



Blue Bird – Agenda for Civil Society in South East Europe

Report for 2002

This international research project coordinated from the Center for Policy Studies at the Central European University and financed by a consortium of international donors was launched in March, 2001 and is planned to run until December 2003. The Research Coordinator of the Project is Ivan Krastev, Director of the Centre for Liberal Strategies in Sofia. The Administrative Coordinator of the project is Andrea Krizsán from CPS. 2002 was the second year of the project in which research went beyond the individual research projects, showing the emergence of a few focal points around which the final outcome of the Blue Bird Project can be organized.

The State of Ideas

In year 2002 the policy debate on the reconstruction of South Eastern Europe has entered the stage of silent disappointment. The regional public opinion survey conducted by IDEA-Stockholm in January and February 2002 indicates alarmingly high levels of pessimism and mistrust in public institutions. The economic performance of the economies in the region is not impressive. The violent combination of state weakness and criminality is a permanent threat to the societies. In this context consensus grows that there is a need to re-think the policies offered to the region. There is a need for policies that are sensitive to the invisible constraints imbedded in the Balkan environment.

In the context of the search for better-informed policies, Blue Bird researchers can offer after their first two year of work two sets of ideas that are particularly relevant to the current policy debate. The individual research projects are not completed and some of the ideas need a new round of discussions but nevertheless we can claim that Blue Bird has reached some exciting conclusion with respect to the conditions for sustainable economic growth in the region.

Economic Growth

Studying the economic growth perspectives in the region, Mihov and Bicanic have discovered that currently there are no research results on the long-term growth prospects of Southeast European economies, which would concentrate on the regional

approach or treat individual countries in comparative way. In policy terms SEE is treated as a region but in academic terms it has never been studied as a region.

A reliance on spontaneous growth/around 3% will be totally insufficient for converging SEE economies with the European mainstream. Developing growth and convergence scenarios Bicanic has shown that convergence with the EU economy is imaginable only if economies in the region could achieve at least 5% per annum growth rates over considerable period of time.

Mihov focuses his findings on clarifying how important are political constraints for economic growth. In its radical version his idea can be summarized as follows: it is much more the structure of the decision-making than the initial policy package that will have a critical impact on the growth prospects. The more complex is the policy process (more veto points) the smaller is the risk for fiscal volatility and better are the chances for sustainable growth. The economic data analyzed by Mihov defeat the popular wisdom that an authoritarian type of modernization can be better vehicle for growth than democratic decision-making characterized by an elaborated system of checks and balances.

The preliminary conclusions of the research on economic growth are that 1) transition theory does not provide promising instruments for designing policy-strategy for the region. 2) designing successful growth strategy requires a combination of classical growth theory and development theory 3) long term growth in SEE will be regional in its nature.

Does Culture Matter

“Culture” has been often used as the last instance explainer for the economic and political failures in the Balkans. In its first two years Blue Bird tried from different perspectives to introduce “culture” in the Balkan policy debate. A series of papers have reflected on the non-homogeneous character of the Balkan or national cultures and have put limits to the fashionable drive for generalizations with respect to the region.

In two independent empirical surveys Alina Pippidi and Gabriel Badescu have demonstrated that long-duree explanations of the economic failure in the first transition decade are speculative in their nature. Badescu has demonstrated that there is no basic difference in the value orientations of Romanians that are living in the former Austro-Hungarian parts of the country and those coming from the Ottoman part of the country. In her research Pippidi has shown that cultural borders drawn by Huntington are not proved by the study of the value orientations of Bulgarians, Slovaks and Romanians.

It does not mean that past does not matter; it means that at present moment the past that really matters in explaining patterns of individual and collective behavior in SEE is the communist past. One of the promising ways to think about the Balkans is in the terms of Ottoman legacies. But it is the communist legacy that is more critical from the policy perspective.

In his research Georgi Ganev started with the assumption that neoclassical economic models with the usual variables and assumptions of economic behavior, patterns of interactions and institutions, can explain a very small proportion of the actual variance of different processes in SEE countries in transition. In order to overcome this cultural blindness of the model Ganev has constructed an index that tries to integrate mental maps of the actors in explaining their behavior.

The survey constructed to test the index has suggested that participation in private economic activity is the driving force for increasing cooperative behavior. The results are open for interpretations but at this stage we believe that the research has touched on the critical issue of trust building and cooperation on the Balkans.

The presented ideas and research findings are not a catalogue of findings and hypotheses that have driven the Blue Bird's first years. But they demonstrate that there are new ideas that can matter in shaping policy solutions for SEE. The silent disappointment should be replaced by careful re-reading of what we know about the Balkans.

