

“Debalkanizing the Balkans with the Kantian Theory of Democratic Peace”

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Abstract

This study focuses on the post-communist Balkans and juxtaposes the positions of what its authors call the “recidivist” and “transitionist” schools of thought. The thesis of the recidivists is that war is a deep characteristic of the Balkans and is destined to recur in the future. The transitionists, on the contrary, posit that war is a product of economic, political and social underdevelopment rather than being specific to particular geographic regions or cultures. Siding with the cautiously optimistic approach of the transitionists, the authors of this study employ a variation of Bruce Russett’s Kantian peace theory and attempt to apply it to the post-communist Balkans. Given the evidence of convergence (political, economic, and social) between the post-communist Balkans and the rest of the Euro-Atlantic region, the authors conclude that a sustained period of growth, cooperation and peace can be projected. Major problems, such as state fragmentation, inflation, unemployment, corruption, underground economies, organized crime and Islamist terrorism will not disappear soon in the Balkans. But an environment of consolidated democracy, advanced and liberal economy, and the promise of a common institutional roof over the whole Balkan region will act as a gradual and sure fire remedy for such and other ills.

I. Schools of Thought with reference to the past and future of the Balkans

The 1990's was a time of troubles for the post-communist Balkans. The wars of Yugoslav succession, involving Serbia, Slovenia, Croatia, Bosnia-Herzegovina and Kosovo, led a number of Western observers to conclude that the Balkans would be replacing the Middle East as the world's leading flash point. Negative stereotypes soon surfaced with terms such as "balkanization" and the "powder keg of Europe" leading the chorus. Simplifying reality somewhat, we could propose that two schools of thought emerged in the 1990's focusing on the recent past, the present and the future of the Balkans: We shall call the first school "historical recidivism" and the second "transition to democracy and economic development".

The historical recidivists¹ labeled the Balkans as a region condemned by history, culturally deficient, uniquely flawed, conflict prone, brutal and vengeful. Consequently, their recommendation was that the West should not get involved into the murky and divisive domestic condition of this area. Their advice was simply "stay at arms length". In one of his articles titled "Give War a Chance" Edward Luttwak, a fellow at the Center of Strategic and International Studies, revealed his state of mind in relation to the region. In his view, if the belligerents of the Balkans had been allowed to fight it out among themselves, the wars would not have lasted as long and the casualties would have been reduced considerably².

¹Edward Luttwak, "Give War a Chance," *Foreign Affairs*, July/August 1999; George Frost Kennan, *The Other Balkan Wars*, (Washington, DC: Carnegie Endowment for International Peace, 1993). See also Robert D. Kaplan, *Balkan Ghosts: A Journey through History*, (New York: Picador, 1993); and Samuel P. Huntington, *The Clash of Civilizations and the Remaking of World Order*, (New York: Simon & Schuster; 1st Touchstone edition, 1998).

² Implicit to Luttwak's view was the Thucydidean axiom that the strong do what they can and the weak suffer what they must. The "strong" in this case would have been Milosevic's Serbia.

The democracy and development transitionists³ - the second school of thought – proceeded with a diametrically different reading of the situation from that of the recidivists. In their view there was nothing “unique” about the Balkans if one were to compare its conflict quotient with those of many developing regions of the Third World. In fact, one should not exclude from the comparison much of Western, Central and Eastern Europe, the United States, China, and Japan, given the nightmarish butchery they experienced during the first half of the twentieth century.

In the transitionist view, wars in the Balkans – wherever they broke out – were the products of economic underdevelopment coupled with inability of political institutions to control corrosive inputs by flawed and demagogic leaders, such as Slobodan Milosevic, Franjo Tudjman, and Alija Izetbegovic – ranked in a decreasing order of culpability. In fact, given that most economic indicators for former Yugoslavia were clearly higher than those of Romania and Bulgaria⁴ (both of which managed to avoid war during their post-communist transition periods), the variable of bad leadership with a dose of external intervention (emanating in the early 1990’s mostly from Germany⁵) can be given extra explanatory weight. The transitionists’ recommendation to the international community was to become engaged in the Balkans using fire-fighting and fire prevention techniques such as peace-keeping and/or peacemaking and taking preemptive measures to support the economic development of the troubled region.

