

## **Accountability and Inclusiveness in the Western Balkans**

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Accountability and inclusiveness in institutions and institutional arrangements are significant challenges in the Western Balkans in the 21st century. During the last three decades the region has had to deal with the breakdown of socialism and the accompanying internal ethnic conflicts and civil war, while trying to meet the requirements of European Accession and debt conditionality agreements with the International Monetary Fund, the World Bank and other donor organisations. The transition discourse, highly influenced by Western powers, initially affirmed the value of democracy, human rights and the rule of law. In time however, implementing focused on selective political and civil rights (at the cost of civil, economic and social rights) and measures to create a competitive market economy, stated as key to improving efficiency and production. In this process, the public sector was restructured and accompanied by privatisation of prevailing entitlements and rights in traditional essential services. Under these pressures, reforms and rights in the region were and remain contested terrains, associated with dissimilar norms of justice and inclusiveness that particularly affected the more vulnerable sections of society. This paper focuses on market-oriented reforms and austerity measures that were undertaken in the public sector since the 1990s as part of debt conditionality, and rationalised as necessary to improve the quality and efficiency of services. It analyses the shifting development frameworks accompanying the 'transition' and the norms of accountability and inclusion embedded in consequent commercialisation of social policy and public services. It examines the increased involvement of Western businesses in the provision of these services which, with the support of international financial donors, have often served as effective parallel forms of (corporate global) governance influencing public policy. It studies the increased resort of the restructured institutions and arrangements to surveillance of welfare recipients, including individual targeting and interventions and the outcomes of technocratic decision-making processes on different groups in society, particularly with regard to health, unemployment and social security benefits. The paper demonstrates how these shifts have resulted in increased poverty, inequality, insecurity and exclusion, with matters worsening in the wake of the 2007 financial crisis. The paper pays attention to the role of civil society in challenging these changes while taking up issues such as accountability, corruption, transparency and the need for increased civil society participation. The paper suggests that the transition discourse promoted a vision of accountability associated with the ideal 'free' market that optimised efficiency and price, which in the absence of a functioning 'free' and competitive market, resulted in promoting the interests of companies and other actors involved in providing these services. Within this new framework Inclusivity reflected the ability of a person to buy these services. But the serious deficits that have emerged with regard to entitlements and rights amongst marginalised groups means that inclusion, in a real sense, remains elusive and unable to fully respond to the needs of all its citizens.

Key words: Western Balkans, austerity measures, public policy, debt conditionality, inclusion, accountability

## Introduction

The collapse of communism, the rise nationalism and the ensuing ethnic tensions and civil war in the last decades of the 20<sup>th</sup> century in the Western Balkans<sup>1</sup>, contributed to the to the breakup of former Socialist Federal Republic of Yugoslavia and the establishment of the independent countries of Bosnia and Herzegovina, Croatia, the Republic of Macedonia, Montenegro, Serbia and Kosovo and including Albania. The rebuilding of these economies was constrained by the widespread loss of lives, destruction of infrastructure, refugee migration reflecting a “level and scope of torture and brutality in Europe that was unmatched since World War II” (Wilmer 1998:10). The high level of debt that the successor countries inherited – in the order of nearly US\$ 16 billion – nearly half to commercial banks but also to the World Bank and the IMF - meant that these independent countries were highly dependent on external funding to promote development and growth (Stanič 2001: 758 & 759).

The transition discourse was supported by Western powers, particularly the United States and the European Union. The Conference on Security and Co-operation in Europe (CSCE)<sup>2</sup> in 1990, the *Charter of Paris for a New Life* noted that the “era of confrontation and division” had ended and that Europe was “liberating itself from the legacy of the past” with the opening up of a “new era of democracy, peace and unity” (1990:3). Furthermore the Charter stated that it was “a time for fulfilling the hopes and expectations our peoples have cherished for decades: steadfast commitment to democracy based on human rights and fundamental freedoms; prosperity through economic liberty and social justice; and equal security for all our countries” (ibid). It explicitly noted the importance of accountability indicating that “Democracy, with its representative and pluralist character, entails accountability to the electorate, the obligation of public authorities to comply with the law and justice administered impartially” (ibid). In addition, the European Union had opened up the possibility for these countries to become members if they were able to satisfy the criteria in the Accession

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<sup>1</sup> While the Balkan Peninsula is situated in Southeast Europe, the term ‘Western Balkans’ refers to the countries that formed part of the former multi-ethnic Socialist Federal Republic of Yugoslavia - Bosnia and Herzegovina, Croatia, the Republic of Macedonia, Montenegro, Serbia and Kosovo and including Albania.

