De-politicization by Europeanization:
The emergence of the fragmented state in South Eastern Europe

Martin Mendelski
Max Planck Institute for the Study of Societies, Cologne
mendelski@mpifg.de

Abstract: This chapter analyzes the EU-driven process of de-politicization (good governance reforms) which has accompanied the Europeanization of South Eastern Europe. It is argued that rather than to improve governance and the functionality of the state, good governance reforms have reinforced the fragmentation of the classical constitutional state (and governance). The Europeanized, fragmented and balkanized state did not have the strength to rebuild coherence through a national counter-process of unity formation (as in Poland or Hungary). Instead, countries from SEE have tried to overcome fragmentation through a revival of informality (i.e. informal hidden structures based on clientelistic, secret service, organized crime and veteran/military networks). Overall, the imposed good governance agenda of neutralization, depoliticization and liberalization has fragmented and weakened the nation state and reinforced informal governance and the deep state.

A revised version is forthcoming in Iancu, B. and Tănăsescu, S. E.Governance and Constitutionalism: Law, Politics and Institutional Neutrality (Routledge 2018)

February 2018
Contents

1. Introduction ........................................................................................................................................3
2. The Fragmentation and de-politicization of the state in SEE ...................................................... 4
   2.1. Conceptual clarification ........................................................................................................... 4
   2.2 Pluralization ............................................................................................................................ 7
   2.3 Agencification ........................................................................................................................... 8
   2.4 Party-politicization .................................................................................................................. 12
   2.5 Dispersion ............................................................................................................................... 13
3. The rise of the fragmented state in SEE .................................................................................... 14
4. Towards de-fragmentation: Revival of informality, state capture and the deep state .......... 17
5. Conclusion ...................................................................................................................................... 20
1. Introduction

We live in the age of neutralization and de-politicization of the state. In South Eastern Europe (SEE) and elsewhere, these two interdependent liberal and political processes have been propelled under the guise of neutral “good governance” reforms by the “triple forces of Europeanization”: the European Union (EU), international financial institutions and domestic change agents. What effects did the Europeanization of the state have in SEE? Why does bad governance persist despite more than a decade of good governance reform? This chapter argues that Europeanization (and its accompanying processes of de-politicization/neutralization) has reinforced state fragmentation. In particular, the World Bank’s and EU’s “good governance” agenda, which has aimed to create an impartial, capable, and pluralistic states, has paradoxically lead to the emergence of fragmented, politicized and dysfunctional states.

After two decades of externally-driven state-building and good governance reforms in SEE, the fragmented or “balkanized” state looks like a cake (or pie chart) that was split in multiple diverse pieces (be it political parties, ministries or regions) or like a Swiss cheese, perforated by numerous, autonomous, “neutral” public agencies that in many cases have turned into unaccountable enclaves or politicized fiefs. This “reformed”, “Europeanized” and “de-politicized” state in SEE resembles a “Frankenstein’s state” which consists of multiple conflicting models and a hybrid panoply of best practices and incoherent institutional varieties. The fragmented state is politically and structurally too disintegrated to be able to decide, cooperate or to deliver public goods for its citizens. The pluralized and fragmented state lacks also the capacity to coordinate state policies/reforms and is unable to protect its citizens from the dangers of an interdependent world (global competition, terrorism, organized crime, corruption).

How did the fragmented “Frankenstate” emerge? This chapter argues that the emergence of the fragmented state is the result of its de-politicization, which occurred through 1.

---


2 Fragmentation refers to a process that involves the splitting of a coherent whole into many conflicting and incoherent parts. Political fragmentation refers to the erosion and dissolution of “the political”, i.e. a lower degree of political cohesion or unity and is therefore closely intertwined with processes of de-politicization and neutralization of the state. See Schmitt C Der Begriff des Politischen (Duncker & Humblot 1932).


5 I employ Scheppele’s notion of the Frankenstate here but propose a different explanation how the Frankenstate emerged. See Scheppele KL, ‘The Rule of Law and the Frankenstate: Why Governance Checklists Do Not Work’ (2013) 26(4) Governance 559. I argue that The Frankenstate is a pluralized and disintegrated nation state which has been de-politicized and fragmented through liberal reforms that have promoted pluralism and good governance. As this paper shows, the de-politicization, neutralization and fragmentation (Weimarization) of the
pluralization, 2. agencification, 3. party-politicization and 4. dispersion. The outcome of these processes is a disintegrated state that lacks political unity and institutional coherence. Instead of (re)building political unity through a national counter-movement (as in Poland and Hungary), patriotic elites from SEE were hindered to do so by the international community and newly established “institutions of neutrality” (e.g. specialized courts, autonomous agencies, special “neutral” representatives, “neutral” monitoring mechanisms). After the terrible experience of the Balkan wars, nationalism has been regarded as something evil in SEE and not as a legitimate means of unity building and re-integration of the state.

Lacking stable and coherent laws (constitutions) as a means of integration,\(^6\) elites from SEE have attempted to re-integrate their states, economies and societies though informal networks and relationships of reciprocity (of clientelism, nepotism, kinship). In other words, the fragmented parts of the Frankenstate were stitched together with threads of informality. This revival of informality as an alternative means of integration and coordination had however negative effects too, such as the cementation of corruption and the emergence of hidden, parallel state structures (dual or deep state).\(^7\) The conflicting coexistence of a fragmented state (lacking political unity) and of re-integrative means of informality is a typical feature of incomplete and partial modernization as found in SEE and other transition countries.\(^8\) The chapter aims to shed light on the processes that have produced state fragmentation in several countries from SEE (Albania, Bosnia and Herzegovina, Bulgaria, Croatia, Kosovo, Macedonia, Montenegro, Romania, Serbia).

