

Reforming Welfare Assemblages in Semi-Peripheral Spaces: understanding ‘drivers of inertia’ in Bosnia-Herzegovina, Croatia and Serbia

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INTRODUCTION

Studying the post-Yugoslav space offers an ideal opportunity to understand the impacts on social policy of the confluence of post-socialist transition, new nation state building, post-conflict reconstruction, the large-scale presence of diverse international actors, and variegated Europeanisation. Nevertheless, large parts of what was once socialist Yugoslavia are almost entirely absent from the comparative social policy literature. Work on social policy in the region occupies a marginal position with little or no influence on discussions regarding welfare trajectories in wider Europe, and is largely absent from the literature on social policy in post-socialist Central and Eastern Europe and the former Soviet Union.

This may be a result of the fact that the wars of the Yugoslav succession throughout much of the 1990s meant that in-depth research was difficult to undertake, and statistics were hard to obtain. The region may simply look too complicated for the outside observer to grasp, with a wide range of fluctuating political and institutional relationships, contested sovereignties and unstable citizenship claims. A mainstream social policy literature finds it hard to address welfare paths which are complicated and hard to classify. It may also be that the preoccupations of social and political scientists remain firmly fixed on questions of war and peace, ethnicised nationalisms, and regional stability with little interest in exploring other questions of public policy.

Attempts to ‘bring the region back in’ are few and far between, and not always adequate. Bohle and Greskovits’ (2012) understanding of Croatia, alongside Bulgaria and Romania, as a weak, neocorporatist, state, relies on a few texts on political economy with no direct engagement with the social policy literature. Stambolieva’s (2016) extensive study of welfare state transformations in the Yugoslav successor states dealing, in turn, with Slovenia, Croatia, Serbia and Macedonia, whilst a useful point of reference, is over influenced by historical institutionalism and welfare regime theory. The welfare outcomes described, a heady mix of liberal, conservative, social democratic, neo-liberal, neocorporatist and more, merely show the necessity of going beyond what Abrahamson (1999) termed ‘the welfare modelling business’, and of jettisoning the idea of coherent, path-dependant, welfare regimes, in favour of the concept of complex, unstable, welfare assemblages, or welfare ‘patchworks’ (Stubbs and Zrinščak, 2007).

The concept of 'welfare assemblages' directs us to 'complex becoming and multiple determinations' (Venn, 2006; 107). Radically unfinished, fluid, 'welfare settlements' are a contingent product of complex interactions between agency, structure, institutions and discourses, the ASID framework (cf. Moulaert and Jessop, 2006; Deacon and Stubbs, 2013). Following Moulaert and Jessop, 'agency' refers to individual or collective behaviour that "makes a significant difference"; 'structure' refers to social realities which are resistant to agency-driven change; 'institutions' are interconnected sets of governing routines, an "enduring ensemble of structural constraints and opportunities"; and 'discourses' are "meanings produced inter-subjectively" (Moulaert and Jessop, 2006; 2-3).

The ASID framework fits with the need to define welfare, or social policy, very broadly, and not to over commit to a crude notion of the 'core' of social policy as composed of a number of 'sectors' such as 'pensions', 'social protection' (usually including cash and care services), and 'health and long-term care'. This is because, over time, there is evidence of both 're-domaining', shifting understandings of the nature and limits of formal welfare, and the creation of new 'domains', through processes of Europeanization, for example (Lendvai, 2007). With the rise of a 'new right' conservatism, 'family policy' and 'demographic renewal' also become important, if contested, social policy arenas (Dobrotić, Matković and Zrinščak, 2013) and, in much of the post-Yugoslav space, 'veterans' policies' are important, not least as they have a distorting effect on other social policy domains (Stubbs and Zrinščak, 2015).

In this chapter, focusing on the three most populous post-Yugoslav states - Bosnia and Herzegovina, Croatia and Serbia - we turn our earlier concern with 'drivers of change' (Stubbs and Zrinščak, 2006) on its head since what is in need of explanation in the social policy arena is the relative lack of change, framed here in terms of understanding 'drivers of inertia'. The cases are illustrative of the 'paradoxical' nature of reforms in 'semi-peripheries', whereby exhortations to 'modernise' social protection systems are met with "simultaneous opposition and acceptance, imitation and rejection" (Blagojević, 2009; 99). This is not, of course, to 'blame' the 'semi-periphery', rather to address the complex and contradictory nature of relations between diverse 'visions' of reform. There is much experimentation, the 'performance of reform' (Stubbs, 2015), which rarely impacts on institutional structures and rarely leads to systemic change. Reform mantras become translated as 'fictions' (Lendvai, 2015; 145), hyperactive spaces where everything appears up for grabs but nothing substantially changes. If we understand 'path dependency' in terms of the 'lock-in effects' of 'socialist legacies' not as a pre-given certainty, but as a contingent empirical reality, then, socialist legacies may have a role to play, although always reworked, reconstructed and reconnected with other forces and currents.

