

Chapter 2

Shaping Social Policies in the Western Balkans: Legal and Institutional Changes in the Context of Globalisation and Post-socialist Transformation

Marija Babović and Danilo Vuković

1 Introduction

The scope of analysis in this chapter encompasses the reform processes in the field of social policy in the Western Balkans. Social policy is a public policy area, which defines and establishes the conditions under which individuals and groups gain access to different social subsystems and resources, and thus are protected from risks arising from the inability to access these. This means that social policy is actually a set of policies that define and shape the key conditions under which social integration is being achieved.¹

Western Balkan countries have been exposed to more than two decades of change associated with the constitution of states, post-socialist transformation and globalisation. Their common socialist and state legacy was marked by a distinctive blending of economic and social policy. The absence of pluralism of economic and political power and the fact that the political nomenclature was the only active social subject (as other social groups were not able to form relatively stable class associations Lazić 2000, 27) have led to social policy that is based less on social rights and more on the care of a political state for its subjects (Petrović 2004, 67). The state had

¹As Lewis noted, the term ‘social policy’ is sometimes used in the narrow sense to refer to a cluster of government policies designed to promote social objectives. This meaning is usually understood as policies intended to improve social well-being or the welfare of citizens and is often treated as equivalent to talking about ‘welfare states’. On the other hand, more broadly, social policy is the interface between forms of integration and belonging and the administrative or organisational mechanisms devised for the delivery of welfare services and benefits (Lewis 2000, 4–5).

M. Babović (✉)

Faculty of Philosophy, University of Belgrade, Belgrade, Serbia

e-mail: bmarija63@gmail.com

D. Vuković

Faculty of Law, University of Belgrade, Belgrade, Serbia

e-mail: danilo.vukovic@ius.bg.rs

the most important role in providing social security; many risks were socialised, while employment had a special role in the socialist social policy systems. The working place served a twofold function: as an economic unit, it had the function of employment and value production; but as a social protection unit, it had the function of (re) distribution of social resources. Disintegration of the single state, transformation from socialism to capitalism, as well as globalisation processes that have universally limited sovereign power of national governments to shape public policy are the context for social policy reform processes in the Western Balkans.

Precisely because of the importance of these policies in terms of social disintegration and transformation, it is important to examine under what conditions, by which actors, how and with what consequences these policies have been shaped. Certainly, this is not the first time that social policies in this part of Europe are being scrutinised, as evidenced by numerous studies (Deacon and Stubbs 2007; Stubbs 2009; Stambolieva and Dehnert 2011). Taking into account the findings of previous studies, the task of this paper is to specifically highlight social relations between stakeholders in shaping these policies, and to observe the extent to which these processes have incorporated or excluded certain social interest groups and how this is reflected in the key aspects of social policy.

Analysing social policies in the context of social transformation in the Western Balkans is too broad a subject for the scope of a single chapter, and this publication as a whole is strongly focused on economic policies. For these reasons, our analysis will be limited to the following: (1) the coverage of only a few key sectors or types of social policies, and (2) key indicators of their main features and types of changes.

In this paper, we will conceptualise social policy as previously done by Deacon and Stubbs 'as both real, having concrete impacts on the well-being of people, and epiphenomena with a logic derived from the interests of those engaged in the process' (2007, 2). However, our analysis will be limited to three areas of social policies—higher education,² employment and social protection policies. There are several reasons for this selection. In modern societies, economic participation is one of the central channels through which individuals integrate into society and achieve their socioeconomic status. Education and employment policies determine opportunities for economic participation of individuals and social groups, while social protection policies define requirements for protection against social risks, primarily those associated with the termination of or inability for economic participation.

The main objectives of the analysis are as follows: (a) to determine key content changes in the selected social policies in relation to the period of socialism, and to identify the trends of social changes based and reflected in such policy contents; (b) to identify key actors that shaped the given policies and, by defining their content, defined new terms of social inclusion and integration; (c) to describe the processes through which these policies are shaped, or rather to review the configurations of interests, their interrelationships and the actions of stakeholders, which led to the given outcomes in policy formulation. Such analysis will provide answers to certain

²Higher education policies have been selected because paradigmatic changes (privatisation, marketization, international integration, ideological justification of the education process) are the most visible in this area.

crucial questions: (1) Which social groups had access to the policy-defining processes, and (2) Which social groups have been ensured a better position in the social structure as a result of the new social policies. Therefore, analysis of the policy-shaping processes serves as a tool to understand important aspects of the deeper changes in the social structure.

