

Building Good (Enough) Governance in Postconflict Societies & Areas of Limited Statehood: The European Union & the Western Balkans

Tanja A. Börzel & Sonja Grimm

Abstract: In this essay, we assess how the European Union supports the development of postconflict Western Balkan societies toward stable peace, economic prosperity, and consolidated democracy, moving them along the path to Denmark. Our analysis reveals that the EU has contributed to effective and democratic governance in its southeastern neighborhood. At the same time, its effectiveness as an external good governance–builder varies. Structural postconflict conditions that are not conducive to democratization, conflicting policy objectives, the dynamic interplay between the EU and Western Balkan governments, and the involvement of domestic third-party actors in the reform process explain this variation. To make EU good governance–building more effective, we recommend acknowledging conflicting objectives and using governance-building instruments consistently and credibly to reconceptualize external good governance–building as a dynamic process between external and domestic actors and to take domestic actors and their preferences seriously.

TANJA A. BÖRZEL is Professor of Political Science and Chair for European Integration at the Otto Suhr Institute for Political Science at Freie Universität Berlin, Germany.

SONJA GRIMM is a Senior Lecturer at the Department of Politics and Public Administration at the University of Konstanz, Germany.

(*See endnotes for complete contributor biographies.)

Since the end of the Cold War, the European Union has sought to foster peace, stability, and prosperity in post-Communist countries by exporting its norms and principles of good governance to promote the democratic quality and effectiveness of government institutions. We understand good governance as the legitimate and effective rule over a fixed territory by a government that is selected through regular, fair, and free elections. The so-called Eastern enlargement of the EU, when ten Central and Eastern European states joined the EU in 2004 and 2007, is considered one of the most successful attempts at external good governance–building. Not surprisingly, the EU drew on its enlargement approach in seeking to stabilize the Western Balkans that continued to

© 2018 by Tanja A. Börzel and Sonja Grimm
doi:10.1162/DAED_a_00478

be riddled with ethnic violence and lingering conflicts after the military fighting had subsided.¹ In 2000, the EU offered a membership perspective to all countries in the region that would meet the so-called Copenhagen Criteria for effective and democratic governance. Next to membership conditionality, the EU employed a comprehensive toolbox of different instruments, including diplomacy, financial assistance (development and democracy assistance), and state- and peace-building supervision, to promote postconflict stabilization and democratization.² But how effective an external governance-builder has the EU been in a region where general conditions have not been conducive to postconflict democratization and where statehood has remained limited and contested? This essay focuses on how the EU can effectively support the development of postconflict societies toward stable peace, economic prosperity, and consolidated democracy, moving them along the path to Denmark.

Drawing on both the analysis of macro-quantitative data and case study research, we assess the EU's attempts at building good governance in the Western Balkans. In our perspective, the Western Balkans correspond to the limited opportunity model identified by Karl Eikenberry and Stephen Krasner in the introduction to the Fall 2017 issue of *Dædalus*. At the same time, the seven postconflict societies – Albania, Croatia, Bosnia and Herzegovina, FYR Macedonia, Kosovo, Montenegro, and Serbia – have been most likely cases for external good governance-building. Their domestic elites are not exclusively rent-seeking, but have some material interests and normative considerations that resonate with the EU's development and good-governance goals and instruments; otherwise, these actors would not seek EU membership and the EU would not have offered a membership option to the governments of these countries.

The Western Balkans is a region that has been confronted with secessionist movements, unsettled borders, ethnic tensions, deficient state capacity, and strong clientelistic networks that provide serious challenges for internal and external attempts at democratic state-building, even in more consolidated states such as Croatia and Serbia. After the Balkan Wars of the 1990s, statehood in the Yugoslav successor states was weak, and governance structures were either severely damaged or ineffective. The Wars reinforced cleavages between the ethnic communities living in the territory, not least since externally and internally displaced persons had the right to return. Unemployment rose quickly after the end of the fighting. Internal and external security had to be guaranteed by third-party actors while demobilizing, demilitarizing, and reintegrating former fighters.

Considering the challenging starting conditions, the Western Balkans have made substantial progress in good governance-building since the EU recognized them as potential candidates for membership. Starting at a much lower level of governance effectiveness and democracy than the Central and Eastern European countries that joined the EU in 2004 and 2007, respectively, they have caught up since the turn of the millennium. Yet a closer look reveals a more nuanced picture, particularly with regard to democratization. While Croatia and Serbia seem to have locked in their democratic changes, the others appear to be more or less stuck in transition. With regard to governance effectiveness, in contrast, all Western Balkan countries show a modest but steady improvement.

