Peace Process and Reconstruction in the Balkans: the Role and the Mandate of the Cooperation Actors

by Sandro De Luca (CISP)[*]

1. Introduction

Since the fall of the Berlin wall the western attitude vis-à-vis the Balkans has changed significantly. The starting of Yugoslavia's dissolution between 1990 and 1991, the Dayton Agreements in 1995 and the Kosovo crisis in 1999 were the fundamental steps of this redefinition of approaches and strategies. Obviously it was not a smooth process and it caused some problems.

Over the years the Balkans' history has also been characterised by bloody failures; hence the widespread belief – at least in official stances – that the policy towards this area will be based on the following considerations:

a. there exists a fundamental difference within the "Europe in transition" and a group of countries can be identified – namely South-Eastern Europe – for which this process proved to be more difficult and fraught with conflicts. These problems will be addressed by taking these specific features into account;

b. the approach to the area will be all-encompassing and coordinated: to tackle each crisis in isolation means paving the way for the subsequent emergency situation, whereas facing the conflict and reconstruction by overestimating the individual states' agendas means undermining the prospects for success.

The Stability Pact is a crucial step in this process that will be a point of reference in the relationship of the international community with the countries in the region.

Going well beyond what is maintained in the pages devoted to it, this brief analysis always refers to the rationale and the approach expressed by the Stability Pact in order to support it or, in some cases, to criticise some shortcomings which, in our opinion, can be remedied in this initial stage.

This policy paper is subdivided into three parts. The first one provides some food for thought on the political, economic and social developments underway in South-Eastern Europe. The second one analyses the role and the prospects for the intervention of the international community. In particular, it refers to the problems related to the development of the Stability Pact[1], to the experience of Italian Cooperation and to the role of civil society and non governmental organisations. Finally the third part reviews the experience gained and makes some methodological suggestions for some intervention areas of international cooperation in the region.

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[*] Working group composed of Sandro De Luca (CISP); Nino Sergi (INTERSOS); Marcello Goletti (MOVIMONDO-Molisv) and Michele Romano (COOPI).

[1] The Stability Pact for South-Eastern Europe was signed in Köln on June 10th 1999 by the EU member states, the G8 countries, Albania, Bosnia- Herzegovina, Bulgaria, Croatia, Hungary, Rumania, Slovenia, the former Yugoslav Republic of Macedonia, Turkey and the major international and regional organisations operating in the region.

2. South-Eastern Europe between transition and conflict

Among the countries which are experiencing the transition from a command economy based on planning to open economic and social structures **Croatia, Bosnia Herzegovina, the Yugoslav Federation, Albania, Macedonia, Rumania and Bulgaria** find it difficult to get out of the vicious circle of instability, conflict, impoverishment and decline in their standard of living.

The region difficult situation can be effectively summarised by listing some indicators.

Table 1 - Economic and social indicators

Countries	Population	Economic performance				
	1998 (millions)	GDP (1998 – US$)			Unemployment	
		Total (millions)	Per capita	1998 data as % of the 1989 value	1991 %	1998 %
Albania	3.4	3,100	810	86	9	18
Bosnia-Herzegovina	4.2	4,000	920	n.a.	n.a.	n.a.
Bulgaria	8.2	12,500	1,230	66	11	12
Croatia	4.6	21,300	4,520	78	13	17
Fed. Yugoslav Rep.	10.6	17,400	n.a.	n.a.	n.a.	n.a.
FYR Macedonia	2.0	3,500	1,290	72	19	35
Rumania	22.5	38,100	1,390	76	3	10
Countries	Quality of life					
	Human Development Index (1997)		Infant mortality rate (1997) (out of 1,000 born alive)	Infant mortality rate under 5 years (1997) (out of 1,000 born alive)	Enrolment in secondary schools (% of population 15-18 years old)	
	Value	Position			1990	1996
Albania	0.699	100	25.8	40.0	79.1	38.5
Bosnia-Herzegovina	n.a.		12.7	n.a.	n.a.	n.a.
Bulgaria	0.758	63	17.5	23.5	77.2	73.6
Croatia	0.773	55	8.2	9.5	n.a.	n.a.
Fed. Yugoslav Rep.	n.a.		14.3	16.5	64.1	57.3
FYR Macedonia	0.749	73	15.7	18.5	n.a.	59.3
Rumania	0.752	68	22.0	26.4	90.8	68.1

Source: World Bank (2000)
n.a.: data not available

Without entering the details of the complex problems linked to transition in South-Eastern Europe, we confine ourselves to recalling some of the main elements of the complex processes underway.

2.1 Developments underway in the political, economic and social system

The creation of parliamentary democratic systems proved to be very difficult; the electoral processes caused problems and the political conflicts recorded were particularly violent.

The political transition was characterised by **violent divisions and by the institutions' inability to develop and spread stable consensus among the people.**

In particular the exchange of views among political forces was carried out under the banner of extreme polarisation and harsh, mutual deligitimisation. Against this background, the perception of common interest prevailed painfully and only faced with significant external events (such as, in the case of Albania, the massive inflow of Kosovo's refugees in spring 1999).