<sup>2</sup> Meeting of the Heads of State or Government of the participating States of the Conference on Security and Co-operation in Europe (CSCE): Austria, Belgium, Bulgaria, Canada, Cyprus, Czech and Slovak Federal Republic, Denmark, Finland, France, Germany, Greece, Holy See, Hungary, Iceland, Ireland, Italy -European Community, Liechtenstein, Luxembourg, Malta, Monaco, Netherlands, Norway, Poland, Portugal, Romania, San Marino, Spain, Sweden, Switzerland, Turkey, Union of Soviet Socialist Republics, United Kingdom, United States of America and Yugoslavia, Paris, 19-21 November 1990  
<https://www.oscepa.org/documents/all-documents/documents-1/673-1990.../file>

Agreements that were published at the European Council at the Copenhagen Summit of 1993. The Accession criteria of 1993 included the “the existence of a functioning market economy as well as the capacity to cope with competitive pressure and market forces within the Union; the ability to take on the obligations of membership including adherence to the aims of political, economic and monetary union” (European Council 1993).

This paper is concerned with the changing perspectives of accountability and inclusiveness that informed the transition process, and the consequences these held for the rights of citizens. Under the Republic of Yugoslavia the State was ‘accountable’ for providing basic services such as health, education and a degree of income and social security, and all citizens had the right to be ‘included’ for these entitlements. This paper argues that these privileges took on a qualitative change as aid became increasingly conditional on countries restructuring the public sector to improve the market efficiency and effectiveness of services. In this process, accountability became synonymous with western rationality, technocratic surveillance and economic management, while inclusion reflected the ability of the individual to exercise her/his ‘freedom’ to buy these services. The commercialisation of social policy in a context of increasing inequality that characterised the post-conflict transition process meant that marginalised groups experienced serious deficits with regard to previously-held entitlements and rights. Civil society organisations and social movements have protested against these changes. Under these circumstances, reforms and rights remain contested terrains, associated with dissimilar norms of accountability and inclusiveness.

The paper is developed along the following lines:

1. It critically reviews the concepts of accountability and inclusiveness in the 16<sup>th</sup> Sustainable Development Goal (SDG16) reflecting on their limitations and implications for rights of citizens to access essential services.
2. It discusses the process of transition and the restructuring of the public sector in the Western Balkans as part of debt conditionality, and rationalised as necessary to improve the quality and efficiency of services.
3. It examines the increased involvement of Western businesses in the provision of these services, which with the support of international financial donors, have often served as effective parallel forms of (corporate global) governance influencing public policy.
4. It studies the increased resort of the restructured institutions and arrangements to surveillance of welfare recipients, including individual targeting and interventions and the outcomes of technocratic decision-making processes on different groups in society, particularly with regard to health, unemployment and social security benefits.
5. The paper demonstrates how these shifts have resulted in increased poverty, inequality, insecurity and exclusion, with matters worsening in the wake of the 2007 financial crisis.
6. The paper pays attention to the role of civil society in challenging these changes while taking up issues such as accountability, corruption, transparency and the need for increased civil society participation.

