

# ***The State in the Balkans: Public Service Institutions, their Role and Development.***

## ***Balkan Futures Workshop II: abstracts.***

---

### *Panel 1: The Role of the State*

**Martin MENDELSKI (University of Luxembourg/Trier University):** *The Varieties of Capitalism approach and New Institutional Economics of History: towards an integrated framework of institutional change.*

The paper elaborates theoretically on the relationships between state sub-sectors (e.g. judicial, administrative, educational and social/health), between firm-related sub-sectors (e.g. vocational training, corporate governance, industrial relations and inter-company relations), and between state-firm relations. It is argued that states which are able to enforce rules impartially and efficiently, and which are effective in coordinating diverse sectors of the political economy, achieve reform and institutional complementarities that are crucial for institutional change and economic performance. Conceptually, the paper integrates the insights from Hall/Soskice's Varieties of Capitalism approach with Douglass North's New Institutional Economics of History (NIEH). It thus achieves theoretical cross-fertilization which helps to better understand institutional and economic development.

**Adam FAGAN - Sean PARRAMORE (Queen Mary, University of London):** *Public sector reform in Bosnia: when politics and the constitution get in the way.*

It has long been acknowledged that the constitution of Bosnia-Herzegovina (BiH), agreed at Dayton in 1995, acts as a formidable barrier to sustainable political, socio-economic and administrative change. Although some public sector reform has been pursued over the past two decades - largely under the aegis of the EU and other international donors - the enormity and resultant inefficiencies of the constitutional structure, plus the political tensions and stalemates it generates, have stymied genuinely progressive and sustainable change. At best, incremental progress in some policy areas is achieved almost incidentally, but there is little evidence that such reforms are properly institutionalized or will lead to positive contagion (Pickering 2012; Fagan and Sircar 2010).

The Sejdic and Finci ruling of 2009, which deemed illegal the constitutional stipulation that only representatives from the three constituent ethnic groups could stand for presidential office,<sup>1</sup> has provoked a political as well as a constitutional crisis. But it has also stalled progressive public sector reform and thus dealt a double blow to exogenously driven state-building efforts. In so doing, it has reignited a debate within the state-building literature about whether building the administrative capacities of state institutions can ever be divorced from liberal reform of the political sphere.

Critics of the state-building concept argue that at its core lies a contention, namely that political process is viewed as the *product* of state policies rather than *constitutive* of them. In other words, state-building in transitional or post conflict contexts is seen either as separate from the political process, or as a preliminary or foundational stage in regime change. This is in contrast to state-formation in Western Europe, which is widely seen as having occurred as a *product* of political process. The Sejdic and Finci case highlights the extent to which state institutional capacity cannot be seen as a foundation from which certain liberal political outcomes will emerge, and is illustrative of how liberal constitutional foundations and political process must be the basis on which to build sustainable state capacity and public service reform. In other words, the ruling critiques the 'institutionalisation before liberalisation' adage at the heart of the state- building literature.

Our research, which is based on recent interview data with public sector officials, is particularly poignant in light of current protests in BiH: we argue that the Sejdic and Finci ruling has not simply

---

<sup>1</sup> The Dayton constitution was designed to safeguard peace by maintaining a balance of power between Bosniaks, Croats and Serbs.

stalled the limited reform momentum, but has actually led to a more precarious situation in which political and constitutional paralysis has enabled domestic elites to stifle key legal reforms (e.g. legislation on conflict of interests) and use the security services to expand the power bases of incumbent political elites. The protestors on the streets of Tuzla and Zenica and Sarajevo recognise that the poor performance of the economy and of public services reform is a consequence of a political and constitutional settlement in 1995 that failed to properly establish the foundations of liberal statehood.

---

*Panel 2: State and Economy*

**Kostas KOSTIS (University of Athens): *Reforming the Greek economy, 1893-1950.***

Many explanations have been put forward for the present crisis and many suggestions made about recovery. We could discuss these issues for hours without reaching conclusions. Among these numerous conflicting views, however, one seems to have found some consensus – namely that politicians and the political system in general are to blame for having failed to deal with the problems when they first appeared and later, too, when they became acute.