More often, political entrepreneurs without scruple could present themselves as the response to the unknown elements characterising transition and to the widespread feeling of increasing vulnerability felt by the people. In these cases the political belonging was channelled towards an aggressive ethnic nationalism which went to the detriment of minorities.

The state structures revealed considerable **shortcomings** when they had to master the **system restructuring and reform processes**, but, in more general terms, they proved to be unable to **act as institutions in the service of citizens**, **well beyond** ethnic, religious, clan (or more often political

belonging to power groups) constraints. Unfortunately the situation is characterised by high levels of corruption which heavily affect the economic fabric, the international cooperation activities and the possibility for the weakest groups of people (in terms of income and social role) to have access to services and opportunities.

The evident limits in terms of "rule of law" fuel the vicious circle whereby illegality is the only alternative to marginalisation.

The economic transition proved to be particularly hard and characterised by some specific elements such as: a. the delay in starting reforms compared to the countries of Central and Eastern Europe and some inconsistencies in their implementation; b. an uncertain political and institutional framework; c. the consequences of the conflicts which – directly or indirectly - involved all the countries in the region.

Furthermore, the income and Gross Domestic Product (GDP) levels are far from reaching the values recorded before 1989.

The degree of acceptance of the *shock therapy* promoted in the first half of the nineties under the auspices of the Bretton Woods institutions was variable. It achieved maximum levels in Albania (at least until 1996) and recorded minimum levels in countries such as Bosnia-Herzegovina whose institutional set-up had been shaken by the war. It is to be stressed, however, that the structural adjustment processes were proposed in too a dogmatic way – at least at a first stage – without duly considering the ability of the social, economic and political context to support them. This held particularly true where the rapid creation of a market economic clashed with the need for preventing conflicts or supporting peace processes.

However, the transition was more rapid and incisive on issues such as price liberalisation, privatisation of arable land, small size companies and shops; whereas it proved to be slower and more ineffective in the case of the processes to privatise and restructure large productive units and to reform the banking and financial system. Obviously, in general terms, the delays were greater in those sectors where an authoritative political leadership is essential in the processes to reorganise and reform the economic system.

In particular, in some countries of the region (such as Bosnia-Herzegovina and Albania) the economy shows a **less marked vitality of the productive-industrial sector** than the trade and service sector and, in more general terms, a more or less marked openness of the economic system: internal consumption is remarkably higher than production and the system proves to be sustainable only thanks to international aid and the emigrants' remittances.

The openness of the social systems has often led to a **marked internal mobility**. The redefinition of the relation city-country caused internal and relevant migrations, scarcely regulated. In the case of Albania the flight from rural marginal areas towards the main cities was the result of this situation. At present almost 50% of the population lives in cities and urban areas (UNDP: 1999). This population is growing rapidly. For example, Tirana's inhabitants have increased by 30% since 1990. It is foreseen that, by the year 2000, 50% of the Albanian population will live in cities. Infrastructure and services are still insufficient to face this process.

Poverty has increased considerably in the countries of the region and has certain common features:

a. the presence of remarkable **inequalities among the different areas** in individual countries;

b. a marked **process of impoverishment in rural areas**. In many cases these are hilly and mountainous areas where the pressures exerted by the population far exceed the possibilities of a territory marked by isolation, extreme difficulties in gaining access to goods and services and scarce incentives to production due to the objective marketing difficulties. This is compounded by the

poor job opportunities in sectors other than agriculture and, in many areas, by a high level of environmental deterioration;

c. the concentration of **urban poverty** among those walks of the population who stand to lose as a result of transition: those who have been excluded from the labour market due to the closing down or the restructuring of state-owned companies; the retired people who have incomes which are insufficient to ensure them a decent life; rural families which have recently migrated in search for new opportunities in urban areas; in general terms all those who can only rely on the very limited resources of the welfare state, such as disabled people and other vulnerable groups.

The level of contiguity between the economic structure being defined and **the grey or black economies** was qualitatively remarkable. In some cases organised crime exerts heavy constraints, ranging from the limited resources/abilities which states have to fight against it, to the presence of significant opportunities for the development of illegal trafficking (as is the case during embargo and conflict periods), to the basic attraction exerted by illegality on the wide walks of population who have no alternative forms of legal income. In this respect cases in point are the spreading of cannabis crops in Southern Albania's rural areas as from mid-90s or the thriving of activities related to illegal migration.

In spite of the slow pace recorded by the processes of **democratisation, decentralisation** of government authorities and, in general terms, decision making, a lively **civil society** is strengthening which, however, has still to bear the brunt of a weak tradition, of the limits of the culture of participation and a structural mistrust by state authorities. In its turn this brings to evident hostility and a precarious legislative framework within which organisations will develop their activities. Here again a typical sign of the difficulties incurred by the transition process is the fact that there are a number of organisations which are the offspring of parties, groups of powers or lobbies expressing demands and interests which are censurable. A further indication of the difficulties incurred by the transition process is the fact that the role of the civil society organisations as channels to involve the public and control state activities is accepted lukewarmly.

Refugees and displaced people are a problematic heritage problem with which all the countries in the region have to come to terms.