The analysis is conducted on two levels. The first covers the Western Balkans with the exception of Albania (that is, Serbia, Croatia, Bosnia and Herzegovina, Montenegro and Macedonia). At this level, a comparative analysis on the 'sample' of social policies will inevitably be more general, with the aim to identify key directions for changes in policies and to pinpoint the most important stakeholders who have shaped these policies. The second level of analysis is a case study of Serbia in which, policy-making processes in higher education are analysed in more detail.³

The analyses carried out on two levels used different methodologies. At a comparative, regional level, the research was limited to secondary sources, which includes various studies, official documents and official statistics data. The analysis of social policies in Serbia also relies on an analysis of the content of key legislation and strategies to identify the content of policies. For the study of actors and processes, the analysis is based on the original research conducted by combining positional and reputational research methods to determine interrelations between actors and their relative influence on the policy outputs.⁴

The presentation will follow the same logic of the analytical framework: the first section will lay out a regional comparative analysis, whereas the second will focus more deeply on the processes of shaping select policies in Serbia.

2 Designing Social Policies in the Western Balkans

Within this section alone, it is not possible to point out a variety of complex and long-term structural and institutional legacies that marked the territory of the former Yugoslavia, and which still influence the configuration of social interests and the shaping of social policies. Several key determining factors, however, will be mentioned. It has already been pointed out in the introductory part that young states in this region have a common socialist legacy rooted in a distinctive merger of economic and social policies, a strong role of the state, an institutional basis of the social protection system, which is referred to as Bismarckian (Deacon et al. 2007; Vuković 2010) and distinctive forms of articulation of group interests through a system of self-government (with its own manifest and latent forms of alignment of interests and decision making) (Bolčić 2003). Nevertheless, that legacy does not stop at a common socialist past. The collapse of socialism and subsequent period of blocked and

³A wider and more detailed analysis of policy networks and social interests underlying changes in the employment, higher education and social protection analysis is the subject of a separate study (Vuković and Babović 2013), and we shall refer to these findings throughout this article.

⁴These methods will be further explained in another section.

delayed transformation in certain places⁵ have been marked by conflicts in which state-building interests and the war were used as a cover for distribution of social wealth, and the construction of capitalism was pushed to the margins (Lazić 2011). Delayed transition to capitalism was obstructed by devastated institutions, destroyed or usurped economic wealth and permanent conflicts between political elites and social groups that have found themselves in positions of winners and losers of the transition (Bolčić 1997; Lazić 1995, 2000). Countries that started the transition to capitalism earlier and more mindfully have, after the initial economic downturn, also experienced a period of upswing. Unlike them, the countries of former Yugoslavia (except Slovenia) have failed to achieve long-term and stable economic development and to ensure that gains are allocated to many social groups, including those who are extremely marginalised (unskilled and factory workers, the elderly, people with disabilities, rural residents and others) (Lazić 2011; Milić 2002). The latest crisis of capitalism in the North-western hemisphere has also contributed to problems of transformation of these societies. Finally, inclusion into the global integration processes and EU accession rendered the fragile sovereignty of young countries even more so given the continuous conditioning of direction and character of changes imposed by international organisations and actors.⁶

Therefore, important determinants in the shaping and implementing of social policies in the countries of former Yugoslavia are as follows: (1) the above-mentioned institutional, Bismarckian legacy in which social rights are tightly linked to position in the sphere of labour; (2) weak state sovereignty, undermined from within by political and ethnic conflicts, and externally by international stakeholders who place conditions on financial assistance (such as the World Bank and IMF) or on joining the EU; (3) pressures of neoliberal interventions by international and some domestic actors; and (4) pressure by 'losers of transition'⁷ to reverse the erosion of protection they once enjoyed. These countries have experienced multiple social disintegration: simultaneous disintegration of the state; conflicts between members of different ethnic and political groups; and collapse of socialist-era institutions followed by the delayed, slow and inconsistent development of new institutions that are agents of social integration. Under these conditions, shaping of social policy is extremely important for redefining of principles of social integration and transformation of social relations between groups and classes in the new societies of the Western Balkans.

Various insights into the changing social policies in the region (Deacon et al. 2007; Vuković 2010; Stambolieva and Dehnert 2011; Babović 2010) indicate that they assume a hybrid form whose modalities vary between a somewhat specific

⁵The notion 'blocked transformation' is used primarily to describe the situation in Serbian society during the 1990s when political elite sought to block change towards a market economy and political pluralism (Lazić 1995, 2000; Bolčić 1997).