2. The Fragmentation and de-politicization of the state in SEE

2.1. Conceptual clarification

Carl Schmitt’s key concepts of neutralization and de-politicization have created, as Schmitt himself argued, much confusion.\(^9\) In his work “Der Hüter der Verfassung” (The Guardian of the Constitution), Schmitt made some important clarifications about these processes. He distinguished between two opposite processes of de-politicization: 1. de-politicization (de-etatization, Entpolitisierung) and 2. de-party-politicization (Entparteipolitisierung) (see Table 1). The first type of de-politicization, which Schmitt used for instance as a sub-title (“Das Zeitalter der Neutralisierungen und Entpolitisierungen”) in his famous work on “the political”,\(^10\) refers to a centrifugal de-politicization process of the state through party-related partisanship. De-politicization can be understood as Entstaatlichung and reflects a process in which the state is captured and ‘emptied’ of its substance, so that it can no longer fulfill its historical role of integrating the political and serving as an umpire above factions (i.e. in the sense of multipartiality). Schmitt regarded de-politicization (the creation of state-free spheres)

\(^6\) Kelsen H, Allgemeine Staatslehre (Springer 1925).
\(^10\) See Schmitt C, Der Hüter der Verfassung (Duncker & Humblot 1931).
as a political process.\textsuperscript{11} The second opposing, counter-process of \textit{de-party-politicization} refers to a centripetal process of political unity (and state) formation after it had been eroded by the pluralism of political parties and their interests. The key assumption to understanding the difference between these two (opposed) types of \textit{de-politicization} is to distinguish between “party politics” and politics (of the state) which do not necessarily have to overlap, for instance in the case of multiple competing parties that try to achieve distinct personal or party interests and not a common national state interest.

Carl Schmitt used the term \textit{de-politicization} (\textit{Entstaatlichung}) in the sense of a centrifugal fragmentation of political unity or erosion of political substance. He was concerned about the depoliticizing effects of political pluralism (\textit{Parteienstaat}) as it existed in the Weimar Republic, a pluralism that produced or fostered a fragmented and instable political system, including the instrumentalization of the law and the politicization of autonomous state structures. This type of centrifugal, party-related politicization (\textit{de-politicization} in the Schmittian sense) reflected for instance the capture and polarization of autonomous state bodies by diverse party interests. Politicization of autonomous state institutions through competing factions was strongly criticized by Carl Schmitt (and others) as it turned them into party-political weapons and not into constraining neutral accountability institutions.\textsuperscript{12}

\begin{table}[h]
\centering
\begin{tabular}{|l|l|l|}
\hline
 & \textbf{De-politicization} & \textbf{De-party-politicization} \\
 & \textbf{(party-politicization)} & \textbf{(state-politicization)} \\
\hline
\textbf{Synonyms} & Entpolitisierung & Entparteipolitisierung \\
 & Entstaatlichung/ de-etatization & State formation \\
 & Pluralization & Unification \\
 & Negative neutralisation (which does not lead to a decision) & Positive neutralisation (which leads to a decision) \\
\hline
\textbf{Sphere} & Party politics & Politics of the State \\
\hline
\textbf{Concept} & Political pluralism & Political unity \\
\hline
\textbf{Method} & Political partisanship & Nonpartisanship \\
\hline
\textbf{Direction} & Centrifugal & Centripetal \\
\hline
\textbf{Process} & Fragmentation, & Integration, \\
 & Erosion of the political & Formation of the political \\
\hline
\textbf{Outcome} & Disunity & Unity \\
\hline
\end{tabular}
\caption{Two types of \textit{de-politicization}}
\end{table}

Source: Author’s elaboration based on Schmitt 1931.


\textsuperscript{12} However, whether the effects of party-politicization are centrifugal and fragmenting depends on the structure of the state, e.g. on the number of parties or the internal coherence of the parties. The politicization of an autonomous agency or body (e.g. constitutional court, regulatory agency) in a one-party state does not lead to fragmentation/polarization but rather towards unity and in the extreme case to authoritarian control. In a multi-party system with high legislative fragmentation (as in SEE) the effects of party-politicization can be centrifugal and fragmenting.
The second type of de-politicization (de-party-politicization) has to be understood as a non-pluralist, centripetal counter-process of political integration (re-politicization, re-integration, de-fragmentation, de-party-politicization) which seeks to rebuild political unity (“the political”) on which basis the state would be able to take decisions in the interest of the entire nation. To avoid confusion, it should be noted that the process of centripetal de-party-politicization (state-politicization with the aim of “unity building”) contrasts with the current, dominant understanding of the word “politicization” which refers to political party-related influence in the sense of political partisanship (i.e. party-politicization). This latter, party-related political partisanship reflects for instance the capture and polarization of the judiciary or independent agencies by diverse party interests.

Schmitt was a conservative etatist who wanted to reverse the process of legislative and state fragmentation of the Weimar Republic by rebuilding political unity and strengthening the unitary state. Schmitt criticized the centrifugal type of disintegrated political pluralism and the party-politicization of autonomous state institutions that were misused as political weapons of parties. His aim was to reverse the fragmenting neutralization/de-politicization processes of the German state. He thus propagated political unity and the de-party-politicization (de-fragmentation) of the state. Schmitt argued that (under the condition of legislative fragmentation) the president should be the legitimate “pouvoir neutre” and the guardian of the constitution, a neutral power which should guard and rebuild political unity. This contrasted with Hans Kelsen’s call for establishing an independent body (the Constitutional Court as the guardian of the constitution) that would resolve political conflicts and promote political consensus among conflicting parties.13

In the following, I will analyze the processes of de-politicization (neutralization) of the state in SEE. This region consists of nine diverse countries (Albania, Bosnia-Herzegovina, Bulgaria, Croatia, Kosovo, Macedonia, Montenegro, Serbia, Romania). Most of them experienced very unfavorable conditions during post-communist transition, such as ethnic heterogeneity and conflicts, dissolution of statehood, wars, organized crime, bad governance, weak rule of law etc. Most of these countries have ended up with fragmented and dysfunctional states which are not trusted by their citizens. I selected these countries as “typical or pathway cases”14 to test my main hypothesis, which can be summarized briefly as: De-politicization (in form of externally-driven good governance reform) has reinforced state fragmentation.

In SEE, the de-politicization (and neutralization) of the state occurred through several interrelated reform and policy processes: 1. Pluralization of the political system (introduction of political parties) after the collapse of communism, 2. Agencification of the state (introduction of autonomous state agencies which took over the tasks of ministries). 3. Politicization (centrifugal party-politicization) of autonomous state structures, 4. Dispersion of decision-making by heterogeneous donors. Most of these neutralizing processes were regarded as best practices and the mantra of good governance by the triple forces of Europeanization (EU, international donors and reformist domestic actors). It could be thus argued that the good governance agenda from the 21th century has thus become the new “central sphere” of de-politicized neutrality (after theology in the 16th, metaphysics in the 17th, morality in the 18th, economics in the 19th, and technology in the 20th century).15

The good governance agenda (including the rule of law and anti-corruption) promises to citizens from SEE fewer conflicts, more stability and prosperity. In reality (and under the conditions of political fragmentation) the de-politicization of the state results in the exact

---

13 Kelsen H, Wer soll der Hüter der Verfassung sein? (Rothschild 1931).
15 Schmitt C, Der Hüter der Verfassung (Duncker & Humblot 1931).
opposite: more fragmentation and more instability. The good governance agenda has been advanced most prominently by transnational coalitions between the Western and domestic change agents. While in more advanced countries from the West de-politicization/neutralization processes have created an integrated pluralist system (in Fraenkel’s sense of combining integration and differentiation), in SEE de-politicization has resulted in a mainly fragmented pluralism and a dysfunctional weak rule of law. Let me now elucidate the main processes of de-politicization and fragmentation.

