

An Inventory of Misuses of Democracy in Western Balkans

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December 2015

WORKING PAPER No 70/2015

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Working Paper Nr 70/2015

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Summary:

Since the early 2000s in Western Balkans (WBs) powerful groups have misused democracy in numerous ways. Governing elites have tolerated the capture of public policy sectors by business conglomerates and have also invited in selected businessmen to capture such sectors. Elites have adapted to inherited frail institutions and have created other deficient institutions to serve their changing strategies. To a lesser extent, the same holds for policy capture by relatively privileged occupational groups of insiders, who are less powerful than elites.

On their way up to enrichment and reproduction of relatively privileged status, elites and privileged occupational groups have not encountered the obstacles usually found in other European democracies, such as a relatively strong parliament, judiciary, civil society, mass media and a public bureaucracy functioning with a minimum of autonomy from the government.

Policy capture would have been impossible without first achieving and consolidating the supremacy of the government over the legislature and the judiciary. This vital for contemporary democracies balance of powers has been destroyed in WBs to an extent larger than in other European democracies. It will not be rectified, as long as civil society and parliamentary opposition remain weak, while media pluralism is restricted in WB democracies.

Key Words:

Democracy, political institutions, policy capture, Western Balkans

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An Inventory of Misuses of Democracy in Western Balkans

While West Balkan democratic regimes have been consolidated, they clearly function in ways which lead analysts to question how democratic they are. In this respect, there are usually two lines of argument. A first line of argument claims that West Balkan (WB) regimes are not democratic at all. They are oligarchic regimes functioning to the benefit of small, closely knit political and business elites. These regimes serve the interests of the capitalist class and the reproduction of capitalism in Western Balkans (Horvat and Stiks 2015).

A second line of argument claims that, while most of the appropriate institutions found in liberal democracies are in place, in the Western Balkans (WBs) such institutions do not function according to the standards required by contemporary advanced democracies. Such observers periodically point to voids in the relevant legislation of WB states and underline policy implementation gaps. For instance, such observations are regularly included in European Commission's annual "Progress Reports". This line of argument prioritizes the rule of law in the sense that it considers the problem with WB democracies to be a problem of limitations of the formal institutional design and unsatisfactory implementation of the legal framework governing these democracies (Dolenec 2013).

The first line of argument is problematic because it either assumes that the structures of capitalism, conceived in an anthropomorphic manner, unavoidably restrict democracy or it borders on conspiracy theory. A further problem is that even if this line of argument sheds its structuralist or conspiratorial overtones, it still assumes that political and administrative elites are all-powerful, act in an institutional void, do not primarily serve their own interests and are almost exclusively committed to serve the interests of an economic oligarchy.

The problem with the second line of argument, which underlines the inadequacy of the legal framework and the implementation gap in the WBs, is different. This approach implicitly assumes that if you change the institutions, human behavior will change swiftly and accordingly. More concretely if rule of law is finally achieved in WBs, the remaining problems of democracy will gradually be more or less resolved.

Having in mind that there is a wider crisis of liberal democracy unfolding in different quarters of the advanced and the developing world, this paper accepts that historical legacies shape institutions. The pathways which the latter follow are dependent on choices initially made at the time point of their conception (Steinmo, Thelen and Longstreth 1992).

The paper, which sketches the general outline of a new research project and is written in the form of interconnected and yet to be proven ten research hypotheses, does not assume that everything is pre-

determined by historical legacies. It attempts to map how powerful actors, such as political and business elites, partially bend institutions by putting institutions to uses suitable to their own interests. The latter include the - distinct from the business class - interests of political leaders and party elites to climb to and stay in power, for instance through misusing democratic institutions. This is a wider point, not limited only to the case of democracies in the WBs. Indeed, starting from different viewpoints, analysts have underlined the problems of today's liberal democracies and have criticized the functioning of democratic institutions in general (Crouch 2004, Della Porta 2013).