Other Progress

Meetings

In January 2002 a meeting of all Blue Bird Coordinators was held at the Central European University in Budapest aiming on the one hand to evaluate the first year of activity of the Project, on the other hand to debate and reach agreement on the work strategy for the second year of the project. During this meeting general consensus formed around two important issues:

- The visibility of the project has to be improved. This refers not only to spreading more efficiently the products and results of the project but also to the visibility of the project as such. The project has to be able to enter the debate about the Balkans, moreover to shape this debate. The project has to become visible by being present in the fields where it can produce added value. Increasing visibility can be done by publishing/participating in local-national media and by maintaining a lively and informative website. Also an important factor in improving visibility is organizing workshops in which important arguments and ideas produced by the project can be debated. Such workshops should be designed to reach the wider public, and should be held in visible institutions.
- Throughout the first year, work and communication within the project has been focused on individual research and research-group cooperation. If the Blue Bird project is to work as a whole, cross group cooperation has to improve, methods and terminology of the groups should be brought closer. Research groups should rather be perceived as organizational not as intellectual units, so that research cooperation, workshops can be conducted along all possible axes.

Following up on the January meeting, in March 2002 a meeting of all Blue Bird members was organized. This meeting had two major aims: first to facilitate cross group cooperation, to bring together for the first time all members of the Blue Bird project, second to present to the wider public some of the results of the work done in the first year of the project. The first day of the meeting was an internal meeting of all Blue Bird researchers where the research work was presented and discussed, points of convergence were discovered. The second day of the meeting was a public panel with the title “Is Culture the Problem of the Balkans?” The main objective of the public panel was to present the interdisciplinary character of the Blue Bird Project to the CEU and OSI public. The panel was not an academic conference, neither was a presentation of the individual projects of the panelists. Its aim was to demonstrate how problems are formulated and discussed in the framework of the Blue Bird.

Three research group meetings were organized during the year: two by the Nation State Group and one by the South East European Identity Group.

On May 7, 2002, in Bucharest, members of the Nation State Group met. The workshop *Balkan Exceptionalism or Theory Failure? Unsettled matters of the democratization in Eastern Europe* was a Nation State Group meeting in conjunction with the Democratization Workshop organized by the Romanian Academic Society on May 6-7, at New Europe College. The meeting was attended by members of the group, Ivan Krastev, and the UNDP representative Tomasz Anusiewicz. Decision was made about the outline of the final report of the group, which will cover the general theme of 'Overcoming state weakness'. A first draft was planned to be submitted by July 30, 2002, the rest of the project time being devoted to editing and dissemination.

On 18 – 20 October in Sofia the international conference *The Balkans: Mapping Identities (18th – 21st c.)* was held. The event was the first international conference of *Nexus* – the central project of the South East European Identity research group. It presented the first results of the Nexus research project to the wider academic community and was an opportunity for its researchers to discuss their work with prominent international scholars. The overarching theme of the conference was provided by the main research questions of the South East European Identity Group: Is there a common Balkan regional identity? In what terms to theorize about it? The main hypothesis tested was that a new and more productive approach to theorizing about the Balkans will be provided by focusing on the “horizontal dimension” of the Balkan regional identity – studying the similarities between the national and minority groups in the region, instead of reproducing the old paradigm of explanation in terms of discrete national cultural values. The conference in Sofia was a successful first step towards fulfilling the above-mentioned objective, in identifying and clearly defining the problems attending the creation of a positive vision of common Balkan identity.

On November 30 and December 1 2002, the Nation State research Group of the Project in association with the Center for Policy Studies organized the conference *Nation-building versus State-building in the Balkans: Lessons Learned*. Scholars and policy makers from the Balkans and beyond gathered in Budapest at the CEU to discuss the development of

the Balkans as a region. The event was co-sponsored by the UNDP, the NATO and the CPS. The conference led to a fruitful exchange of views and discussions between policy makers and scholars on how factors such as institutions, the international context (such as the EU integration process), economic performance, minority mobilization and the dynamics of ethnic relations in general contribute to stability and democratization in the multiethnic states of the Balkans. A volume including the most challenging papers presented at the conference is planned to be published during 2003 under the editorship of Ivan Krastev and Alina Pippidi (coordinator of Nation State Group).