It should be noted that this is not a new situation: it can be found in many other countries that have gone through similar crises. It can also be encountered in earlier crises in Greece, specifically in the crisis of the 1890s, that of the 1920s in the years before the 1929 crash, and that of the reconstruction period in the late 1940s. During all these periods, efforts were made to bring about the stabilization of the Greek economy, a term that conveys the economic situation more accurately than the word ‘crisis’. In all cases, the solution was provided by the foreigner, who came along with his ‘cruelty’, and his efficiency, to impose the solutions required. Thus the aim of this paper is to examine Greece’s inability to enact institutional reforms when they are necessary, and the fact that such reforms are only ever adopted under pressure from foreign creditors.

**Seven AGIR (Middle East Technical University): *The political economy of redistribution in the late Ottoman empire: a principal-agent approach.***

One of the main components of Ottoman redistributive policies, *mubayaa*, refers to a purchasing system based on pre-emptive privileges granted to officially assigned intermediaries in administered trade. By granting these privileges, the Ottoman central administration aimed to keep prices of basic commodities low in urban centres, particularly in Istanbul, with serious implications for the procurement areas (especially the Balkans in the case of grain). Although this policy obviously had adverse effects on agricultural producers and production, most scholars in the field hold that removing the system never occurred to the Ottoman authorities. In previous work, I showed that this was not the case. Towards the end of the eighteenth century, Ottoman authorities, like their counterparts in Europe, adopted a more liberal attitude towards price-formation in grain markets and indeed considered removing the *mubayaa* system. After discussing the drawbacks of the *mubayaa* system in detail, however, they decided to retain it while introducing significant changes to it in order to address information and commitment problems associated with the process.

Through studying the changes in the *mubayaa* system, which is a particular form of redistribution, this paper sheds light on broader trends in the Empire’s administrative organization, addressing redistributive conflict in the context of changing geopolitical conditions. The paper argues that the changes in the *mubayaa* system reflected the Ottoman administration’s attempts to increase ‘central redistributive capacity’ by reducing the power of local elites in intermediary positions. The use of local monitoring and representation in addition to the recruitment of salaried officials to curb the power of local elites in the redistributive bargaining process enabled continuance of the *mubayaa* system in spite of increasing market and legal prices. As the central fiscal capacity of the empire increased, however, subsidization would replace pre-emption as the preferred redistributive policy. Adopting a principal-agent framework, insights from this paper also speak to the broad literature on Ottoman institutions, in particular the form of administrative organization and how it compares to its European counterparts.

**Nikolay NENOVSKY (University of Picardie) - Gergana MIHAYLOVA (University of National and World Economy): *State and economy in the Balkans: long-term trends (1990 - 2013).***

The paper presents the main trends in, and evolution of, the role of the state in Balkan economies during the period 1990-2013. This is done from two analytical perspectives. The first examines the development of the state from the perspective of conflicting ideas about its place and role, while the second sees the state as a focus of conflict between different interest groups. The first perspective focuses on the general functions of the state and the second on state capture and crony transition. In general, we claim that the main factor in determining the state's role in the economy is interest group dynamics, although there are differences between countries and over time (this was an extremely strong factor in the first post-communist years up to 1996/7, for example, and after some countries' accession to the EU).

Two main mechanisms have been used in recent years to overcome the weaknesses of institutions and shortcomings of policy, and to combat state capture as a whole. The first is monetary policy regime, which can be seen as an internal anchor (as, for example, the currency board in Bulgaria, inflation targeting in Romania, Abramovich's reform in Serbia, or euroization in Montenegro). In this case each country made different choices. The second, which is common for all countries (especially for Bulgaria and Romania), is the process of EU accession and subsequent membership: this can be seen as an external anchor that requires sound public finances etc. We argue that these two anchors taken together interact in a very complex manner, determining successful and unsuccessful periods. Thus, after Bulgaria and Romania became members of the EU membership, we can observe a weakening of the 'European constraint' and enhancement of conflicts between interest groups due to redistribution of EU funds.