### **Accountability and Inclusiveness: Discourse and Dangers**

Carothers and Brechenmacher have suggested that the principles of ‘accountability’ and ‘inclusion’, together with ‘transparency’ and ‘participation’, have enjoyed a “strong appeal as inherently, even unquestionably good things” helped also by their “post-ideological nature” by transcending political debates and have “a natural instrumental logic” while forming “a new conventional wisdom about development, one with interlined normative and instrumental rationales and one that promises to bridge long-standing divides both within aid organizations as well as between donors and recipients” (2014:4-6). These concepts have also informed the United Nations 16<sup>th</sup> Sustainable Development Goal (SDG) with its targets and goals focusing on creating “peaceful and inclusive societies”, with “effective, accountable and inclusive institutions at all levels” and giving all “access to justice” while promoting “responsive, inclusive, participatory and representative decision-making at all levels”. These visionary sentiments were also articulated in the SDG predecessors, the Millennium Development Goals (MDGs) with critiques, such as Ashwani Saith, noting that they “envelop you in a cloud of soft words and good intentions and moral comfort”, offering “only good things to the deprived” (2006: 1167).

While there is little debate on the value of accountability and inclusion in development, there is a clear danger that unless concepts are associated with identifiable standards, their interpretation could be “conveniently open-ended, contingent, and too often subjective” (Alston 2005:27). That this danger is very is provided in a review by Carothers and Brechenmacher that indicated the different assumptions, debates and practices associated with concepts and principles, including lack of consensus on what these principles mean, the inconsistencies and inadequacy of data on impact, as well as resistance and the lack of political will to incorporate them into development agenda (Carothers and Brechenmacher 2014). The improvement of public sector accountability, efficiency and effectiveness has typically been associated with reforms such as such as decentralisation and downsizing, as well as measures to “reduce red tape, increasing administrative discretion, empowering workers, encouraging entrepreneurial behaviour, managing for results, and increased attention to performance measurement to make accountability more transparent” (Romzek 2000: 21). The World Bank and other donor organisations have introduced the principles of accountability, transparency, participation and inclusion as part of good governance from the mid-1990s, with a view to reducing corruption and putting in place monitoring mechanisms (Carothers and Brechenmacher 2014: 8). A consequence could be, as noted by Saith on the MDGs, the goals could land up with e “the provision of “a mechanical template of targets and monitoring indicators aptly suited to the limits of the bureaucratic mind”, while at the same time, not take on board the structural changes and the pattern of growth and development that is implicitly and explicitly being promoted (Saith 2006: 1167).

A review of the targets and indicators of accountability and inclusion in the 16<sup>th</sup> SDG goal show that these concerns are warranted in the 16<sup>th</sup> SDG. Item 16.5 deals with accountability to the extent that focuses on the substantial reduction of “corruption and bribery in all their forms”. And while the target 16.6 is to “Develop effective, accountable and transparent institutions at all levels “ the indicators are “Primary government expenditures as a proportion of original approved budget, by sector (or by budget codes or similar) and the proportion of

the population satisfied with their last experience of public services. In principle the target 16.7 Ensure responsive, inclusive, participatory and representative decision-making at all levels could reflect a degree of politics and citizenship involvement but the indicators are diluted to the proportions of positions (by sex, age, persons with disabilities and population groups) in public institutions (national and local legislatures, public service, and judiciary) compared to national distributions and Proportion of population who believe decision-making is inclusive and responsive, by sex, age, disability and population group. The target 16.A focuses on strengthening relevant national institutions for building capacity, but this is translated in concrete terms to preventing violence and combatting terrorism and crime in developing countries.

Furthermore, it deals with just a selection of civil and political rights (16.A.1) with little attention is paid to the economic and social rights articulated in the International Convention on Economic, Social and Cultural Rights that are an integral part of the Human Rights Framework<sup>3</sup> as well as the rights stated in the European Social Charter adopted in 1961 European Charter of Fundamental Rights and Freedoms, which came into force under the Treaty of Lisbon in 2009 – stating the right to a standard of living for health and wellbeing in relation to food, housing, and necessary social security protection. For instance, while 16.3 does indicate the promotion of the rule of law at the national and international levels and equal access to justice for all, (my emphasis) the indicators are “the proportion of victims of violence in the previous 12 months who reported their victimization to competent authorities or other officially recognized conflict resolution mechanisms” and “Unsentenced detainees as a proportion of overall prison population” which is somewhat vaguely specified with indicators such as Primary government expenditures as a proportion of original approved budget, by sector (or by budget codes or similar). Thus while the World Development Report of 2004 *Making Services Work for Poor People* is commendable for, among other reasons, emphasising the importance of citizenship engagement and interacting with service providers, and supporting aid agencies to apply a human rights framework in delivery essential service, it is unfortunate that the democratic politics is not embedded fully in the SDG 16.