The paper argues two things: first, that democracies in WB are not competitive authoritarian regimes (Levitsky and Way 2010) but currently share some of the problems which many contemporary advanced democracies face, although admittedly some of these problems occur in WBs to a larger extent; and, second, that, in contrast to most advanced democracies, democracy in WBs has been put to wrong uses by concrete collective actors. Democracy in WBs is being misused by a set of collective actors, such as specific political elites and also groups of insiders (individual businessmen, business trusts and privileged groups of the workforce, linked to the public sector and relatively shielded from economic hardship). Such collective actors have created and adapted to an institutional environment conducive to their interests.

What “misusing democracy” means

By misusing democracy I mean that, while all social actors in principle adhere to liberal democracy and consider it “the only game in town” (Linz and Stepan 1996), in practice selected collective actors seize opportunities to bend the rules of the democratic game to their own benefit. Examples are manipulating the electoral law, controlling the judiciary, using insider information or formulating policies to suit the acquisition or sale of state-owned assets undergoing privatization and to win public tenders, and blocking welfare state reforms which would have made social protection more evenly distributed across the population (Cohen and Lampe 2011, Balfour and Stratulat 2011, Bieber and Ristic 2012, Keil 2012).

Misusing democracy does not imply flagrant violation of the rules of democratic contest, although this has not been unusual in WBs even after 1999-2000. This was a time point which marked the fall of the semi-authoritarian or democratic authoritarian regimes of Milosevic in the Federal Republic of Yugoslavia (FRY) and Tudjman in Croatia and the real transition to democracy.

Rather, misusing democracy implies toying with or bending the rules governing the function of democratic institutions, such as the parliament; benefiting from ‘grey areas’ of political and economic interaction which have remained unregulated; creating or exploiting loopholes in legislation to win disproportionate economic benefits; and getting away with all this, as control mechanisms which should have sanctioned such behavior, do not exist or are beforehand neutralized by the very same interests which misuse democracy.

Examples of lacking mechanisms are control mechanisms which, if available, would check political party financing; unwarranted influence exerted by a businessman over a state agency in order to have a criminal investigation aborted; and unbound activism of national secret services, which often goes overboard.

Responsibilities for misusing democracy are not evenly distributed among different social actors, such as certain political leaders, governing elites, business elites, relatively well-protected insider groups, outsider groups and socially marginalized groups. Certain elites and groups are far more powerful than other ones. For example, this is true for political elites which staff governments for a prolonged period of time, having won two or more national elections. It is also true for well-placed business elites, connected to governing elites, which win public tenders in the construction and energy sectors or benefit from privatizations of state-owned assets.

Powerful elites are few and mostly recognizable, but power and resources are not exclusively distributed among the elites. In addition, certain groups, such as employees of state-owned enterprises or war veterans, enjoy access to a disproportionate share of resources. By contrast, there are other groups, such as labour market outsiders and minorities, which are completely prevented from accessing even their fair share of economic and welfare resources.

It is then not enough for an analysis of democratic regimes in WBs to point to the unsatisfactory performance of democracy in abstract terms or to accurately measure pathologies, such as corruption, organized crime, or restrictions in freedom of expression. Going beyond existing approaches, one needs to become more specific about how and why democracy fails in WBs.

Existing approaches to the pathology of democracy in Western Balkans

Indeed, there already exists valuable research on classifying WB democracies and unearthing their major problems, as seen in the light of the model of liberal democracies. In an effort to understand why, even after democratic consolidation has been accomplished, liberal democracy in WB continues to function at sub-standard levels, various concepts have already been coined for the analysis of democracy in some East European countries. Such concepts, useful also for the study of WBs, are “illiberal democracy” (Zakaria 1997), “defective democracy” (Merkel 2004) and the “the quality of democracy” (Diamond and Morlino 2005, Morlino 2011, Roberts 2014).

All these conceptual innovations have tried to illuminate the glaring gap between formal and substantive democracy in Eastern Europe (Kaldor and Vejvoda 2002) and are useful to understand the contemporary WBs too.