2.2 Pluralization

The process of the democratic pluralization (and polarization) of the state started right after the collapse of communism in the early 1990s. It included the introduction of a de facto multi-party political system, which in SEE was characterized by legislative fragmentation or polarization. Evidence for the relatively high and growing legislative pluralization (and polarization) is presented in table 2, which indicates a high number of nominal parties in several states as well as an overall growing trend for the region. It is plausible to explain this party fragmentation with SEE’s relatively high structural heterogeneity (ethno-national, regional, ideological).

In Bosnia & Herzegovina, ethno-national and linguistic dividing factors became reflected in a sharp, factional organization of the state with three ethnic entities and multiple political parties. In the other SEE countries the factional divisions between parties were based on ideology or interests and thus more blurred and permeable, but still distinct enough to fragment the political system.

Table 2: Nominal number of political parties in SEE

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Albania</td>
<td>5</td>
<td>5</td>
<td>11</td>
<td>13</td>
<td>9</td>
<td>10</td>
<td>7</td>
<td></td>
</tr>
<tr>
<td>Bosnia &amp; Herzegovina</td>
<td>10</td>
<td>14</td>
<td>12</td>
<td>12</td>
<td>12</td>
<td>12</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bulgaria</td>
<td>7</td>
<td>5</td>
<td>5</td>
<td>4</td>
<td>7</td>
<td>6</td>
<td>4</td>
<td>8</td>
</tr>
<tr>
<td>Croatia</td>
<td>9</td>
<td>6</td>
<td>6</td>
<td>9</td>
<td>8</td>
<td>9</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Kosovo</td>
<td>14</td>
<td>17</td>
<td>18</td>
<td>17</td>
<td>15</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Macedonia</td>
<td>6</td>
<td>7</td>
<td>6</td>
<td>7</td>
<td>8</td>
<td>6</td>
<td>6</td>
<td></td>
</tr>
<tr>
<td>Montenegro</td>
<td>5</td>
<td>4</td>
<td>8</td>
<td>8</td>
<td>9</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Romania</td>
<td>9</td>
<td>7</td>
<td>6</td>
<td>7</td>
<td>6</td>
<td>5</td>
<td>5</td>
<td>6</td>
</tr>
<tr>
<td>Serbia</td>
<td>10</td>
<td>5</td>
<td>4</td>
<td>6</td>
<td>11</td>
<td>12</td>
<td>12</td>
<td></td>
</tr>
<tr>
<td>SEE (average)</td>
<td>8.0</td>
<td>7.0</td>
<td>6.3</td>
<td>7.9</td>
<td>9.0</td>
<td>9.4</td>
<td>9.2</td>
<td>9.3</td>
</tr>
</tbody>
</table>


---

Structural heterogeneity of the region translated also into high levels of “elite fractionalization”, reflected in disunited and divided elites.\textsuperscript{20} The disunity of domestic elites in this region has been already apparent during Ottoman/Habsburg rule in the Balkans as well as during communism. The fractionalization of political elites into opposing camps (e.g. nationalist-centralist vs. European pluralist; federationists vs. confederationists, liberals vs. conservatives; reformist vs. anti-reformist) reappeared during post-communist transition and was related to statehood decisions, the organization of the political economy, modes of transition from communism, and the direction of reforms.\textsuperscript{21} The disunity and polarization of elites in SEE contrasts for instance with non-polarized and ideologically-cohesive elites from Estonia and the Visegrad States which could initially achieve consensus over goals and reforms.\textsuperscript{22} In SEE, the lack of elite cohesion affected negatively the process of reforming and in particular the independence, stability and unity of state structures which became overly pluralized and polarized.

2.3 Agencification

The second de-politicization process of the state under the guise of good governance has been the mantra of agencification, i.e. the functional de-concentration of ministerial responsibilities to (semi-)autonomous agencies. Figure 1 measures the extent of agencification by counting the number of agencies per year in four countries from SEE between 1990 and 2016. Three observations can be made. First, the number of agencies grew increasingly since the end of the 1990s and 2000. In Romania, the number of agencies tripled between 1997 and 2005. In Croatia it quadrupled between 2000 and 2010. In Kosovo it almost quadrupled between 2003 and 2013. In Serbia it rose by approx. 500% between 2003 and 2012. Second, while Romania and Croatia had created a certain amount of agencies (20-30%) already in the early 1990s, 70-80% of their agencies were established in the early 2000s, i.e. during the pre-accession period to the EU. Also most of Serbia’s and Kosovo’s agencies were established after 2003, i.e. since the launch of the Stabilisation and Association Process. Third, the data indicates that only Croatia experienced a visible de-agencification trend between 2010 and 2012. During this period of consolidation (de-agencification), several agencies were abolished, merged or became ministerial departments. A similar attempt, albeit less visible and transformative, occurred in 2009 in Romania. These de-agencification processes were triggered partly by the desire to overcome dysfunctionality of the state and partly by the need of rationalization due budgetary pressure resulting from the financial crisis in 2009.\textsuperscript{23} How can we explain this intensification of agencification? The literature indicates that the process of agencification was closely linked to EU accession and Europeanization.\textsuperscript{24} Several

\textsuperscript{21} Bartlett W, Europe’s Troubled Region (Routledge 2008).
interrelated factors stood behind this process of neutralization/de-politicization of the state through agencification: 1. The European Union (and other international donors) as a driving force, capacity-builder and upholder of agencies. 2. The doctrine of New Public Management and its mantra of neutrality, expertise and efficiency (output orientation), 3. The desire of transnational coalitions to advance reforms speedily, by circumventing “burdensome” democratic processes (legislative debates and oversight) or the inertia and resistance of bureaucracy. 4. The desire of enhanced regulation of markets, society and the state, regardless of who wins the elections (erosion of sovereignty).