The Social Inclusion Group of the project held its 2002 conference with some delay on January 31-February 1. The conference *Social Capital in the Balkans: The Missing Link?* was held at the Babes Bolyai University in Cluj, Romania in strong cooperation with the Social Capital project of the CPS. The aim of this conference was to critically consider the importance of social capital for understanding developments in the Balkans. The event brought together both academics and policy experts working in the region. It aimed to draw widely from the concepts and empirical results in order to identify policy recommendations that are appropriate for the region. It is expected that the ideas and conclusions that emerged from these debates will be useful both for furthering academic research and for promotion of well-informed policy making.

A joint conference of the Social Inclusion and the Economic Integration Group is planned to be held in Belgrade in June 2003, with the title *Inequality, Poverty and Social Inclusion in South East Europe*. Co-organizer of the meeting will be G17 institute from Belgrade.

Internet Site

The Internet Site of the Blue Bird Project was redesigned and made more efficient in 2002. It is perceived to be a tool both for internal communication within the project and as a tool for improving the visibility of the project in relevant academic and policy-making communities. The URL is www.blue-bird.hu or <http://www.ceu.hu/cps/bluebird/>

Publications

It has been planned that the Blue Bird project will publish a number of working papers written by researchers affiliated with the project, as a subseries of planned CPS working paper series. However given the financial constraints of the project, the expected difficulties with distribution of paper format and also the emerging plan to prepare a volume from the best papers written for the Blue Bird project lead to reformulating the idea of publishing working papers. The new conception is to publish the available working papers in an electronic format, in PDF on the project's website. Four papers are available presently for this purpose, and are to be posted on the internet after copyediting.

Finances

In financial terms 2002 brought restraint. After one year of founding for 2001, due to shifts in priorities, the German Ministry for Education and Research (BMBF) has withdrawn from financing Blue Bird. Given that the grant coming from BMBF was originally meant to fully support the activities of the Economic Integration Group, the loss of the grant brought about the restructuring of the Blue Bird research groups.

Thus based on the assessment of the first year of activity of the project, the Social Inclusion Research Group of the project was restructured. Contracts of two researchers were not prolonged for 2002. Also a third researcher (Milanovic) from the same group cancelled for personal reasons his full participation in the project starting with 2002. In order to maintain the continuity of the position of at least part of the researchers from the Economic Integration Group it has been decided that the research group structure will be kept in research terms, but not in administrative terms. Thus the three grants that became available in the Social Inclusion Group were used to cover the stipends and mobility grants of three researchers from the Economic Integration Group. Unfortunately the project did not manage to raise funds for the remaining two members of the Economic Integration Group. Thus throughout 2002 the joint Economic Integration and Social Inclusion Group worked on with altogether six researchers, three in the EI Group (Mihov, G. Ganey, Bicanic) – and three in the Social Inclusion Group (Arandarenko, Vrecer, Badescu).

Some external funds however were brought into the project. The German Stifterverband awarded EUR 5000 for grants for the transition period from the BMBF funded full Economic Integration Group to the joint six member Economic Integration – Social Inclusion Group. Some external funds were raised for the November Nation State conference held in Budapest which was co-funded by UNDP RBEC, the NATO and the CPS. The Social Inclusion Group conference held in Cluj, Romania was co-funded by Blue Bird and the Social Capital Project of the Center for Policy studies.

Strategy for 2003

For 2003, the final year of the Blue Bird project, we have a series of plans. Group conferences will be held as mentioned in Belgrade jointly by the Social Inclusion and the Economic Integration Group, and in Florence by the Nation State Group. Six researchers (Mihov, Bicanic, Pippidi, Mishkova, Badescu, G.Ganev) of the project, whose work can be considered most relevant for the outcome of the project, shall get together with Ivan Krastev for a period of three month in Budapest at the Central European University. They will be joined for a shorter period by Branko Milanovic and Vladimir Gligorov (former Blue Birds). Throughout this period (from May to July 2003) the team will prepare the final policy outcome of the project: the Agenda for Civil Society in South East Europe. The product will be edited and prepared for publication in August and is planned to come out in September 2003. A series of conferences are to follow in which the agenda will be presented to the public by its contributors. The first conference is planned to take place in Budapest at the CEU, the second at Wissenschaftskolleg in Berlin, the third possibly in Brussels. Funding is available for the first and partially for the second conference. Additional funds should be raised for the third conference. The Agenda will be distributed widely both in academic and in policy makers' circles.

Researchers are asked to prepare a final paper each as a product of their work in the Blue Bird project. The best papers submitted (deadline September 30, 2003) are planned to be published in a final volume of the Blue Bird Project.