What follows is, then, an attempt to explore post-Yugoslav welfare trajectories and, crucially, analyse the paradox of large-scale experimentation, limited explicit reform, *de facto* erosion and complex 'layering' of social rights in three post-Yugoslav states. In other words, inertia can still be produced as an unexpected outcome of agentic hyperactivity, institutional experimentation, novel discursive forms, and profound structural change. Whilst not an in-depth ethnographic analysis, it is an attempt to construct a 'critical cultural story' (Spry, 2009) of welfare reforms. In the process, it challenges an orthodox tradition of social policy research, usually 'from above or from nowhere' (Marcus, 1995), which appears to be based on the maxim that 'nothing can be analysed until everything has been described'. Its methodology is

close to a ‘bending and blending approach’ (Lendvai and Stubbs, 2007) creating and ordering research material through a reflexive lens based on multiple roles as researchers, policy advocates and consultants. It is complemented by material gathered in Spring 2017, when we interviewed around a dozen key actors involved in, or knowledgeable about, reform processes in Serbia and Bosnia and Herzegovina, complementing our more direct in-depth knowledge of the Croatian reform process. The empirical material presented is, necessarily, itself, uneven and patchy. The same domains are not addressed to the same extent in each country case, not least because their significance varies across the cases described.

SERBIA: chaos, moderated neo-liberalism and stealth austerity

Throughout the 1990s, until the overthrow of the Milošević regime in October 2000, social welfare in Serbia was marked by what one respondent described as ‘total chaos’. A militaristic, nationalist and authoritarian populist state had presided for a decade or more over rampant hyperinflation, deindustrialisation and the *de facto* collapse of a social security system which, *de jure*, had remained unchanged. This had resulted in massive arrears in terms of insurance-based benefits such as pensions, and a concomitant rise in informality, corruption, organised crime, and clientelism. The new Government, led by Prime Minister Zoran Đinđić from January 2001 until his assassination in March 2003, was composed of a mixture of young technocrats, radical reformers, and former ‘dissidents’, tasked simultaneously with restoring a degree of normality to a collapsed system and engaging in transition and change in adverse economic conditions, amidst a ‘crowded playground’ (Arandarenko and Golcin, 2007; 167) of diverse international actors.

Leading reformers, including the ‘technocratic’ G17 Plus party, economists from the Institute of Economics and the Hayek-inspired think tank The Centre for Liberal Democratic Studies (CLDS), immediately started work with the IMF on a loan agreement and with the World Bank on a Poverty Reduction Strategy Programme (PRSP). It is an overstatement, however, to suggest that “consistent with its liberal orientation and commitments taken towards the international organizations, the government had initiated a welfare state withdrawal, considering it a remnant of socialism” (Stambolieva; 2016; 164). Rather, as Stambolieva herself suggests, the newly appointed Minister of Social Affairs, economist Gordana Matković, “shaped social policies as corrective measures to the adverse effects of initiated economic liberalization” (ibid; 169). This was a moderate and moderated approach (Arandarenko and Golcin, 2007; 174), combining elements of neo-liberalism with “a stronger emphasis on social justice” (ibid; 169).

Matković’s tenure at the Ministry was unusual, not least because she brought her own ideas and strategic vision to the reform process and, gathering a strong team of ‘advisors’ drawn from the region but with experience of working internationally, she largely succeeded in establishing a degree of ‘local ownership’ of welfare reforms. Crucially, Matković resisted the imposition of the World Bank’s model three pillar pension reform preferring to restore a system largely based on the pay-as-you-go (PAYG) system. Although taking control of the PRSP away from World Bank experts, the broad thrust of reforms was still based on ‘targeting’ benefits towards the most vulnerable, in line with the dominant World Bank mantra. At the

same time, maintaining a less restrictive means-test for the receipt of child benefits was an important counter to the Bank.