⁶More on globalization aspects and trends in social policy and role of international actors in Deacon 2007.

⁷These are mainly classes of workers, primarily in the industrial sector but also in increasingly extensive service sector, as well as small farmers (Lazić and Cvejić 2004; Babović 2009).

constellation of interests and the above-mentioned determining factors. We will first focus on the characteristics of the reforms, or rather on the content of social policies in higher education, employment and social protection to identify the choices made in the shaping of these policies, as well as some of their most striking effects in social reality. We will then try to identify actors whose interests have had a decisive influence on shaping these policies and thus on the living conditions of different social groups. It is important to note that any attempt at systematic comparison in this region faces a serious problem of inconsistent data, which significantly limits the reach of such attempts.

3 Features of Social Policies Reform

A fundamental, paradigmatic shift in social policies of the Western Balkans can be observed in the transfer of responsibility for the provision of social security from the state to individuals, families and social groups. Therefore, the analysis of reforms in social policy raises questions about how and to what extent the state regulates the social security of citizens. Whether it does this indirectly through the creation of regulatory, economic and institutional conditions of protection, or directly through immediate provision of care in different spheres of social life, and the extent to which it does this. Or should we start at the other end and determine the extent to which responsibility for social security is transferred to an individual, who is expected to be extremely proactive and resourceful in key aspects of social participation, while the state acts as a background actor to define requirements, and intervenes only when individuals fail to ‘take care of themselves on their own’. Within the same framework there is also the issue of social security costs—whether those costs are largely borne by the state or by an individual, and to what extent?

Starting from these basic issues, social policy reforms can be viewed through the following key dimensions: privatisation and marketization⁸ in ensuring social inclusion and safety in different areas, individualisation of responsibility and activation of an individual in a given system of social inclusion and social protection. All these dimensions are associated with the general process of commodification that links social security of individuals and groups more tightly to the market. Our comparative analysis seeks to determine to what extent and in what forms these processes work in the Western Balkans, highlighting for similarities and differences. Attention will be paid first to higher education policies, then employment and finally, social protection policies.

⁸The two dimensions should be distinguished because while in the case of privatisation the private sector appears as a provider of services related to social inclusion and social protection, in the case of marketization, the state or the public sector can also occur as an actor offering the service under market conditions.

3.1 Higher Education Policies

Reforms in higher education are characterised by three key directions of change: *privatisation, marketization and Bolognaisation*. The first is reflected in the fact that the offer of higher education is being privatised. In other words, in addition to state institutions of higher education, private ones also appear. These institutions offer programmes that are often better suited to market needs, in conditions when state universities are slow to adapt to the market system. At the same time, they represent an important area for economic positioning of the upper-middle class or, rather, those expert groups in the middle class who base their social status on academic careers.

Although the state still retains a dominant role in the field of higher education, there is a trend towards an increasing share among students in private higher education institutions everywhere. In most observed countries, the proportion of students at private faculties is about one-fifth, with Croatia varying considerably from this average, Serbia⁹ digressing from it in recent years, while the two entities in Bosnia and Herzegovina manifest large differences. Namely, about 22 % of students¹⁰ in the academic year 2009/2010 attended private faculties in Bosnia and Herzegovina, although the differences between entities are major—in the Republic of Srpska this share was 31 % and in the Federation of Bosnia and Herzegovina only 9 % (RSIS 2011; FMON 2010). In Croatia, private higher education institutions make up 24 % of all such institutions,¹¹ whilst only 6 % of students attend these institutions. As many as half of the faculties in Macedonia are private,¹² but still only a minority of students—21 %—attend these faculties. In Montenegro, the share of students attending private faculties is also around 20 %¹³ (MPS 2011), while the share in Serbia amounted to 17.4 % in 2009/2010.

Another important reform direction is reflected in the broader process of marketization of higher education. Besides privatisation this also includes the trend towards commercial offers of services by public higher education institutions, which at the same time provide free or state-funded education services for some students. In some countries this marketization causes conflicts between users/clients or students on the one hand, and providers of services and their founders—the state—on the other.¹⁴

⁹ All data on the number of students and higher education institutions were obtained by analysing websites of ministries of education, state institutes of statistics and related publications.

¹⁰ In Bosnia and Herzegovina there are 22 universities with 147 faculties and 10 academies, to which 4 religious faculties should be added.

