown; and later on it was the SDA coalition partner, the SBIH, that voted against constitutional and police reforms among the Bosniak parties. Because these were not really inter-ethnic coalitions, (the one in RS was made of only Serb parties and the one in the fBIH had no Serb parties) it was difficult for the opposition to accuse the government for giving too much away to other groups, as those governments were not inclusive of all other groups. Yet, intra-party and intra-coalition bidding reveals that attempts were made to capitalise on the concessions made to other groups in the framework of reform commissions and because in both cases bidding originated within the government, it prevented governments from adopting those proposals.

Although ethnic outbidding was rare, government-opposition contestation was not diminished, as the opposition also used other strategies but ethnic bidding to challenge the government. During debates over the law on municipal boundaries in Macedonia in 2004, the opposition used ethnic bidding along with criticisms against the government's non-compliance with European Charter for Local Government obligations to consult municipalities over changing their boundaries. This combined approach resulted in greater

success, as the government eventually revised its proposal. Similarly during early military reform in Bosnia in 2004, the opposition in RS attacked the government, not over failing to protect Serbian interests in Bosnia, but over its corrupt practices. The opposition demanded total demilitarisation or abolishing of conscript armies in order to cut defence costs, which eventually was accepted in the second round of military reforms. Though the exception rather than the rule in party competition in both countries, these instances of counter-bidding and bidding on an alternative scale to the ethnic one testify to the potential for development of other political cleavages. Indeed, while some issues remain ethnicised, the findings suggest little evidence that, contrary to Coakley's claims, politics in Bosnia and Macedonia is becoming more radicalised.³⁸⁹

BEYOND FORMAL INSTITUTIONS

Informal practices, the parallel communication procedures that political actors used in the policy process, appear to be positively linked to ethnic accommodation between political actors in two ways. First, by making negotiations less confrontational between leaders of different ethnic groups, through the damaging effects of invoking vetoes in formal institutions, informal practices substantially contributed to achieving inter-ethnic compromise and de-ethnicisation of ethnic issues in both states. Second, on several occasions, informal meetings between leaders served as a final resort for diffusing ethnic tensions and averting government crises, thus further contributing to the stability of post-conflict politics. Therefore, confirming the arguments of Lauth, and Gryzmala-Busse and

³⁸⁹ John Coakley, "Ethnic competition and the logic of party system transformation."

Luong, this thesis demonstrated that some informal practices lead towards more ethnic accommodation, thus supplementing the work of formal institutions.³⁹⁰

Informal practices were especially important during military and police reforms in Bosnia. Given that in Bosnia, although there was state-level executive coalition, the state had no authority over defence and security policies and there was no formal setting for negotiations on these issues between entity governments and representatives. Therefore, the establishment of the Defence Reform Commission (DRC) and Police Restructuring Commission (PRC) provided a framework for reform discussions between entity political elites. Both the DRC and PRC were special bodies created by a decision of the HR and with a limited advisory mandate, they were not part of the constitutional frame of Bosnia and were disbanded once their mandate had expired. They served as a substitute for an inclusive three-group coalition that would come up with an agreement on proposed reforms. The difference between the two commissions was in their rules of procedure, the DRC worked with a requirement for explicit consensus between the three groups, while the PRC did not rely on consensus. Consensus was important exactly because it prevented the use of veto in entity and state legislatures. Lack of consensus left doubts for the Serbian representatives that the commission would proceed to recommend reforms not acceptable to the RS government, which led to failure of the PRC to propose acceptable reform and resulted in vetoes in RS parliament.

³⁹⁰ C. Lauth, "Informal Institutions and Democracy"; A. Gryzmala-Busse and J. Luong, "Reconceptualizing the State: Lessons from Post-Communism."