Different conceptualizations of the sub-standard performance of WB democracies have been accompanied by attempts to actually measure such performance. For instance, the opinions of the general public in the region and opinions of experts on the region have been registered. Examples of

public opinion surveys include the Gallup Poll's "Balkan Monitor" and the recent inclusion of population samples from Croatia and FYR Macedonia in the Standard Eurobarometer surveys, conducted by European Union's Eurostat service. Examples of expert surveys include the Bertelsmann Stiftung's "Sustainable Governance Indicators" (SGI), the World Bank's "Governance Indicators" and the "Failed States' Index".

The above conceptual and empirical quantitative approaches to defective or dysfunctioning democracy in Eastern Europe have contributed a lot to the comparative political analysis of new democracies. Yet, in an effort to grasp the essence of the problems of East European and (for the purposes of this paper) WB democracies in the most parsimonious manner, the aforementioned approaches may run into two obstacles.

First, there is a temptation to consider Western democracies to be prototype models of liberal democracy, while in fact, as the performance of these democracies since 2008 has indicated in the context of the global financial turmoil and the Eurozone crisis, they themselves have proven to be problematic.

Indeed, as the Eurozone crisis since 2010 has shown, democratic institutions at the European Union (EU) and the EU's Member-States usually take back seat for as long as the management of the crisis lasts. Governments and even international non-elected officials, representing international financial institutions (IFIs), assume the task of steering national economies out of the crisis while citizens are expected to seat and watch. In advanced democracies and particularly so EU democracies, participation in policy making leaves a lot to be desired when it comes to reconciling the pressures of international markets with the demands of democratic accountability.

Even before the Eurozone crisis struck, the level of satisfaction of Europeans with the way democracy functioned in their countries varied a lot and was generally on the decline (European Commission, Standard Eurobarometer time series data,

<http://ec.europa.eu/COMMFrontOffice/PublicOpinion/index.cfm/Survey/index#p=1&instruments=STANDARD>).

Thus, it would be better, first, to openly admit that Western democracies today encounter severe problems and, then, to proceed to register the variable aspects in which the unsatisfactory functioning of democracy in WB differs from the unsatisfactory functioning of democracy in Western Europe or the USA.

The second obstacle concerns the compilation of data, aiming to register changes in quantitative variables over time. Such measurements, relying on indicators of defective democratization or quality of democracy, do not offer the full picture. They are very useful but they constitute only a starting base on which to construct, first, a description of the most crucial instances in which democracy continues to fail in WBs and, second, a set of linkages among these instances, suggesting how they feed into each other.

Ten instances of misusing democracy in Western Balkans (WBs)

In other words, one has to use a multi-focused analytical lens in order to explore the variable instances in which WB democracies experience problems which are different, if not more grave, than the problems of EU democracies today. A first step towards this direction would be to construct an inventory of problematic aspects of democracy in WBs and indicate possible ways in which they are interconnected.

In what follows, ten such interconnected aspects are presented. They have been constructed as research hypotheses rather than as solid research results. They are hereby listed in an order that may contribute to the understanding of how one problematic trait of democracy leads to another problematic trait. Causal connections are difficult to establish at this point, but the flow of the argument should emerge, as one goes from the first to the last (tenth) aspect of unsatisfactory functioning of democracy in WBs.

First and foremost, completely unrestrained national and local business interests in conjunction with corruption-happy governing elites have had a corrosive impact on WB democracies. In the first decades of the twenty first century, capitalism may seem untamed in many parts of the world, but is clearly out of control in WBs. There is little which national political elites have done to create a typical level-playing field for private companies. Owing to pressures from the EU, the introduction of market regulation and regulatory authorities has only inched its way into the region's capitalist economies.

Yet, more importantly, at the same time business corporations from the wider region around WBs, i.e., from Germany, Italy, Austria and Greece, have early on established their own distinct beachheads in the post-socialist national markets of WBs. Then, corporations gradually dominated whole sectors, such as banking and telecommunications. Foreign interests have benefited from and contributed to the formation of the wild, almost completely unregulated variety of capitalism of the WBs.