These findings suggest that the EU has been effective in building good governance in the Western Balkans, albeit not to the same extent for all countries. The EU's success is often attributed to membership conditionality, which provides a powerful incentive for incumbent elites to engage in

costly governance reforms.³ However, its effects vary considerably: the EU has not always applied conditionality consequently and credibly, nor has the EU necessarily coordinated its conditionality with the efforts of other relevant donors on the ground. Moreover, conditionality is combined with other instruments. When studying the effects of these instruments, the findings are mixed, too. Similar to conditionality, EU democracy assistance has a significant positive effect on postconflict democratization in some cases, whereas the more general picture indicates a much weaker causal relationship.

We conclude this essay with a discussion of why different instruments vary in their effectiveness to build good governance in the Western Balkans. We argue that it is crucial to consider the interplay between the EU and Western Balkan governments. Success and failure of external good governance–building cannot be fully explained by constraints on the side of the EU, on the one hand, or the domestic postconflict conditions that are not conducive to democratization and state-building, on the other. Additionally, three factors need to be taken into account: 1) possible conflicts of preferences between the EU and domestic political actors; 2) the dynamics of the external-domestic interplay; and 3) domestic constraints, such as national third parties, that may tie the hands of relevant domestic political actors in Western Balkan governments to act in a way that is conducive to postconflict stabilization and democratization.

From its very beginnings, the European Union has been a “community of values” of Western European democracies. The preamble to the Single European Act obliges the member states to “promote democracy” internally and to “display the principles of democracy and compliance with the law and with human rights” external-

ly to contribute to international peace.⁴ When the Maastricht Treaty of 1992 created the Common Foreign and Security Policy, the EU committed itself to “develop and consolidate democracy and the rule of law, and respect for human rights and fundamental freedoms.”⁵ EU enlargement policy became the most comprehensive foreign policy framework for such external good governance–building. In 1993, the Copenhagen European Council formally accepted the possibility of membership of all associated Central and Eastern European countries, provided that they became functioning democracies with market economies capable of applying the EU body of law. To encourage good-governance reforms, the EU predominantly relied on positive conditionality, rewarding compliance with human rights, democracy, the rule of law, and the fight against corruption with the opening of accession negotiations and, ultimately, membership. Accession conditionality was complemented with financial and technical assistance to help candidate countries comply with EU conditions.⁶

The EU approach to the Western Balkans is very similar in its goals and instruments to its Eastern-enlargement framework. Since the violent dissolution of the Socialist Federal Republic of Yugoslavia (SFRY) between 1991 and 1995, the EU’s declared policy objectives in the Western Balkans have combined three different goals: first, security goals, following its desire for peace, security, and stable borders in its direct neighborhood; second, economic goals reflecting its interest in enhanced economic integration; and third, political goals, such as democratization, human rights protection, and the guarantee of the rule of law in accordance with its criteria for membership.⁷

To achieve these three goals, the EU, in the beginning, focused foremost on disaster relief and humanitarian aid, with the immediate aim to reduce the suffering of civilian victims of the Balkans Wars

and to cope with millions of internally displaced persons and refugees migrating to EU member states. In reaction to the Kosovo conflict in 1998 – 1999, the EU started to more intensely promote postconflict stabilization, state-building, and democratization in the countries emerging from the SFRY and Albania. In 2000, the EU created the Stability Pact for South-Eastern Europe, a framework for conflict prevention and the promotion of inter-regional cooperation and development within the Western Balkans. The Stability Pact represented an integrated framework to assist these countries in achieving objectives set out in three sections: 1) democratization and human rights; 2) economic reconstruction, cooperation, and development issues; and 3) security issues. With this framework, the EU recognized its “responsibility to [both] contribute to the resolution ... of the immediate instability and, in the longer term, to the general stabilization and development of the region,” motivated by the region’s geographic proximity to the EU as well as by the prospect of mutual benefits through regional stabilization.⁸ The Stability Pact for South-Eastern Europe represents the beginning of the EU’s political commitment to the region, setting the stage for the Western Balkan countries’ potential membership in the EU.

The Stability Pact was accompanied by the more institutionalized Stabilization and Association Process (SAP) for Southeastern Europe, which was adopted at the 2000 Zagreb summit by the European Council in a joint effort with the heads of state and governments of the Western Balkans. The process offered “higher incentives to the countries concerned” and required “compliance with more demanding conditions, both political and economic as well as increased emphasis on the need for regional cooperation.”⁹ In addition to the promotion of democracy, administrative structures, and the rule of law, economic development and re-