In Macedonia, the Association of local government units (ZELS) played an important role in not only making accommodation possible but in facilitating consensus across both ethnic and party lines. ZELS provided a space for local leaders to socialise and discuss common problems, eventually allowing for the creation of a 'local vs. central' cleavage in the decentralisation debate, that cut across the dominant ethnic cleavage and made it less salient. While independent from government funding, what further helped ZELS's success was that, unlike other interest associations, its members, by virtue of being elected politicians, have strong informal links with political parties both in government and opposition. This enabled them to successfully lobby for desired policy proposals and gave them substantial leverage in shaping the agenda of decentralisation policy. Thus, within the field of decentralisation, ZELS served both as a permanent consensus-seeking body, as its decisions are reached by consensus, and agenda-setter for decentralisation, thanks to the close informal ties between ZELS members and political parties in parliament. Such bodies were absent in all other policy cases, teachers in Macedonia have separate Macedonian and Albanian unions, and similarly in Bosnia police unions, army veterans and military clubs are ethnically divided. However, ZELS demonstrates that ethnic cleavages can be supplanted by other cross-cutting ones, which can remove the ethnic components from sensitive policy issues.

One informal practice that Bosnia and Macedonia have in common is *top leaders' closed meetings*. During discussions over compulsory Macedonian in schools in 2010, the leaders of the two governing parties met to close the rift between their parties caused by their opposing views on the issue. The meeting mended the relations in the coalition, although

due to its closed nature the contents of their talks and agreements remain unknown. Similarly, during the later attempts at police reform in Bosnia, there were several meetings where behind closed doors the leaders of the largest parties discussed overcoming the deadlock. The Mostar Declaration that was eventually adopted as a foundation for future police reforms was the product of exactly such a meeting between Dodik and Silajdžić trying to meet the final deadline for the SAA ratification. These informal meetings between leaders are efficient in overcoming resistance because of the hierarchical nature of political parties in the two countries. Few among the party membership would question a decision by the party leader, so regardless of the severity of ethnic resistance, once the party leaders resolve the outstanding issue the resistance subsides. This is the reason that external actors often encourage such informal leaders' meetings during government or other political crises and frequently broker the agreements reached there. They are an efficient method of averting further ethnic tensions when formal institutional mechanisms fail to curb ethnically charged politics.

Although all are outside the formal institutions, these three practices vary significantly in their informality and democratic nature. The reform commissions in Bosnia and ZELS are more formal than the entirely informal closed leaders' meetings. The reform commissions and ZELS have a clear policy and political purpose, set of rules of procedure, membership criteria and clear mandate, all of which is missing or secret in closed leaders' meetings. Although not subject to formal oversight procedures, leaders' meetings are not transparent and prevent any accountability. Held behind closed doors away from public and media attention, they deprive the population from knowledge about the concessions and

compromises made to resolve the problem and produce no final document on what has been agreed or what role was played by external actors who often convene them. However, because they are an efficient tool for relaxing ethnic tensions these meetings are often encouraged by external actors and domestic leaders who prefer resolving political problems while avoiding political costs from admitting concessions made to other groups.

It is difficult to generalise the findings relating to informal practices to other cases or other types of informal practice. Because of their informal and often clandestine nature, such practices are difficult to observe. The rules and norms they embody can only be studied from observed practices, while no documents and very few personal accounts can support such findings. However, the cases analysed in this thesis show that some informal practices can facilitate ethnic accommodation, conforming to Helmke and Levitsky's "substitutive" category of informal institutions³⁹¹. This is an important finding because it provides empirical evidence for what has been predominantly theoretical discussion about the effects of informal institutions.³⁹²

EXTERNAL ACTORS

External actors were both directly and indirectly involved in the policy process in Bosnia and Macedonia. In Bosnia, the High Representative was a direct participant in the policy-making process by establishing the reform commissions, appointing their chairs and members and setting the rules of procedure. Paddy Ashdown chose which of the PRC conclusions to

³⁹¹ G. Helmke and S. Levitsky, "Informal Institutions and Comparative Politics: A Research Agenda".

³⁹² See Lauth, Gryzmala-Busse and Luong, and Helme and Levitsky on this, as well as the discussion in Chapter Two.

follow, while Miroslav Lajčak even came up with his own proposal for police reform after previous versions failed to be accepted by the RS parliament. Appointed as the final arbiter of the Dayton provisions and their meanings, the HR's role in Bosnian politics is to ensure that Dayton agreement is respected by all sides and any resistance to it removed, if necessary by his executive action. With such powers at his disposal, the HR is an important actor in the policy process in Bosnia, and his behaviour affects the actions of the domestic actors.