Table 2 - Presence of refugees in South-Eastern Europe

Country	Total population (millions)	Displaced people and refugees (thousands)	% out of the total population
Croatia	4.6	69.5	1.5
Bosnia-Herzegovina	4.2	878.7	21.0
Yugoslav Federation	10.6	747.3	7.0
FYR Macedonia	2.0	21.9	1.0
Albania	3.4	3.6	Negligible
Total	**24.8**	**1,721.0**	**7.0**

Source: UNHCR, November 25, 1999

Over and above the evident responsibilities by political groups and leaders as planners, **the transition process is going adrift due to the armed conflict**. The process of violent change of the social system has set in the long term processes to change the social and economic system.

2.2 The violent drift of transition: the case of Bosnia-Herzegovina

The tendency of the transition process to result in armed conflict has characterised the path followed by some states in the region (Croatia, Bosnia-Herzegovina, the Yugoslav Federation and Albania) and has heavily affected the others.

As it is well known, in the case of the Yugoslav Federation dissolution, the armed conflict was

characterised by systematic and planned violence and abuses vis-à-vis the civilian population with the aim of "ethnical cleansing".

Systematic expulsions – massive at first and then followed by a drain of flights (both in other areas of the same country and abroad) - were such that, for example in Bosnia-Herzegovina, on the eve of the Dayton peace agreements, the presence of minorities in the various territories was confined to few sporadic cases and their houses had been either destroyed or occupied by people belonging to the majority (who, in their turn, had often been expulsed from other territories).

In the **Dayton agreements** the return of refugees and displaced people in the places where they usually resided before the civil war played a central role in the peace process. If, on the one hand, the agreements basically recognised and laid down the relations of forces on the field, on the other hand, reaffirming the right of return played their role – from the international community viewpoint – as a principle to legitimise these agreements and make them be acceptable.

The international community spared no efforts in terms of means, resources and institutional involvement to promote the peace process. From 1995 to 1999, 5 Euros billions were spent for reconstruction. Undoubtedly the immediate result of peacekeeping, namely the **end of the armed conflict,** has been reached. Common institutions have been created; the drafting of laws and regulations has been promoted (and often imposed); the local authorities which obstructed or boycotted the peace process have been removed, freedom of movement has been promoted all over the country. However, the objective of achieving stability and reconciliation in the country - thus making it capable of managing internal relations among the different components without the international presence - appears to be still far from being reached.

The plans to support reconstruction are linked to the issue of the **return of displaced people and refugees** and minorities in particular. It is a complex problem whose solution on the field entails different levels of difficulties: return of groups of displaced people in areas where the "ethnic" group to which they belong is a majority; return of groups of displaced people in areas where the "ethnic" group to which they belong is a minority, but in villages which are "ethnically" homogeneous for them; return of groups of displaced people in areas where the group to which they belong is a minority.

Furthermore, the return gets ever difficult as the point of destination moves away from the demarcation line between the Croatian Bosnian Federation and the Srpska Republic to enter the very territory of these two entities.

Over the last few years the return of minorities has proved to be difficult to achieve and in some stages – more or less overtly - the various international agencies (the United Nations High Commissioner for Refugees – UNHCR, in particular) had to fall back on more practicable and manageable forms of return. The various forecasts on the return processes have been constantly denied by the reality prevailing on the field. Until mid-1999 more than 1,700,000 people were still displaced.

So far a series of factors has blocked the process: among them certainly the obstacles placed by the central and local authorities of the various entities (whose leadership was the result of years of war and ethnic cleansing).

Only **recently does the return process seem to show greater mobility**, also on the basis of new elements such as changes in Croatia's political leadership, great activism by the international community in securing war criminals to the international justice, in removing the local administrators who had obstructed the process and in promoting clear regulations on the ownership rights.

However, the problem of the return of minorities – since it is at the core of the issue regarding the future identity and existence of a multi-ethnic Bosnia-Herzegovina – is the focus of any analysis (and political move) on the prospects for the country.

The different situation and approach characterising the various groups affect the strategies of individual families and the organisation of operations for the cross or chain return of families belonging to different groups.

Also at local level, the strong presence of **ethnic parties** which represent the three groups has strongly affected the prospects for reconciliation and peace process. Their vision of the future in Bosnia and the lack of the will to cooperate – if not at the price of intense pressures by the international community – pose serious problems in the operation of the political system. A note of comparative optimism can be sounded as a result of the local elections held in April 2000 which recorded the victory of moderate parties in some areas. Obviously a new skilful political class - alien to the conflict logic – has not emerged yet.

After all, in many cases the victims of war – namely peoples finding themselves in an extreme weak and vulnerable situation – had to entrust their prospects for survival to the corrupt political *élites* who prevailed during the conflict. This **network of relations based on dependence** greatly affects the people's daily lives and is a heavy burden for reconstruction.

The local geopolitical strategies on the borders separating both entities (for example related to the prospects – though only hypothetical - for their change) followed by radical groups are a further constraint on returns.

Obviously the conflict had very serious consequences in terms of **destruction of the social and economic fabric**. The damage caused to infrastructure and the massive presence of landmines have affected and still limit the communication network and economic ties. A network of relations among production and marketing areas and structures was destroyed, but this process and the **long term trends** prevailing in the Bosnian society **overlapped**.