³ See Misha Glenny, The Fall of Yugoslavia, (London: Penguin Books Ltd, 1996); Richard Holbrooke, To End a War, (New York: Modern Library; Revised Edition, 1999); and Maria Todorova, Imagining the Balkans, (New York: Oxford University Press, 1997).

⁴ See John Lampe, Yugoslavia as History, (Cambridge University Press, rev. edition., 2000).

⁵ German policies in the early 1990s, under the aegis of foreign minister Hans Dietrich Genscher, had assumed a unilateralist stance demanding immediate and unconditional recognition of the component republics of former Yugoslavia.

The projections of the two schools of thought reflected their respective images of the situation. The recidivists explicitly or implicitly assumed that the Balkans was like a set of falling dominoes – Bosnia-Herzegovina, Kosovo, Montenegro, Vojvodina, Tetovo, and Presevo. These ethnic confrontations could, in turn, invite Greek and Turkish antagonistic interventions resulting into a major conflagration reminiscent of the Balkan wars of 1912-13. Employing medical analogies (AIDS, other contagious diseases, sociopathic behavior) the recidivists' remedy was to ask the West to keep a safe distance and contain/quarantine the whole affected area⁶.

The transitionists, for their part, rejected the recidivist allusions to the domino theory and likened them to a self-fulfilling prophecy. They argued that the international community (i.e., the West) with careful and measured engagement could prevent the creation of a region of proliferating protectorates and designated rogue states. Their emphasis was placed on prevention through the application of soft rather than hard power⁷. In this respect the dual enlargement processes of NATO and the European Union (EU) were expected to serve as carrots, rather than sticks, in shaping the prospective candidates' transition strategies. "Conditionality,"⁸ as a prerequisite for enlargement, was expected to work as a powerful magnet toward democratization and economic modernization as opposed to the threat of sanctions and the use of military force. The transitionists, additionally, pointed out that post-Milosevic developments in Serbia and elsewhere in the Western Balkans were challenging the fatalistic assumption

⁶ Paradoxically there is some coincidence of views between what we called the recidivists and the paleoconservatives (e.g. Mearsheimer and Scowcroft). The latter have counseled strongly against a U.S entanglement in Iraq. See John J Mearsheimer, the Tragedy of Great Power Politics, (New York: W. W. Norton & Company, 2003), and Brent Scowcroft, Samuel R. & William L Nash, In the Wake of War: Improving U.S. Post-Conflict Capabilities, (Washington, DC: Council on Foreign Relations Press, 2003).

⁷ Joseph Nye, Soft Power: The Means to Success in World Politics, (New York: Public Affairs, 2004).

⁸ The term conditionality, in European Union parlance, refers to the process of linkage between required internal reforms and progress toward membership by candidate countries

of the recidivists that the Balkan peoples would behave in the future as they “always” behaved in the past. History, they argued, has “thresholds” which mark a clean break with the past, as in the case of lasting reconciliation between Germany and France following World War II.

II. Hypothesis and Propositions

The authors of the present article, finding themselves closer to the views of the transitionists, will attempt to evaluate the future of the Balkan region (with a focus on post-communist countries) by employing some of the axioms of Bruce Russett’s democratic peace theory⁹. In a number of books and articles Russett and his associates – using a solid statistical methodology – have proposed that democratic countries (as shall be defined in the next section) have a much lower probability of going to war with each other than do dyads pitting authoritarian countries against democratic ones or dyads involving inter-authoritarian conflagrations.

Russett and Oneal¹⁰ in a book entitled *Triangulating Peace: Democracy, Interdependence, and International Organizations* have advanced a Kantian peace proposition along the following lines: Countries that fulfill successfully and durably three interrelated criteria, namely consolidated democracy, advanced/liberal economy, and joint membership in regional organizations (for our purposes the EU and NATO), simply do not fight wars with each other. Following on their steps, in this article we aim to examine the record of a number of post-communist Balkan states¹¹ in order to assess

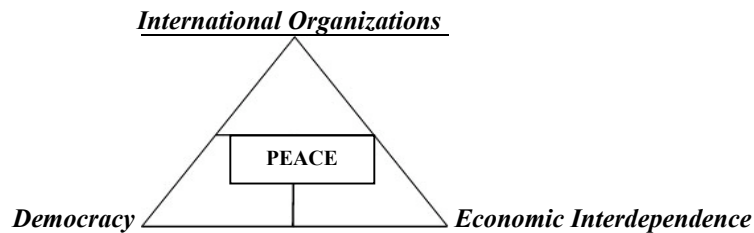
⁹ See Bruce Russett, *Grasping the Democratic Peace* (New Jersey: Princeton University Press, 1994).