gional cooperation played a major role in the SAP.¹⁰

To animate the SAP and to support postconflict stabilization and democratization in the Western Balkans, the EU combined different instruments: namely, 1) diplomacy, 2) financial assistance, 3) accession (or membership) conditionality, and 4) state- and peace-building supervision. *Diplomacy* is part of all cooperation agreements and represents a constant in all forms of interaction between the EU and domestic actors in the Western Balkans.¹¹ With *financial assistance*, the EU seeks to support the building of democratic institutions and governance capacity. Since 1991, the EU has channeled financial assistance through a variety of programs and fiscal instruments. In the immediate aftermath of the collapse of the SFRY in 1991 – 1992, safeguarding the survival of the population was clearly the EU’s priority in the Western Balkans. The EU provided humanitarian assistance and disaster relief through the Humanitarian Aid Office of the European Commission (ECHO), later called the European Commission on Humanitarian Aid and Civil Protection (DG Humanitarian Aid). Additionally, between 1992 and 2006, the Western Balkans benefited from the Poland and Hungary: Assistance for Restructuring their Economies (PHARE) program.¹² With the dissolution of the SFRY, the successor countries and Albania gradually became eligible for PHARE. After the Zagreb summit in 2000, ECHO and PHARE were replaced by the single framework program: Community Assistance for Reconstruction, Development and Stability in the Balkans (CARDS). Between 2000 and 2006, most of the EU’s financial and technical assistance was channeled through CARDS and implemented by the European Agency for Reconstruction. Finally, in 2007, CARDS was incorporated into the Instrument of Pre-Accession Assistance (IPA), enabling candidate and potential candidate countries “to introduce the necessary polit-

ical, economic and institutional reforms to bring them into line with EU standards.”¹³ All Western Balkan countries currently receive funding through the IPA since, by 2016, all have been granted either candidate (Albania, FYR Macedonia, Montenegro, and Serbia) or potential candidate status (Bosnia and Herzegovina and Kosovo under United Nations Security Council Resolution 1244). Croatia received IPA funds until it became an EU member in 2013.

In addition to programs specifically developed for the Western Balkans, the EU has also funded the promotion of democracy, human rights, and the rule of law in the region since 2000 through the European Initiative for Democracy and Human Rights (European Initiative), renamed the European Instrument of Democracy and Human Rights (EIDHR) in 2007.¹⁴ EIDHR funding is independent of intergovernmental bilateral cooperation agreements and enables complementary bottom-up democracy promotion. It targets third parties such as civil society organizations and nonprofit organizations, but also parliamentary bodies and international organizations whose activities or projects match European Council goals for promoting democracy and human rights.¹⁵

Accession (or membership) conditionality is based on incentives rewarding progress in complying with EU conditions and punishing the lack thereof. Political conditionality seeks to change the behavior of actors in relation to democratic development and the protection of human rights and civil liberties. Likewise, EU accession or membership conditionality as a subtype of political conditionality attempts to incentivize actors in (potential) candidate countries to pursue socioeconomic liberalization, support democratic institution-building, and strengthen governance capacity therein. Since the adoption of the SAP, the EU has linked postconflict recovery in the Western Balkans with the pro-

cess of EU integration. Incentives include visa liberalization, technical assistance and financial support for structural development and democratic institution-building, access to the European Single Market, and, ultimately, full EU membership.

State- and peace-building supervision is the (temporary) takeover of decision-making and the implementation of policies by an external actor. It includes international peace- and state-building missions with a mandate to monitor or supervise democratization in postwar societies.¹⁶ The EU rarely engages in such highly intrusive and cost-intensive endeavors. In the Western Balkans, however, there are two examples of such an EU engagement: First, between 2002 and 2011, the High Representative/EU Special Representative in Bosnia and Herzegovina assumed the power and authority to oversee the implementation of the General Framework Agreement for Peace in Bosnia and Herzegovina and the approximation of the territory to the EU. Our second example is the takeover of responsibility for the economic reconstruction pillar under the United Nations Interim Administration Mission in Kosovo, as well as the subsequent European Union Rule of Law Mission in Kosovo that has overseen capacity-building in the rule-of-law sector since Kosovo’s independence in 2008.

EU support for the Western Balkans has significantly changed over the last two decades with regard to both the purpose and the use of these four instruments. First, the EU’s programs have become increasingly more specific with regard to the sectors and components for which support has been given. Second, EU priorities have gradually shifted from short-term disaster relief to long-term socioeconomic development, capacity-building, and democratization. Peace and stability have been the primary goals, complemented by economic liberalization and political reforms intended to further democracy. Third, consider-

ing the recipients of EU diplomacy, financial assistance, and conditionality, the EU relies to a much greater extent on cooperation with state actors than with nonstate actors. As a result, EU support is foremost top-down, oriented toward the establishment of functioning political institutions and an effective state administration. This strategy has not been balanced by an equally weighted bottom-up approach that would foster a vivid political community and an independent civil society.¹⁷ Fourth, the EU has been reluctant to engage in highly intrusive supervision and interim administration missions. Its engagement in Bosnia and Herzegovina and in Kosovo can be seen as the exception rather than the rule.

