

DEMOCRATIZATION AND NEOLIBERALISM IN THE BALKANS: THE DILEMMA OF (IN)COMPATIBILITY OF SIMULTANEITY

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Abstract

Balkan countries are undergoing a system transformation process structured by democracy and free market economy of the neoliberal model, large outside snow-ball driven accompanied by the spirit of triumphalism of freedom over slavery, of democracy over totalitarianism, and of free market (of neoliberal model) over socialism. The primary concern appears transformation as an act, with less attention paid to the quality, the substance and even less to the outputs of it. As the transformation enters into its third decade, on the horizon still appears a wide gap between the expectations and the fruits of transformation tasted by citizens. Obviously, each Balkan country concerned here has its own peculiarities, from where can be drawn the explanation for the development of this gap. However, the paper argues that among the major explanations of generalisability value, is the incompatibility of simultaneity of democracy and neoliberalism during system transformation. Neoliberalism is challenging the institutional structural efficiency, while at the society level it is producing a social milieu not conducive for development of democratic consolidation.

Keywords: *Democratization, Neoliberalism, Balkans*

Introduction

The collapse of the communist iron curtain in the former socialist Europe, usually marked with civil society protest in Poland and the fall of the Berlin Wall in 1989, opened up a marvellous and historical chance to bouquet the wind of freedom and democracy blown all over post-communist Europe including Balkan countries¹ in snow-ball approach. This marked the beginning of system transformation (Merkel, 1999)². The high domestic enthusiasm and eagerness for transition to freedom from

1 In this paper Balkan states are referred to the states that emerged from former socialist space in the Balkans.

2 This paper will be based the Merkel's categorization of democratization period, generally called system transformation, comprised of the three steps: from the lost of legitimacy and collapse of former regimes, up to installation of democratic and free market institutions as the second phase of system

chains of communism and democracy that attributed the system transformation in the Balkans was strongly complimented, supported and pushed forward by the democracies of the world, perceiving it as a historic change and an opportunity to extend the space of freedom and democracy in the world covering Balkan countries as part of democratic and liberal world. This echo was best illustrated and articulated in the Fukuyama thesis “the end of history”, signifying the triumph of democracy and free market economy over communism and socialist economic system. Based on this spirit of system transformation, appears to have been developed the main streams of theories of democratization (Przeworski, 1986; Przeworski, 1991; O’Donnell and Schmitter, 1986), focusing on the actors of democratization, and agents needed to be trusted with the system transformation, leaving aside and ignoring theoretical consideration for structural and societal requirements for democratization (Lipset, 1959; Lipset, et.al., 1993; Rueschemeyer et.al., 1992) to take place and democracy be enrooted³. This enthusiastic and idealistic, or to an extent even holistic approach of the system transformation, principally explains the challenges, complexity and uneasiness still undergoing in the Balkan new democracies. It appears that the process of system transformation has gone off course from a rationality of transformation, sliding to a sort of more dogmatic and ideologised transformation, whose effects come back now as haunting challenges for the consolidation phase of democratization. Doubtless, such echoism has helped in terms of legitimising transformation, but it has also contributed to its process and outcome malaise. The model of system transformation in the Balkan countries is a radical and simultaneous transformation, in terms of the speed of

transformation, followed by the consolidation of the regime as the most time and energy demanding phase of the system transformation. The two stages of system transformation in the Balkans are considered to have been successfully finalised, while the last one proved quite challenging and highly demanding, expected to be concluded yet. On the other side, some of the scholars divide the system transformation process into two phases: the collapse of former regime and installation of democratic institution as they call it first transition, then the second transition including the phase of consolidation (Valenzuela, 1992; O’Donnell, 1993): *World Development*, vol. 21, n.8, 1355-70. This system transformation is categorised under the third wave of democratization which started in Spain in 1974 (Huntington, 1991, 44). The Third Wave: Taking into account the roots and type of the system transformation it could have been counted as a fourth wave. (von Beyme, 1994). However, there was no reverse wave (“a group of transitions from non-democratic to democratic regimes that occur within a specified period of time and that significantly outnumber transitions in the opposite direction during that period of time” (Huntington, 1991, 15) in between, which it could mark a new wave of democratization.