**Mustafa KUTLAY (USA): *Shifting boundaries of state-market relations in Turkey in the age of BRICS: the limits of regional power influence.***

The rise of BRICs presents a major challenge to the existing global order. A second category of emerging powers, which may be labeled near-BRICs, has also displayed increasing pro-activism in recent years in terms of their influence on the regional balance of power politics and their growing presence in international organizations and global affairs. It is in this context that I aim to examine Turkey as a striking example of a 'near-BRIC' power, a country that has adopted an increasingly assertive and independent style of foreign policy with aspirations to establish itself as a major regional actor. This paper aims to understand the changing dynamics of state-economy relations in Turkey and its impact on Turkey foreign policy proactivism. It argues that Turkey's transformation into a regulatory state provided a substantial political economy background for Turkish foreign policy assertiveness. However, Turkey needs to develop a neo-developmental framework to ensure the sustainability of its regional power status. Accordingly, the paper highlights the major constraints upon Turkey's political economy assertiveness as it attempts to position itself as a regional power in the greater Middle East and Balkan regions.

---

*Panel 3: State and Education*

**Christina KOULOURI (Panteion University): *The Greek educational system in a historical perspective: the dream of reform.***

This paper analyses the development of the Greek educational system since the establishment of the Greek state in 1830. How have foreign (mainly German and French) educational models been introduced in Greek society? How did the Greek nation-state relate to the Ottoman legacy and the Western canon? Which were the agents of change from 1830 until today? What has been the role of the state in controlling the function of schools and the content of education? And finally how has the idea of educational reform been imagined and materialised in different political contexts?

**Tassos ANASTASSIADIS (McGill University):** *When public education was... Individual strategies, state policies, global processes and the future of the past.*

For a brief moment during the short 20<sup>th</sup> century, the implementation of an all-level, nationally-regulated, free but highly selective public education system became the horizon of expectation of all national stakeholders in the post-Ottoman Balkans (Turkey included). While, throughout the long 19<sup>th</sup> century, public education and modern state-building had (timidly) gone hand in hand in the region, as everywhere else, the sudden acceleration of the process was the product of a specific conjuncture of the 1910s-1920s. Using the example of Greece, with occasional incursions into neighbouring states, this paper will try to analyse the specific historical moment when the reigning paradigm of a loosely regulated and highly extraverted educational market dominated by foreign educators and social demand receded, and actually ceded pre-eminence to the new stato-centric system. It will also try to measure the relative importance of individual strategies (in particular those of national stakeholders, whether academic or political), state institutions, and the process of 19<sup>th</sup>-century educational globalization in order to understand this change of paradigm. Was it conscious reform, dramatic systemic collapse or creative destruction? With Greece and Turkey now at a new crossroads, these are questions which not only illuminate the past, but may also help us to understand the potential future of that past.

**Thalia DRAGONAS (University of Athens):** *Education: from the consolidation of national identity to the need to address cultural diversity.*

Following the dismantling of the Ottoman Empire, education was established as a basic mechanism for the consolidation and reproduction of the emerging nation-states. School systems served an integrating function, not only transmitting knowledge but also cultivating a national identity. In the post 1990s era, and with the gradual accession of many Balkan states to the EU, South Eastern Europe found itself grappling with the difficult issue of ethnic relations and immigration. Societies were faced with the task of reconciling shared citizenship and political unity with the recognition of, and respect for, cultural identities. A shift as regards the accommodation of ethno-cultural diversity in schools is deemed necessary. The new challenge for education is to confront inequality and exclusion. The present paper will look into integration policy applications and how they are reflected in educational policies and practices. The Greek educational system will be discussed as an example of an ambivalent response to cultural diversity.