Even though he did not refrain from putting pressure on RS politicians to initiate reforms, during military reforms in Bosnia the HR fulfilled his role mostly in a neutral way, enabling domestic politicians to find a compromise. To the extent that he had a preference, the HR represented the interest of the wider international community, on which behalf he was appointed in Bosnia, and spoke in unison with NATO representatives about the need to centralise and cut the size of the army. However, during police reform, the HR was perceived by RS politicians to be acting in a biased manner, first by refusing to instruct the PRC to use consensus and then by insisting on a reform proposal that Serb leaders found unacceptable. This, along with the lack of coordination between him and the EU in terms of requirements for successful police reform, made HR's influence more inhibiting. Later on, when Miroslav Lajčak tried to amend the quorum rules in BIH Parliament, the HR's reputation suffered further, as his actions to relax decision-making rules was seen as an attempt to scrap veto mechanisms that allowed minority groups' protection from outvoting. Therefore, the HR's influence in police reforms was inhibiting accommodation rather than enabling it, which further contributed to the failure of police reform.

In Macedonia, there is no similar figure to the Bosnian High Representative, so the direct involvement of external actors in the policy process is much more limited. Most of the external input in domestic politics is provided through indirect, advisory and facilitating efforts of international organisations and the ambassadors of powerful countries and organisations, such as the US and the EU. In both countries, statements, criticisms and visits from high-ranking international officials tend to receive a lot of domestic attention and can affect the behaviour of domestic politicians. However, the indirect influence of external actors has also resulted in mixed outcomes in encouraging ethnic accommodation.

NATO and EU officials used membership conditionality to elicit greater willingness for accommodation among the political leadership in both countries. In Macedonia, when the initial law on local government was debated in 2002, the adoption of the new law was set as a condition for a donors' conference that would raise funds for post-conflict reconstruction in Macedonia. Later on in 2004, the EU firmly took the government's side supporting the new territorial organisation and encouraging people not to vote on the referendum over municipal boundaries. On both instances, conditionality resulted in the expected outcomes, although in the case with the referendum it was aimed at the population rather than the politicians. In Bosnia conditionality was applied in both police and military reform, but was only successful in the first case. The difference between the two cases was that NATO had a clear and consistent set of conditions, which did not change over time nor were tailored specifically for Bosnia's accession to PfP, which is exactly what happened with EU's conditions for police reform. The EU had no prior criteria for police restructuring and introduced the three conditions specifically for Bosnia and eventually

went back on all of them, demonstrating that the conditions applied were neither consistent nor fair. Credible and consistent conditionality therefore produced better results in encouraging accommodation, as the rewards and punishments administered to political elites were more predictable and reliable.

The case with police reform in Bosnia also demonstrates the limits of conditionality as an instrument for propelling domestic reform in aspiring member states. Contrary to the what the literature on the 'transformative power' of EU and NATO claims, conditionality often fails to trigger the desired transformation in the aspiring state.³⁹³ The case of Bosnian police reform shows that this process can run in both directions and instead of EU or NATO de-ethnicising domestic issues, ethnic divisions can spill into EU and NATO integration and make them ethnically divisive issues. RS politicians certainly resented the role the EU played during repeated attempts for police reform and their trust in and commitment to the EU integration process has waned as a result. This can undermine the commitment to EU and NATO membership as a shared goal among all groups in society and can remove a powerful lever that these organisations had at their disposal. Moreover, ethnicisation of EU or NATO integration removes a significant potential cross-cutting cleavage in politics that can re-frame policy debates in terms other than gains and costs for ethnic groups.