Figure 1: Agencification trends in SEE

While working relatively well in developed countries (e.g. in Sweden), agencification has been associated with several pathologies in SEE. An overview of problems and deficiencies with the functioning of agencies is provided in Table 3. The main message which can be drawn from this compilation of negative effects is that agencification has resulted in fragmentation of the state, weaker accountability, less predictability and more party-politicization. Thus, the establishment of autonomous agencies, instead of complementing existing state structures (e.g. ministries, judiciary, prosecution etc.) has produced conflicting, parallel and unaccountable enclaves that reinforced fragmentation and structural heterogeneity (including duplication and overlap).

Table 3: Overview of pathological consequences of agencification

<table>
<thead>
<tr>
<th>Country</th>
<th>Pathologies of agencification</th>
</tr>
</thead>
<tbody>
<tr>
<td>Albania</td>
<td>“The organisation of the administration lacks coherence, with too much fragmentation; it is too bureaucratic, is managed very hierarchically and very formally. The merit principle is not the main criteria for staffing decisions. Increased central coordination, delegation of power and increased horizontal communication would bring benefits.” Albania 2010:4).</td>
</tr>
<tr>
<td>Bosnia &amp; Herzegovina</td>
<td>“The main weakness is the danger of fragmentation that blurs clear accountability lines, undermines the coherence of the state administrative system and might foster politicisation of the administrative level.” (Sigma 2013 Bosnia &amp; Herzegovina 2013:8)</td>
</tr>
<tr>
<td>Bulgaria</td>
<td>“Management structures are fairly weak, and there is little capacity for ensuring a degree of uniformity in civil service management and a homogeneous application of civil service legislation and management standards across all administrative settings. This shortcoming is likely to be more acute concerning agencies which differ from ministries at state level and in regional and municipal governments” (Sigma Bulgaria 2003:19)</td>
</tr>
<tr>
<td></td>
<td>“The fragmented nature of the Bulgarian administrative system – both vertically and horizontally – accounts not only for the lack of mobility, but also – which is worse – for the lack of cooperation and transfer of experience between various types of administrative structures.” (Sigma Bulgaria 2003: 29)</td>
</tr>
<tr>
<td>Croatia</td>
<td>“Problems reported in previous years related to the confusing system of agencies, their unclear roles and weak accountability still persist.” (Sigma 2009:6)</td>
</tr>
<tr>
<td></td>
<td>“Problems of overlapping and weak/unclear accountability were also mentioned in relation to the way in which some agencies were being created and to their right to produce secondary regulations without sufficient control.” (Sigma 2009:9)</td>
</tr>
<tr>
<td>Montenegro</td>
<td>“Obstacles to good administrative practice have been caused by the tendency in recent years to establish new administrative institutions (“agencies”) for new tasks. This tendency towards “agencification”, instead of integrating new functions in the existing infrastructure, has led to a fragmented system of administration, with negative consequences for transparency, predictability, legal certainty and equality in decision-making.” (Sigma Montenegro 2010, p. 24)</td>
</tr>
<tr>
<td></td>
<td>“An important obstacle to good administrative practice is caused by the ill-advised practice in recent years of establishing new administrative institutions (for instance, agencies) for new tasks. This tendency for “agencification”, instead of integrating new functions in the existing infrastructure, has led to a fragmented administrative system with a number of inefficient sub-elements and overlapping competences. Sometimes newly created bodies remain completely understaffed; they might exist on paper but in reality are nearly empty shells. Sometimes new mechanisms have been established in parallel to already existing institutions (departments in ministries, administrative bodies). Further “agencification” is weakening the rule of law in Montenegro.” (SIGMA Montenegro 2011:6)</td>
</tr>
<tr>
<td>Serbia</td>
<td>“The large number of agencies that operate under a separate regime, set out in the Law on Public Agencies is problematic. It should be noted that a number of agencies were allegedly established as a requirement for EU accession, while in fact most of them were purposefully created as forming a parallel administration established by the after 2000 authorities to circumvent the old Milosevic administration, which was mostly left untouched.” (Sigma Serbia 2011:11)</td>
</tr>
<tr>
<td></td>
<td>“The organisation of the public administration is excessively complex and confusing, which is detrimental to administrative transparency and efficiency. In this regard, the passage of the Law on State Administration and the Law on State Agencies was a missed opportunity to increase transparency in the organisational set-up of the state administration. These Laws do not provide sufficient clarity concerning the distribution of administrative competencies between public authorities and the establishment of accountability lines between them. The typology of the various categories of existing public agencies is confusing, and despite the efforts so far by the Ombudsman and the Commissioner to promote more transparency, this situation contributes to creating a rather opaque administrative environment. In addition, in practice these agencies are not properly accountable to the Government, as the accountability mechanisms established by law are rarely applied. (SIGMA Serbia 2012)</td>
</tr>
</tbody>
</table>
|                          | “…wide proliferation of agencies and bodies of various kinds. The criteria for this increase in the
number of bodies are lacking in clarity. Today the Serbian public administration is large and complex, and it reveals significant inefficiencies and accountability gaps.” (Sigma Serbia 2014)

| Kosovo | “The role of the different institutions is not yet sufficiently understood and well balanced. The number of independent institutions and agencies is too high, in particular those reporting directly to the Assembly. As a result, the governance system is complex and accountability is blurred. (Kosovo sigma 2012, p.4) 

“In addition, the international presence is still very strong in Kosovo, and has contributed to the non-systemic creation of different autonomous agencies and independent bodies. As a result, the state administration has grown on the basis of ad hoc criteria, resulting in a fragmented structure mainly composed of microinstitutions.” (Sigma Kosovo 2014: 15) 

“Many CSAB are not autonomous bodies “at arm’s length from the control of politicians, outside the hierarchical control of traditional vertically-integrated line ministries”. Most of them function as an ordinary department within a ministry, with no managerial freedom, no clear goals agreed with the parent ministry, and no contract/programme. They function outside the principal/agent paradigm. The only clear difference is that they usually report to the minister and not to the secretary general. This set-up is dysfunctional, creating “parallel ministries” and enhances opportunities for political interference in day-to-day management.” (Sigma Kosovo 2014: 22) |

| Romania | “…it should be noted that the great proliferation of agencies and commissions in Romanian government – more than one thousand – greatly hinders the coherent execution of policy. (Sigma Romania 1999: 3) 

“A number of emergency ordinances regulate the same issues concerning public agencies subordinated to the Government or to parent ministries. Their competencies are not distinct, and overlaps and conflicts of jurisdiction are commonplace. Currently there are some 1 900 public institutions and agencies subordinated to the Government, or to a parent ministry. These institutions are created on the initiative of a minister, through Government decisions or emergency ordinances; they are in charge of delivering public services and are mostly managed by political appointees, not professional managers.” (Sigma Romania 2002 :6) 

“Organisationally, the distribution of administrative accountability among ministries and institutions is unclear or weak, or both: competencies are not distinct, and overlaps and conflicts of jurisdiction are frequent. Official institutions and bodies are created on the initiative of a minister, through government decisions or emergency Ordinances: they are responsible for delivering public services, and due to political involvement, deficient bureaucratic processes, and low level of managerial capability, most agencies are ineffective and thus constitute a corruption risk at several levels, not least fraud and misappropriation.” (Sigma Romania 2003: 49) |

Source: Compilation is based on OECD SIGMA reports. SEE [http://www.sigmaweb.org](http://www.sigmaweb.org).