To be sure, there is a corrosive impact of capitalism on the functioning of advanced democracies too. For instance, American democracy is disproportionately influenced by the size of donations of businessmen to potential candidates for the US presidency. Financial mishandling has also plagued the governing parties of major European democracies, as the scandal over the finances of the Germany's Christian Democratic Union (CDU) party in the early 1990s clearly showed.

However, the type of capitalism predominating in WBs often allows the war of all against all, the devouring of whole business sectors by one business conglomerate and the molding of labor relations at will, in the context of high unemployment rates, and flourishing black markets which state authorities just watch grow, incapable or reluctant to intervene.

Second, there is a lack of home-grown political vision of the future among political elites of WB democracies. Such vision, if it exists, is imported from abroad and consists of a repertoire of repeating the themes of Europeanization and modernization in a ritual-like manner. In the meantime, elites in WBs cannot fall back to (the by now defunct) state socialist ideology of the pre-1989 period.

Governing elites in particular are pulled towards opposite directions. They are pulled, first, by pressures from below, often rekindled by mass media, to subscribe to nationalist, populist and anti-liberal projects and, second, by pressures by the EU and International Financial Institutions (IFIs) to adopt recognizable liberal democratic and pro-market policies. Thus, WB elites stand at the crossroads of a forgettable past and an uncertain future of integration into the EU.

The latter prospect has been harmed by Jean-Claude Juncker's (the President of the European Commission) commitment to put European enlargement on hold. The integration of WBs into the EU has also been damaged by the propensity of WB governing elites to oscillate between embarking on the road to Europe and alighting from EU's slowly moving carriage at unpredictable stops. For example, in their publicly expressed opinions, WB elites span the whole range from xenophobic, nationalist and populist discourse all the way to pro-EU rhetoric.

Typical examples are, first, the shift of a foremost nationalist Serb politician and former cadre of the Milosevic regime, Tomislav Nikolic, to a pro-EU stance after launching his Progressive Party (SNS) in 2008. This was a pro-European shift which was later curbed, if not reversed, by the SNS government's repeated overtures to the Russian President Putin at moments of tension between Russia and the EU in 2014-2015. A second example is the incorporation of aspects of the nationalist agenda in the electoral campaigns of Sali Berishsa (Democratic Party) and Edi Rama (Socialist Party) in the Albanian parliamentary elections of 2013. A third example consists of the perpetual metamorphoses of Milo Djukanovic, the permanent leader of Montenegro over the span of a quarter of a century.

The protagonist's role which unreconstructed populist nationalists still have in WB domestic politics, such as Milorad Dodik in Republika Srpska, Arben Kurti in Kosovo and Nikola Gruevski in FYR Macedonia, is telling of a wider tendency setting WB democracies apart from the rest of European democracies.

Admittedly populism is a pan-European phenomenon. Moreover, European elites manage economic problems in a disturbing and problematic fashion, by mixing large doses of neoliberalism with what is left of a skeletal European Social Model. European elites also mishandle human rights and security issues, as they are unable to strike a balance between cosmopolitanism and defensive measures against refugees and immigrants or a balance between freedoms and counter-terrorism. Yet, among the elites of WB democracies there is an even more problematic situation, reflected in these elites' resorting to worn-out ideologies (e.g., nationalism, populism); lacking of political vision how to steer their countries; and capturing policy sectors with the help of favored businessmen.

Third, indeed, the phenomenon of policy capture, albeit present also in advanced democracies (e.g., in the defense policies of major NATO states which are under the influence of armaments industries), has assumed immense proportions in WBs, to the point that it appears natural and unavoidable. Thus, in the WBs the mass media sector is controlled by private media owners as well as governments; the energy sector is controlled by national and foreign business interests; environmental policies are deflected by environment-polluting industrial interests; and social insurance and pension policies are controlled by insiders of the labor market and selected relatively privileged groups, such as war veterans in Bosnia-Herzegovina.