3 The democratic requirements according to minimalist conceptions, of course, were easy attainable, but not sufficient and compatible with transformation expectations. Societies emerging from former communist regimes in Balkans, despite their uncompromised will for freedom, possessed no structures conducive for democracy development. Moreover, they had little, or not all, experience with democracy. Therefore, preparing societies for democracy, in terms of social structure developments, and teaching democracy to them was of essential importance for democratic development and democratization process. This approach could have brought the people at the main focus to get along with democratic structures, in terms of creation of the public will, opinion, and institutional decision making in general, and citizen participation which lay at the heart of democracy. It could make democracy consolidation in Balkans visible. Yet, the actor and agent oriented theoretical approach has not primarily hub at the people and masses, which in itself sounds, if not undemocratic, at least a minimalist one.

transformation, and simultaneous in terms of the width, encompassing entire transformation starting from its polity, economy and society. The paper argues that, the way and the model of transformation applied has compromised the system transformation process, in terms of *modus operandi*, as well as outcomes, making it unmatched with the intended and expected transformation results, though entering into the third decade since system transition started. It proves that the transformation approach is not suitable and compatible with socio-economic structural circumstances of Balkan countries, resembling an effort of sailing a dried out place. The democratic consolidation in the Balkan post-communist countries is still waiting to take place in substantial meaning of democracy, having citizens at its focus.

The paper has its shortcomings as well, but it aims to put light on the root causes of malaise democratization process in Balkans. It could have been further enriched by bringing the data about privatization process and social structure indicators. However, the paper is more of theoretical rather than empirical nature.

Neoliberal Shock Therapy Model Of System Transformation in the Balkans

Eastern Europe and Balkans as well opted, or were asked to, for a radical and simultaneous system transformation. This raised the concerns of various scholars about doability and quality of the process. The idea of Elster (1990), later called by Offe (1991) as dilemma of simultaneity, raising doubts on the capacity of states and societies to move along with rapid transformation in all dimensions at the same time, doability in terms of the functioning of such transformation, and institutional and structural bearability of the transformation. The “shock therapy” way of radical economic change necessitated the jump from an extreme left to an extreme right spectrum in economic terms, from a command economy to free market economy. A model which in reality produced a lot of shocks in the quality of transition and democracy generally attained so far. Was there an alternative to shock therapy, to leap from an extreme to another one? Doubtless, yes. Were Balkan states and societies able to choose among the alternatives? Actually, not. System transformation to a large extent was a feature of a snow ball effect, or as a domino transition implying the role of external causes of transition, alongside the domestic demands for change. Internally, the societies’ preparedness to take part in deciding their fate by choosing the path of system transformation was not there. Actually, celebrating the collapse of the regimes among Balkan societies took priority over the social concerns about the path of system transformation, its future prospects and possible products of each alternative path chosen. In this regard, also the institutions of societal participation through which social will could be developed, at the time were not built to an extent of emancipating and articulating the will of “well informed” societies about possible modalities of system transformation. At the external level, referring to the role of international community in the transition process, and its promotion of values of democracy, liberalism, and free market economy, it was believed that the righteous way for system transformation should

be the shock therapy model, as part of neoliberal policy. While talking about the role of EC/EU as one of the main players within the international community and its free market values, it should be pointed out that some of the member states adhere to a form of welfare rather than pure free market system. Yet, the EC/EU itself promotes the values of free market economy, constituted in the Maastricht Treaty, Draft Constitution and Reform Treaty of Lisbon. It was the EU itself rather than its member states specifically that dealt directly with former socialist states of Europe, including Balkans, through EU enlargement policy. This radical model of transition is used for the first time in the democratization history in case of post-communist Europe, intending to produce a functional democracy and pure free market society simultaneously, within short period of time, transformations that took decades and century for western democracies. What is more important here, no room for alternative model and policies was left to states and societies concerned, to chose other than the shock therapy and neoliberal approach. They carried on radical and simultaneous transformations in all dimensions, regardless of its possible democratic outcomes. It seems that not democracy, but pure free market economy was of primary importance, which somehow contradicts with the idea of simultaneity itself. This was either due to incompatibility, and the power of market to surpass democracy, or intentionally it was meant democracy to serve the pure free market purposes. Now, understandably the quality of democracy has been compromised by the neoliberal policies pursued at the same time during transition. As the system transformation started off, reasonably the dilemma of simultaneity was puzzled with enthusiasm of transition, not interrogated or disputed neither at the institutional nor society level, but it was rather perceived as the only and the right way to move on with transition. Some of the scholarly concerns (Elster, 1990; Offe, 1991) were also not much considered due to enthusiasm of transition and due to the fact that this was externally promoted. However, with time, as transformation is being prolonged, enthusiasm draining out, and the gap between intended and real outputs widening consistently, the concerns about such model of system transformation and its outputs are consistently raised out among the academic community, though still considerably ignored. There is a wide perception that democracy Balkan societies are experiencing now is not what they have expected, or that they still waiting for real democracy to take place. One of the explanations that is loosing its argument on timely basis is that the delays and inabilities of democracies to deliver in terms of citizens and society interest protection, is because the transition process has not been yet completed and takes time. Or, it seems that the major concern, even by international sponsors of democracy in the Balkans, it has been transition, not really consolidation.