For example, in the case of Bosnia-Herzegovina the people displacements due to violence overlapped to other dynamics of the transition process:

a. the urbanisation processes of the rural people who naturally tended to flee the poor areas marked by subsistence agriculture that, up to 1989, had been heavily subsidised by the central government. Analysts view the problems linked to the relations between rural and urban peoples as one of the elements of the conflict, whereas the feelings of frustration, envy and revenge of the people living in rural areas against the people living in urban areas have been largely exploited by local nationalist movements;

b. the restructuring of the economic tissue causes the shift of job opportunities and hence the displacements of large groups of people. In this respect the situation of the local productive systems affects the prospects for recomposing the social fabric;

c. the displacement overlapped also with the housing problems of the country. Before the war the lack of houses forced large families to live in limited spaces. Due to the flight of minority peoples these houses were occupied by families who now are reluctant to go back to the previous situation.

3. Role, mandate and prospects for the international cooperation actors

3.1 Background

An essential element for the success of the cooperation programmes designed to the post-conflict reconstruction is the existence of a political context having clear prospects where to place the measures undertaken; all the more so when we refer to measures aiming at strengthening the peace process.

For example, in the case of Kosovo, clearly the uncertainties looming over the political prospects in the region are a further problem while defining programmes to promote peaceful coexistence.

On the basis of these considerations, we will underline that a relation of close communication and cooperation between diplomatic efforts and international cooperation initiatives is important. Clearly international aid alone cannot bring peace, democracy and justice. The same applies to the rebuilding of houses that in itself cannot bring the displaced people back home and restore peaceful coexistence and stability.

It has been repeatedly highlighted that the crisis in Kosovo has meant the **resumption of a bilateral logic to face the crisis**. This seemed to have significant implications for the role played and the importance attached to bodies such as the United Nations (UN) agencies and the UNHCR in particular.

Undoubtedly it is important to open a debate on the activities of organisations often entrusted with contradictory tasks and expectations for which they are clearly inadequate with a view to better defining their terms of reference and *modus operandi*. But it is equally important to stress that this cannot be used on purpose to relaunch a bilateral approach that recorded very bad results in the Balkans' crisis, especially in the early nineties.

3.2 The international community

3.2.1 The integration strategies in the region and the Stability Pact

After the crisis in Kosovo, on June 10th, 1999, a series of entities among which most South-Eastern European states, the European Union member states, Russia and the G7 countries – besides many international organisations – launched the "Stability Pact for South-Eastern Europe" upon the initiative of the European Union.

This Pact lays down the political commitment to **ensure a coordinated and strategic approach for the region**. It is organised as forum where its members identify and coordinate measures and projects which can contribute to stability and development in the region. The overall strategy is as follows:
• to ensure lasting peace, prosperity and stability to South-Eastern Europe;
• to achieve effective regional cooperation and good neighbourhood relations;
• to create viable and sound market economies based on effective macropolicies;
• to fully integrate the countries of the region in the European and Atlantic cooperation structures, and particularly in the European Union.

The **European Commission** (EC) **and the World Bank** (WB) have been entrusted with the task of coordinating the economic assistance and, in more general terms, to ensure an overall regional approach to development in the area.

The development initiatives are defined and directed by means of a cross-sectional working table to coordinate all measures and define a general working plan and of three thematic tables: the first is devoted to the issues of democratisation and human rights; the second one to the economic reconstruction, development and cooperation initiatives and the third one to security.

The Stability Pact is a positive new element in the region even though its recent launch has not allowed for an evaluation of its impact yet. Furthermore, some significant issues will be underlined regarding the general rationale and the prospects for this system.

a. On the basis of the commitments undertaken by donors, over the last few months these tables (the

second in particular) have identified many infrastructural development and trans-border cooperation projects and certainly the Stability Pact seems to be bound to become a **forum where donors' contributions and concrete projects can meet, be sorted out and be matched**.

b. The strategic approach to cooperation with the region as a whole can be largely shared and can be a further effort to materialise the deterrence effect that the presence of the European Union has on nationalism and ethnic approaches.

c. The Stability Pact defines **a practicable concrete path that the local governments** may use to reach stability and restore a regional system. On the other hand, there are some uncertainties and ambiguities on the general political prospects which can entail considerable risks. For example it is clear that issues such as the institutional prospects for the Yugoslav Federation and Kosovo have not been clarified yet and that the subversive potential risk of the system architecture in these areas of crisis is still very high.

d. Theoretically the dilemma "reforms before aid" vs. "aid before reforms" seems to be solved. In the Stability Pact logic no stringent measures are required from local administrators (particularly in the economic sector) until they have the tools to ensure an acceptable social stability. In the meantime they are basically supported so that they can work for structural reforms.

e. A substantial amount of resources has been promised by donors to implement these programmes. On the other hand, it is true that – as it often happens in the donors' conferences – a remarkable share of these funds is assured by the reproposition of already allocated resources under other forms and schemes. On the one hand, this makes it more difficult to evaluate the real commitment of the individual countries and institutions; on the other hand, it is sometimes a sign of the considerable expenditure delays and of the management difficulties in using the international cooperation resources. This poses a serious threat to the effectiveness and impact of this initiative.