It is in terms of the development of community-based services, based on partnerships with NGOs, in the service of what became known as 'deinstitutionalisation', the reduction in the number of children, and persons with disabilities, in residential care, where Matković's reforms perhaps had the greatest impact. The Ministry countered accusations that the reforms were 'top down' by establishing a number of working groups and, crucially, engaging in a large number of regional consultations. Supported by the Government of Norway, by UNDP, and others, a Social Innovation Fund (SIF) was established, in operation from 2003 - 2010, envisaged as "a transitory mechanism providing competitive funding and management support to reform-oriented social services projects at the local level ... implemented through partnerships between a plurality of service providers" (Bošnjak and Stubbs, 2007; 158). Judged as more successful in introducing new services than in institutionalising them (Golicevic and Ognjanov, 2010; 28), SIF was, at least, a home-grown institutional innovation, albeit contributing towards "a project-culture rather than needs-based provision" (Arandarenko and Golicevic, 2007; 175), and ushering in a new mantra of 'partnership'.

Apart from SIF, the other main institutional innovation in social policy in Serbia was the establishment, in 2002, of the Poverty Reduction Unit, later called the Social Inclusion and Poverty Reduction Unit (SIPRU). Although situated within the Office of the Deputy Prime Minister, SIPRU was described by one respondent as, to all intents and purposes, "an advocacy NGO within the Government". Largely funded by the Government of Switzerland, SIPRU provides a space for reformist thinking, as part of an interlocking network of researchers and activists, including the Centre for Social Policy, a 'spin-off' of the CLDS, where Matković is now based. In the face of successive governments which have little or no interest in pursuing actively welfare reforms, SIPRU maintains an illusion of reform activity, through strategic documents which are little more than discursive 'fictions' (Lendvai, 2015), offering a channel for a range of projects, and having some leverage through convincing politicians of the importance of social policy reform as a key part of accession to the European Union.

The Koštunica government from 2004 to 2008 did not only opt "for a strategy of postponed transformation in order to ... preserve social peace" (Stambolieva, 2016; 165) but was responsive to particular interest groups, notably war veterans, whose additional benefits, whilst significantly less than their counterparts in Croatia (cf. Dokić, 2017), were not questioned, and 'old style' disability associations who resisted plans to merge a Fund for Disability with the Social Innovation Fund. Subsequently, SIF itself was abolished, in part because those who designed it were concerned that once international donors withdrew it was in danger of becoming a non-transparent instrumentalised tool in the hands of local and national politicians. The onset of the economic crisis in 2008, produced cuts in a number of social benefits, including pensions, but no real push for substantive reforms. A notable exception was a new Law on Social Welfare, finally implemented in 2011, in part a legacy of Matković's period in office when it was decided that legal change should only be attempted after reforms on the ground, and in part a result of the efforts of a strong Working Group. One effect of the new Law, albeit also linked to impoverishment produced by the crisis, was that the number of households receiving social assistance increased by about 55%, supporting the

argument that the “neoliberal penetration of the welfare system” (Stambolieva, 2016; 170) was limited or postponed.

In short, then, with some notable exceptions, a key driver of inertia regarding social welfare in Serbia from 2004 until the present day has been the lack of political will, combined with a lack of technical competence. A kind of ‘neo-liberalism by stealth’ has been ushered in by diverse parties and coalitions, including reformed versions of what might have become ‘dinosaur parties of the old regime’ (Arandarenko and Golcin, 2007; 171), notably the Serbian Radical Party (SRS) and the Socialist Party of Serbia (SPS). Thus, after Matković, successive Ministers of Social Policy showed little interest in reforms and, indeed, tended to be marginal political figures, sometimes drawn from minorities, largely conceding power to Ministries of Finance, as well as to the IMF and World Bank.

The absence of the European Union as an important factor in social welfare reform in Serbia was stressed by those who look to the EU as a potential corrective to the lack of domestic political interest in social welfare (cf Šunderić, 2015). Serbia’s ambivalent relationship to European integration was, perhaps, most positive at the height of the economic crisis when the EU itself was as much focused on austerity and debt reduction as the IMF. A renewed interest in social welfare from within the EU seems unlikely to have any significant impact, however, beyond a new wave of ‘projectised’ interventions. A focus on ‘vulnerable groups’, their ‘activation’ in the labour market, and measures such as the ‘youth guarantee’ scheme, translated in Serbia into a ‘packet for youth’ because of lack of resources, have a discursive rather than a practical meaning. Issues such as non-take-up of benefits, the need for in-work benefits, and benefits as rights seem unlikely to be placed on the political agenda in the near future.