How successful has the EU been as an external democracy promoter and governance-builder in the Western Balkans? To assess the effectiveness of the EU's four instruments for building good governance, we focus on stable and effective statehood and the quality of democracy.¹⁸ In doing this, it is important to consider the starting conditions that the EU found in the postconflict Western Balkans. In general, conditions conducive to democratization are absent in the aftermath of violent conflict. As political scientist Virginia Page Fortna has put it: "the atrocities of civil war are fundamentally antithetical" to democratic norms.¹⁹ More specifically, recent warfare, challenged statehood, and ongoing ethnic tensions within the countries, in combination with destroyed infrastructure, the massive displacement of peoples, rising levels of poverty and unemployment, high levels of corruption and criminality, and a weak civil society, represent difficult context conditions for successful democracy promotion.²⁰ In a postconflict society, fear and mistrust are prevalent, and soldiers and civilians are likely to be traumatized by the recent experiences of violence, atrocity, and destruction.²¹

Therefore, good governance—building in the Western Balkans has required substantial efforts to overcome the causes and consequences of violent conflict, build up functioning state institutions, enhance socioeconomic development, create societal trust, and sow the seeds of democracy. Additionally, statehood (understood as the control over the monopoly of the use of force and the capacity to set and enforce rules) is as limited and contested as the existence of a nation (understood as a community of equal citizens sharing a common national identity).²²

In Kosovo and Bosnia and Herzegovina, international and domestic sovereignty is externally constrained and ethnically contested, borders are unsettled, and constitutional issues are unresolved. Moreover, the accommodation of secessionists by power-sharing arrangements weakens the power of central government; the Serbs in Kosovo and Bosnia and Herzegovina having no interest in strong state institutions exacerbates this weakness. Albania, Macedonia, and Montenegro suffer (more) from limited statehood due to a lack of resources (staff, expertise, funds) as well as institutionally entrenched structures of corruption and clientelism.²³

Despite rather unfavorable conditions, the Western Balkans has experienced progress in effective and democratic governance-building; compared with other postconflict countries in the world, the Western Balkan countries are relatively well-off. Ever since the Balkan Wars, the risk of violent conflict has been considerably reduced, governance capacities have improved, and all countries have exhibited progress with democratization, albeit slow and with setbacks. Approximation to the EU has had a conflict-moderating effect. Since the early 1990s, the only postconflict country in the world that has become a liberal constitutional democracy is Croatia, which was awarded with becoming the EU's twenty-

eight member state in 2013. Serbia has made sufficient progress to open accession negotiations in 2014. Albania, FYR Macedonia, and Montenegro, in contrast, have become stuck and even show some signs of democratic backsliding. Most worrisome are Bosnia and Herzegovina and Kosovo, whose highly contested statehood has prevented any improvements in good governance in recent years.²⁴

How do we account for this variation? To deal with the challenges in the post-conflict Western Balkans, the EU has employed the four previously mentioned instruments. Tracing their effects is not an easy task: the instruments are not used in a mutually exclusive way, but are often combined, sometimes strategically, sometimes by trial and error. From our qualitative and quantitative empirical research, we deduce the following effects.

Dialogue and negotiations as means of diplomacy between the EU and domestic actors in the Western Balkans are constantly taking place at all stages of the drafting and implementation of reform. The EU is formally excluded from participation only at the stage of policy-adoption in national parliaments. Furthermore, diplomacy is never used as a governance-building instrument in isolation, but always precedes or accompanies the use of the other instruments. Nevertheless, empirical evidence shows that the postconflict Western Balkan countries receiving EU support would not have drafted or implemented the majority of reforms without diplomatic exchange.²⁵ Financial assistance in the form of development and democracy assistance has a positive but small effect on democratization in the Western Balkans.²⁶

The findings on accession conditionality are more mixed. The accession aspirations of (potential) candidate countries combined with the high degree of leverage the EU has due to asymmetrical interdependence renders conditionality effec-

tive.²⁷ Cross-conditionality with other regional organizations such as NATO and the Organization for Security and Co-Operation in Europe (OSCE) increases external leverage on national governments to build good governance.²⁸ At the same time, conflicts between the different members of the EU over accession weaken the EU's leverage in the Western Balkan region. Together with the EU's enlargement fatigue, this reduces the credibility of accession conditionality.²⁹ Finally, conflicts over national identity significantly limit the effectiveness of external actors' efforts to promote democracy and strengthen the governance capacity of Western Balkan states.³⁰ Not surprisingly, overall compliance with EU demands for domestic reform tends to be "fake and partial."³¹ However, Serbia's cooperation with the International Criminal Tribunal for the Former Yugoslavia (ICTY) shows that accession conditionality still induces target governments to cooperate with EU requirements – when the conditions are exerted credibly and in a timely fashion. Serbian compliance resulted from the considerable pressure exerted jointly by the U.S. government and the EU Commission. Moreover, smaller and more attainable incentives, such as the promise of aid and cooperation agreements, were decisive to promote cooperation with the ICTY.³²