¹⁰ Bruce Russett & John R. Oneal, *Triangulating Peace: Democracy, Interdependence and International Organizations*, (New York: W. W. Norton & Company, 2001).

¹¹ We have chosen to focus on the post-communist countries of the Balkan region for the purposes of this article. In a follow-up project we will examine and assess the dyadic relationship between Greece and Turkey employing the Kantian peace theoretical framework.

progress toward meeting some minimum criteria necessary for the consolidation of peace in the whole region¹².

Figure 1. Russett's and Oneal's Kantian Triangle of Peace¹³



Starting with the variable of consolidated democracy, and despite the wealth of the relevant literature focusing on transitions/consolidations of democracy in post-authoritarian polities,¹⁴ we should realize that we are dealing with soft and changeable criteria. The predominant method of identifying consolidated democratic polities includes the following prerequisites: (1) two or more political parties, (2) periodic and constitutionally required elections (with a maximum period of 5 years between elections), (3) free press and freedom of expression, (4) no political prisoners, (5) no interventions by extra-parliamentary factors (especially the armed forces) following elections that call for change of party/ies in power, and (6) the functioning of a pluralist, and independent from government, civil society.

¹² We have, for our purposes, modified somewhat the indicators of the Russettian paradigm, risking perhaps an overburdening of our examination with a plethora of additional variables.

¹³“The triangle” is helpful in visualizing the three variables that will be discussed throughout this article. (Figure 1 is based on the “triangle” found in Russett and Oneal’s *Triangulating Peace* proposition, p. 35)

¹⁴ Nikiforos Diamandouros, Richard Gunther & Hans-Jürgen Pühle, *The Politics of Democratic Consolidation: Southern Europe in Comparative Perspective*. (Baltimore: The Johns Hopkins University Press, 1995); Juan Linz & Alfred Stepan, *Problems of Democratic Transition and Consolidation: Southern Europe, South America, and Post-Communist Europe*. (Baltimore: The Johns Hopkins University Press, 1996); Guillermo O'Donnell, Philippe C Schmitter, & Laurence Whitehead, *Transitions from Authoritarian Rule: Comparative Perspectives*. (Baltimore: The Johns Hopkins University Press, 1986).

For the second Kantian variable, liberal/advanced economy, we will employ World Bank data and other credible sources, focusing on variables such as GDP per capita, GDP growth, imports and exports, foreign direct investment, unemployment, and percentage of poverty. Implicit here is our assumption that economic development and balanced growth are prerequisites for the establishment and perpetuation of stable democracy.

Turning to the third variable, joint membership in international organizations, we should note clearly the feedback mechanism interlocking the performance of all three Kantian variables. In the case of the Balkans, the most relevant organizations are the EU and NATO. “Enlargement,” the prospect and the process of moving to EU and NATO membership, calls for the fulfillment of economic and political criteria fitting Russett’s specifications. Needless to say, the satisfaction of this third criterion can best be determined by eventual membership. But in the interim period, through progress reports issued by the EU commission and the NATO Council Secretariat, one can estimate the distance traveled toward the destination of membership.

Throughout this study we must remain aware of the limitations that accompany statistical research. In short, correlation in the behavior of variables is not necessarily causation. Given that our dependent variable is the maintenance of peace (the absence of war), the Kantian triangle offers us our independent variables. We should also note as we have already stated in part I above that the variables of domestic leadership and foreign intervention by great powers have also deeply affected economic, political and enlargement outcomes for all the Balkan countries that are included in our study.