Bosnia and Herzegovina: division, projectisation and instrumentalisation

If the war which raged in Bosnia and Herzegovina (B-H) from April 1992 to December 1995 did not completely obliterate any prospects for a developed and equitable social welfare system, then the Dayton Peace Agreement (DPA) which ended the war effectively completed the process. Although only one part of the larger wars of the Yugoslav succession, Bosnia and Herzegovina was by far the hardest hit, with war raging across the whole of the territory, resulting in the deaths of over 250,000 people, brutal acts of systematic ethnic cleansing and genocide, and millions becoming refugees or displaced persons (Maglajlić and Stubbs, 2017). The DPA essentially froze the conflict, creating a cumbersome administrative structure and a weak central state, with power resting within ethnically defined entities, *Republika Srpska* (RS) and the Federation of Bosnia-Herzegovina (FB-H), itself further divided along ethnic lines across ten Cantons, between ethnic Muslims (Bošnjaks) and ethnic Croats. When District Brčko is added into the mix, B-H effectively has thirteen separate social systems, each one, with the possible exception of the tiny Brčko district, “ethnically based, founded on clientelism and networks and discriminatory” (Keil, 2011; 47).

Never a full protectorate, Bosnia-Herzegovina still resembles more of an improvised state (Jeffrey, 2013) marked by a ‘mobile sovereignty’ (Pandolfi, 2003) of multi-scalar agencies constituting an unfinished and competing set of governance apparatuses. Annex 4 of the DPA,

the (externally-written) constitution of Bosnia and Herzegovina, established “the worst possible” structure for the development of social policy post-conflict (Stubbs, 2001; 100), with responsibilities for social policy at the entity, Cantonal (in FB-H) and municipal level. Creating the conditions for separate, divergent, ‘ethnicised’ welfare assemblages, with no social policy functions at the central state level, the DPA created what one respondent called ‘the most decentralised social policy framework in the world’, with social rights set at entity and cantonal levels but responsibility for financing these rights set at the level of municipalities.

Not only are “fundamental inequities in the realisation of rights and entitlements ... built into the system” (Stubbs, 2001; 101) but the effect of this is that “the services one receives still largely depend on where one lives” (Maglajlić Holiček and Rašidagić, 2007; 163). Although pressure from the World Bank and the IMF led to the merging of two separate pension funds in FB-H on 1 January 2002, rights based on health insurance in the Federation still remain Canton-based, with the Croatian state also investing in health care in those areas dominated by Bosnian Croats. The deep and intransigent nature of Bosnia and Herzegovina’s social problems, including poverty, unemployment, emigration and de-population is, of course, compounded by a lack of timely and accurate statistical data, with no census between 1991 and 2013 (cf. Maglajlić and Rašidagić, 2011).

Whether channelling humanitarian aid through Centres for Social Work during and after the war, developing ‘pilot’ projects with ‘vulnerable groups and communities’ in the war’s immediate aftermath, or seeking to support the establishment of local NGOs as part of an ‘exit strategy’ in the early 2000s, social welfare practice on the ground in B-H has been thoroughly ‘projectised’, dominated by an endless stream of diverse, uncoordinated, time-limited, largely unsustainable, and sometimes ‘outright disastrous’ (Maglajlić and Rašidagić, 2011; 37) initiatives led by international actors. Generally, these projects had little or no connection with state structures at any level, beyond encouraging an instrumentalisation of local actors, as when CSWs would form their own NGOs to receive grants or when Assistant Ministers received honoraria for sitting on project advisory boards in a ‘private’ capacity (Maglajlić Holiček and Rašidagić, 2007; 161). A subsequent shift from ‘projects’ to ‘strategic support’ did little more than ‘projectise’ the very strategies themselves, with the mantra of ‘local ownership’ contradicted by the absence of counterparts able or willing to implement them. One consequence of this was what might be termed the ‘sub-contracting’ of welfare governance to hybrid, flexible, and largely unaccountable, intermediaries. All manner of analytical, strategic, and capacity building initiatives, including the creation of a Directorate of Economic Planning (DEP) to supposedly steer B-H’s largely fictional Medium-term Development Strategy (MTDS), were donor-driven and although, for a short period, had a degree of political ‘buy in’ from some actors judged by sections of the international community as more ‘technocratic’ than ‘nationalist’, they soon became ‘empty shell’ institutions, staffed by incompetent political appointees (Stubbs, 2015; 89).