¹¹ Namely, Croatia has 10 universities, 7 of which are public and 3 private; 15 polytechnics, including 3 private ones and 27 colleges, of which 24 are private.

¹² According to the Ministry of Education and Science, Macedonia has 5 state and 9 private universities with a total of 134 faculties.

¹³ In this country there is one state and two private universities, as well as seven independent private faculties (MPS 2011).

¹⁴ In the last 3 years several student protests took place in Serbia and Croatia. Their main demands were for reduced tuition rates and changes in the rules of studying, which would be more in tune

The share of GDP spending on higher education in Croatia was 0.87 % in 2004, while 0.90 % of GDP has been allocated in Serbia and 1.10 % in Montenegro (Vukasović 2009). As we have seen, in recent years there has been an increasing share of students at private higher education institutions, and a significant number of self-financing students at state universities (57 % of all students in Serbia). Tuition fees for self-financing students at state universities in Belgrade range from EUR 560 to 2,500; this amount also includes costs of administrative fees and textbooks. At private faculties in Belgrade, 1 year of study costs between EUR 1,500 and 3,500. At the same time, the average take-home salary in Serbia is EUR 350. In these circumstances,¹⁵ education becomes less accessible to the lower socio-economic classes and exacerbates inequality in education (Baucal and Pavlović Babić 2009; Farnell and Kovač 2010; Miličević and Danijela 2009).

The third key direction of reform of the higher education system is the alignment with the principles defined by the Bologna Declaration to enable increased efficiency,¹⁶ harmonisation with European standards, better links with labour market needs, and stronger scientific and technological basis for broader development processes with the inclusion of students as partners in the educational process. These reform directions actually achieve two key effects: (1) the educational process and qualifications across Europe become more uniform and allow for quick conversion in conditions of increased mobility on the labour markets; and (2) knowledge and skills are shaped with a more direct connection to economic structures and development processes manifested through continuous changes to increasingly more volatile, unstable and flexible labour markets.

Bolognisation has taken a dual form. On the one hand, private higher education institutions have swiftly adapted to the new principle. They often provide an easy entry to the market, emphasising modern education profiles as well as those not requiring high investments in teaching facilities, research and development (hence, there is an underrepresentation of engineering, biotechnology and similar profiles at private higher education institutions). They have low requirements for students, and at the same time invest insufficiently in research and underperform in the various rankings when compared to public universities.¹⁷ On the other hand, public higher education institutions have formally complied with the Bologna requirements, but a

with the needs of students. These protests were often contradictory, because on the one hand, they opposed the marketization of education, and on the other, public high schools were asked to accommodate the needs of clients and the needs of the market and to respond to the challenges and competition from private universities and colleges by introducing more exam terms and reducing necessary conditions for entry.

¹⁵ It should be noted that we did not take into account the inadequate system of scholarships and student housing, which is not developing quickly enough to keep up with the growth and massification of university education and associated living expenses beyond tuition fees.

¹⁶ In terms of faster passing through the system, higher percentage of successful completion of studies, and fewer dropouts.

¹⁷ For example, at the Ranking Web of Universities, Belgrade University is ranked as 548th in the world, while the best ranking private university is Singidunum University with rank 5,371 (<http://www.webometrics.info/en/Europe/Serbia>). Similarly, Belgrade University is the only Serbian

large portion of curricula and teaching and examination practice has remained constant. Although the teaching staff is slowly changing, the system in general is still governed by senior academics whose professional socialisation took place during the socialist era. Finally, adjustment to market demands (for example, adjustments in curricula) is taking place with mixed results (cf. USPRS 2010; Branković and Šabić 2011; Popović and Đorić 2011; Uzelac 2009; World Bank 2008).

There is little research on the quality of higher educational programmes, and none that provides comparative insights. Rare studies indicate that, especially in the early years of privatisation of higher education before the system of accreditation was put in place, the quality of higher education was problematic. According to some analyses from 2001, three polytechnic schools in Croatia did not employ a single person. During this period, 91 lecturers (of whom only 25 had the rank of university teachers and were mainly outsourced from the universities) worked with almost 20,000 students. Due to low costs, high share of self-financing students and short courses, higher education has proved to be a very profitable business (Polšek 2004, 288–89).

Analyses show that the educational process is characterised by obsolete teaching methodologies and testing that assesses rote learning and factual recall. The quality of teaching is also affected by the fact that universities are decentralised, so it is difficult to establish multidisciplinary studies and governance structures that promote quality (World Bank 2008, 12). Concerns about the quality of teaching are related to both the public and private faculties. Western Balkan countries have introduced external systems of quality assurance and accreditation of institutions. However, transparency and accountability of this process is questionable because the system of control of public institutions is underdeveloped, and there is a considerable overlap between the university and the political elite.