f. If, on the one hand, the local governments' participation in the various tables is certainly and rightfully relevant, on the other hand, the Pact institutions will pay special attention to the role played and the importance attached to **censurable political power groups**, which have no interest in placing the Balkans in a real process to reach European integration.

g. Over and above the theoretical approaches defined in the documents, the risk of a real **marginalisation of civil society** in this process seems to loom large. In particular, the arrangement of these tables and the issues they tackle seem to suggest that the role of civil society mainly exhausts in the realisation of those initiatives designed to promote itself. Obviously these initiatives are extremely important, but such an inward-looking attitude may be arguable. Civil society expresses organisations capable of providing a specific added value (for example in terms of transparency, social control, cost effectiveness and especially the revival of civil coexistence) also in the implementation of reconstruction and development programmes. This is the reason why it cannot be marginalised and excluded from these aspects of the international community activity.

h. Obviously the **great infrastructural works** are relevant considering the importance they have for local governments and the donors' community in terms of political impact and also rapidity in expenditure. Therefore, the resources allocated for these initiatives – though essential to integrate the region in the European system – run the risk of being structurally overestimated. The past history of cooperation in the region provides some examples of the shortcomings inherent in physical reconstruction. Special attention will be paid to find a balance between these initiatives and other programmes, such as those for the development of social capital, services and measures in favour of marginal groups, for the whole process to be consistent and sustainable.

i. **The economic integration of this region** in the European system – which is one of the mainstays of the Stability Pact – will lead to gradual market integration. The risk exists that this can fuel further **social marginalisation**. Over and above the specific strategies and programmes to fight against poverty, the real ability of the system to equip itself with *global governance* tools to

regulate the process will be fundamental. Among the elements which will be kept under control we can recall a balanced approach on the issue of the elimination of protectionist mechanisms which will consider the fact that rich countries run fewer risks in terms of economic and social stability and therefore can progress more rapidly along these lines.

j. The international community support has always been and still is a fundamental and essential element for political and social stability. The cooperation economic resources are really remarkable if compared to the level of macroeconomic indicators of some of the countries. It cannot be envisaged for this support to be withdrawn abruptly without causing such an increase in poverty as to immediately turn into a factor of instability. We will acknowledge this reality.

3.2.2 Italian Cooperation. Lessons learnt and proposals for the future

Italy has always played and still plays a very important role in the development processes of the region countries in terms of cooperation, resources allocated and institutional involvement.

Here we do not intend to delve into the history of Italian commitment in the region over the last decade. It is useful, however, to refer to some problems which – though often stemming from general features of the Italian development cooperation system – had a specific impact on the region.

The ten year crisis in South-Eastern Europe was faced by the institutional Italian Cooperation in a situation of **progressive crisis in terms of availability of funds and, especially of effective procedures and tools.** The ordinary cooperation was heavily affected by this situation. The most evident result was a very limited ability to spend. A remarkable share of the funded programmes had to be postponed both in their phases of starting and implementation. This has substantially limited not only the impact of initiatives, but also their political weight in local developments and Italian ability to have a bearing on the policy choices made by governments.

As it is well-known, the solution most commonly used - also for cooperation initiatives in this region – was **the recourse to multilateral cooperation** through the agencies of the United Nations (UN). Without elaborating on the problems linked to this kind of cooperation we confine ourselves to stress that if, on the one hand, in situations such as the Balkans', the multilateral logic of initiatives will be safeguarded, on the other hand, the limits appeared clearly in terms of Italian visibility and monitoring possibilities. This approach bears the brunt of being the result of a management need rather than an aware choice.

In **emergency situations** Italy has shown a more timely response ability, but always in a situation marked by the lack of an appropriate legislative and procedural framework. In many situations only the personal commitment and the abnegation of individual officials have allowed to make resources available and start some initiatives. Anyway, even though some initiatives have been more positive than others, **there is still no sufficiently codified procedure to allocate and manage the funds to face emergency situations**.

Certainly this situation has contributed to the **loss of the hegemony of the** *Direzione Generale per la Cooperazione allo Sviluppo* (DGCS) [Development Cooperation Directorate-General] of the *Ministero degli Affari Esteri* (MAE) [Ministry for Foreign Affairs] in terms of guidance, planning and funding **of cooperation initiatives** and the emergence of **new institutional actors** which has led to different results.

The recurrent outbreak of crises and the occurrence of emergency situations in the Balkans had a regular impact on the emergence of new cooperation institutional actors.

In particular, the humanitarian crisis unleashed by the outbreak of war in the former Yugoslavia led to the launching of coordination fora involving solidarity associations, Non Governmental Organisations (NGOs), local authorities, with the active participation of the Presidency of the Council of Ministers through the *Dipartimento Affari Sociali* (DAS) [Social Affairs Department] and of

various ministries including the Ministry for Internal Affairs, the Ministry for Foreign Affairs, the Ministry of Defence and the Ministry for Equal Opportunities. The Albanian crisis in 1997 has led to the creation of a similar Forum for Albania and the establishment there of a Special Diplomatic Mission with the task of managing on the field the cooperation initiatives launched by the various Italian ministries in Albania. The crisis in Kosovo has led to the failed attempt to start a new *ad hoc* Coordination Forum and the starting of a subscription, namely the *Missione Arcobaleno* [Rainbow Mission], promoted by the state.