Nonetheless, the roots of this system transformation failure, if I might call it so since it has not so far produced the intended results, come out to be the issue of simultaneity and radical economic reforms. The incompatibility of simultaneous transformation is compromising the quality of transformation end result, producing a sort of authoritarian electoralism instead of real democracy, privatization of politics through corrugation of public sphere, consequently increasing the level of informalities which challenges the institutional stateness of the Balkan states and

indirectly democracy itself, opening the possibility of those few more powerful to carry on their interest at the expense of the majority powerless and easily manipulated. Such development makes democracy transformation roll back more likely, or if not due to international community insistence, it keeps democracy to a level of an authoritarian electoralism, or simply democracy without citizens, since it leaves the citizens and society at the periphery of decision-making system, basically resembling the place of citizen in the former regime, featured with monopolisation of power. The only obvious development appears to be the shift of power from a monopoly to an arranged oligopoly system. Furthermore, in the case of the Balkan system transformation, this is happening due to incompatibility of simultaneous transition and the priority given, though externally driven, to economic transition through shock therapy, as part of neoliberalism, over democracy, meant to stimulate democracy development as well. Yet, it brought democracy under the shadow of the economic liberalism – of neoliberal type, different even from classical economic liberalism in which the state has still some regulatory power. Likewise, the concept of democracy within the system transformation was conceptualized on the neoliberal lenses and framework, being primarily elite oriented, of sceptical value about society's ability to participate, principally serving the economic elites. Moreover, it did not take into account the few and interrupted experiences of Balkan societies with democracy, which principally implies the essential that transformation should have been meant, among others, also to teach democracy among Balkan societies as a prerequisite for democratic consolidation.

Neoliberal Concept of Democracy And Implication for Balkan System Transformation

Neoliberalism (von Hayek, 1981; von Hayek, 2003; Friedman, 1982; Saad-Filho and Johnston, 2005) as an ideology and project has its own view of democracy, largely developed from realist and pragmatic point of view. Neoliberals rely on economic theories of democracy considerably taking form elitist theories, primarily on the classical works of Schumpeter (1947) and Downs (1957). It is very important to enlighten the concept of democracy according to neoliberalism, because it helps to explain the type of democracy that is emerging in the Balkan states, based on neoliberal spirit. The scepticism of economic elitist theories of democracy about the ability and readiness of people to participate in politics is dominating the current trend of democratization in the Balkans, and it is promoted even by international sponsors of democracy. Schumpeter doubted on the ability and readiness of masses to participate, referring to the lack of information, time and the will among citizens to participate. He gave importance to competition among the elites as determinant of democracy, and people participation in elections making up their mind to decide on election among the offers provided by the elites competing among themselves. His concept of democracy presents democracy more as a method, different from its original sense, limiting the sovereignty of citizens to the power to choose among the elites, but not to participate in the building of public and society will supposed to be articulated on elites' offers to citizens during elections. In general his concept of