Fourth, policy capture is directly related to the obvious imbalance of powers in WB democracies. While since the early 20th century there has been in all advanced democracies a discernible tendency of the “executive branch of government” to overshadow the other two “branches”, namely the legislative and the judicial, in WBs there is a much more pronounced relative degradation of the legislature vis-à-vis the government and a discernible subservience of the judiciary to the changing wishes of the government. The government-of-the-day functions almost uncontrolled by the parliament and the justice system.

The disproportionate strengthening of the government, which has almost permanently upset the required balance with the other two powers, is probably related to two types of pressures which set WB democracies apart from the rest of European democracies: first, periodic challenges to national sovereignty (Post-Dayton Bosnia-Herzegovina, Serbia's strained and then disconnected cohabitation with Montenegro and Kosovo, ethnic conflict in FYR Macedonia); and, second, repeated deep economic crises, sometimes related to unresolved national sovereignty issues and to the spilling over into the Balkans of international economic setbacks (e.g., the global financial crisis which has affected the region since 2008).

Fifth, the nearly unchallenged dominance which the government exerts over the judiciary and the legislature in WB is facilitated by anemic political participation from below. Civil society may have become weaker over time in advanced democracies, but it has never taken off the ground in WBs after transition to democracy and the end of wars, such as the War in Bosnia-Herzegovina (1992-1995).

In particular, in WB democracies which pride themselves in having set out on the road to Europe, Europhile political and social forces are weak or very weak. Pro-EU organizations, circles of intellectuals and relevant networks remain astonishingly marginal. With sporadic exceptions, civil society as a vehicle for monitoring business and governing elites does not fulfill its role and is unable to function for the benefit of democracy.

Sixth, political participation has been anemic because the ground of the public sphere has proven sterile and dominated by large business interests combined by government-engineered restrictions in mass media pluralism. The press and electronic media are owned by moguls closely associated with successive governments. Moreover, governments influence, if not fully control, the distribution of information and interpretation of political and economic events. Governments achieve this by opening and closing the taps of state funds channeled to cash-starved mass media.

A principle mechanism through which governments accomplish such control is the selective placement of advertisements of policy measures of government and services or goods of state owned enterprises in selected media outlets. Thus, despite the heroic efforts of individual journalists and few independent newspapers and websites, most mass media enquiries of business initiatives and government measures and the linkages between these two are superficial or plainly unavailable.

Seventh, given the weakness of civil society and mass media opposition to state authorities, it is no surprise that parliamentary opposition to elected governments is generally weak in Western Balkans. Opposition parties are rarely capable of effectively checking on the government by exercising parliamentary control over the government's deeds. Further on, opposition parties rarely mount

considerable pressure on the government through typical and atypical political participation means, such as mass rallies and strikes. The rallies organized by the Socialist Party against the Berisha government in 2009-2011 in Albania, by the SNS party against the DS-led government of Boris Tadic in 2010-2011 in Serbia or by the Vetevendosje movement (and later on the political party by the same name) in Kosovo are notable and covered by the media because they are an exception, not the rule.

One would expect that the weakness of opposition is the result of electoral systems, favoring the formation of strong single-party governments. However, in most WB democracies, coalition rather than single-party majority governments are in place. Electoral systems are variations of proportional representation (PR) which would normally facilitate the participation of multiple parties in parliament, opposing the government of the day. Parliamentary opposition is weak owing to the marginalization of civil society. There is a very thin layer of civic associations able to mobilize against state authorities. The opposition's weakness is also owed to the lack of a clear political agenda which would be alternative to the agenda of governing parties.

Further on, opposition parties suffer from the problems also evident in governing parties. Researching opposition parties in WBs, one stumbles upon a personalist type of party organization, enhancing the discriminatory power of the party leader over party organs and diminishing the chances to draw on collective resources (e.g., local party organizations) and on technical expertise. Finally there is low trust of citizens in political parties in general, as there is a widespread conception of politicians as scavengers of state resources who alternate in power. One cannot avoid the impression that in WBs certain opposition leaders, upon coming to power, easily slide into similar shady practices as their predecessors.