III. Comparative performance of states and regions in the post-communist Balkans

The purpose of this section is to employ a variation of Russett's democratic peace proposition, based on Balkan performance data related to Russett and Oneal's triangle of peace. Following the end of the Cold War, and after some years of confusion and decline, post-communist Balkan states, without major exception, have been traversing a road of sustained development and beginning to reduce the distance separating them from the European Union's averages. This observation is based on the fact that the EU's average annual growth since 1995 has been ranging between 2 and 3 percent¹⁵, while the Economic growth rate of post-communist countries in the Balkans, as will be shown in Table 1 below, has been relatively higher ranging between 4 and 5 percent.

Since the first attempts at economic reforms in the early 1990's, all post-communist Balkan countries have made considerable progress toward the liberalization of their economic policies. The regional economic environment has been steadily improving ever since the Balkans parted ways with war and social unrest. Most regional economies have recorded significant gains with the implementation of reforms ranging from bilateral free trade agreements to partnerships with powerful economic institutions such as the EU. These partnerships have in turn encouraged regional cooperation and economic interdependence.

¹⁵ International Monetary Fund, "World Economic Outlook Database," Washington, September 2006 which includes EU Gross Domestic Product in constant prices, annual percent change in 1995-2005.

Table 1
Economic Performance of Post-Communist Balkans States

Country	GDP per capita 2005 (US \$ 2005)	Average annual growth of GDP/capita (%) 1995-2005	Foreign direct investment, net inflows (% of GDP) 2005	Exports of Goods and Services (% of GDP) 2005	Imports of Goods and Services (% of GDP) 2005	Unemployment (%) 2005	Population living below national poverty line (%) *
Albania	4,900	5.7	5.7	23.5	46.2	14.3	25 (2004)
Bosnia Herzegovina	6,800	10	7.2	28.9	58.0	45.5	25 (2004)
Bulgaria	9,600	3.8	8.3	60.8	77.4	11.5	13.4 (2002)
Croatia	11,600	4.2	3.6	52.1	56.6	14	11 (2003)
FYR Macedonia	7,800	4.2	2.9	45	62.5	37.3	29.6 (2004)
Romania	8,200	2.6	7.2	37.2	47.1	5.9	25 (2005)
Slovenia	21,600	3.8	2.5	64.8	65.2	10.1	N/A%
Serbia and Montenegro (including Kosovo)	4,400	5.4	4.0	28.2	50.3	31.6	30 (1999)

Source: World Bank Country Data Profile and CIA World Fact book figures.

As table 1 illustrates, figures of annual percentages of GDP per capita growth indicate a continuous upward trend over the past ten years, demonstrating the success of economic policies undertaken by the countries and their governments. The average annual growth of GDP per capita has ranged between 4 and 5 percent, with Bosnia and Herzegovina reaching the rate of 10 percent, followed by Albania at 5.7 percent. It should be stressed here that Slovenia is the country leading the way with the highest GDP per capita in 2005 averaging \$21,600, positioning itself far ahead from the next country, Croatia, with \$11,600 of GDP per capita. Serbia and Montenegro were placed at the bottom of the list with an estimated GDP per capita of \$4,400, with Albania just ahead of them with \$4,900.

In 2005, foreign direct investment accounted for net inflows as averaging 5.1 percent of GDP. Bulgaria is the country whose economy has benefited the most from net inflows of foreign direct investment with 8.3 percent, followed by Romania and Bosnia and Herzegovina with 7.2 percent of their respective GDP inflows. The data on foreign direct investment serves in our opinion, as one of the key indicators in calculating the degree of economic interdependence and openness to foreign businesses. Needless to say, foreign investment is directly proportional to effective reforms in legislation assuring security and predictability in the calculations of external investors.

Although the Balkan post-communist countries have achieved their major economic objectives and remain poised to continue their strong economic performance, key problems such as high unemployment and poverty remain unresolved. Job creation has remained weak throughout the region, undermining some of the important achievements highlighted above. In the cases of FYR Macedonia and Bosnia and Herzegovina unemployment rates have been alarmingly high as they account for almost half (45.5%) of the population for the former, and more than one-third for the latter (37.3).