The effects of the EU's engagement in international peace-building missions with a mandate to democratize are likewise mixed and contested. Particularly in Bosnia and Herzegovina and Kosovo, immediate post-conflict stabilization would not have been possible without the legislative, executive, and judicative contributions of external actors such as the United Nations, the OSCE, NATO, and other international and regional organizations including the EU. In both countries, the EU became more important over time, replacing conflict resolution through liberal postconflict state-building with good governance – building through

an EU approximation approach. However, this dual agenda also bears problems. While seeking to build a functioning democratic state in Kosovo that complies with EU accession criteria, the European Union Rule of Law Mission in Kosovo operated under UN Resolution 1244, which requested “neutrality” on the Kosovo status question. But how do you create a functioning state without recognizing its sovereignty? As a consequence of this dilemma, the EU has managed to improve effective governance while democratic governance has lagged behind, though levels of organized crime and corruption have remained high in Kosovo and parallel Serbian institutions in Northern Kosovo continue to exist.³³ These setbacks notwithstanding, the EU succeeded in April 2013, after a lengthy negotiation process, in brokering an agreement between Serbia and Kosovo aimed at normalizing their relations. Regarding the EU’s role in Bosnia, experts agree that the prospect of EU membership has not been sufficient so far to incentivize the urgently needed reform of the strictly consociational institutions, as defined in the Dayton General Framework Agreement for Bosnia and Herzegovina, to strengthen the level of the federal state, or to bridge the deeply entrenched cleavages that exist between Bosnia’s two state entities and three ethnicities.³⁴ Furthermore, the double-hatted role of being a High Representative and an EU Special Representative (between 2002 and 2011) required overseeing the peace-building process and, at the same time, fulfilling the EU accession criteria – an irresolvable task for the respective incumbent.

In summary, the EU has contributed to the building of effective and democratic governance in the Western Balkans. At the same time, its effectiveness as an external governance-builder varies. Croatia and Serbia are clear success cases whereas the records of FYR Macedonia and Montenegro are mixed and those of Albania, Bosnia and

Herzegovina, and Kosovo are increasingly disappointing. This is partly explained by diverging interests of EU member states and a general enlargement fatigue, on the one hand, and the postconflict conditions that are not conducive to stabilization and democratization in the Western Balkans, on the other. The dual role of acting as a peacekeeper and as an EU approximation observer, as well as the problem of highly contested statehood largely explain failures in Bosnia and Herzegovina and Kosovo.

Going beyond these explanations, there are two more factors that need to be considered. First, conflicting policy objectives that put the recipient countries in an unintended trade-off reduce the effectiveness of the EU’s support; one policy goal may be impaired by the achievement of another.³⁵ For example, externally promoted political competition under the objective of democracy promotion during election campaigns might reduce the willingness of ethnically composed political parties to compromise, thus increasing instability in a postconflict country and undermining the objective of state-building. Or the strengthening of democratic institutions might deprive parts of the society of political or economic privileges, making them question the legitimacy of the state. If not managed well, those conflicts negatively influence transition outcomes and lead to setbacks in governance reforms.

Second, partial or fake compliance with conditions of external governance-builders is often blamed on domestic actors “unwilling” (interpreted by external actors as being “illiberal,” “antidemocratic,” or “anti-modern”) or “unable” (understood as being incapable due to resource constraints or a lack of personal knowledge) to engage in governance reforms.³⁶ This view neglects the constant interplay of negotiations between external and domestic actors in which both sides possess a set of in-

struments to set, modify, and change the reform agenda. Governments and state officials of Western Balkan countries can take action independently from the EU and other external actors by playing two-level games.³⁷ On the first level, the external-domestic interaction between external governance-builders and domestic recipients (governments, ministries, or parliaments) unfolds. Here, conflicts over preferences, reform approaches, and reform implementation might emerge in the negotiation process. On the second level, domestic political actors have to interact and negotiate with domestic third-party actors (opposition parties, political unions, civil society actors). Here, domestic governments have to consider three issues: First, domestic third-party actors can act as veto players whose consent is necessary to draft, adopt, or implement a reform package. Second, governments and state officials have to consider the framing of reforms that might touch upon issues of national identity. Third, national governments must take the possible reform effects for the electorate into consideration, meaning they must anticipate social mobilization for or against proposed reforms. Context-insensitive reform demands might not resonate with the everyday local needs of affected citizens.