**Martina VUKASOVIC (Ghent University):** *European initiatives in higher education and national reform processes in the Western Balkans: between Europeanization, policy transfer and legitimation of domestic preferences.*

In the countries of the Western Balkans, political and economic transition in general, and reforms in the public sector in particular, are strongly embedded in the process of EU accession and often framed as a 'return to Europe' (Héritier 2005). This is the case even in situations in which the EU does not possess formal competences, such as higher education. European initiatives in these areas, primarily the pan-European Bologna Process and the EU Lisbon Agenda (and its successors, including the latest Horizon 2020), are therefore expected to play an important role in national policy development. However, their exact role and their impact on higher education reforms have not been the focus of extensive studies.

This presentation will first briefly outline the possible roles of the European initiatives with regards to national policy processes: (1) Europeanization – i.e. institutionalization of a European model (Börzel and Risse 2000; Radaelli 2003; Vukasovic 2013a) which highlights vertical dynamics; (2) facilitation of transnational communication, thus enabling horizontal policy transfer between countries (Bomberg and Peterson 2000; Dolowitz and Marsh 2000; Voegtle et al. 2011); and (3) legitimation of existing domestic preferences, i.e. the use of European initiatives by opportunistic domestic policy entrepreneurs to legitimise existing preferences (Gornitzka 2006; Musselin 2009). This will then be used to make sense of the changes in higher education policy which have taken place in Croatia and Serbia in the last 15-20 years, using analysis of policy documents and interviews with policy actors (Vukasovic 2013b). Specific attention will be paid to (a) changes in steering mechanisms in higher education in relation to European initiatives and (b) domestic motivation. The examples of Croatia and Serbia will be used to discuss the relationship between European and national governance levels in other countries of the Western Balkans and in other areas of the public sector which are similar to higher education (e.g. health).

---

*Panel 4: State and Health*

**Will BARTLETT (London School of Economics): *The balance between state and market in the Balkans: the case of health system reforms.***

The transition in the Balkans created a variety of mixed market economies, each with a different balance between state and market. One of the largest areas of state provision in most mixed market economies is in the health sector. But how far should the reach of the state extend in the provision of health services? In the Balkans, the share of public expenditure in total expenditure on health services varies from a high of 85% in Croatia to a low of 45% in Albania. While the provision of health services by the state is usually justified on the basis of market failure due to information asymmetries and moral hazard, contrary arguments point to the existence of government failure based on similar difficulties. The advocates of transition have tended to emphasize the importance of government failure over market failure, and the more neoliberal programmes have resulted in an emphasis on the role of private health care. In this context, the balance of state expenditure on health care services depends upon differences in the path of transition and in the role of different interest groups and advocacy coalitions in determining the shape of health sector policy. This paper analyses health system reforms in the Balkans during the process of transition from the perspective of the balance between state and market and differences in approach to the role of the state. It identifies the pressures that have emerged from the ongoing economic crisis in the region, and how the response to these pressures may lead to further changes in the balance between state and market in the provision of health services in the future.

**João RANGEL DE ALMEIDA (Max Planck Institute for the History of Science): *International epidemic control, opportunities and representation: from the 1851 International Sanitary Conference to the WHO and the Balkans.***

In the mid-19<sup>th</sup> century, 24 delegates from several European countries and the Ottoman Empire met in Paris to participate in the first International Sanitary Conference. In response to epidemic crises experienced in Europe since the turn of the 18<sup>th</sup> century, delegates attempted to create a system of international governance of public health which included epidemic monitoring mechanisms, standard prophylactic practices, and networks of knowledge circulation. This paper looks at the opportunities opened up by international epidemic regulatory initiatives. In the first part, I show how scientific knowledge and uncertainty has been used to gain unscrutinised economic and political advantages to certain international public health players. Focusing on the Balkan region, the paper's second part takes up these thoughts to reflect upon the contemporary question of representation within the WHO, the major organisation that coordinates international epidemic control initiatives. I argue that in facing the potential political and economic implications associated with the construction of epidemic contingency plans, WHO member-states (and their citizens) need to devise new representation strategies in line with contemporary perceptions of political legitimacy and expertise.