democracy bring into being a minimalist democracy, hardly matching the substantial meaning and purpose of democracy. The idea was furthered by Downs (1957) applying economic principles in the theories of democracy, conceptualising human being as *homo oeconomicus* and perceiving democracy as a market relying on decisions based on cost-benefit calculations. In the same spirit has also been developed the rational choice approach and public choice theory, with foundations on the elitist and economic principles. These neoliberal theories conceptualise democracy in such a way that makes democracy a mean rather than an aim to free market development. It produces an economised society, in the narrow sense of numeric and statistical principles of economics. Essentially, such concept of democracy is incompatible with the true meaning, sense and purpose of democracy. According to the meaning of origin, democracy should have citizens at the focus. In contrary, neoliberal theories are primarily concerned with the capital rather than welfare, with the elites - in particular economic elites rather than society in general, with the narrow particularistic interest rather than general public interest of society. In a democracy, if that is to be called a democracy, perceived as a market where everyone acts based on cost-benefit analysis, the most capable to act and protect their own interests are those more powerful, the most powerful in a pure (capitalist), neoliberal, free market system are the economic elites. Neoliberalism transforms democracy from a system where everyone is free to pursue their own interests, into a system where those capable will pursue their interests. Based on this logic, citizens and society do not participate in the building of the social will which is a backbone of democracy. Moreover, it produces undemocratic and unrepresentative institutions. The “social will” is created and promoted by political institutions superficially flying above society, such as political parties with low level and intensity of social integration and mobilisation, without mass participation, and open to pressures and influences from economic elites which are more powerful. The offers of political parties are meant to be sold to electorate, though not created by electorate themselves, as true meaning of democracy requires. Balkan political parties mostly offer candidates, but not real policies. This appears to be largely due to lack of space for alternative development, due to unquestionable dominance of neoliberal policies, making party offers poor one and inconsistent with normative party functions. Likewise, parties use variety of means from PR companies, advertisings, and media to make their products more attractive to easily manipulated masses. In other words, political parties, with low mass participation rates, develop programmes outside the masses, in order to maximise their profit – win election, but do not win elections to carry on politics. Not paying much attention to the mass participation, which is the key to a substantial democracy, is damaging key elements of democracy, the essential institutions for representative democracy, the institutions of accountability and responsibility. In a democracy where the institution of accountability is not up to the expected level, or does not exist at all then it is hard to talk of democracy. This makes degeneration of democracy unavoidable, and if that persist it brings de-democratization for democracies and never attaining real democracy for transition countries. The only possible way to develop democratic horizontal and vertical accountability is through mass participation. Yet, we saw that neoliberalism does not provide space, and does not

have even the intention, for mass participation. Furthermore, the mass participation is considered as a threat to economic elites' interest, as a threat to the primary concern of neoliberalism. In a way, neoliberal model of system transformation is not conducive to the development of democratic accountability and to democracy in general. This puts a light into the inability of Balkan parliaments to hold accountable the executives and public agencies, because the society can not hold accountable the parliaments. In other words, the chain of democratic accountability is cut and do not function. Yet, the only thing that makes representative democracies a real democracy is the accountability structure.

Referring to Balkan transformation system, the actual lack of democratic spirit and feeble democratic institutions in its real meaning is the result of the promotion of democracy on the neoliberal terms and neoliberal concept of democracy, as explained above, setting the state and the fate of democracy in the Balkans in the flux und unstable condition. The only viable democratic institution is elections, though largely frail because of the lack of pillars of democracy such as accountability. This has brought the whole idea of democracy rounded on elections. Therefore even the supposed election effect on democracy and democratic development seems to have degenerated further from a "*stop and go effect*" to a "*just go effect*". Election alone do not suffice, though minimalists claim the opposite. Therefore, the alleviation of the importance of the institution of accountability in the democratization process in Balkan states has its roots in neoliberal model of transition. Nonetheless, such as an approach of democratisation guarantees no successful completion of the process. Indeed, it makes the process roll back more likely. In practical terms, it raises uncertainty about sustainability of such democracies relying solely on elitist institutions, undermining the importance and place citizens should have in a democracy. Can democracy be legitimised as such, which is crucial for democracy consolidation of the transition countries? Of course, largely democracies in the Balkans have been legitimized in enthusiastic way and externally since supported by western democracies and international institutions such as IMF and World Bank, and the EU where Balkan countries pertain to be integrated. However, while talking about externally legitimation, it should be pointed out that the EU integration is largely playing its role as democratiser of the Balkans, through enlargement policy, spelt out in the membership criteria, Copenhagen criteria. Yet, looking at the requirements of the membership criteria, one finds out that the requirements are quite of neoliberal nature, largely focusing on electoral process of democracy through which democracy is measured, not paying much attention to the fundamental principles of democracy such as: public creation of the social will, public creation of the opinion, deliberation and alternative thinking, and what is more crucial citizen participation⁴.