In part because governance within the entity is rather centralised, social protection has been somewhat more coherent in *Republika Srpska* compared to the Federation of B-H, not least in terms of children’s rights with an entity-based Children’s Fund setting criteria for child benefits, compared to the Federation where only a small number of Cantons have any child benefit system or even maternity rights for women outside of the public sector. Respondents in *RS* suggested that there was a ‘window for reform’ in the late 2000s, marked by a period of

stability and growth and the tenure, from 2006 to 2015, of a more progressively minded Assistant Minister for Social Welfare, Ljubo Lepir, given a degree of autonomy for much of that time, by the then Minister for Health and Social Welfare. Credited with pushing through a Law on Social Protection in 2012 which, as he suggested, established 'the grounds for reform', political changes subsequently meant that the reform momentum was again lost, however.

In the context of the economic and financial crisis, both entities faced intense scrutiny of their social policies from the IMF and the World Bank, combining the mantra of targeting social benefits with an insistence on tightening the criteria for benefits for war veterans, disabled veterans and civil victims of war. The situation was particularly dramatic in the Federation where increased benefits for precisely these groups was an important pre-election measure aimed to shore up political support for nationalist parties (Obradović, 2016). When the IMF insisted on benefit cuts in return for a significant loan, a series of protests led by war disabled groups led to a stand-off. In the end, benefits were reduced for all except those with the most severe disabilities, with formally stricter criteria and more frequent monitoring leading to a situation which meant, in the words of one respondent, that only those with 'connections' were able to realise their rights in practice (cf. Brković, 2017).

A constant refrain, echoed by social workers in Bihac studied by Hromadžić (2017), was of reforms as 'dead letters on paper', with rights enshrined in laws never realised in practice. Perhaps not dissimilar from their colleagues across the region, social workers in B-H were generally described as disempowered, demotivated and demoralised, with a phase of un-coordinated 'capacity building', endless training courses on 'casework', 'supervision' and the like, followed by complete disinvestment, the absence of 'managerial' approaches, and increasing distrust between workers in CSWs and local NGOs (Ćuk, 2016). 'Progressive' directors of Centres for Social Work only kept their positions through political connections and were often removed once the political make-up of the Government changed. In the last few years, even cursory attempts at reform have stalled, with the views of professionals and welfare users, systematically ignored.

Not unlike in Serbia, the European Union was described as very much a 'shadow' actor, disengaged except through IPA (Instrument of Pre-Accession Assistance)-funded 'projects'. As Hromadžić points out, international discourses, including those promulgated by the EU, combine a "neoliberal discourse of loan conditionality, fiscal deficit, and credit-oriented policy" with a "discourse of human rights and social inclusion" (Hromadžić, 2017; 3), although both are largely silent on the deep politicisation of social welfare in B-H, with rights' discourses "perpetually fragmented, hijacked and ethnicized, and where politicians use the cannibalistic 'thick structures' of the state to satisfy their and their parties' 'private' agendas" (ibid; 4).

Croatia: clientelism, conservatism and welfare parallelism

Croatia's nationalist state building project, steered by President Tuđman throughout the 1990s, consisted of semi-authoritarian rule within a formally democratic frame (cf. Dolenc, 2013). War and ethnicised conflict, directly affecting large parts of the territory, strengthened nationalist sentiment with a political elite presiding over what has been termed re-

traditionalisation, de-secularisation and re-patriarchalisation (Županov, 2001), as well as systematic de-industrialisation and a process of privatisation described by one economist as 'organised robbery' (Baletić, 2003). A highly centralised Government structure, albeit with over a third of Croatia's territory outside of its control until military actions in 1995 and the peaceful reintegration of Eastern Slavonia in 1998, faced a massive influx of refugees and internally displaced persons and tasked underfunded Centres for Social Work, the Catholic charity Caritas and the Croatian Red Cross to respond, with large numbers of international actors effectively working in parallel to state structures (Stubbs and Zrinščak, 2006). Hence, throughout the 1990s, social policy issues were largely focused on refugees and displaced persons, the re-establishment of social infrastructure in the territories returned to Croatian control, and 'firefighting' social problems in the face of rising poverty and unemployment (Stubbs and Zrinščak 2009).

Although not incompatible with the mix of 'crony' and 'predatory' capitalism prevalent in newly independent Croatia, the successful implementation of a radical pension reform in the second half of the 1990s, eventually completed under a Social Democratic-led coalition government in 2001, is in need of explanation. With the ratio of insured to pensioners changing from 3:1 in 1990 to 1.8:1 in 1995 (Stubbs and Zrinščak, 2006), largely because the Government pushed early retirement as a supposed solution to unemployment, a crisis-like situation was created. This opened a space to be filled by the World Bank whose Chilean-inspired model, articulated in 'Averting the Old Age Crisis' (World Bank, 1994), appealed to the political elite, keen to show that it could work with international actors, allowing the transnational pension fund business to gain a foothold in Croatia as an 'emerging economy' and regional centre.