**Ana ANTIC (Birkbeck, University of London): *Parenting the nation: political interpretations of children's mental health in World War II and post-war Yugoslavia.***

In the years and decades following World War II, the psychological pressures of both the extreme wartime traumatising of masses of European populations and post-war modernization/dislocation placed mental health professionals at the centre of narratives (and efforts) of post-war reconstruction and societal healing. New versions of social psychiatry were imagined, which focused on healing entire societies or nations rather than only individuals. Yugoslav psychiatrists and psychoanalysts participated wholeheartedly in this process, involving themselves in rich European and trans-Atlantic psychiatric and psychoanalytic networks (e.g. through WHO or UNESCO fellowships, educational sabbaticals in different European states or the US, or frequent professional visits to foreign psychiatric institutions), and by the 1960s also reviving their relationship with Soviet and other East European psychiatrists. In this way, Yugoslavia bred a unique psychiatric and psychoanalytic community which thrived on

combining radically different theoretical approaches, but also enabled communication between the two blocs in the Cold War. My research traces the development of this transnational psychiatric programme for creating healthy post-war societies, and inquires into the nature of the relationship between this form of mental health activity and the post-war political reconstruction agenda. I am particularly interested in examining how the mental health profession made the psychological understanding of trauma, childhood and family central to the successful creation of socialism and democracy in post-war Europe. In this period, the medical as well as the social sciences exerted great influence on political discussion of social ordering and population management, and the psychiatric profession contributed immensely to this medicalisation and 'psychologisation' of post-war politics on both sides of the Iron Curtain. Psychiatry, psychoanalysis and psychotherapy emerged as a core solution to the pressing political problems of the era, and became extremely important for much post-war thought about democratic citizenship, anti-fascism, the welfare state, and the family.

My presentation examines child psychiatry, psychotherapy and psychoanalysis primarily, and considers how they were reflected in the process of formulating the figure of the traumatised child as a psychiatric patient whose treatment and healing were of the utmost social and political relevance and urgency. Child victims of war, orphan children, child refugees, delinquent children, children from problematic families (of former collaborationists), and child survivors of concentration camps all became protagonists in the psychiatric profession's narratives of its own importance in the post-war reconstruction of Yugoslav society on healthy and anti-fascist premises. In Yugoslavia, this pre-eminent concern with children's mental health was related to the widespread belief that children were the future of the new socialist society, and their (precarious) health key to the stability of post-war democracy and anti-fascism. Post-war psychiatric and psychoanalytic discussion of children's mental health centred around the creation in the 1950s of a psychoanalytically informed counselling centre for problematic youth in Belgrade, the first of its kind in East Central Europe, and its complex relationship to western mental health facilities, Soviet re-education institutions, and the Yugoslav authorities. This counselling centre is the focus of my paper. I examine its solid international links, its frequent clashes with the political authorities, and its intellectual profile and contributions to discussion of the nature of the family, proper parenting and gender roles in socialism, and the treatment of troubled 'war babies' who might otherwise endanger the progress of the revolution.

In many ways, definition of the guiding principles of child and youth psychiatry and re-education was directly related to understanding of the core values of the emerging Yugoslav socialist society and the new communist man (and woman). I demonstrate how mental health professionals re-interpreted the experience of post-war reconstruction/revolution and shaped national memory through the lens of children's psyche and psychological-political re-education. In their international dealings, Yugoslav psychiatrists also contributed to the complex national discussions of the nature of communist society and communist family relationships, the optimal family structure, and the proper relationship between family and political authority in Yugoslavia's experimental case. At the same time, my presentation challenges the dominant psychiatric narrative, according to which the post-war period brought revolutionary changes to the profession and gave birth to a completely novel concept of psychiatric health and therapy. I trace continuities pre- and post-1945, and compare the wartime collaborationist government's experiments with children's psychological facilities with the post-war institutions/theories. I argue that the origins of the post-war psychiatric turn lay in the wartime years, and that, paradoxically, Yugoslavia's socialist psychiatry and psychoanalysis shared an uncomfortably large amount with their collaborationist predecessors.