Eighth, in conjunction with the opposition's weakness to resist government initiatives, democracy is often limited to formalities, i.e., to provide a rubber stub of government decisions. Today, in all advanced democracies, including those of EU Member-States, there is a disconcerting gap between formal and substantive democracy, i.e., between establishing the rules of democratic game and keeping them.

There is also a gap between acknowledging democratic values, such as freedom of expression and tolerance, and truly adhering to them. Yet, in WB democracies one encounters a far more serious gap. This is in fact an abysmal gap between the surface and substance of democratic life. The gap is mostly owed to the unrestrained authority exercised by governing elites and the untamed influence of business elites, mentioned in the first item of this ten-item long inventory.

Non-elected democratic institutions, such as regulatory authorities independent of the government, are imported from abroad but are actually ignored. An example is the Berisha government's indifference, if not hostility, towards the proper functioning of the Elections Committee in the Albanian national elections of 2013. Moreover, governments change the rules according to which appointments to the judiciary are made. For instance, in Serbia the coalition government led by the Democratic Party dismissed all Serbian judges in 2007 and selected their replacements, but later on in 2013-2014 the coalition government led by the Progressive Party (SNS) re-instated the formerly dismissed judges.

Ninth, there is no clearer indication of the very large gap between formal adherence to democratic principles and actual betrayal of them and no stronger evidence of the frequent capture of whole policy sectors and the corrosive impact of untamed capitalism on democracy than the deplorable

state of rule of law in WB democracies. In WBs the justice system may be manipulated from above; law enforcement agencies are weak or corrupt; business oligarchs acquire a sense that they are untouchable by the legally competent authorities; and minorities and the powerless categories of the population (e.g., the unemployed) quickly realize that they cannot resort to state authorities to rectify the injustices and discrimination they suffer in social relations and the labor market.

And tenth, it has become clear from the above items of this inventory that the state in WBs is very weak. In order for democracy to grow, clearly demarcated and largely undisputed borders, a predictable institutional environment and a minimum of administrative capacity are necessary. Above all, while there is an increasing trend towards the politicization of public bureaucracies around the world, still a minimum of bureaucratic autonomy from political authority is expected and required in contemporary democracies.

These conditions are not met in the WBs. For example, in the cases of Bosnia-Herzegovina, Kosovo and FYR Macedonia issues related to borders and national sovereignty are still open. Moreover, in these and the rest of countries of WBs, with the possible exception of Croatia, civil servants lack the skills to administer economy and society, while state institutions do not function in predictable manner.

State officials cannot regulate or control the market, provide a reasonably level-playing field for market competition, inspect and intervene in labor relations, push organized crime back, restrict the black economy, tax the population and business firms and provide a minimum level of social protection to all.

Strengthening state capacity has been a frequent, if somewhat subdued, aim of post-conflict international initiatives in the region, for example EU's CARDS program in the early 2000s or EU's Instrument of Pre-Accession (IPA) program in the current decade. Yet, it seems that local populations have abandoned hope that the state may one day become their partner in professional and civic life. Many state officials and leading politicians themselves often have as their top priority to find their own preferred business partners in the private sector and enrich themselves. Controlling misuses of democratic institutions is the task in which they are least interested.

Sorting out the causes of the misusing democracy in Western Balkans

Corruption, violation of the rule of law, spread of organized crime, state weakness and other such phenomena obviously do not happen by themselves. Somebody engages in corruption, law violation, organized crime and neglects the affairs of the state. The observed imbalance of powers in WB democracy and the wild, untampered manner in which capitalism works in the region obviously require a long-time misuse of institutions by those who benefit from the malfunctioning of democracy and the market.

This is too obvious a point to belabor any further. Still, upon reading academic texts or official documents about WBs, one sometimes gets the impression that the aforementioned ills, which

negatively affect the functioning of democracy today in WBs, have fallen upon the Western regions of the Balkan peninsula like pest had fallen on and spread in the European continent in the pre-modern era. In other words, in analytical terms, the study of agency has to take precedence over the study of structure. In politics, while structures constrain the actors' room from maneuver, eventually it is people acting upon structures who produce ills, for example, weak public administrations and malfunctioning justice systems.