Underlying these concerns is also that the SDG 16 does not question the pattern of growth that is being stimulated by development agencies in the past decades, including the ‘winners’ and the ‘losers’ that have stimulated patterns of exclusion and different standards of accountability. The non-ideological formulation the SDG and the targets, as well as the selectivity of rights included in the discourse propel a form of accountability that emphasises technocratic and bureaucratic procedures, with inclusion being based on the ability of persons to buy goods and services. It allows accountability to be consist of “efforts to upgrade the technical capacity of selected government agencies without attempting to improve participation or inclusion” with narrowly designed transparency programmes that “make government data more easily accessible to private sector and other stakeholders” (Carothers and Brechenmacher 2014: 11) In the context of globalization, market-oriented reforms and increased inequality, these processes could result in marginalised groups experiencing

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<sup>3</sup> The International Bill of Human Rights includes not only the Universal Declaration of Human Rights but also the International Covenant on Civil and Political Rights and the International Convention on Economic, Social and Cultural Rights. Furthermore, and in addition to the principle of indivisibility of rights, governments are required to pass laws and develop mechanisms allowing individuals to access these rights, being held accountable if these standards are not adequately met for all individuals.

exclusion and insecurity – contradicting the stated aims of the SDG. Not recognising these aspects is at best naïve, and at worst deliberately promoting growth that continues to strengthen the economic and political power of those who benefit from the pattern of growth, excluding in many instances those who have been marginalised in the process.

These concerns become more significant in the case of the transition from socialism in the Western Balkans as key social rights, such as the right to education; social security and health were ensured through various arrangements.

### **Market-oriented Reforms in the Western Balkans**

The Socialist Republic of Yugoslavia had, since the 1960s, and under the leadership of Josip Broz Tito, moved away from the more rigid model of socialism followed by the USSR developing its own form of ‘market socialism’ associated with participatory self-management in enterprises. The Republic had established trade relations with the Western countries and become a member of the World Bank in 1972 while Tito played an important role in the Non-Aligned Movement. Yugoslavia also took advantage of the easy credit that was available in the West to finance its development but, like many other countries of the world, was badly affected by the oil price hikes of the 1970s which resulted in a steep increase in foreign debt service costs. In 1971 the total foreign debt of 3,438 million dollars, this figure rose 20, 646 million dollars in 1981 (Dyker, 2011,120). The unwillingness of the more wealthier members of the Republic such as Croatia and Slovenia, to transfer funds to pay for the external debt were among the important factors in leading to the moves towards independence and the ultimate breakup of the Republic (Petak 2003:8).

As noted previously Western countries backed the political shift from socialism, while also providing much-need aid and other forms of support to these countries. There were several agencies that set up offices in the region for this purpose, notably the USAID, the International Monetary Fund, the UNDP, ILO, UNICEF as well as the European Union. Several of them, such as the USAID supported projects that dealt with post-conflict resolution and parliamentary elections (USAID 2013). The European Agency for Reconstruction was established in 2000 to manage the post-conflict development in Kosovo, and its mandate was extended to Serbia and Montenegro in late 2000, and in 2002 to the Yugoslav Republic of Macedonia and to Montenegro. As noted by its Director, Richard Zink in 2007, by the setting up of the Agency, the European Union “demonstrated its determination to respond to the needs of the Balkans: to rebuild after the damage caused by conflict, to stabilize the region, and to support governments with their democratic reforms” (European Agency for Reconstruction 2000).