---

*Panel 5: Models of Administrative Organisation*

**Gergana NOUTCHEVA (University of Maastricht): *Democratic deficits and societal unrest in the Balkans.***

This presentation focuses on the relationship between citizens and public institutions in the Balkans, examining the legitimacy deficit of public authority across the region and the recent societal challenges to the status quo. It first outlines the disconnect between public institutions and society, looking at societal perceptions of the rule of law, corruption and social justice. It then analyses the recent wave of societal unrest in the region and what it means for reconnecting societal demands with the agenda of public institutions. It finally reflects on the prospects for building quality democracy in the Balkans.

**Elisse MASSICARD (Institut français d'études anatoliennes): *Reshaping public-private boundaries? A perspective from municipal services in Turkey.***

Starting from the Turkish experience, this paper questions the reconfigurations of public-private relationships especially at the level of municipal service provision. An important body of literature has analyzed the current tendency towards privatization of the public sphere. Some domains that were exclusively dealt with by the state (like public services) have been externalized and subcontracted to private actors. In Turkey, as elsewhere, we seem to observe general tendencies towards liberalization and privatization, and what the scientific literature has described as the 'regulatory state'. These developments have transformed state structures and patterns of government. However, this paper argues that talk of privatization and disengagement of the state is exaggerated, since these developments do not imply the autonomization of private actors, but rather a reshaping of the relationships between public and private. Public actors do retain a pivotal, even if indirect, role; for economic actors, cooperation with the public realm remains one of the main channels of economic accumulation in even more sectors. Therefore, the reshaping (or blurring) of public-private relationships does not necessarily mean that state power in economic activities is fading. Rather, the ways in which power is negotiated are changing.

**Blendi KAJSIU (European University of Tirana): *The tension between Europeanisation and neoliberalism: the case of Albania.***

In this paper, I argue that some of the major failures of the Albanian state and public administration, such as the weak rule of law and lack of implementation, can be traced in part to the contradictory demands of Europeanisation and neoliberalism. Following the collapse of communism, two major discourses emerged in the Albanian public scene; that of Europeanization and a neoliberal discourse. While the Europeanisation discourse implied a central role for the state, the political class, and public administration in order to carry out the Europeanisation of Albanian society and institutions, the neoliberal developmental model constantly undermined the capacity and credibility of the political class, the state and its institutions to perform such a task. One major consequence of these conflicting demands was a growing gap between legislation and its implementation. Therefore, the initial hypothesis of my research is that by looking at the contradictory agendas of Europeanisation and neoliberalism in Albania we can better understand phenomena such as the weak rule of law. While the Europeanisation discourse produced an agenda that focused on the growing import of EU legislation, administrative and institutional practices, the neoliberal discourse produced an agenda that undercut its implementation by constantly undermining the capacity and credibility of the political elite and state institutions.

---

*Panel 6: Contemporary Challenges and Constraints*

**Daniel KNIGHT (Durham University): *Renewable futures? State bureaucracy and 21<sup>st</sup>-century energy governance.***

Initiated in 2006 and re-launched amongst great fanfare in 2011, the Greek photovoltaic programme promises energy and economic sustainability for small-scale consumers as well as a potential way for the state to repay extortionate public debt and cut deficit through energy export. Ambitiously high feed-in tariffs in an era of fiscal austerity mean that the programme has proved popular with investors in home and agricultural developments. Prospective consumers have overcome concerns surrounding the substantial loans required to install solar panels, historical issues of land cultivation, and feelings of neo-colonialism to embrace the scheme. Yet in 2013 the photovoltaic programme was indefinitely frozen, with feed-in tariffs retrospectively cut by up to 40% .