INSTITUTIONAL LEGACIES

³⁹³ See discussion in Chapter Two, as well as literature on EU conditionality and EU's 'transformative power', such as: H. Grabbe, *The EU's transformative power: Europeanization through conditionality in Central and Eastern Europe*. (Basingstoke: Palgrave Macmillan, 2006)

Within the constraints of power-sharing structures and external actors' pressures, the preferences of political leaders in Bosnia and Macedonia were often shaped by institutional and policy legacies. Past grievances and memories of assimilation made certain policies not attractive to minority politicians, while fears from secession and lack of loyalty to the state disinclined majority politicians from embracing other policy options. The effect of such legacies varies across the policy cases analysed in the two states. During military reform in Bosnia, policy legacies enhanced accommodation; during police reform in Bosnia and decentralisation reform in Macedonia, they led to greater resistance. In general, the findings confirm the hypothesis about the impact of policy legacies, which when linked positive past experiences, tend to incline political elites towards accommodation. However, there is evidence of political actors overcoming the effect of legacies, as ethnic accommodation over decentralisation in Macedonia increased despite negative perceptions of policy legacies.

Drawing on Yugoslav experience, where a single army was under state control, politicians in Bosnia found it easier to accept the unification of the two entity armies into a single state-level Bosnian army. The notion that armies are beyond any group's direct control and protect the security of the entire country had been deeply rooted in Yugoslav politics. Thus even though remnants of JNA took part in the Bosnian conflict, once military reform was put on the agenda the idea of a single centralised army appeared as a familiar and reasonable way to solve the issue. The fact that this legacy matched the requirements of NATO increased its salience and inclined politicians further towards accommodation. However, with police reform the policy legacies from Yugoslavia were different: the police

was not centralised but each federal republic had its own police force. Moreover, in Yugoslavia the separate police forces were regarded as a token of sovereignty of each republic, which if taken away would diminish its limited sovereignty in the federation. After the end of conflict, each canton and entity in Bosnia had also kept a separate police force, as agreed in the DPA, continuing the previous tradition of decentralised police. Therefore, when proposals for centralising the control of police forces were placed on the agenda, they were met with resistance. Although the EU requirements supported the reform proposal, they were seen as inconsistent with previous EU practice and rejected by Serb elites, as an attempt to impose an unfair policy on RS. While both military and police reform entailed giving away entity control of armed forces to the state, one was seen as a reasonable design for state defence the other as an unfair attempt to remove a crucial competency from entity control.

Although policy legacies tend to shape the perceptions and preferences of political actors they are not immutable over time. As new policies are implemented and their outcomes and feedback accumulate, they create new routines and preferences that can override previous legacies. Confirming arguments about gradual institutional change,³⁹⁴ initial resistance towards decentralisation in Macedonia was only overcome once the effects of decentralisation policy were seen not to confirm previous fears over federalisation and secession. The Yugoslav experience of extensive decentralisation that ended in dissolution of the state had disinclined Macedonian politicians from pursuing a similar course in

³⁹⁴ See: J. Real-Dato, "Mechanisms of Policy Change: A Proposal for a Synthetic Explanatory Framework" and discussion in Chapter Two.

Macedonia, so they even included a clause against 'territorial solutions to ethnic issues' in the Ohrid agreement. This created resistance when decentralisation was first on the agenda immediately after the conflict, but as decentralisation policy was implemented and none of the fears Macedonian politicians had had materialised, their resistance waned. Finally, the memories from past assimilation in education made Albanian politicians wary of one-sided measures aimed at reforming minority education. While they had in principle not objected to integration measures in education, the manner in which compulsory Macedonian was introduced, resembling the way in which assimilatory measures had been imposed on Albanians in Yugoslavia, made Albanian politicians resist the measure. This, along with the perceived threat to bypass Albanians' veto powers in parliament, led to an increased ethnic contestation of the issue.

In addition to policy legacies, this thesis also shows how general institutional legacies affect the long-term accommodation-resistance pattern of political interaction in Bosnia and Macedonia. The lack of initial consensus across ethnic lines on the unity and independence of the state affected future interactions between political elites. As Serbian leaders in Bosnia and Albanian ones in Macedonia did not embrace the states' referendums for independence, distrust in their commitment to the state has remained and tainted their interactions with counterparts from other ethnic groups. Fears of secession are still present in both countries not least because Serbian leaders in Bosnia and Albanian ones in Macedonia still sometimes hint at the idea of secession for electoral gains. In line with the

argument of Higley et al., this lack of normative unity on the basic parameters of the state, such as its borders and population, negatively affects accommodation in other areas.³⁹⁵