Table 2
Trade with the European Union in 2005

Source: European Commission for Enlargement

	Exports to the EU (% of total exports)	Imports from EU (% of total imports)
Albania	84	69
Bosnia and Herzegovina	52	63
Bulgaria	62.2	57.9
Croatia	64.0	70
FYR Macedonia	52.3	64
Romania	74	68
Slovenia	93	94
Serbia and Montenegro	49	56

Of special salience, as demonstrated in Table 2 above, is the shift of imports and exports in the direction of the EU which has assumed gigantic proportions, reinforcing the membership potential of the countries and territories in the Western Balkans.

Slovenia is once more leading the Balkan list with 93 percent of its total exports and 94 percent of its total imports directed to the EU. Bulgaria and Romania, as the Union's newest members, are expected to increase their trade shares further in the direction of the EU. Albania, also, offers an interesting case with 84 percent of its exports and 67 percent of its imports being EU directed.

As we have indicated earlier in this essay, declaring that a country has attained the status of consolidated democracy is not without risks. Societies are not static and modernization is not necessarily a one way street. Countries can progress or retrogress depending on circumstances that are well beyond their control. With respect to the post communist Balkans, as Table 3 below amply indicates, the picture tends to support the thesis that the region is well into a transition path that eventually leads to the creation and maintenance of consolidated democratic polities.

Table 3
Comparative Political Rights and Civil Liberties in the post-Communist Balkans

1995 and 2005*

PR= Political Rights CL= Civil Liberties/// Kev: 7= Least Freedom 1= Most Freedom

Country/Institution	1995		2005	
	PR	CL	PR	CL
Slovenia	1	2	1	1
Bulgaria	2	2	1	2
Croatia	4	4	2	2
Romania	4	3	2	2
Serbia and Montenegro	N/A	N/A	3	2
Albania	3	4	3	3
FYR Macedonia	4	3	3	3
Bosnia and Herzegovina	6	6	4	3
European Union	1	1	1	1
United States	1	1	1	1
Afghanistan	7	7	5	5
Syria	7	7	7	7
Cuba	7	7	7	7

Source: Freedom House, "Freedom in the World 2006."

*In addition to the countries listed in Table 3, we have added some of the best performers and worst offenders of political rights and civil liberties, in order to offer a general idea of the distance between countries under discussion and good/bad performers respectively.

Specifically, with reference to political rights and civil liberties, none of the Balkan countries under study falls below the Freedom House rating of 3.5 on a scale of 1 (most freedom) to 7 (least freedom). Slovenia's score is 1, Bulgaria follows with 1.5, Croatia and Romania are next with a 2, followed closely by Serbia and Montenegro (prior to their partition) at 2.5, then come Albania and FYR Macedonia with an above average

score of 3, with Bosnia and Herzegovina occupying the bottom of the list with a tolerable 3.5.

The thesis of Balkan upward mobility/convergence is also supported when one takes into consideration quality of life indicators as compiled by United Nations Development Program.¹⁶ We believe it is appropriate that we should include quality of life (Human Development rank) in our discussion of political variables. Because, in addition to economic standing (measured by GDP per capita), variables such as literacy and life expectancy are fundamentally political in nature. It is, in this respect, worth noting that three Balkan post-communist countries (Slovenia, Croatia and Bulgaria) are included among the states with a “high” Human Development rank, while the remaining ones are in the upper ranks of “medium” Human Development, with none of our countries falling into the “low” Human Development category.

The news, however, is not uniformly good for the region, when one looks at the sub-variable of “corruption”.¹⁷ Based on surveys of perceptions of “business people” and “country analysts”, only three countries (Slovenia ranked 31st, Bulgaria 55th, and Croatia 71st) are in the upper half (less corruption) among 159 countries surveyed. The situation is somewhat less disappointing when we look at the scores of the Worldwide Press Freedom index.¹⁸ Here all countries under our study fall in the upper half – in terms of press freedom - among the 168 countries that were surveyed. Significantly, Bosnia and

¹⁶ See UNDP, “Human Development Report 2005.” We should note that Serbia-Montenegro was not included in the rankings.

¹⁷ See Transparency International, “Corruption Perceptions Index (CPI), 2005.”

¹⁸ See “World Press Freedom Index 2006,” compiled by Reporters without Borders, Paris.