All these initiatives had different results, but some general considerations can be made.

The cooperation carried out by the various Italian ministries within the framework of the **Special Diplomatic Mission** did not prove to be particularly effective and evidenced limits in terms of procedures and spending abilities in due time similar to those of the cooperation carried out by the DGCS.

Conversely, against this background, the **DAS** was capable of allocating funds and starting programmes in due time by considering the real needs and relying on strong partnership with NGOs and associations. The choice to act in Albania in the sector of assistance and social services allowed to capitalise on the institutional competence of the Social Affairs Ministry and proved to be consistent with the situation and the needs felt in Albania. This process was facilitated by the existence of an *ad hoc* regulatory framework which, on the contrary, lacked in the ordinary cooperation initiatives.

Except for the first experience related to initiatives in Bosnia-Herzegovina, the Italian ministries incurred difficulties in participating in coordination initiatives based on a **culture of institutional interdependence and strategic cooperation**. This shortcoming has substantially damaged the profile of the "Italian system" and the impact in where it had operated.

Undoubtedly the *Missione Arcobaleno* is an unusual initiative (a public subscription organised by the state) which must be given the credit for having **rapidly channelled substantial resources** towards programmes and initiatives by associations and NGOs which mostly proved to be effective and concrete responses to needs. Here again the anomaly of this tool was the result of the lack of a regulatory and procedural framework enabling Italy to act in emergency situations and undoubtedly it was affected by its very success (a total fund raising exceeding 132 billions). This put to a severe test the commitment of an extremely streamlined management structure mainly based on volunteers who achieved effectiveness, good control ability and positive results. Once again, however, the **lack of an overall strategic and methodological reference framework** - allowing to face a complex emergency situation - appeared clearly.

Associations having different histories and profiles met in the cooperation activities in the region. Some organisations – which had been created many years ago in the wake of solidarity with Third World countries – have tried to transpose in the Balkans' context approaches and methods learnt through the work on the field in the framework of emergency, rehabilitation and development programmes carried out in those areas. Other organisations were the bearers of association experiences characterised by greater entrenchment in the Italian territory. Undoubtedly this meeting can be an asset and provide a specific added value to Italian NGOs.

Certainly a further feature of Italian Cooperation in the region was the lively presence of many Italian local authorities which started solidarity and cooperation initiatives at various levels.

The great variety of situations makes it very difficult to pass a general judgement. Anyway, we can say that particularly positive experiences were recorded where synergies between Italian local authorities and NGOs were reached on the basis of the principle that the specific added values had to be fully enhanced in terms of resources available (in the broadest sense of the term), technical competence and skills and knowledge of local reality.

This approach proves to be ever more important since – besides the undeniable value represented by the establishment of relations among communities – it is essential to ensure also the concrete nature of activities, results and impact of measures (all the more so in societies committed to a harsh transition process) which is the best way to legitimise – among the people - the efforts to promote decentralisation, democratisation and participation.

3.3 Civil society and international NGOs

3.3.1 Potentialities and limits of the local civil society

The existence of a strong local civil society is universally recognised as an essential element for the strengthening of democracy in the region and the definition of a new "social contract".

Obviously the **weaknesses and the recent entrenchment** of this fabric do not facilitate the full playing of this role. In some cases the strong constraints exerted by power groups and political apparatus have heavily affected these organisations' development.

From this viewpoint we believe that **favouring the strengthening of strong partnership relations with NGOs and European associations** can be a special opportunity for exchanging experiences and creating a common perception which can contribute to get these countries closer to Europe.

It is certainly fundamental to **avoid the risk of favouring in this way the channelling of an excess of inputs and expectations towards the state**. Since these expectations stem from longer processes which are typical of Western European countries, paradoxically – if not met - they can contribute to a crisis of legitimacy in the state structures of the countries in transition.

On the other hand, the establishment of a sound fabric of bodies - sufficiently independent and able **to channel the demands of the public and particularly of the weakest groups towards the states and the international community** – is an unavoidable need that will be supported.

3.3.2 Role and term of reference of the international NGOs

History and the mistakes made over the last few years have pushed the international community to conceive a kind of cooperation marked by an ever more strategically oriented approach. Certainly this is a positive value provided that **the strategies stem from an interaction with the various actors involved,** including NGOs. We think that this is necessary not because it has to be theoretically "taken for granted", but because there **exists a heritage of knowledge and experience to be made available**. If the NGOs are gradually marginalised, this heritage will be lost.

The more or less overt criticism levelled at NGOs has often been that of being organisations which cannot be governed. Conversely the experience made in the Balkans shows that – in those situations where a reasonable and effective coordination reference framework exists – **NGOs are often more willing to coordinate intervention approaches and logic than many other cooperation actors are**.

In a geographical area where they have not been traditionally present, over the last few years NGOs have become bodies capable of **integrating authoritatively and effectively in the processes underway**; they have been able to respond to the needs for specific professional skills and to enhance and adapt to a new context their cooperation culture based on the values of peace, coexistence and mutual acceptance, the primacy of human beings and justice in social relations.