In addition, the European Union had opened up the possibility for these countries to become members if they were able to satisfy the criteria in the Accession Agreements that were published at the European Council at the Copenhagen Summit of 1993. The Accession criteria of 1993 included the “the existence of a functioning market economy as well as the capacity to cope with competitive pressure and market forces within the Union; the ability to take on the obligations of membership including adherence to the aims of political, economic and monetary union” (European Council 1993). The European Commission also put in place regional and country-specific Stabilization and Association Process (SAP) from 1997, monitoring progress and introducing criteria and priorities directed EU funds towards what

was considered relevant projects (Anastasakis and Bechev 2003, 7-8). By 1995 almost all countries in the Western Balkans had stabilization programs and stand-by agreements aiming at (i) macroeconomic stabilization, (ii) price liberalization and current account convertibility, (iii) enterprise reform (privatization). Accompanying these political visions and projects was pressure placed on the countries to undertake market-oriented reforms. There were further commitments to provide full membership of the Western Balkans at the 2003 EU-Western Balkans Summit in Thessaloniki, re-affirming the requirement for the creation of a free market economy (Murgasova et al 2015, 9).

These reforms were also influenced by business interests who viewed the transition as an important opportunity to expand their companies. As early as in 1990, the Bonn Conference on Economic Cooperation in Europe that discussed the programme of transition in Europe included the European Round Table of Industrialists – a Forum of some 50 Executives and Chairmen of major multinational companies. The establishment of the Joint Vienna Institute (JVI) under the aegis of the IMF, together with the involvement of six international organizations and the Austrian Authorities (Oesterreichische National Bank and Ministry of Finance) were among the spaces created for training of officials and managers from former centrally planned economies to shift to more market-oriented practices. A Report by Noel Currid on the Round Table of Industrialists and the EU in 2006 noted that it had “been in the forefront of encouraging further EU integration for over twenty years” and that it had been formed “was formed with the express intention of furthering EU integration and shaping it to benefit those European-based transnational corporations” and had “consistently supported the removal of national vetoes and other forms of “fragmentation” within the EU” (Currid 2006).

The EBRD is a key actor in the Western Balkans, and by 2005 was involved in 21 out of the 51 Stability Pact projects, with a “significant proportion” for promoting private sector development (EBRD 2005:4). Its Report, *EBRD-EU Cooperation in the Western Balkans 2005* report noted that more than € 1 billion had been provided by donors to support EBRD projects and “to provide expert advice to both private and public sector clients” with more than “ € 900 million has been used to finance more than 1,900 consultancy assignments” (2005:6).

The European Commission highlighted the economic value of the transition economies that would “increase prosperity and growth opportunities” as well as securing “vital transport and energy routes” (European Commission 2007). The Enlargement Strategies revisions of 2012 and 2013 while prioritising rule of law saw this also as a process which “supports the business environment, providing legal certainty for economic operators and stimulating investment, jobs and growth” (European Commission (2012)). Along the same lines, USAID projects also supported privatization as well as reforms in key sectors such as pensions, trade, energy, infrastructure, and agriculture (USAID 2013).

But the reforms did not result in easy accession to the European Union. The Special Report by the IMF in March 2015 noted that the “impressive reform process born out of the ashes of socialism had largely stalled by the mid-2000s and was left incomplete, a victim of reform fatigue, a difficult political economy, vested interests that had grown in power and sophistication, and disillusionment with the way some reforms were executed. The process of

accession to EU membership—arguably the main catalyst of reforms in the New Member States—remained a distant prospect for most of the Western Balkans” (Murgasova et al 2015:15). A more recent EBRD sponsored initiative in July 2017 Albania, Bosnia, Kosovo, Macedonia, Montenegro and Serbia to create a regional economic area to remove trade barriers and harmonizing laws to attract investment.

### **Reframing Social Policy**

The policies for macroeconomic stabilization, and more particularly fiscal cuts, as well as privatization of the public sector had major implications for social policy. The European Union had started the commercialisation of its own social policies by the 1980s, particularly in the areas of pensions, education and healthcare, with privatisation of these services becoming an increasingly important as the means of improving efficiency and the quality of the services. It was not surprising therefore that similar measures were promoted in the Western Balkans. As part of the European Accession criteria, all applicant countries had to undertake reforms as stated in the *social acquis* particularly in relation to labour markets, gender equality, social dialogue as well as pensions and social security. The international community mobilised support in the Western Balkans in the context of what it considered as the existence of “weak executive leadership, limited availability of expert knowledge and capable public administration” with external actors becoming “pivotal drivers of the reform agenda” (Thomas and Bojicic-Dzelilovic 2015: 5; 6). But as shall be shown in this article, the application of market principles on the provision services that had previously been entitlements had important implications for notions of accountability, inclusion and the social rights of all citizens.