In sum, without acknowledging the strategic behavior of domestic actors and the constraints they face, and instead portraying them as “unwilling” or “unable” to reform, external governance-builders tend to neglect the rational interests of domestic political actors and the dynamics of two-level game negotiations. Domestic actors might seek to modify, adapt, change, or reject external reform demands due to preferences that diverge from external actors’ inclinations or because of domestic constraints, such as the existence of domestic veto players and specific domestic conditions that do not fit the reforms demanded by external actors like the EU.

What are the policy implications of our findings? Students of state-building and democracy promotion mostly agree that effective good governance—building requires a context-sensitive approach.³⁸ We propose three recommendations for putting such an approach into practice:

1) *Acknowledge conflicts of objectives and use governance-building instruments consistently and credibly.* External governance-builders should acknowledge that all good things do not necessarily go together. This may require explicitly prioritizing short-term goals, such as using unconditional aid to ensure stability even if it may strengthen incumbent regimes reluctant to engage in democratic reforms. This will also facilitate the credible and consistent use of conditionality, which is often undermined by continuing aid despite the lack of democratic progress in the interest of stability.³⁹ Both solutions likewise require a closer coordination among the different regional and international organizations involved in state-building and democratization to avoid introducing further conflicting objectives (such as prioritizing security-building to comply with NATO demands versus prioritizing democracy development to comply with EU demands).

2) *Reconceptualize external good governance—building as a dynamic process between external and domestic actors.* Practitioners should take into account that building effective and democratic governance takes place in a dynamic environment, in which domestic actors are not mere recipients of external demands. While external actors might offer financial and technical assistance to build up institutions and to professionalize governance structures, domestic actors are in the driver’s seat when it comes to the implementation and application of political and administrative reforms.⁴⁰ Without serious cooperation at eye level, external governance-building is unlikely to be effective.

3) *Take domestic actors and their preferences seriously.* Finally, practitioners should not mistake any domestic behavior diverging from their demands and expectations as “resistance.” Domestic actors have legitimate interests that do not necessarily oppose attempts at building good governance. Rather, they may prefer other short-term, intermediate, or long-term goals, set different priorities, and tend to use other means to achieve their desired objectives.⁴¹ Moreover, domestic actors may be constrained by relevant domestic interests of the public and other third parties. Ignoring these interests contradicts the very goal of building democratic and effective governance.

ENDNOTES

* Contributor Biographies: TANJA A. BÖRZEL is Professor of Political Science and Chair for European Integration at the Otto Suhr Institute for Political Science at Freie Universität Berlin, Germany. She is the author of *Governance under Anarchy: Effective and Legitimate in Areas of Limited Statehood* (with Thomas Risse, forthcoming) and is the coeditor of the *Oxford Handbook of Governance and Limited Statehood* (with Thomas Risse and Anke Draude, 2018).

SONJA GRIMM is a Senior Lecturer at the Department of Politics and Public Administration at the University of Konstanz, Germany. She has published in such journals as *European Union Politics*, *Journal of Common Market Studies*, *Conflict Management and Peace Science*, and *Democratization*.

¹ The European Union defines the Western Balkans to include Croatia, Serbia, Bosnia and Herzegovina, Montenegro, Kosovo, FYR Macedonia, and Albania. See, for example, European Commission, “Countries and Regions: Western Balkans,” <http://ec.europa.eu/trade/policy/countries-and-regions/regions/western-balkans/> (accessed October 12, 2016).

² We focus in our essay on EU instruments toward the postconflict Western Balkans. On options of how to rule a territory on the basis of an international treatment regime, see Richard Gowan and Stephen John Stedman, “The International Regime for Treating Civil War, 1988–2017,” *Dædalus* 147 (1) (Winter 2018).

³ Tanja A. Börzel and Frank Schimmelfennig, “Coming Together or Driving Apart? The EU’s Political Integration Capacity in Eastern Europe,” *Journal of European Public Policy* 24 (2) (2017).

⁴ Council of the European Union, Single European Act, July 1, 1987, para. 3, para. 5, http://www.consilium.europa.eu/uedocs/cmsUpload/SingleEuropeanAct_Crest.pdf.

⁵ Treaty on European Union, February 7, 1992, Article J.1 (11.1).

⁶ Tanja A. Börzel, “Building Member States: How the EU Promotes Political Change in its New Members, Accession Candidates, and Eastern Neighbours,” *Geopolitics, History, and International Relations* 8 (1) (2016): 76–112.

⁷ Solveig Richter, “Two at One Blow? The EU and its Quest for Security and Democracy by Political Conditionality in the Western Balkans,” *Democratization* 19 (3) (2012); and Sonja Grimm and Okka Lou Mathis, “Stability First, Development Second, Democracy Third: The European Union’s Policy towards the Post-Conflict Western Balkans, 1991–2010,” *Europe-Asia Studies* 67 (6) (2015).