Why did agencification produce these pathological effects in SEE (and not in the advanced countries of the West)? The primary reason is related to lack of political unity (among national elites), which is in turn linked to the heterogeneity of society and the pluralized international environment. Unable to agree on a set of common values, national interests and a vision, elites from SEE have blindly followed their own dispersed party and personal interests as well as the interests and best practices foisted on them by a heterogeneous international community (composed of experts, international organizations as well as competing countries). In addition, the functioning of agencies has been undermined by the undemocratic, politicized and speedy process of agency creation under EU conditionality. Lack of political unity is also the reason why elites cannot agree on a common, integrated and coherent legal framework that would regulate and embed autonomous agencies in law and produce “embedded autonomy”25 in contrast to a disembedded and unaccountable panoply of autonomous agencies.

Despite the recent shallow trends towards de-agencification in Croatia and Romania there is no transformative and serious de-agencification commitment. One reason for lack of reversal of the pathological trend of agencification is that politically divided elites learned that

---

agencies could be a useful instrument of power and control, especially when they are able to nominate loyal head of the agency. Another reason is that officials and international experts that work for these agencies (as well as external and foreign experts) enjoy relatively high salaries and are not inclined to give up these financial privileges. It was also argued that “a sharp decrease of agencies is not very likely”, due to internal resistance, external support by the EU, and because the agencies became “untouchable” (as in Croatia). The same seems to be true for several anti-corruption and integrity agencies from the region (as in Macedonia and Romania), which despite serious deficiencies ( politicization, lack of accountability, abuse and transgression of law and fundamental rights, excessive and illegal surveillance), continue to be shielded by the European Commission from political counter-movements towards more accountability and transparency.

2.4 Party-politicization

Good governance reform (including the creation, restructuring and abolition of “neutral” regulatory agencies) is a highly political process, which affects power relationships and the distribution of resources. The neutralization and de-politicization of the state can bring considerable benefits for some players and costs for others. The incentives to politicize and capture independent agencies should be higher in a context of structural fragmentation and political disunity between opposed elites. In SEE, under the conditions of structural and political fragmentation and polarization, the newly transplanted or established regulatory agencies, accountability structures as well as new laws did not become impartial constraints over the executive but developed in most cases into “political weapons” of opposing political factions. Polarized political competition was reflected in fights over key positions and nominations of heads of autonomous structures (personalization of politics). Regulatory agencies, constitutional courts, anti-corruption agencies and judicial councils became partisan and politicized “third parties”, shifting their loyalties according to the reconfiguration of political power holders’ constellations. Judicial councils (the supposed guarantors of judicial independence), evolved into politicized, unaccountable, and nontransparent bodies. Similarly, anti-corruption structures and specialized courts turned into unaccountable “political instruments” of political and business elites with vested interests. The excessive party-politicization of judicial structures, Constitutional Courts and horizontal accountability institutions in the region stands in stark contrast to practices in advanced Western jurisdictions or even in the frontrunner countries of Eastern Europe, which had more impartial and embedded accountability structures (see Schwartz 2000). In SEE, instead of creating non-

26 For Croatia Prof. Koprić reports that 14 agencies were spending 20 % of the annual personnel costs for foreign expert fees. See https://www.pravo.unizg.hr/_download/repository/Agencies-Kopric_1%5B1%5D.doc.
28 For an overview of deficient functioning of the anti-corruption agencies see the national integrity assessments by Transparency International https://www.transparency.org/whatwedo/nis. For the EU’s role in the financing of mass surveillance in Romania, see https://www.liberties.eu/en/news/romanian-secret-services-granted-european-fund-for-mass-surveillance/4975.
partisan regulatory authorities that would foster cooperation, coherence and unity of the constitutional state, the newly established autonomous structures became partisan and politicized, fostering the fragmentation of the state in the name of “good governance” and modernization.

Last but not least, the politicization and polarization of autonomous agencies was additionally exacerbated by the partisan assessments of the EU and of the US State Department (through ambassadors or communiqués), which tended to take sides in internal politics, supporting particular liberal political parties and reformist change agents (e.g. heads of the newly established agencies, questionable oligarchs, High or Special Representatives) despite visible transgressions, instrumentalization of law, “deals among friends” and abuse of their powers. The partisan assessment (turning a blind eye, positive evaluation) and financial and rhetoric empowering of autonomous agencies and bodies is highly problematic and reflects the EU’s rule of law evaluation deficit. It leads to the accumulation of powers, reduced democratic oversight and weakened political accountability, which eventually undermine the rule of law and democracy.

2.5 Dispersion

External good governance promotion in SEE has been characterized by processes of dispersion and in particular a lack of reform coordination. Reform and policy dispersion can be attributed to the heterogeneity of the international community and domestic legislative fragmentation (disunity). Good governance reforms in the Western Balkans were insufficiently coordinated by a variety of multilateral and bilateral donors with competing goals, interests, agendas and methods. Dispersed post-conflict state-building has undermined the creation of unitary states and resulted in the hybridization of policy and governance (most notably in Bosnia & Herzegovina, Serbia and Kosovo). Donor and policy coordination, although improved in some countries (e.g. Serbia, Albania), was often reduced to mere information exchange or functioned only in narrow sectors. An example from Kosovo illustrates the problem of lack of coordination:

“Policy development in Kosovo is largely fragmented between and among national institutions and international stakeholders. … the government must coordinate its policy planning with the international presence, which is not always coordinated. This leads to conflicting policy priorities among all stakeholders in Kosovo, which in certain cases paralyzes policy-making altogether. Political agreements between the government and most powerful diplomatic missions in the country often resolve these states of paralysis. (BTI Kosovo 2010:29)"

In addition, there has been lack of coordination within the EU itself. The EU as highly heterogeneous union of multiple states, traditions, interests and actors could neither offer one coherent model of governance (or the rule of law etc.) nor a coherent strategy to implement it. This uncoordinated governance promotion was most evident in Bosnia & Herzegovina

---


where the EU had been represented by a variety of units (EU Delegation, the EU Special Representative, the EU peacekeeping force Althea, the EU Police Mission, the activities of EU member states). The consistency of EU conditionality was undermined by lack of internal coordination, the presence of multiple cross-conditionalities, the (geopolitical) interests of its members (*Realpolitik*), and the employment of national legal experts and consultants (e.g. Twinning advisors) with diverse cultural and legal backgrounds.