Moreover, the lack of commitment to power-sharing institutions further exacerbated the normative divisions between political elites in both states. Seeing power-sharing as a temporary measure by majority political leaders in both states created fears of future marginalisation among minority politicians. The possibility of power-sharing being revoked after initial reconciliation is completed, makes minority politicians fear that they may lose the powers gained through power-sharing and be excluded from decision-making processes. Therefore they are less likely to make any concessions in policy negotiations. The case of Macedonian politicians attempting to bypass power-sharing parliamentary procedures when introducing compulsory Macedonian demonstrates this, as Albanian politicians fiercely rejected the measure that they initially found acceptable. Bosnian Serb politicians reacted in a similarly defensive manner when Miroslav Lajčak attempted to relax quorum requirements in the Bosnian parliament. Lack of normative unity over the political institutions, the rules of the political game, as well as on the basic statehood elements, such as borders and population, creates a very thin layer of shared norms among the political elites in both states. This can make overall ethnic accommodation more difficult, even if politicians do accommodate and compromise over some policy issues.

2. CONCLUSIONS

³⁹⁵ J. Higley, J. Pakulski and W. Wesolowski, *Elite Change and Democratic Regimes in Eastern Europe*.

ON ETHNIC ACCOMMODATION

The findings presented in the above sections compare the effects of various factors on the policy process and politicians' interactions. Some led to greater accommodation across ethnic lines, some led to resistance. Based on the comparative and case-specific analyses, the rest of this chapter reflects on the research question of this thesis. What does this thesis reveal about ethnic accommodation between political elites in post-conflict Bosnia and Macedonia? Can some general conclusions about post-conflict politics in ethnically divided states be drawn from the analysis of these two cases?

This thesis shows that ethnic accommodation is a complex process. Most of the institutional tools employed to improve inter-ethnic relations in the post-conflict context are aimed at reaching and adopting agreed solutions. However, ethnic accommodation is more than voting; it includes implementation of policies and incorporation of policy feedback into future policy cycles. The latter elements of ethnic accommodation rarely receive attention commensurate to that which policy negotiations do. Indeed, without successful negotiations, there is no need for implementation and evaluation of policies. However, it is during these stages that the effects of agreed solutions directly affect society and inter-ethnic relations. Therefore the effectiveness of negotiated solution in relaxing ethnic tensions depends on their implementation and evaluation, which is why this thesis argues for wider, more holistic approach to the subject. Focusing only on negotiations could lead to pre-maturely qualifying some policies as success, before their effects and consequences have been considered.

In addition, this thesis shows that ethnic accommodation is not an irreversible process. Policies can result in outcomes that further aggravate inter-ethnic relations, even if they were designed for the opposite. For example, functional autonomy in education in Macedonia was the unintended outcome of policies aimed at improving minority education. It resulted in increased division between Macedonian and Albanian youth. Moreover, a change in the balance of political power between groups or changes in society and population can also reverse the process of accommodation and raise new ethnic tensions. For example, termination of the mandate of the High Representative in Bosnia, or significant changes in population ratios of the ethnic groups, could affect the political power of different actors in the political process and result in increased resentment and tensions between ethnic groups. Finally, a change in the strategy of political parties or the emergence of political actors who challenge the established power-sharing logic of politics could also destabilise ethnic relations.

Therefore, sustained ethnic accommodation requires continuous efforts by the political elites in an institutional frame that is sufficiently flexible to accommodate unforeseen issues and challenges. As these countries move further beyond their conflict past some of the institutional mechanisms established by the peace agreements could become obsolete. However, institutions need to remain capable of managing ethnic relations, as ethnic diversity is a permanent feature of their societies. They need to enable political elites to tackle new political challenges. For example, Bosnian politicians face major difficulties in responding to the challenges of NATO and EU integration within the institutional structure established by Dayton. The highly decentralised institutional structure and clashing political

agendas prevent political elites from pursuing the required reforms with sufficient pace and effectiveness. Ultimately, the frustration with the stalled integration processes breeds additional resentment and ethnic tensions.