4 For instance political parties are not asked to develop their inner democracy to widen mass participation. Mainly, the focus is on the election. Thus, the lack of fundamental principles of democracy as root causes of consistent sink of democratic behaviours and attitudes during election process in the Balkan democratisation states is not of concern by the EU. The role of EU in the process can be treated separately, and is not our concern here, but I just briefly mentioned it, since Balkan

The Quality of Democratization in the Balkans

The promotion and development of democracy in the Balkan transformation countries is being done through the neoliberal lenses, confining the aims and limits of democracy development prospects. This has transformed the democratization process into pretty *ideologised* in itself, shaping the type and quality democracy should be developed.

Therefore, some of the shortcomings in the democracy development appear not to be of a nature of time requirements, but rather as not intended and pursued at all, laying outside the neoliberal framework of democracy and democratisation. Creation of democratic society that should have served as a safe divan for democracy and democracy development was not in the priorities of the agenda of democratisation. The most viable social structure that could stabilize, enroot and consolidate democracy is a society with a solid middle class (Lipset, 1959; Lipset et.al., 1993; Rueschemeyer, et.al., 1992) that enables mass participation, widens social integration in the political process and accordingly develops and functionalises accountable institutions indispensable for democracy. Social participation and integration fuels democratic accountability to check and control consistently the vitality and quality of democracy in line with its fundamental principles. Yet, one of the major defects of Balkan democracies is the lack of accountability, as a result of low level of social integration in the political process, actually making Balkan democracies degenerate and unable to deliver in terms of attaining democracy objectives, primarily promoting citizens' interests. From the neoliberal perspective, accountability has minimalist electorally sufficed expectations.

Young and not yet consolidated democracies are in desperate needs for legitimacy. Despite externally driven legitimation, which might somehow fill the gap of legitimacy for short period of time, the most reliable democracy legitimation is ensured only through society wide participation and integration. The current developments and shock therapy radical reforms in the Balkan societies have created and produced a social structures with very unjust distribution of wealth, concentrating most of the wealth on few, while leaving the majority to oscillate between poverty and absolute poverty line, in particular through high rates of unemployment caused by "*privatise now, everything*" strategy pushed forward by the shock therapy model of system transformation. This brought Balkan post-communist states into what O'Donnell (1993) calls it a fast social *inequalisation* of society, constructing social structures not promising for democratic stability. The wealth distribution is closely linked with the possibilities and opportunities for democratic participation and society integration in the political process, normatively aimed by democracy. The current wealth distribution structure ensures the neoliberal spirit of democratic participation and integration, including economic

democratisation is for the most part externally reliant, especially on the EU promoting democracy on the neoliberal spirit.

elite mobilisation, but excluding social mobilisation. In such type of minimalist democratic structures, economic interests have unconstrained power to carry on with their economic interests, though often incompatible with the public interest of society. Such a narrow concept of participation shrinks the idea of democracy to a sort of an elitist democracy being consolidated, a democracy without citizens.

Hence, it became obvious that the process of democratisation in Balkans was not on the right track to produce a conducive environment for democratic consolidation. This social structure is reflected in the feeble *democraticability* and functionality of democratic structures and institutions, supposed to serve as pillars of democracy: parliamentarism, political parties, civil society, public sphere, democratic creation of the public will and opinion, the media and other likely channels of representation. So far Balkan democracies are characterised with weak parliamentarism, reflecting the slash on the chain of representation and accountability due to low level and intensity of participation and integration set by the actual social structures is not contributing to democracy development, but rather is producing undemocratic institutions of representation such as actual political parties, supposed to fill the seats of the parliament and reflect the will of society as the most powerful institution of democracy. Political parties in Balkan democracies still build up parliaments, but since they lack inner democracies they serve as cut chain of representation and accountability, prone to and open to carry on particularistic interests and represent the few. Thus parliaments look like a reflection of the will of economic elites rather than of society, though they periodically and routinely obtain the blessing of society during elections. Yet, elections do not suffice, especially with the development of various sophisticated methods and pour of huge amounts of money to shape the preferences and make up the mind of voters. Likewise, parliaments are not really depended on the will of society. Moreover, parliaments of Balkan countries were often needed as rubber stamp to carry on neoliberal policies in contrary to society's public interest, especially in case of privatisation, and it was very easy since parliaments in the Balkan states rarely reflect the wish of masses and rarely do vote in society accountability spirit. There was no need to ignore the parliament and make outside parliamentary decisions, as neoliberals often do, since parliaments largely were prone to pressures from small powerful interest groups favouring such neoliberal policies. The argument that parties are hold accountable periodically during elections, which is the most minimalist requirement of democracy, does not appear to function, since undemocratic parties and small interest groups control the means of creation of public opinion, especially the media largely used to manipulate masses rather than provide alternative sources of information as their democratic moral obligation. The neoliberal approach of democratisation seems to have intentionally missed one of the fundamental aims of democracy and democratization, the emancipation of society, in particular Balkans societies having no healthy experience with democracy previously. Political parties as vital institutions of democracy among others, placed between state and society are normatively entrusted with social mobilisation through which they emancipate the society. However, political parties of Balkan democracies somehow, tough poorly, are trying to learn form the experience of consolidated democratic societies,