Lack of coordination (of reforms and policies) can be also explained by the fragmented and polarized party systems. Legislative (and executive) fragmentation has undermined decision-making and resulted in considerable policy incoherence in most countries from SEE. Policy making in Western Balkans was described as “fragmented” and based on “blurred lines of responsibility”. Competition, lack of communication and coordination between ministries/ agencies has become a pervasive feature of governments in SEE. Often, coherent policies were undermined by divided political elites, unstable and shifting coalitions and executive fragmentation. Three telling examples (from Serbia, Bulgaria and Bosnia) reflect the problematique:

Serbia: “In 2011 and the beginning of 2012, policy coherence and coordination in Serbia was weakened by the fact that the ruling coalitions were composed of multiple parties. The distribution of institutional power among coalition members usually impedes government effectiveness and efficiency, diminishes its ability to act with one voice, and cause overlaps and occasional frictions between the different ministries (like a public conflict between the Minister of Transport and Minister of Construction and urbanism in August 2012).” (BTI Serbia 2014:22)

Bulgaria: “Successive coalition governments, which have characterized Bulgaria’s political system in the new century, share some common problems, including poor policy coordination. Coalition governments usually include ministers from different political parties, who have different policy agendas. This increases the complexity of policy coordination and ministerial control.” (BTI Bulgaria 2016:33)

Bosnia & Herzegovina: “The uniquely complex and fragmented division of government functions leads to overlapping services, and inefficiencies are exacerbated by poor coordination and even poorer cooperation between different levels of government at both the policy-making and implementation stages…Even basic information sharing is often lacking between different levels of government. Coordination between the Federation and its ten cantons is also poor and politicized….” (BTI Bosnia 2016: 29)

Altogether, reforms were done in a politicized, fragmented, non-coordinated and unaccountable way. The deficient reform and policy process reinforced the fragmentation of the state and prompted counter-processes of re-integration through informal means, which are described in the next section.

3. The rise of the fragmented state in SEE

Good governance reform can be seen as modern attempt to de-politicize/neutralize the state. In SEE this process has been reflected in the mantras of pluralization, agencification, party-politicization, dispersion and judicialization of the political. The introduction of independent regulatory agencies and specialized judicial and prosecutorial structures has resulted in several unintended and pathological consequences, such as increased fragmentation, duplication and the party-politicization of state structures. The emerging fragmented state lacks institutional coherence and is unable to effectively coordinate its activities. Similar pathological outcomes of neutralization and de-politicization were already observed during the Weimar Republic (see Schmitt 1932) and several decades later in Latin America, where

externally-induced reforms produced “structural heterogeneity”.\textsuperscript{37} In SEE, the process of fragmentation (de-politicization) began already in the 1990s, with the pluralization of the party system, transplantation of several autonomous organs from abroad (e.g. Ombudsman, Judicial Council of Magistrates, Constitutional Court etc.) and continued since the early 2000s as an intensified agencification process, driven mainly by the EU accession process.

Nowadays, the fragmented state looks like a mixture between a Swiss cheese and a birthday cake (see Figure 2). In the core, the political is divided into the executive, the legislative and the judicative (according to the principle of the separation of powers). In semi-presidential systems (e.g. Romania), the executive is further fragmented into tensed cohabitation between the president and the prime minister (especially when they have different visions about policies and reforms). In Bosnia, the Presidency is fragmented into three rotating members (a Bosniak, Serb and Croat). In most countries from SEE the cabinet if fragmented into a relatively high number of ministries, which amounts to 23 ministries on average (executive fragmentation) (see Table 4). In addition, the legislative is fragmented by a relatively high number of political parties (legislative fragmentation) (see Table 2).

\textbf{Figure 2: The fragmented state}

\begin{figure}
\centering
\includegraphics[width=\textwidth]{figure2.png}
\caption{The fragmented state}
\end{figure}

Notes: The figure is a visual illustration of a typical fragmented state of SEE. The inner core circle reflects the fragmentation (separation) of powers, including the fragmentation of the legislative into numerous parties (legislative fragmentation) and the co-habitation of the executive. The inner middle circle reflects the fragmentation of the executive into ministries. The small circles reflect autonomous governmental agencies (administrative enclaves) that are linked through formal laws, semi-secret protocols or informal relationships between heads of these agencies. The outer circle reflects further administrative sub-ordination, decentralization and fragmentation of state structures (e.g. into ministerial departments, units etc.).

Source: Own elaboration

Table 4: Number of ministers in SEE

<table>
<thead>
<tr>
<th>Country</th>
<th>Number of ministries</th>
</tr>
</thead>
<tbody>
<tr>
<td>Albania</td>
<td>21</td>
</tr>
<tr>
<td>Bosnia &amp; Herzegovina</td>
<td>34</td>
</tr>
<tr>
<td>Bulgaria</td>
<td>20</td>
</tr>
<tr>
<td>Croatia</td>
<td>23</td>
</tr>
<tr>
<td>Kosovo</td>
<td>23</td>
</tr>
<tr>
<td>Macedonia</td>
<td>25</td>
</tr>
<tr>
<td>Montenegro</td>
<td>19</td>
</tr>
<tr>
<td>Romania</td>
<td>22</td>
</tr>
<tr>
<td>Serbia</td>
<td>19</td>
</tr>
<tr>
<td><strong>SEE average</strong></td>
<td><strong>23</strong></td>
</tr>
</tbody>
</table>

Source: Government websites.

Note: The number of ministers refers to the most available data and includes also the prime minister(s). The data for Bosnia & Herzegovina includes the ministers from the Federation of Bosnia and Herzegovina (17) and the Republika Srpska (17).