Given the importance of institutions for enabling ethnic accommodation, the aim of this thesis has been to study the empirical evidence for factors that strengthen cooperation and compromise in ethnically divided states. The findings suggest that rather than treating power-sharing institutions as either promoting or inhibiting ethnic accommodation in the country as a whole, as aggregate-level studies tend to, a more detailed and nuanced picture of their effects can be drawn from analysing the effects they produce in policy processes. Under certain conditions, power-sharing mechanisms can lead to greater ethnic accommodation, but they can sometimes result in greater division and exclusion. Rather than rejecting or embracing them as the appropriate solution for political problems in divided societies, the above analysis explored the conditions under which accommodating influences are stronger, thus further refining the theoretical hypothesis on the effects of explanatory variables, as presented in the initial part of this chapter.

Finally, the thesis shows that political elites' interactions in the two states are also influenced by extra-institutional factors. Although institutions provide rules and norms for behaviour in various situations, they do not provide perfect information to political actors in every instance. Therefore, political elites' interactions still suffer from miscommunication and misperceptions of each other's intentions. On these occasions, such as during police reform in Bosnia and compulsory Macedonian in Macedonia, ethnic resistance and

contestation occur. Strengthening democratic institutions and their power-sharing logic could limit the negative impact of institutional uncertainty on political elites' behaviour.

MACEDONIA AND BOSNIA: PROSPECTS AND CHALLENGES

Examining the pattern of ethnic accommodation and resistance among Macedonian and Bosnian political elites, this thesis draws some conclusions about the prospects and challenges of Bosnia and Macedonia in the post-conflict context. More than a decade after the end of the conflicts, the political process in both countries is often dominated by ethnic issues and contestation. The institutional framework that the Dayton and Ohrid agreements introduced fails on occasions to encourage de-ethnicisation of politics.

Rather than evaluating their post-conflict trajectory in linear terms, as a success or failure, this thesis shows that Bosnia and Macedonia have witnessed both periods of greater accommodation and reforms and periods of ethnic resistance and stagnation. While many problems were addressed in the immediate conflict aftermath, subsequent challenges and difficulties in political elites' co-operation have precluded seeing the two states safely past the point of no-return in post-conflict recovery. On the contrary, looking at post-conflict politics in terms of thresholds can be counterproductive. Not only is it too early to abandon power-sharing tools and international involvement, but the need for such mechanisms is as strong as ever. Ethnic divisions, which require constant management in the political process, are not an early post-conflict disease, but a more lasting condition of these societies. However, if accompanied with appropriate institutional and political mechanisms

for their management, ethnic divisions do not necessarily have to block the political and economic development of those states.

Unfortunately political elites in Bosnia and Macedonia lack the unwavering commitment to the power-sharing logic of politics. Some among the ethnic Macedonian and Bosniak politicians often signal their preference for return to majoritarian principles of democratic politics. This raises fears from marginalisation among minority groups' politicians, who in return keep the ideas about secession alive in their discourse. Such normative divisions between the political elites in Bosnia and Macedonia are yet to be overcome. Challenges to the power-sharing institutions, the territorial organisation and constitutional design of the state are still common in both states. Lack of agreement on those fundamental principles of political interaction reinforces divisions in society and makes accommodation over specific policy issues more difficult.

Normative and ethnic divisions also affect the democratic prospects of these two states. Democracy is certainly possible; thanks to various formal and informal institutional tools at their disposal, politicians from different groups can make decisions jointly and resolve outstanding issues. However, democratic consolidation is still problematic because some of those mechanisms that improve ethnic accommodation tend to retard democratic consolidation. Reliance on informal practices to resolve political problems and ethnic tensions removes these functions from the formal institutions with which they officially reside. This makes democracy less formal and less accountable than elsewhere among democratising states, as political institutions in these countries tend to perform a double

role of ensuring both democratic and ethnically harmonious political process. As these two priorities can sometimes clash, a delicate balancing act is necessary to keep politics democratic and competitive, while not at the expense of ethnic relations.