4. Methodological and sectoral priorities

4.1 The fight against poverty and social exclusion

One of the consequences of the transition and its violent drift towards the conflict was the exponential growth of social exclusion and marginalisation. It is therefore necessary to **include in all programmes the fight against poverty and social exclusion**. Theoretically the international community logic expressed through the Stability Pact seems to adopt this approach.

On the other hand, the fight against poverty is generally **politically weak among governments** and local authorities since they are convinced that marginal groups are fragile not only at economic level, but also in terms of political and social representation. Clearly these walks of population tend to become visible only when they trigger off conflicts and we must say that, once this violence has been unleashed, it is very difficult and costly to call it into question and remedy its consequences.

In this context there exists a specific **added value that the NGOs and the civil society can provide** in these programmes as bodies capable of understanding and increasing the awareness of the problems pertaining to the weakest groups – thanks to the knowledge they have of local situations.

Migration towards rich countries is a central element in the family subsistence and self-promotion strategies. The fight against poverty in the region is bound to take this element into account. Against this background the European countries' ability to prepare and manage tools which allow **legal and regular entry, as well as a regulated access to their labour market** is crucial in the fight against poverty.

Due to its specific features the process of reconstruction and integration in the European context runs the risk of taking place only following the course of cities and great ways of communication.

The programmes to fight against poverty are bound to take these dynamics into account and hence to pay **specific attention to marginal rural areas**. These programmes cannot be expected to prevent the *de facto* flight (which has already taken place) from areas where the subsistence strategies are not sustainable. They will aim at **fighting against the vulnerability factors which prevent acceptable and decent standards of living** in marginal areas, which, however, have potentialities for integration in the surrounding social and economic fabric. Hence they will aim at improving the access to the means of production and to health and education services, and promoting improvements in terms of community organisation and integration in the surrounding areas.

Clearly the features of poverty **and social vulnerability in urban areas** call for the need to rely both on the support to the productive sectors - in order to reduce unemployment and increase families' income - and on the priority attention to be paid to the organisation of assistance services to the weakest groups such as minors, elderly and disabled people.

4.2 Infrastructural programmes and post-conflict reconstruction

If we succeed in avoiding resources being secured only by local power groups, these same infrastructural and reconstruction programmes can be obviously used to fight against poverty and social exclusion. This role can be enhanced by introducing **possible forms of social conditionality** to favour the impact of these programmes along these lines so as to make the means used consistent with the objectives pursued. A case in point – though marginal in scope – can be that of selecting the local companies called upon to carry out the initiatives by evaluating not only their technical and financial ability, but also the employment impact on the territory.

Clearly reconstruction is a complex process for which the **coordination among the agencies** involved in its implementation is essential to define general intervention strategies and the consistency of individual measures with these strategies. In all these cases specific fora will be identified for the interaction among the cooperation actors and between them and local authorities.

NGOs had to come to terms with an increase in the complexity of procedures while implementing reconstruction programmes. If it is true that the planning and management of tenders in the rehabilitation/reconstruction programmes entail the knowledge of technicalities which were not part and parcel of the NGOs traditional heritage, it is important to stress that, in general terms, NGOs have been able to professionally respond to the new needs by ensuring high quality initiatives.

On the other hand, NGOs will keep **critical attention to the excessive increase in procedures** since often this does not ensure better results in terms of transparency, but only confine itself to robbing time and resources to the commitment undertaken to ensure the initiatives' social impact.

During the planning and implementation stages, the involvement of experts, professionals and local companies in the reconstruction programmes is extremely important. It should be avoided the international community protagonism – which is sometimes due to the difficulties incurred in identifying the local counterparts – ending up by mortifying the **human resources operating on the territory** who are an essential tool and a prerequisite for reconstruction.

Unfortunately, over the last few years, **corruption and the embezzlement of the funds** designed to carry out great infrastructural programmes have always been a feature characterising the Balkans' history. These interventions will meet the need to strengthen the social fabric and favour civil growth as well. If, on the one hand, it is true that these societies are marked by a strong hierarchy where the top-down approach appears to be the most effective one, on the other hand, it will be extremely useful to foster – with all possible means – the public and civil society attention and knowledge of the initiatives selection and objectives, their state of progress and timetables. **The dissemination of knowledge fosters social control** and this can play a significant role in situations where the state formal control tools are objectively weak and pervious.

4.3 Reconstruction and the return of minorities: the NGOs experience

In a difficult context such as Bosnia-Herzegovina, NGOs reached important results on the issue of the return of minorities which, in many areas, have been the crucial prerequisite for the more generalised returns at which it is now fair to aim.