Last but not least there is considerable administrative fragmentation (within the branches of the government and at the ministerial level). This is related to dozens of governmental agencies, as reflected in the small, sometimes overlapping circles in Figure 2. The fragmented state is perforated by myriads of autonomous “islands of excellence” (e.g. autonomous agencies, specialized bodies, regulatory agencies, integrity structures etc.) that appear to be based on logics of Western governance (independence, high budgets and salaries, expertise, efficiency and result orientation) but remain embedded in a sea of conflicting forms of governance, be it hierarchical subordination or informal networks of reciprocity (dashed lines in Figure 2). Hardly any spillover is visible to the entire system. The autonomous “foreign bodies” have rather turned into externally-empowered “enclaves” that are able to deliver quantitative results (e.g. increasing number of convictions, sentences, asset declarations, fines etc.) but no overall improvement of governance.38 Despite selective progress in some sectors, the overall structural heterogeneity reduces the functionality of the entire political system. The problem here is not pluralism per se, but the lack of political unity, cooperation and coordination of activities between the diverse governmental structures (i.e. state agencies, ministries, judicial structures etc.). The result is a fragmented (balkanized) state full of quarrels over competence and posts, frictions, duplication, inefficiency as well as lack of

---

accountability. The most extreme case of a fragmented “state” is Bosnia & Herzegovina which is probably the “world’s most complicated system of government”.³⁹

It can be concluded that instead of coherently integrating and embedding different autonomous state agencies and units into a coherent whole, Europeanization as depoliticization and agencification of the state has reinforced structural heterogeneity and fragmentation.

4. Towards de-fragmentation: Revival of informality, state capture and the deep state

The fragmentation of the state in SEE through processes of depoliticisation and neutralization has resulted in a weaker state, unable to take decisions and to coordinate reforms and policies. Nevertheless, total state collapse and state failure has been avoided through a counter-process of de-fragmentation. In SEE, the re-integration of the state occurred through hidden networks of informality. First, almost all countries in SEE saw the emergence of informal networks and practices in form of patronage, clientelism, nepotism and informal connections (stela, s vrutka, vruzki, veza, kumstvo, vrski, pile).⁴⁰ These informal networks had ambiguous effects. On the one hand, they have undermined the proper functioning of formal institutions (competing function). On the other hand, they can be seen as coping and coordination mechanisms that helped to deliver public goods when a fragmented and dysfunctional state could not provide them (compensating function).

Persisting clientelism/particularism in SEE is reflected in the V-Dem indicator “Particularistic and public goods” (see Figure 3). This indicator measures the social and infrastructural spending in in the national budget on clientelistic/particularistic goods. It indicates that after the collapse of communism in 1990 the spending on public goods considerably decreased in Bulgaria, Romania, and Serbia, remaining at mid-range levels afterwards. Even a bigger drop in public goods expenditures (and increase in clientelistic goods) is visible in Albania (since 1990), Kosovo (since 2001) and Macedonia (since 2007). In Bosnia & Herzegovina, where access to resources, jobs, social welfare and opportunities is allocated through ethnic-based networks (although not exclusively), the indicator has remained at a very low level, reflecting pervasive and growing particularism.


Figure 3: Spending on particularistic and public goods in SEE


Notes: Scale from 0 (particularistic goods) to 4 (public goods). The lower the score, the more social and infrastructure expenditures are particularistic (i.e. benefitting a small social group, corporation, party or region).

Second, several countries in SEE saw the emergence of a “parallel state” or “deep state”, i.e. hidden, unaccountable, parallel state structures based on informal and opaque forms of cooperation between state and intelligence agencies.41 On the one hand, the parallel informal networks facilitated cooperation and coordination between fragmented governmental agencies so that the state could cope with national threats, such as organized crime, corruption and terrorism. On the other hand, the obscure “deep state” became itself a source of abuse. Several recent anti-corruption and intelligence-related scandals (from Romania, Macedonia, Bulgaria), in which wiretapping was abused during the fight against corruption reflect these transgressions of the law and fundamental rights.42 The OECD argued that: “The establishment of agencies has led to increased political and personal patronage – as appointments to management and board positions have served the party or personal interests of the nominating body.”43 It was argued that in Serbia “…public agencies have almost

become synonymous with corruption.”44 The abuse of informal connections has been also reflected in “state capture”,45 politicization, selective application of the law by autonomous judicial structures46 and the development of parallel structures (deep state).47

In Romania, attempted national counter-movements (2007, 2012) by the socialist government to reduce the autonomy and increase the responsibility over new integrity and anti-corruption agencies and other depoliticized accountability structures (e.g. the Constitutional Court) were criticized as a “coup d’état” by leading EU representatives and suppressed by monitoring reports. More recently, the government’s initiatives for stronger responsibility of the prosecution was decried by the European Commission,48 the US department of state,49 foreign embassies50 and externally-financed NGOs as acts of politicization and a threat to judicial independence. In reality, the government tried to re-establish lost authority over the fragmented state, including over parallel justice and unaccountable prosecutors.51 The government attempted to enhance the constitutional functioning of integrity and accountability agencies (“the guardians”) and rebalance the skewed relationship between overly strong independence and weak accountability.52 Even though party interests during the attempted de-fragmentation (de-agencification) processes cannot be excluded, external intervention preserved “pathologies of anti-corruption” and hindered the responsibilization of excessively autonomous and thus unaccountable agencies. The unresolved dilemma of “who guards the guardians” persists.53

In sum, the empirical analysis demonstrated how de-politicization through externally-driven good governance reforms has resulted in a fragmented state that has been partly re-integrated through informal structures. Persisting fragmentation is reflected in the Weimarization of the political system (number of parties remains high), the presence of factionalized elites, party-politicization and a high number of autonomous agencies and international donors (in the case of Western Balkans). The fragmented state is a weak and dysfunctional state that is unable to protect society from the fractionalizing forces of liberalization, globalization and the pathologies of Europeanization.