⁸ Commission of the European Communities, “Communication from the Commission to the Council and the European Parliament on the Stabilisation and Association Process for Countries of South-Eastern Europe,” COM (1999) 235 final, May 26, 1999, Brussels.

⁹ *Ibid.*

¹⁰ *Ibid.*

¹¹ Grimm and Mathis, “Stability First, Development Second, Democracy Third.”

- ¹² Later also called “Programme of Community Aid to the Countries of Central and Eastern Europe.”
- ¹³ European Commission: European Neighbourhood Policy and Enlargement, “Instrument for Pre-Accession Assistance,” https://ec.europa.eu/neighbourhood-enlargement/instruments/overview_en (accessed October 1, 2016). Assistance under IPA is also extended to Iceland and Turkey as EU candidate countries.
- ¹⁴ Council of the European Union, Council Regulation (EC) 975/1999 of the European Council of 29 April 1999; Council of the European Union, Council Regulation (EC) 976/1999 of the European Council of 29 April 1999; and Council of the European Union, Council Regulation (EC) 1889/2006 of the European Parliament and of the Council of 20 December 2006.
- ¹⁵ European Commission, “About Funding,” https://ec.europa.eu/europeaid/about-funding_en (accessed October 1, 2016).
- ¹⁶ Sonja Grimm, *Erzwungene Demokratie: Politische Neuordnung nach militärischer Intervention unter externer Aufsicht* (Baden-Baden, Germany: Nomos, 2010); and Janina Steinert and Sonja Grimm, “Too Good to Be True? UN Peacebuilding and the Democratization of War-Torn States,” *Conflict Management and Peace Science* 32 (5) (2015).
- ¹⁷ Grimm and Mathis, “Stability First, Development Second, Democracy Third.”
- ¹⁸ To measure statehood and democracy, we refer to indicators provided by The World Bank, “World Government Indicators,” <http://info.worldbank.org/governance/wgi/index.aspx#home>; The Center of Systemic Peace, “Polity IV Individual Country Regime Trends, 1946 – 2013,” <http://www.systemicpeace.org/polity/polity4.htm>; or Freedom House, “Freedom in the World,” <https://freedomhouse.org/report/freedom-world/freedom-world-2017>.
- ¹⁹ Virginia Page Fortna, “Peacekeeping and Democratization,” in *From War to Democracy: Dilemmas of Peacebuilding*, ed. Anna K. Jarstad and Timothy D. Sisk (New York: Cambridge University Press, 2008), 46.
- ²⁰ See also Francis Fukuyama, “The Last English Civil War,” *Dædalus* 147 (1) (Winter 2018).
- ²¹ Sonja Grimm, “External Democratization after War: Success and Failure,” *Democratization* 15 (3) (2008); and Christoph Zürcher, Carrie Manning, Kristie D. Evenson, et al., *Costly Democracy: Peacebuilding and Democratization after War* (Stanford, Calif.: Stanford University Press, 2013).
- ²² On the concept of (limited) statehood, see Thomas Risse and Eric Stollenwerk, “Limited Statehood Does Not Equal Civil War,” *Dædalus* 147 (1) (Winter 2018). On rule-of-law building, see Fukuyama, “The Last English Civil War.”
- ²³ Arolda Elbasani, ed., *European Integration and Transformation in the Western Balkans: Europeanization or Business as Usual?* (London: Routledge, 2013).
- ²⁴ Börzel and Schimmelfennig, “Coming Together or Driving Apart?”
- ²⁵ Lisa Groß and Sonja Grimm, “The External-Domestic Interplay in Democracy Promotion: A Case Study on Public Administration Reform in Croatia,” *Democratization* 21 (5) (2014); and Lisa Groß and Sonja Grimm, “Conflicts of Preferences and Domestic Constraints: Understanding Reform Failure in Liberal Statebuilding and Democracy Promotion,” *Contemporary Politics* 22 (2) (2016).
- ²⁶ Sonja Grimm and Okka Lou Mathis, “Democratization Via Aid? The European Union’s Democracy Promotion in the Western Balkans 1994 – 2010,” *European Union Politics* (2016).
- ²⁷ Börzel and Schimmelfennig, “Coming Together or Driving Apart?”; Gergana Noutcheva and Senem Aydin Düzgit, “Lost in Europeanization? The Western Balkans and Turkey,” *West European Politics* 35 (1) (2012): 59 – 78; and Jonas Wolff and Iris Wurm, “Towards a Theory of External Democracy Promotion: A Proposal for Theoretical Classification,” *Security Dialogue* 41 (1) (2011): 80.
- ²⁸ Florent Marciacq, “Building European Security in the Western Balkans: The Diffusion of European Norms in the Context of Inter-Organisational Interactions,” *Journal of International*