Among the most visible aspects of reframing social policy in the Western Balkans was the involvement of a range of actors including the IMF, World Bank, the European Union, ILO, UNICEF, and UNDP). In 1992, the United Nations Development Fund UNDP set up a Regional Directorate for Europe and the Commonwealth of Independent States (CIS) and in 1993 ILO established a country program on decent work in cooperation with Council of Europe and the Commission conducted country peer reviews of employment policies in the Balkan countries, so called Bucharest process, as well as analysed options in pension reforms (Hirose 2011). The note on pension reforms in post-socialist economies by the Directorate General Economic and Financial Affairs in 1996 identified pensions and development of market based social policy as one of the key challenges of the transition reforms (European Commission 1996, 1). Since the early 1990s the World Bank has been continuously engaged in promoting, designing and monitoring implementation of pension and healthcare reforms in the Balkans, aiming at enhancing efficiency and to resolve the disease burden in the framework of fiscal space (Bredenkamp et al, 2008, 158). In these ways, social policy development became “crowded arena” with “major implications for transparency and ownership with some countries’ social affairs ministries confused and disempowered in these processes” (Deacon et al 2009, 290). In the context of lack of local resources and high donor dependence for finance, international actors formed a “parallel network of power that often superseded national government” (Kurian and Charkiewicz 2017: 126).

Bartlett and Xhumari have argued that social policy reforms in the Western Balkans were weakened under pressure to cut fiscal expenditure and budget deficits, and, how based on the advice of the international organisations and policy advisor these countries introduced partially privatised three-pillar system in a context of underdeveloped capital markets with questionable benefits (2007). According to them, the European Union with the establishment of the Stability Pact for South East Europe functioned as “a classical ‘policy broker’, mediating the positions of the various transnational advocacy coalitions that became engaged in offering policy advice to the governments of the region” (Bartlett and Xhumari 2007:7). It started the Initiative for Social Cohesion (ISC) with the intention, together with support of the Council of Europe and the ILO to coordinate policy issues on, among others, employment, health, housing, social dialogue, and social protection. The ISC developed a project for coordination of social protection systems funded by the EU CARDS programme. According to the authors the latter however, had “little practical influence on the design of reforms in the field of social security and pension systems” and these policies were left “largely left open to initiatives from the World Bank and USAID, and to the respective positions of domestic advocacy coalitions within each country” (Bartlett and Xhumari: 7).

The situation was more problematic in the Western Balkans, as the region on the whole, partially as a consequence of the conflicts in the region, was characterised by high rates of unemployment and low participation rates. Under former Yugoslavia the costs of social security had involved contributions from the state, the enterprises and the individual and was available, in principle, to all persons but these were not tenable or sustainable after the break up of the Republic, and new systems had to be established. Furthermore the growth generated could not cope with funding these systems by themselves, as while the growth rate had increased from 2000 to 2005, they had not reached the levels achieved in 1989, with several problems such large informal economy, the high unemployment and low levels participation in the labour market. To enable health care reforms, the World Bank projects introduced electronic management systems as well as costing procedures in health care. The reforms privatized primary health care, shifted the ownership of hospitals from the local communes (of the former Yugoslavia) to the state, and introduced systems of organization of health care based on a private enterprise model (“marketization”). The World Bank education strategy for Europe and Central Asia had teams of experts set up social safety nets and means-tested benefits in place of universal entitlements.