---

47 https://eutoday.net/news/politics/2017/romania-s-secret-services-under-parliamentary-scrutiny;
49 https://www.state.gov/r/pa/ps/ps/2017/11/275899.htm
50 https://www.reuters.com/article/us-romania-judiciary/eu-embassies-urge-romania-to-rethink-judicial-overhaul-idUSKBN1EF2CR.
5. Conclusion

The age of neutralization and depoliticization of the state is back. This time the “central domain” of neutrality\textsuperscript{55} advances under the veil of “neutral” good governance reforms as a process of Europeanization. In SEE and many other regions, instead of improving governance, de-politicization processes (pluralization, agencification, party-politicization, dispersion) have fragmented and weakened the state. The fragmented states of SEE did so far not have the strength to reintegrate themselves through conservative-patriotic countermovements of unity formation (as experienced in Poland or Hungary). Instead, countries from SEE try to overcome fragmentation through a revival of informality (i.e. informal structures based on clientelistic, patronage, kinship and intelligence networks). These measures of reintegration (of society and the polity) appear to be suboptimal from a modern (Western) perspective, which emphasizes rational law (the basic norm), bureaucratic procedures and autonomous agencies as civilized (rational-legal) forms of integration. What this Western perspective overlooks is that under the conditions of social and state fragmentation, such forms of integration through formal structures often do not function effectively. They are therefore compensated by informal institutions or personalized, hierarchical decision-making, which tend to function more effectively than instable, incoherent and fragmented formal institutions.

The fragmented state is a sobering reality in many countries from SEE and beyond. The chapter has made an attempt to analyse the degree of fragmentation in SEE by measuring empirically the extent of agencification (number of newly established autonomous agencies), legislative fragmentation (number of parties), executive fragmentation (number of ministries). I argued that rather than alleviating fragmentation, international state-building and good governance reforms reinforce it and thus reproduce a dysfunctional mode of governance. This sobering finding reflects the absence of transition towards “good” (i.e. impartial, coherent, capable, effective) governance, despite considerable reform efforts by the EU and the international community. Two decades of externally driven liberal reforms in different areas have neither resulted in functioning democracies (rather in polycracies), nor in coherent and performant market economies or the rule of law. Hybrid and fragmented dysfunctionality persists.

What are the implications of the emergence of a de-politicized, neutralized and fragmented state? First, a fragmented state (which lacks political unity and institutional coherence) will rely much more on alternative modes of coordination and integration, such as a “neutral” Podestà from abroad (e.g. High Representative in Bosnia and Kosovo), an activist and frequently politicized “pouvoir neutre” (e.g. Constitutional Court), an authoritarian guardian of the constitution (e.g. the charismatic, activist president), or informal networks that work as a binding force that sticks together the fragmented parts of the state. All these means of unity formation are not optimal from the perspective of a modern, developed social order but they can become compensating “functional equivalents” of integration when state structures are fragmented and ineffective.

Second, the de-politicized and fragmented state lacks sovereignty and the ability to decide in the name of the interest of the dominant group (nation, ethnic, civic etc.). The divided state is therefore much easier to control, be it by foreign powers (including transnational networks), international standards or by hidden networks (shadow elites, transnational, parallel and informal networks, security-based and paramilitary networks, organized crime groups). The result of this lack of sovereignty is a dependent and dysfunctional state (and economy). Despite selective progress in enclaves of excellence, the process of modernization (cum Europeanization) remains incomplete. Fragmented states do not achieve political unity (in the

\textsuperscript{55} See Schmitt C, \textit{Der Hüter der Verfassung} (Duncker & Humblot 1931).
sense of a degree of structural coherence and cohesiveness among elites) and remain in a perpetual transition between the traditional and the modern. They are caught between national centripetal forces that try to rebuild the nation state and international centrifugal forces (e.g. Europeanization, globalization) that erode the nation state. Fragmented states never achieve to recombine these two competing movements. Rather, they are torn apart by them.

We can thus argue that the external civilizing process of Europeanization (which stresses decentralization, depoliticization, de-etatization, neutralization, judicialization of politics, integration through liberal European values) may clash with more traditional forms of political unity formation (e.g. centralization, nation-state building, political control of judiciary and administration, integration through national/regional values). The EU’s modernization process in form of good governance reforms may not only conflict with established national forms of political integration. It can even undermine and dissolve them and if not replaced quickly enough through modern functional forms of integration (e.g. the rule of law), may result in a transitional, hybrid and fragmented form of dysfunctional governance. To be clear, externally promoted reforms (based on Western practice) do not have to result in improved governance and well-functioning states but may result in “pathologies of Europeanization”56 and bad (fragmented) governance.

It can be often observed that less advanced nations deny their own particular forms of unity building (e.g. their own historically embedded national identity) and look to the “neutralized” central domains (e.g. the rule of law, good governance) from advanced, “civilized” nations. Hoping that these transplanted, universalistic “neutral spheres” from the advanced West can bring peace and unity is however utopic, especially when we consider the heterogeneity of social orders and the distinct varieties of unity formation (e.g. based on ethnicity, nation, religion, culture, ideology, common destiny, future goals etc.). Despite these sociological insights, laggard nations continue to copy and transplant these apparently neutral, “best practices” (building unity through liberal pluralism, good governance and the rule of law) to gain external legitimacy and access to funds, at the expense of domestic legitimacy and coherence of their states. The outcome of this coercive and mimetic isomorphism is the fragmented state.

How to overcome and rebuild the political? How to transition towards good (i.e. coherent) governance? This question needs to be first of all reformulated into: How can states avoid and reduce fragmentation? Given the different historical, geopolitical and socio-economic conditions, “one-size-fits-all” approaches will hardly work. Re-forming and re-building the state through de-politicized agencies and horizontal accountability structures (e.g. constitutional courts, anti-corruption agencies) may work during periods of elite consensus (e.g. the Visegrad states in the early 1990s) but reinforce politicization, polarization and conflict when elites are disunited (e.g. in Western Balkans). Strengthening national and political unity through partial exclusion of minorities (e.g. ethnic Russians) may create a unitary polity and good governance in one country (e.g. Estonia), but the same strategy can provoke a violent counter-reaction by the excluded minority in another country (e.g. Ukraine).

There should be many diverse transitional paths towards a unitary and functional nation state. They can run from recreating political unity through national identity building, socio-economic integration (e.g. a common infrastructure), consensus on the legal norms, goals or values. The paths towards modern, integrated nation-states vary across time and space. The main policy advice for domestic reformers would be to avoid fragmentation, fractionalization

and too much heterogeneity. Building unity and coherent state structures can be done by initiating processes of de-agencification, de-fragmentation, de-party-politicization and de-feudalization. Only after having reconstructed political unity in the core, more pluralism at the periphery may be sensible. Last but not least, civilizational processes are processes of recombination (and not of rejection). Successful reforms need to recombine the modern with the traditional, but in such a way that political unity in the core is preserved or rebuilt.