If one is called upon to prioritize some aspects included in the above ten item-long inventory instead of others, one should start from the collective actors, business elites and governing elites, who are unwilling or unable to reform the problematic situations noted above. Besides elites, additional collective actors, who have carved out their own protected niches in the stormy economic conditions prevailing in WB capitalism, are groups of public sector workers, pensioners, war veterans, and others.

Such occupational groups, consisting of labor market and welfare state "insiders", may be not the same ones in all WB democracies, but benefit from similar situations within each WB country. In a nutshell, they benefit from preferential treatment by state authorities and neglect for "outsiders", including the unemployed, women and the young as well as ethnic and religious minorities; and, as argued in the main body of this paper, selected privileged elites and occupational groups benefit from the lack of adequate control mechanisms.

Moreover, no other vision seems to prevail among elites except for the business elites' vision of securing a sizeable share of the market and quick and unrestrained profit-making; and the political elites' vision of hanging on to power by subscribing to an ideological mix of populism and nationalism.

The business elites' interests in preserving and enlarging their market share and expanding their profits, on the one hand, and the governing elites' interest in holding on to power, possibly personally enriching themselves along the way, on the other hand, are the ties that bind WB democracies to the ground, never allowing them to take off to higher levels of performance.

This type of argument does not assume that governing elites in WBs always act with an eye to preserve capitalism in the region. The argument does not assume either that a conspiracy woven by political and business elites holds democracy down in WB. Rather the main point is that political elites help business elites and are helped by them and in fact it is the former who have bequeathed fragile institutions from earlier phases of democratization and have put them to self-serving uses.

Conclusions: putting the pieces of the puzzle together

This paper presents ten different ways of misusing democracy which have been observed in WBs over the last fifteen years or more. It is a paper sketching the outline of a research project rather than a solid statement of already accomplished research. The flow of this paper's argument is then the following: business elites have orchestrated and governing elites have tolerated the capture of public policy sectors by business conglomerates. The reverse also may hold true, namely, governing elites

orchestrating the capture of policy sectors through forging alliances with selected businessmen. This has been accomplished by creating a set of deficient democratic institutions and adapting them over time to elites' changing strategies. The same holds for policy capture by relatively privileged occupational groups of insiders, who of course have fewer assets and lower incomes than business groups.

On their way up to enrichment and reproduction of privileged status, elites and occupational groups do not encounter any obstacles usually found in other European democracies. Typically, such pro-democratic obstacles are a series of control mechanisms, including a strong parliament, judiciary, civil society, the press and mass media and a public bureaucracy functioning with a minimum of administrative skill and autonomy from the government.

In brief, policy capture would not have been possible without first achieving and consolidating the supremacy of the government over the other two powers, namely the legislature and the judiciary. This vital for contemporary democracies balance of powers has been destroyed in WBs probably to an extent larger than in other European democracies. This imbalance cannot be easily rectified, as civil society and parliamentary opposition remain weak, while media pluralism is restricted in WB democracies.

The combination of the strength of governing and business elites, capable of misusing democratic institutions, on the one hand, with the weakness of civil society and parliamentary opposition also and restrictions on the media, on the other hand, affect negatively state capacities. How weak the latter are is obvious in the misapplication of legislated policy measures, the policy implementation gap, unpredictable law enforcement and uneven application of rule of law, and the spread of corruption. All this amounts to a larger than usual gap between formal and substantive democracy, which albeit known in other democracies, is clearly most obvious in WB democracies.

To sum up, democracy is defective and its quality low in WBs primarily because of the uses, i.e., the misuses, to which collective actors, namely business and governing elites and groups of insiders, have put democratic institutions. In fact, what has prevailed over time is a repertoire of misuses of democracy, which this paper has attempted to highlight and interpret.

Acknowledgements: I thank Professor John K. Cox for his valuable criticism and Dr, Thanos Dokos for his encouragement.

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