which to a certain degree are moving towards a *postdemocratic* arrangement, using the modern means of campaign to set up the minds of voters as they wish, and marketing strategies to sell the offers of vital public interest like the one used to sell bath towels. In this direction, civil society is considered as one of the most important pieces of healthy democracy, mobilising and integrating the society into political process (Putnam, 1993). It is closely related with public space (Habermas, 1992), wider the public space more breathe would be for civil society. It is also one of the most important components to measure the functionality of democracies. Balkan democracies are known for flimsy civil society, often used as a cosmetic of the system rather than a powerful voice and milieu of social will mobilisation. Most of the organisations such as NGOs within the frame of civil society are established to raise funds for private and particularistic purposes, putting themselves into a clientalist structure with the donors among them government. Often real civil society empowerment might be considered as a threat to the power of economic interest groups. In particular workers' unions so far have proved to be useless and unable to promote and mobilise workers interests. The source of this can be explained referring to the neoliberal model of democratization, which does not have in its agenda the empowerment of civil society in particular workers unions. The trend of transformation in Balkans does not look favourable to empowerment of civil society and consequently slander public space as required by democratic standards. The consolidation of Balkan democracies through empowerment of civil society and widening of the public space does not appear in the agenda of system transformation and logically it should not be expected to be developed. However, it does not mean that Balkan democracies have no civil societies. They do have, but they are not functional. Likewise, the explanation that the inability of civil society to carry on its agenda is not due to instability of transition process, which seems to be a never ending, but rather due to the fact that it is not in the agenda to be developed at all, and as such it correlates with the low level of social participation and integration, justified by the economic elitist theories of democracy. Often neoliberals perceive the majority principle of democracy as a threat, since it enables the mass participation and empowers them with the ability to limit the private property, competition, and free market economy. From the neoliberal point of view democracy is acceptable as long as it does not touch the pure free market economy (Ptak., 2002).

Thus, the feeble democratic structures in the Balkan states appear as a result of neoliberal model of system transformation. Democracy is used as a mean to achieve pure free market economy, instead of being the opposite. The end products of system transformation in Balkans so far are the type of democracies known as electoral authoritarianism (Schedler, 2006) or *delegative democracy* (O'Donnell, 1994) attributed as *noninstitutionalised poliarchy*. The voters have the possibility to choose among authoritarians, since elections bring no policy change and no more democracy. It has ended up into *electoralisation* of democracy, bringing to the focus elections as number of votes rather than citizens. The authoritarian values, attitudes and behaviours as outcome of dogmatic system transformation and the lack of freedom to think of alternatives, are largely evident. This elucidates also the

dearth of political programmes offered by political parties, having not much space for alternatives, able to choose starting from neoliberal up to neoliberal policies.

The Implication of Neoliberal System Transformation into Stateness

The state as a unit of political organization of the social will is a reflection of society impacted by and impacting society as well, in terms of organizations, orientations, and expectations. As such the societal milieu is decisive about the nature of the state in terms of stateness, ability to fulfill its obligations, which in turn is decisive for the prospect of democracy. At the heart of neoliberal ideology stands the slim state (Harvey, 2005). The role of neoliberal state is merely the implementation of agreements and protection from robbery, violence and cheating (Nozick, 1976). In other words the ultimate goal of the state is to keep the order of private property in a free market economy, or to ensure free market system. This is known as a minimalist concept of state, since it constitutes one among various state responsibilities. However, the concept of state as an organisation of the public will within specific territory (O'Donnell, 1993), apparently stands not in line with the neoliberal ideology that tries to reduce and confine the publicness within the scope of the expression of economic interests. The tiny role attributed to the state has to do with ensuring economic interests, not necessary the interest of public in general has repercussion for democratic development, and is not compatible with the ultimate goal of democracy. Almost all Balkan states concerned here are considered new states, since some of them were created recently during system transformation process and some others, though created long time ago, could not inherit from the state structure of the communist regimes in term of governing structures. Democracies function and are governed differently from former regimes. Therefore, those states have weak stateness in need of further strengthening. In contrary, the neoliberal approach in the democratization process in the Balkans, while perceiving states as a threat and trying to make them as slim as possible, has produced weak states, if not to say failed states.