In practice this has, in time, left social policy without adequate funds or capacity to provide necessary support for even those who were entitled to them, reflected in inability of poor municipalities in BiH to provide social benefits to the entitled aggravated by declines in donor funds as well as benefits being set at 56% of the relative poverty line in Macedonia (ibid 8). In addition in general the “duration, coverage, and the level of unemployment benefits are generally low” (Bartlett and Xhumari 9). Macedonia, Albania and Kosovo, among were also under the greatest pressure from the IMF to reduce public expenditure and spending relatively less on social security and social protection (ibid ()). They conclude that “Weaknesses in the social security system, the limited ability of governments to increase public expenditure for the alleviation of poverty, and the high levels of unemployment have led to a drastic increase in poverty during the transition period and following the various wars

and conflicts in the region” (p. 11). They also note that pensions “in all the Western Balkan countries are low in relation to subsistence needs, with minimum pensions around one fifth of average gross wages in each country” (Bartlett and Xhumari:13). Pro-market and privatisation of pensions have been introduced in Croatia and Macedonia which has changed from the universal system of pensions of the previous period to a three pillar pension scheme which has also experienced limitations. In reviewing the different case studies in the region they note (Bartlett and Xhumari 2007: 28-29):

As the country case studies have demonstrated, countries which have adopted three pillar systems have done so in the context of weak capital markets, oligopolistic competition among pension funds, consequently high levels of fees and charges, and relatively small sized private pension fund memberships. In such circumstances it is questionable whether the three pillar schemes will be able to achieve their objectives of providing better outcomes than state managed pay-as-you-go schemes. The main purpose in some cases appears to have been to take pension expenditure off the state balance sheet as part of the macroeconomic policy to reduce budget deficits.

Lendvai has argued that social policy was now viewed as “a productive factor contributing to economic growth and development”, with the use of terms “activation” and “joined up policy making and partnership” being used to suggest the inclusion of the people in solving social problems” with some suggesting that in effect this was a way of “subordinating social policy to economic growth and competitiveness” (Lendvai 2007, 32). At the same time the pressures to cut budgetary deficits as part of overall macro-economic reforms also reduced the space for states to ensure adequate coverage for all persons. Some such as Böröcz have argued that these changes suggested that the applicant countries could experience “integration without inclusion, participation in production systems and appendance to the consumption market of EU corporations without attendant political, economic, social and cultural rights conferred by the European citizenship” (Böröcz 2001, 108). An important consequence was challenging the entitlements of particularly more marginalised groups such as the elderly and the poor who are often unable to access private services.

These policies have serious consequences for the rights of persons stated under Article 25 of the Universal Declaration of Human Rights which states that “(1) Everyone has the right to a standard of living adequate for the health and well-being of himself and of his family, including food, clothing, housing and medical care and necessary social services, and the right to security in the event of unemployment, sickness, disability, widowhood, old age or other lack of livelihood in circumstances beyond his control.” The commercialisation of social policy challenges these rights for those who cannot afford to pay for them. While many of these concerns could have had serious problems of exclusion as well as deficits in the human rights in any process of neoliberal change, the problems were compounded in Western Balkans by the high dependence on donors to support their growth and development. Most states had little alternative but to accept the ‘advice’ and conditionalities imposed in return for aid and the expectation that they would comply with the criteria to join the European Union.

### **Civil Society Protests and holding the state Accountable:**

Given the shared memories and the history of socialism in the region, it is not surprising that groups who still held the state accountable for gross violations of their social rights undertook protests. The 21<sup>st</sup> century witnessed the spread of demonstrations involving students and lecturers, trade unionists, precarious workers, took place in Croatia, Bosnia and Herzegovina, Serbia, Macedonia, Montenegro and Albania (Kurian and Charkiewicz 2017: 132-133). There were different themes involved including the denouncement of corruption among officials and political elites, anti-establishment protests as well as demand for what they viewed as they basic. But the most common themes involved the deficits in social rights they experienced, notably in relation to their standard of living, the lack of accountability and the lack of inclusion of the marginalised in society. As noted by Stiks and Horvat (2012) the “Facebook protests” highlighted “the disastrous social situation and a lack of confidence in institutions and a political system breeding corruption and deepening social inequalities” (2012). In their book *Europeanization of the Western Balkans* Fagan and Sircar cites the “proliferation of citizen mobilization throughout the Western Balkans” including among others, fighting for the right to urban space, corruption among politicians and business leaders, protests as the closing of factories in Tuzla and plenums for voicing dissent (2015:160f). The impact of the integration process as well as the methods employed appears to have resulted in a degree of “fatigue” and “Euroscepticism” (Belloni: 2016).

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