Herzegovina tops the list of Balkan post-communist countries with the impressive rank of 19th.¹⁹

Table 4
Current and Projected* Membership Status of the countries vis-à-vis Institutional Membership

Country	NATO	European Union
Albania	Partner Country *(2008)	Potential Candidate (SAA)
Bosnia and Herzegovina	N/A	Potential Candidate, initiated (SAA)
Bulgaria	Member Country (2004)	Member Country (2007)
Croatia	Partner Country *(2008)	Candidate Country (SAA)
FYR Macedonia	Partner Country *(2008)	Candidate Country (SAA)
Romania	Member Country (2004)	Member Country (2007)
Slovenia	Member Country (2004)	Member Country (2004)
Serbia	N/A	Potential Candidate, initiated (SAA)

Source: European Commission, “General and Specialized Information on the European Policy of Enlargement,” 2006 and NATO, “Member and Partner Countries” 2006.

As it becomes apparent from the data and the related discussion presented in Table 4, we can safely assume that the prospect of membership in the European Union and NATO has acted as a powerful propellant in implementing transformation policies in the region. This process, following the Kosovo war (and Serbia’s bombardment by NATO) in 1999, has been greatly accelerated in the early years of the 21st century. Currently, however, the situation is in a holding pattern, given Europe’s “enlargement fatigue” generated by the entry of ten new members in 2004, as well as by increasing skepticism in a number of countries with respect to the prospect of Turkey’s future accession.

¹⁹ For comparison purposes, the top four countries in the freedom of the press rankings were Finland, Iceland, Ireland and the Netherlands. The bottom four countries were Cuba, Eritrea, Turkmenistan and North Korea. Significantly, given anti-terrorist restrictions, the United States ranked 53rd, together with Botswana, Croatia and Tonga.

As part of its cornerstone policy in the Western Balkans, and based on its interest in stability and prosperity in the region, the EU launched the Stabilization and Association Process (SAP) in the aftermath of the 1999 Kosovo/Serbia war. In return for EU assistance, the process explicitly required upgrading of the interested countries' institutions and called for governance by European standards as well as the implementation of regional cooperation. Eventually the countries that fulfilled SAP requirements were given the opportunity to conclude Stabilization and Association Agreements (SAA) with the EU which included explicit provisions for future candidacy and membership. To date, Croatia, F.Y.R. Macedonia and Albania have signed such agreements, while Serbia, Montenegro and Bosnia and Herzegovina have initiated SAA talks.

The prospect of NATO membership, similar to that of the EU, has proven essential in promoting democracy, peace and cooperation among Balkan countries. Aspirant countries have made strong commitments to the Alliance's democratic principles calling for the promotion of regional peace and stability, while seeking to carry out their international obligations. They have undertaken programs to increase security by applying principles such as good neighborly relations and multi-dimensional cooperation. With their concerted efforts for peace, democracy and security building, the countries in our study have sought, in varying degrees, to respond to NATO's strategic objectives. For non-NATO Balkan countries, such as Albania, Bosnia and Herzegovina, FYR Macedonia, Croatia and Serbia, the pursuit of NATO accession remains a central objective, generating reforms, leading to further development, while ultimately aiming at increased security within each country and the whole region.

Together, the EU and NATO have greatly influenced the implementation of reforms not only in the Western Balkans but throughout Southeastern Europe. Countries and their governments have come to realize that only by increasing regional and international cooperation (political, social, economic and security) can their strategic objective of joining the two poles of the Euro-Atlantic community be attained.

Despite serious drawbacks, such as the unresolved status of Kosovo, the goal of transformation in the Western Balkans is gradually being realized. There are clear signs of improvement in the levels of regional cooperation as well in political and economic performance. One can claim that Slovenia, a post-communist country, which became an EU member in 2004, offers a most encouraging example and a “can do” attitude for the rest of the post-communist Balkan countries in their difficult road ahead.

Before closing this part of the discussion, we should address our dependent variable, peace. There has been, indeed, a dramatic decline of conflict in the Balkans in recent years. PRIO/SIPRI data record five wars and seven minor conflicts (fewer than 1000 total deaths) during the years 1991-95. Since 1999, after the Kosovo war, the record shows only one minor conflict, within FYR Macedonia²⁰. Needless to add, if this trend of peaceful coexistence and increasing cooperation is sustained, the Kantian peace proposition will have been successfully confirmed.