The best way to make slender states was meant to use privatisation of almost everything implemented by shock therapy model. Yet, the experience of Balkan democracies with shock therapy privatization so far proved dysfunctional. It ended up into what O'Donnell (1993) calls it *perverse* privatisation. The push for rapid all encompassing privatisation was uncompromisable and dogmatic, regardless of its outputs. The state had to reach its thinness, so that economic elites would need to pay less for the state, and they can easily control it. Taking into account the lack of accountability institutions, explained above, privatisation has made easier the intertwine between political elites, entrusted as democratising actors, and economic elites, trying to make use of privatisation for particularistic interests, as it is actually the case with the privatisation process and outcomes in the Balkans. This has triggered the development of state capture behaviours (Grzymala-Busse, 2008, 628), and later attitudes as well, among the political and economic elites' interpenetration, sustaining each other. What is more important to be stressed here, while intending to make the state more functional, slim, and effective through

privatization, meant to prevent the political elites from the use of the state for their own private benefit, in reality it happened just the opposite, political elites themselves or in arrangement with economic elites, privatised the public wealth and property for themselves, transferring the property from public to their private hands, for a cost of almost nothing. In a way, it could not make possible the detraction of the public wealth from the hands of politicians, in contrary it made them owners or shareholders of former public wealth and property, where citizens claim no rights on it anymore. As a consequence, from the democratic perspective, politically it blurred further the boundaries between narrow private interests of elites and the public interest, defined on the way elites wished to, leaving the *publicness* under the shadow of private narrow interest. It has led basically to high level of personalisation of politics, or *presidentialisation of politics* (Poguntke and Webb 2007), which stands contrary to fundamental principles of representative democracy. It downgrades further the freedom and ability of democratic participation, widens and deepens the poverty among society, and opens the way for easily *votebuying* institution development, which is quite obvious and increasing among Balkan democracies. Moreover, it leads to undemocratic behaviour feature of Balkan democracies, such as overempowered executives, considered as *vetoactors* in the democratic consolidation structure.

Generally, this is shaping weak, or almost failed, rather than slim states as it was primarily intended. Feeble states unable to reflect the public will and to look after it, from the governing point of view, empowering executives with authoritarian tendencies, often surpass the will of majority in favour of few particularistic interests. This is best illustrated in the helplessness of Balkan states to functionalise the rule of law. While regarding the democratic prospects of such state arrangements, according to Merkel theory of democratization (Merkel, 2007), those authoritarian executives are considered as veto players in the democratization process. The only way to bring them under the rule of law is through empowering the society participation in the democratic process, which seems not to be in line with the current democratization agenda in the Balkans. States that can not enforce their legality all over equally among all citizens, regardless of their economic status, promotes a sort of democracy of low intensity citizenship, opening the way for development of so called clientelist rather than citizen democracy. Any meaning of democracy avoid of fundamental elements of citizenship, the autonomy and basic equality required for participation, does not make sense.

Thus, the nature of the states emerging during system transformation in the Balkan states, which fits to the concept of schizophrenic state (O'Donnell, G., 1993) – having mixture of authoritarian and democratic elements, confirms Polanyi's worries (Harvey, 2005) that neoliberal order can be sustained only by resort to authoritarianism, restricting the freedom of the masses in favour of the freedom of the few. For sure, authoritarian affinities in the Balkans are extensively present and growing consistently.

Conclusion

Balkan post-communist countries are following the path of system transformation based on neoliberal model. It pushed for simultaneous and rapid transformation affecting largely the state and society levels pertaining to quality of democracy acquired so far and democracy consolidation process and outcomes. So far, simultaneous developments of the system transformation appear to have given priority to economic transformation of neoliberal type, not in line with society democratic expectations, compromising the democracy quality and consolidation prospects. Initially, such incompatibility of simultaneity was not a theme due to enthusiasm of system transformation. Yet, the more the enthusiasm dries out and the more prolonged the completion of consolidation of democracy, more obvious would be the wrong path of the Balkan system transformation.

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