Although, in the end, the system was reformed along the lines of the more modest Argentinian model, maintaining a revised PAYG first pillar with the introduction of two private pension pillars, one compulsory and one voluntary, this was still a radical change, underpinned by a neo-liberal faith in free market solutions, and pushed by a coalition of experts, as a driver of future economic growth. In retrospect, the three-pillar framework, neither solved problems of pension sustainability nor of adequacy. Pro-reform voices including the entire Government, the World Bank and the IMF, transnational and domestic financial institutions and a coalition of neo-liberal and technocratic economists, completely drowned out the few oppositional voices, notably some Trades Unions and some social policy experts. The absence of the ILO and the European Union, who might have cautioned against radical reform, is also notable.

Symbolically at least, the death of Tuđman and the election of a centre-left coalition Government in January 2000, marked a sea change in terms of democratisation, greater openness towards international organisations in general and membership of the European Union and NATO in particular. Collaborations between Government and 'civil society' were institutionalised and, by implication at least, the possibility of social welfare reform was created. The Ministry of Labour and Social Welfare agreed to a World Bank-led social welfare reform project. The Social Democratic Party Minister Davorko Vidović was keen to define the reform as 'technical' or, at least, 'consensual', rather than 'political' and 'ideological', a "reform to last a generation" as he described it. As such he explicitly drew on the momentum of pension reform, bringing together foreign and domestic consultants under the leadership

of Nino Žganec, brought from teaching in the School of Social Work in the University of Zagreb to be Assistant Minister.

Although generating a new set of discursive frames to guide the reforms, the so-called '3 Ds' of decentralisation, deinstitutionalisation and de-etatisation (reducing the role of the state and promoting a new welfare mix), within a more 'active social policy' (Puljiz, 2001), the project, was spectacularly unsuccessful in reforming anything. This set a pattern of reforms on paper not translated into practice. Over time, the World Bank retreated from a broad concern with social welfare to a focus on the familiar mantras of targeting and cost containment, including the rationalisation of diverse social benefits emanating from different levels of Government. A pattern emerged of World Bank experts allied with Croatian economists outlining the case for reforms the evidence base for which was, frequently, contested by Croatian social policy experts, sometimes with the support of agencies such as UNDP (cf. Šućur et al, 2016).

The European Union did have some influence on social welfare reforms in Croatia in the period leading up to accession, through the process of preparing, implementing and monitoring the Joint Memorandum on Social Inclusion (JIM), signed in March 2007. Stung by criticisms of the ineffectiveness of the JIM process in the earlier new Member States, the European Commission, through its Directorate General for Employment, took the process more seriously. Partly because both the JIM Working Group and those evaluating progress for the Commission included social policy scholars, a set of priorities emerged which, whilst never implemented in full, did set an agenda for change, some of which, notably commitments related to deinstitutionalisation, resulted in progress on the ground. These were steered by State Secretary of the Croatian Liberal Party (HSLs), a minority party in the HDZ-led Government. Perhaps even more importantly, annual EU progress reports forced the Government to improve its monitoring and evaluation procedures and drew attention to the difficulties of any meaningful linkages between social welfare, health, and education.

In the face of a prolonged economic crisis, the European Union has tended to be more relevant in its focus on fiscal discipline and debt reduction than social policy prescriptions. At the same time, both the Bank and the Commission have noted the relative lack of spending on social assistance of last resort. The SDP-led coalition which came to power in December 2011, creating a new Ministry of Social Policy and Youth, lacked a clear reform vision. The HDZ-led Government formed in January 2016, returned to power under new leadership in October 2016, appears likely to resist a World Bank conditionality which would shift the administration of social assistance payments from Centres for Social Welfare to country administration offices but, outside of reforms to promote 'demographic renewal', also lacks a clear vision for social welfare.