²⁰ For additional information on armed conflicts visit:
http://www.prio.no/cwp/armedconflict/current/Conflict_List_1946-2005.pdf

IV. Conclusions

In part I of this study we juxtaposed the positions of what we called the “recidivist” and the “transitionist” schools of thought, and we sided with the optimistic projections of the latter. Assessing the developments in the Western Balkans, since the early 1990’s, we are faced with a typical “glass half full/half empty” situation. The first post Cold War decade, involving the wars of Yugoslav succession, tended to buttress the recidivist perpetual conflict thesis. But following Dayton and the NATO bombardment of Milosevic’s Serbia, the Balkan area (including its Western region) appears to have entered a period of détente and step by step reconciliation.

As we have seen in the analysis presented in part III of this article, the movement of indicators in the economic, political and institutional association areas supports the axioms of the Russett and Oneal Kantian peace proposition, given clear evidence of convergence between EU averages and the growth performance of the individual countries in our study over the past decade. We can cautiously conclude, therefore, that the gap separating the Balkans from the EU- as in the cases of Greece and Slovenia- will be gradually closing. We have also seen that the prospect for membership in the EU and NATO has functioned as a powerful engine generating self-restraint in Southeastern Europe.

Traditional policies which have been predicated on territorial (irredentist) claims have been abandoned (or shelved) as each country and territory (e.g. Kosovo) in our study is setting a high priority on entering into the Euro-Atlantic institutions. In sum, the dramatic drop in the incidence of conflict in the Western Balkans is in itself a powerful indicator that the democratic peace project is in the process of realization. The Eastern

Balkans (Bulgaria and Romania) have been spared, as we have seen, from the ravages of war from the very beginning.

On the other hand, we must realize that there is a down side to possible future developments in the region. Following the negative referenda in France and Holland on the status of Europe's constitutional treaty, and given mounting concern over the prospect of Turkey's 70 million people flooding the EU, there has developed what has commonly been referred to as "enlargement fatigue." The more distant the prospect of accession for the countries/territories in the Western Balkans, the less likely will be the self-limitation impact in their domestic and foreign policies.

Heading the worrisome agenda is the unresolved situation on the final/future status of Kosovo. The pessimists argue that protracted indecision on the final status may lead to attempts by the Kosovo Albanians to declare independence unilaterally, unleashing a chain reaction of separatism in the Balkans (Vojvodina, Presevo, Tetovo) and beyond, in such regions as Chechnya, Ossetia, and Nagorno-Karabakh just to name a few. The optimists, for their part, believe that with the good offices of the international community (under the UN appointed mediator, Martti Ahtisaari) the two sides will arrive at a mutually acceptable status for the territory that will range between enhanced autonomy and conditional independence.

We believe that the Kosovo question will prove of critical importance in determining the fate of the Balkans, between the polar opposites of stability and instability. The picture in Kosovo is grim, indeed, and the jury is still out as to the future developments in the disputed territory. The key pro-independence argument is that unless Kosovo gains its independence soon, its problems—huge unemployment, poverty,

marginalization of the young, organized criminal activity and decreasing foreign investment- will worsen, causing a political and economic implosion/explosion. On the other side of the argument, the proponents of “independence-minus” normally employ a regional version of the domino theory, arguing that independence for Kosovo will trigger a second chain reaction of fragmentation turning the tried and tested region of the Balkans, once again, into the “powder keg of Europe.”²¹

The authors of this study will not ultimately abandon their cautious optimism. Given that the zone of conflict has moved eastward to the wider Middle East, the Balkan region, with care and continued incentives cultivating interdependence through institutional entanglements, will gradually position itself securely located within the triangle of peace. Problems, such as inflation, unemployment, corruption, underground economies, organized crime, and Islamist terrorism will not disappear overnight. But an environment of consolidated democracies, advanced/liberal and interdependent economies, and the prospect of a common institutional roof over the peoples of the region, will act as sure handed and systematic remedies for such and other ills.

²¹ Needless to say, this turn of events would vindicate the recidivist school’s assertions and challenge the propositions of the Kantian democratic theory of peace.