- Relations and Development* 18 (3) (2015); Elisabeth Pond, *Endgame in the Balkans: Regime Change, European Style* (Washington, D.C.: Brookings Institution Press, 2006); and Roberto Belloni, "European Integration and the Western Balkans: Lessons, Prospects and Obstacles," *Journal of Balkan and Near Eastern Studies* 11 (3) (2009). Tanja A. Börzel & Sonja Grimm
- ²⁹ Florian Bieber, "Building Impossible States? State-Building Strategies and EU Membership in the Western Balkans," *Europe-Asia Studies* 63 (10) (2011); and Richter, "Two at One Blow?"
- ³⁰ Tina Freyburg and Solveig Richter, "National Identity Matters: The Limited Impact of EU Political Conditionality in the Western Balkans," *Journal of European Public Policy* 17 (2) (2010); Victor Peskin and Mieczyslaw P. Boduszynski, "Balancing International Justice in the Balkans: Surrogate Enforcers, Uncertain Transitions and the Road to Europe," *International Journal of Transitional Justice* 5 (1) (2011); and Jelena Subotić, "Europe Is a State of Mind: Identity and Europeanization in the Balkans," *International Studies Quarterly* 55 (2) (2011).
- ³¹ Gergana Noutcheva, "Fake, Partial and Imposed Compliance: The Limits of the EU's Normative Power in the Western Balkans," *Journal of European Public Policy* 16 (7) (2009); and Elbasani, *European Integration and Transformation in the Western Balkans*.
- ³² Maria Pawelec and Sonja Grimm, "Does National Identity Matter? EU Political Conditionality and Serbia's Cooperation with the ICTY," *Journal of Common Market Studies* 52 (6) (2014); and Grimm and Mathis, "Democratization Via Aid?"
- ³³ Gezim Krasniqi and Mehmet Musaj, "The EU's 'Limited-Sovereignty-Strong Control' Approach in the Process of Member States Building in Kosovo," in *The EU and Member State Building: European Foreign Policy in the Western Balkans*, ed. Soeren Keil and Zeynep Arkan (London: Routledge, 2013), 146 – 156.
- ³⁴ Valery Perry, "Not-So-Great Expectations: The EU and the Constitutional Politics of Bosnia and Herzegovina," in *The EU and Member State Building: European Foreign Policy in the Western Balkans*, ed. Soeren Keil and Zeynep Arkan (London: Routledge, 2013), 171 – 176.
- ³⁵ Sonja Grimm and Julia Leininger, "Not All Good Things Go Together: Conflicting Objectives in Democracy Promotion," *Democratization* 19 (3) (2012): 397, 405 – 406; and Tanja A. Börzel and Vera van Hüllen, "One Voice, One Message, but Conflicting Goals: Cohesiveness and Consistency in the European Neighbourhood Policy," *Journal of European Public Policy* 21 (7) (2014): 1033 – 1049.
- ³⁶ Thomas Carothers, *Critical Mission: Essays on Democracy Promotion* (Washington, D.C.: Carnegie Endowment for International Peace, 2004): 137; and Oliver Richmond, "Resistance and the Post-Liberal Peace," *Millennium – Journal of International Studies* 38 (3) (2010): 685 – 686.
- ³⁷ Groß and Grimm, "The External-Domestic Interplay in Democracy Promotion"; and Groß and Grimm, "Conflicts of Preferences and Domestic Constraints."
- ³⁸ Arthur A. Goldsmith, "Making the World Safe for Partial Democracy? Questioning the Premises of Democracy Promotion," *International Security* 33 (2) (2008); and Jörn Grävingholt, Julia Leininger, and Oliver Schlumberger, "The Three Cs of Democracy Promotion Policy: Context, Consistency and Credibility" (Bonn, Germany: Deutsches Institut für Entwicklungspolitik, 2009).
- ³⁹ On principal-agent problems, see Stephen Biddle, "Building Security Forces & Stabilizing Nations: The Problem of Agency," *Dædalus* 146 (4) (Fall 2017).
- ⁴⁰ On the importance of external actors aligning their policies and instruments to the interests and strategies of domestic actors, see Clare Lockhart, "Sovereignty Strategies: Enhancing Core Governance Functions as a Postconflict & Conflict-Prevention Measure," *Dædalus* 147 (1) (Winter 2018).
- ⁴¹ For a similar argument, see Steven Heydemann, "Civil War, Economic Governance & State Reconstruction in the Arab Middle East," *Dædalus* 147 (1) (Winter 2018).