Some important methodological lessons can be learnt from the reconstruction and minority return programmes.

a. The possibility of starting programmes for the return of minorities and/or to promote coexistence can require **long time to materialise**. Indeed the time factor is a prerequisite for the establishment of basic conditions on which coexistence can be based. The risk that the involvement of local communities in the decision making process can refuel tensions can be averted through a careful preparatory work, an accurate time planning and flexibility in the management of the project. Therefore, - while setting up the team for the project - it is necessary to ensure the coexistence of the professional skills needed for the initiatives which are often technically complex and the skills which allow to manage sensitive reconciliation processes.

b. For example, in the case of NGOs, the presence in the region through relief or reconstruction programmes is an essential element to establish confidence and esteem relations with local communities: **a wealth of credibility on which to capitalise when actions become more sensitive from the political viewpoint**.

c. The management of programmes will be based on strong coordination among the various actors involved so as to avoid duplications, to maximise the impact and ensure the best possible synergies. This is important and generalized need becomes crucial in very sensitive contexts such as the minority return programmes where **the maximum political consistency of initiatives** will be ensured. In this connection the experience of the local Reconstruction and Return Task Force (RRTF) in Bosnia-Herzegovina is certainly a pattern to be repeated.

d. The **involvement of local authorities** in the implementation of the projects will be supported carefully. Indeed it is fundamental to support the process to define their role as reference for the whole community that they have to rule. It is a slow and difficult process - also since, in many cases, the counterparts are the expression of power groups directly linked to the conflict – which will be supported whenever the local conditions allow so.

e. The social sustainability of the programmes works on the assumption that the community will be reconstructed as such. This is the reason why **interest and attention to the resident people** will be shown – for example by supporting service rehabilitation or promoting initiatives to the benefit of the whole community.

f. The more we succeed in **stirring common and concrete interests in coexistence** – which are the prerequisite for reconstruction – the greater the impact of programmes will be. In this case the return process will be viewed as **a tool to extend the network of economic relations with a wider area** by reorganising the links disrupted as a result of the conflict and overcoming the differences among groups.

4.4 Emergency programmes

The emergency programmes have been a fundamental part of actions and of the international cooperation profile. Now this role is called into question under the banner of a more restrictive conception of the initiatives to be undertaken. Therefore, against this backcloth, we witness a **significant reduction in the presence of the European Community Humanitarian Office (ECHO)** which is certainly understandable, but which can be hardly justified in terms of timetable, size and ideological premise.

Considering the region features and history, a **more flexible approach for these initiatives** will be adopted. We are facing a set of objective emergency situations – which have not been overcome yet – interwoven with situations where it is possible to work for development. To proceed on the basis of **abstract phases** according to a vision whereby a pure emergency step will be followed by rehabilitation at first and then development is a clearly inadequate approach with respect to reality.

Oversimplifying the evolution of the situation on the field, on the basis of the terms of reference of the funding lines which will be used in sequence, is a harmful approach particularly when there are no convincing **strategies to shift competence and reconcile intervention timetables and procedural logics**. From this viewpoint, the shift from the ECHO initiatives to the activities by the DG Relex (*Direction Générale Relations Exterieures*) [General-Directorate for External Relations] of the European Commission in Bosnia-Herzegovina is a case in point.

4.5 The support to social, education and health services

The reconstruction or reorganisation of social, education and health services is part and parcel of the transition process.

In this framework **technical assistance programmes** are essential tools to define overall reorganisation plans.

NGOs can contribute by providing a specific added value in the various phases of the process:

- they can contribute to define policies on the basis of their knowledge of the context and can support the process to **turn reorganisation processes at local level** into daily practice;
- they can **identify the possible limits** of the strategies undertaken and suggest possible corrective measures on the basis of their experience on the field;
- they can **be facilitators,** organisers and act as a catalyst of the relations between local structures and institutions and European institutions and bodies.

Considering the context of transition and structural reduction of the public intervention, the NGOs should tackle, moreover, the issue of the **economic sustainability** of the services and structures which they contributed to create.

Furthermore this need will be balanced by considering those **situations where the lack (or elimination) of social, education or health services is not sustainable in itself**. This is all the more true for the post-conflict situations where the immediate sustainability is not questioned.

The conflict situations and, somehow, the situations where the transition had a particularly violent impact on the social fabric define priorities in the sector of social services which will be taken into account. This is the case of the need to set up social centres or to plan initiatives aiming at integrating marginalised people, for example through the support to schooling and forms of assistance for the displaced people.

The organisation or reorganisation of social, education and health services will be clearly matched by appropriate **training and professional updating activities** for the staff in charge of their operation.

These activities acquire a specific significance in the case of services which are basically redesigned in their logic and operation. Often the reorganisation is carried out according to extremely innovative approaches compared to the traditional ones. In such cases, the adoption of **participatory approaches in the analysis of the training requirements and the implementation of activities** are of fundamental importance.

Moreover, it will be also essential to **avoid the mere transposition in local realities of the ways and means to organise the services which have been followed in Europe** without ensuring the necessary mediation activities and without testing them in due time, particularly at local level. Again, from this viewpoint, NGOs can provide an added value to local institutions.

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Solint

Solidarietà e cooperazione internazionale

The role of the NGOs in the international crisis:
towards a new partnership between institutions and civil society
Rome, 23rd of May 2000

Peace process and reconstruction in the Balkans: role and mandate of the cooperation actors

by Sandro De Luca (CISP)
Working group composed of Sandro De Luca (CISP); Nino Sergi (INTERSOS); Marcello Goletti (MOVIMONDO-Molisv) and Michele Romano (COOPI)
Scientific and editorial coordination by Carlo Tassara (CISP)
May 2000

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This report- for the drafting of which we have also taken into account the indications provided by the NGOs belonging to Forum Solint in the Balkans' countries – has also considered the valuable contribution of personalities, associations and institutions of that region countries with whom Italian NGOs have been carrying out humanitarian, rehabilitation and development projects for years.

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