A European Union initiative, the solar drive was perhaps poorly administered on levels of national and local government. The Ministry of Development, the Ministry of the Environment, Energy and Climate Change, the Regulatory Authority for Energy and local Nomarchies produce competing rhetoric regarding the aims of the project. This paper interrogates the bureaucracy and governance surrounding the dissemination of the solar initiative, and questions the lack of coherence in policy implementation. Are plans to make Greece a world-leader in the generation, consumption and export of solar power over-ambitious? Is there genuine concern about creating a sustainable energy programme for Greece or is the promotion of this initiative yet another short-term political popularity stunt? How does the future look for renewable energy generation in the Eastern Mediterranean?

**Antigone LYBERAKI (University of Athens) - Platon TINIOS (University of Piraeus): *Links between formal and informal social protection provision in Greece: a socio-historical view of the spread of formal social protection provision.***

Even today, Greece and Mediterranean Europe are characterized by a ‘hybrid welfare state’ in the sense that social needs are catered for on the one hand by an amalgam of formal social protection (provided by state bodies), and on the other by the family (aided by the ubiquity of small family enterprises and the willing help of women). The paper hypothesizes that the ability of the family to provide social protection ‘of last resort’ marked the mode of spread of formal social protection in its formative years and largely predicated the problems it faced at the outset of the crisis – i.e. fragmentation, social ineffectiveness, and resistance to reform.

The paper uses insights gleaned from the retrospective questions of SHARE (Survey of Health, Ageing, and Retirement in Europe) covering the use of social protection by panel members aged 50+ in 2007 (i.e. born in the period ca. 1920 to 1957) combined with institutional and historical information about the (geographical and social) spread of formal social protection to chart the links between the two systems in the postwar period. A key phenomenon of interest is to discern whether the spread of formal protection (e.g. the spread of IKA) led to discernible changes in behavior.

**E. Fuat KEYMAN (Sabancı University/Istanbul Policy Centre): *State, transformation, and democracy in Turkey.***

Relying on the analytical distinction between the idea/type and the reality/form of the state drawn by both Joel Migdal and Nicos Poulantzas in their ground-breaking work, this paper employs an understanding of the state as both a ‘complex institutional ensemble with its own modes of calculation and operational procedures’ and a ‘site where the specific material condensation of power and domination relations among political forces and classes take place,’ and applies it to the case of Turkey. In doing so, it suggests that while the strong-state tradition constitutes the idea, rhetoric or type of the state in Turkish modernity, the practice, reality or form of the state has been different and open to modification in accordance with the specific coalescence of political forces and classes. In substantiating this argument, we will first provide an account of the strong-state tradition in Turkey, and then analyse the different practices and transformations of the state in the process of continuity and change undergone by Turkish modernity since late Ottoman times, but especially since the declaration of Turkey as an independent nation-state in 1923. In exploring the different practices and transformations of the state in this process of continuity and change in Turkish modernity, the paper ends by suggesting that despite significant transformations, what has remained as continuity is the weak performance in democracy and its consolidation.

**Dimitar BECHEV (European Council of Foreign Relations): *The Balkans and the EU: where do we go from here?***

The spreading economic and political crisis affecting the EU has had tremendous repercussions in South East Europe. While the enlargement towards the region continues at a steady pace (Croatia becoming a member, Serbia launching membership negotiations), economic and social crisis is far from overcome. Tensions are rising as unemployment and low growth fuel pessimism. Member states like Greece and Slovenia, heavily hit by the crisis, have largely lost their appeal as frontrunners of Europeanisation and developmental models. Economic recovery, to the extent that it is there, is still tentative. This state of affairs in the region has in many cases transformed the prevalent Europhilia in



the region into a sense of Eurorealism. Integration into the EU remains the only path forward, but voices multiply which question the transformative power of Brussels. Meanwhile, the EU itself is going through institutional rearrangements, with a clearer differentiation between core Europe (around the Eurozone) and a periphery. The paper will explore the changing dynamics of Europeanisation in the Balkans, and chart several scenarios for the Balkans' shifting relationship with the EU.