Beyond the role of international actors and, notwithstanding the lack of political will for reform, two broad forces are dominant in shaping social welfare in Croatia. The first is war veterans' associations keen to maintain and even extend significant benefits in return for continued support for HDZ, a quasi-institutionalised form of 'social clientelism' (Stubbs and Zrinščak, 2015). These benefits represent the most significant 'layering' of social welfare in Croatia today, with veterans able to mobilise quickly and effectively whenever there is any perceived threat to these benefits. Interestingly, the World Bank has made only very vague

references to the distortions produced by these benefits, arguing that this is a political choice which should not be challenged. The European Commission's Staff Working Document for 2017 noted that 1.8% of GDP is spent on war veterans and noted the lack assessment "in the context of other social expenditure items ... (and) labour market effects" (European Commission, 2017; 37). Although the Country Specific Proposals within the European semester was silent on the issue, the preparation of a new Law extending veterans' rights may come under more scrutiny in the future, not least because it fits uneasily with commitments to 'fiscal responsibility'.

The second, potential, force for change is a newly empowered radical right, promulgating a conservative Catholic agenda of a return to 'traditional' family values, opposing abortion rights and gay rights. Not unlike similar movements in Poland, Slovakia and Hungary, the movement can be read as part of a backlash to the concessions supposedly forced on the Government to obtain membership of the European Union. Although victory in a referendum held on 1 December 2013 to define marriage in the Croatian constitution as 'a union of a man and a woman' can be seen as symbolic, and was countered by the SDP-led Government introducing a law on civil partnerships, the influence of the movement may be amplified given the renewed concerns, both real and ideological, with 'demographic renewal'. The creation of a new Ministry of Demographics, Family, Youth and Social Policy shows, discursively at least, the new Government's prioritising of this issue, in the context of low birth rates and significant emigration of people of working age, including skilled workers and some professionals. Plans to introduce universal child benefits, and to increase maternity benefits are a challenge both to pleas to reduce social spending and to increase the participation of women in the labour market. In many ways, the balance of forces within Croatian society, and the exhortations of diverse international actors, constitutes a specific, and new, driver of inertia, somewhat different from the drivers of inertia in the past.

CONCLUSIONS: revisiting the ASID framework

Analysing the case studies through the ASID framework discussed in the Introduction, suggests that there are many similarities in the nature of social welfare development across the region. A focus on 'agency' does not lead us to concur with Arandarenko and Golicin (2007; 182) on the 'randomness' of outcomes, however; whilst specific 'choices' at particular conjunctural 'moments' may have been "accidental or arbitrary" (Deacon, Lendvai and Stubbs, 2007; 223), it is the complex and pervasive reproduction of 'inertia' which is most in need of explanation. Clearly, across the region, the relative indifference of political parties to the issue of social welfare has been pronounced, with periods of intense commitment to reform rather short-lived, very much identified with particular personalities, and often undone by their successors in Government. Social welfare reforms have tended to be more implicit than explicit and influenced by the prescriptions of the World Bank, the IMF and, later, in conditions of economic and financial crisis, by the fiscal consolidation orthodoxies of DG ECFIN within the European Commission, that is to say driven by neo-liberal economic reform frameworks. The impact of the region's *troika* has, itself, been blunted, however, since political elites' survival appears to rest less on commitment to these economic reforms and more to the maintenance of nationalist ideas, allied with the maintenance of clientelistic networks, leading to a form of

'capture' in terms of governance, social and citizenship rights and the distribution and redistribution of services and resources (Stubbs and Zrinščak, 2015). Although most pronounced in Bosnia and Herzegovina, the 'sub-contracting' of welfare reforms to flexible intermediaries has occurred across the case studies, almost as if the pervasive and highly lucrative 'rent seeking' opportunities afforded to elites in the region have been mirrored within a somewhat less lucrative, but no less significant, semi-public reform sphere filled by think tanks, NGOs, consultancy companies, and the like. The influence of international actors, whilst not negligible, must be seen, then, as a complex, contested and contradictory translation process with outcomes which are uncertain and variegated (Lendvai and Stubbs, 2015; 448), and overdetermined by the actions of political elites. In this sense, at least, agentic power has thrived in new institutional forms, prioritising instrumental rewards over real change.

In many ways, a nuanced understanding of the complex political economy of being positioned at the (European) periphery or (global) semi-periphery allows us to address the structural constraints on welfare settlements and outcomes more clearly. A full understanding of the region's "modes of insertion in the global economy" (Cerami and Stubbs, 2011; 23) is, of course, beyond the scope of this paper although the changing nature of class power, and its intersectional relations to structures of oppression based on gender, age, disability, sexuality, and locality is a theme which needs to be foregrounded more in the future. How, *inter alia*, processes of marketization, commodification, and financialization work in the countries of the region, in the context of 'predatory' foreign capital and 'impatient' IFIs, both setting limits to and creating new possibilities for managing variegated 'debt-states' and 'crisis-states' within a global economic order, is crucial for understanding welfare settlements in the European semi-periphery. Tracing how the "dynamics of welfare layering, welfare clientelism and ethno-nationalist politics conjoin with ongoing pressures from the 'debt-state' to create welfare that can be mobilized, scaled back, scaled up or ethnicized" (Lendvai and Stubbs, 2015; 461) is an urgent task theoretically, politically and empirically, then.