Since the end of the conflict in 2001, Macedonia has advanced further than Bosnia in terms of NATO and EU integration, economic recovery, and reforms. However, although Macedonia became an EU candidate country in 2005 and fulfilled most NATO membership requirements in 2008, it faces similar problems to Bosnia. Nationalist rhetoric is widespread; relations with the neighbouring countries are ambivalent, while the qualities of democracy and ethnic relations remain below regional standards. Combining democratic and economic reforms with continuous management of ethnic divisions is a complicated task, which requires strong institutional capacity and leadership. This is a task that that Bosnian and Macedonian political elites cannot avoid without risking return to ethnic conflict and further divisions.

THEORETICAL CONTRIBUTION AND FURTHER RESEARCH

Why and when politicians accommodate each other across ethnic lines in order to find mutually acceptable policy solutions is not only important for the prospects of post-conflict democracy and peace in Bosnia and Macedonia. The answers to the above questions have theoretical implications for academic debates in comparative politics, International Relations and area studies. This section presents the contribution that this thesis makes to relevant social science literature and points out the areas where additional research is required to further develop the conclusions of this thesis.

This thesis addresses the ongoing debates in comparative politics about the merits of power-sharing as a means to overcoming ethnic divisions and allowing democratic politics in deeply-divided states. The findings suggest that power-sharing is important for ethnic accommodation, but that, in and of itself, it is not a sufficient condition for successful ethnic accommodation. Instead of looking at the existence of power-sharing as an explanation, this thesis suggests that it is rather the *nature and specific elements of power-sharing arrangements* that can explain the outcome of particular policy processes. Veto mechanisms and inclusive executive coalitions, for instance, tend to facilitate compromise solutions, while functional autonomy and policy domains under exclusive group control tend to hinder accommodation. Similarly, whether a specific power-sharing arrangement is of a temporary or permanent nature can affect the perceptions and behaviour of political actors towards more or less accommodation. Although some power-sharing scholars advocate temporary power-sharing,³⁹⁶ this thesis argues that the threat of revoking power-sharing and related fears from marginalisation in the policy process are more likely to result in resistance than in accommodation. However, in Bosnia and Macedonia, power-sharing arrangements are part of the constitutional framework and therefore relatively permanent, so the effects of temporary power-sharing are not evident in any of the cases analysed. Additional research comparing the effects of permanent and temporary power-sharing would further elucidate this question.

³⁹⁶ See discussion in Chapter Two, see also: M. Kerr, *Imposing Power-Sharing*. (Dublin: Irish Academic Press, 2005).

This thesis further examines the effects of external actors on domestic political actors in post-conflict states. Neutral and consistent conditionality resulted in accommodating behaviour in most of the cases where it was applied. However, one case, police reform in Bosnia, gives insight into the conditions *when conditionality failed to result in the desired behaviour*. Not only did the influence of NATO and EU fail to deliver the anticipated result - to de-ethnicise issues in domestic politics - but as a result of continued ethnic contestation of police reforms, EU integration from an overarching foreign policy goal became ethnicised and used as a token in domestic debates on inter-ethnic relations. Further research is required to explore the two-way link between EU and NATO integration and domestic ethnic politics, but as examples of weak and failed conditionality in aspiring Balkan states increase; there is a need and the empirical evidence available to explore both Europeanisation of domestic politics and ethnicisation of EU and NATO integration.

Finally, the findings in this thesis can be useful for analysing similar issues elsewhere. Other countries with post-conflict ethnically divided societies can benefit from the knowledge created in the analysis of Bosnia and Macedonia. Kosovo, for example, shares most of the features of Bosnian and Macedonian politics, including a commitment to EU and NATO membership and common institutional history from communist Yugoslavia. Further, the findings can also be applied in researching countries in the Caucasus, such as Georgia, whose politics is also shaped by post-conflict concerns and deep ethnic divisions, or even Iraq, Afghanistan and other countries facing the challenges of post-conflict politics in a deeply divided society. Naturally, not all the findings of this thesis can be directly applicable to all these cases, as cultural, political, and historical specificities and legacies will tend to

shape their politics in different ways. The contribution to the general debate on post-conflict politics in ethnically divided states will though, be of benefit to future studies of similar cases.

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