Taking 'institutions' in their narrow sense, we can see that there has been very little institutional innovation in social welfare in Croatia, outside of early pension reform and, to an extent, the JIM process, some innovation in Serbia, through SIPRU and the transitional Social Innovation Fund, and large-scale innovation in Bosnia and Herzegovina, a complex product of separate entity-based state building programmes alongside international actor-driven improvised 'agencification' at the central state level. The uneven institutionalisation of non-governmental organisations (NGOs) is also worthy of note, with Serbia perhaps the clearest example of a degree of formal integration of NGOs within partnerships for delivering social services. Although central and local state funded NGOs are important actors in Croatia, too, this has tended to reinforce a kind of 'welfare parallelism' between statutory actors on the one side and non-state actors on the other. NGO involvement in social welfare in Bosnia and Herzegovina tends still to be largely donor-driven, albeit in the context of donor fatigue, often marshalled through privatised and sub-contracted funding mechanisms and intermediaries, and is, perhaps, the closest to a neo-liberal frame in which NGO services become a poor and uneven substitute for state provision.

The differences between these countries and the broad post-Soviet space was not the main focus of this chapter. Nevertheless, the impacts of the wars of the Yugoslav succession, not

least in interrupting economic and social development, have led to rather different welfare settlements, and weakened social protection systems, compared to those in the first wave of post-communist EU Member States. At the same time, the 'comparative advantage' of the rather well-developed welfare system during Yugoslav socialism, although eroded in the economic crisis of the 1980s and, certainly, in the wars of the 1990s, has led to more positive welfare outcomes compared to those countries of the former Soviet Union, including the Russian Federation, which are neither EU Member States nor candidates for accession (cf. Cerami and Stubbs, 2011; Cook, 2007). One important part of the 'exceptional' nature of Yugoslav socialism, making it very different from those parts of Eastern Europe within the Soviet bloc, was the establishment of statutory Centres for Social Work in the early 1960s, multi-disciplinary institutions with a central role for social workers trained, originally in high schools, and later in universities, across SFRY, and which have proved resilient even in the face of wars and radically re-arranged governance structures. Although the Yugoslav socialist welfare settlement, combining socialist self-management with Bismarckian insurance-based systems, was very uneven, decentralised and primarily oriented to the social protection of new urban industrial workers, it has proved resistant to 'radical' reforms and, in the popular imagination at least, has appeared robust enough to be worth defending. Hence, we would argue that, although in Bosnia-Herzegovina, it has been eroded and replaced by a highly residualised system, this is not the case in Serbia and, perhaps even less the case in Croatia where, in some ways, a 'driver of inertia' may be a sense that the system is 'good enough'.

The study has also shown both the multiplication and divergence of welfare discourses across the region and over time. The 'social' EU has, perhaps, had a significant role in, to an extent, disrupting World Bank-informed discourses of 'poverty reduction', marshalling its influence through the lens of 'social inclusion'. At the same time, it has joined with the IFIs in promoting discourses of 'activation', 'responsibilisation', and 'competition', in ways which have, albeit in complex ways, 'socialised' dominant market discourses of 'innovation', 'enterprise' and 'investment'. The marginalisation of 'rights-based approaches', articulated still by service users and by the UN social agencies, notably UNICEF, UNDP and the ILO, and enshrined within a legalistic institutional environment marked by a significant gap between 'rights on paper' and the possibility of realising those rights in practice, is significant, and suggests that there are also discursive limits to the kinds of radical welfare settlements which may be envisaged in the future (cf. Matković, 2017). Welfare has been 'layered' with clear divisions between those 'deserving' of support and those 'underserving' in each of the countries and, in the case of B-H, entities, although this is more complicated than the usual division between those capable and incapable of work, refracted through lenses of ethnicity, regional, and war service.

Finally, our use of the ASID framework has contributed to a kind of middle-range comparative study of 'drivers of inertia' which impact on welfare reforms, open to both 'the play of contingency' and to the continued relevance of structural factors including levels of development and forms of political economy. In the future, it may act as a 'bridge' between macro-level analyses of 'welfare regimes' and more recent ethnographic approaches to lived encounters of welfare.

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