3.2 *Employment Policies*

Employment policies cannot be effectively analysed in isolation from certain economic policies (such as policies relating to privatisation and taxation), or from labour policies. Since such comprehensive insights cannot be provided here, several key factors should be borne in mind when examining employment policies. Privatisation policies represent a broader set of policies, which encompass (1) regulations and requirements concerning the sale of state and former socially owned enterprises; and (2) shaping of conditions for private sector development (for example, through the establishment and development of small and medium enterprises and entrepreneurs). These policies create conditions under which resources required to initiate and carry out an economic activity (ownership of means of production) are distributed, define the responsibilities of owners of private enterprises, and

higher education institution ranked in the so-called Shanghai list (<http://www.shanghairanking.com/ARWU2012.html>).

foster or hinder development of the private business sector. The outcome of these policies partly affect the manner of restructuring of the labour market, and furthermore whether the public sector will retain a significant role in employment, and thus in the social integration of employees in this segment of the labour market. The policies also affect the conditions under which business is developed and jobs generated or labour supply created. Taxation policies define the layout of burden on the various economic actors and have a stimulating or inhibiting effect on the development and representation of different employment arrangements, especially the so-called flexible forms (part-time employment, freelance work, part-time engagement and 'job sharing'). It is important to keep labour policies in mind, because employment processes are affected by conditions related to workplace safety and sustainability, durability and quality of employment.

The effects of these policies, but also deeper and long-lasting economic and social processes in the Western Balkans have generated the following trends (with some differences and specifics): (1) privatisation was marked by misuse and often irresponsible transfer of public resources into private hands, with short-term profit interests and sometimes without any real and consistent intention to invest and regenerate, transform and develop privatised companies (Pavlović 2006; Vuković 2005; Arandarenko 2010; Vuković 2011); (2) the state still remains an important employer, and employment in the public sector is significantly maintained¹⁸; and (3) whereas the government reduced the level of protection of workers,¹⁹ particularly in the private sector, ineffective enforcement of laws and policies enabled informalization of the labour market and the existence of a large share of informal employment²⁰ and a grey economy. The system of taxes and contributions has often burdened the middle classes in particular (Arandarenko 2010), and has limited the development of flexible forms of employment.²¹ In addition, labour markets in the region are highly segmented, whilst the position of employees in the public sector and white-collar occupations on average is significantly better than that of workers in the private sector (especially in SMEs) (Nestić and Rašić Bakarić 2010, 3).

In certain circumstances, employment policy should not be viewed as crucial in defining the odds of social groups' involvement in the labour market. It should be seen as a means that was, in the circumstances, doomed to have a very limited utility.

¹⁸ Share of employment in the public sector is above the EU average, ranging up to 31 % in Serbia (in relation to all, including informal employment), 35 % in Croatia and 42 % in Montenegro (Monstat 2012; Bejaković et al. 2010).

¹⁹ Measured by the OECD's index of EPL (employment protection legislation), countries in the region still have greater protection than the EU average (2.1 for EU-10 and 2.4 for EU-15), with maximum values in Macedonia (3.2), Croatia (2.7), Bosnia and Herzegovina (2.6), and lowest in Montenegro (2.2), which until 2008 had the highest value according to this indicator of the protection of employees in the region (4.1) (ILO 2009a, 53–55).

²⁰ In 2011 this share amounted to 19 % in Serbia (RZS, ARS 2011), while it is estimated at 22.6 % in Montenegro (ISSP, ZZ 2007).

²¹ Share of part-time employment is extremely low in the region and amounts to 4.6 % of total employment in Montenegro (Monstat 2012), 10.3 % in Bosnia and Herzegovina (ASBH 2011), 8.6 % in Serbia (SORS 2011), 9.9 % in Croatia (CBS 2010).

Table 2.1 Employment and unemployment rates for the population of working age (15–64) in 2011

	Employment rates (%)	Unemployment rates (%)
Bosnia and Herzegovina	38.7	28.0
Macedonia	43.5	31.9
Serbia	45.4	23.6
Montenegro	45.9	19.9
Croatia	51.5	14.3

Sources: Data from the Labour Force Surveys of the National Statistics Agencies

Shaping employment policies on the principles of activation, appropriate for modern employment policies in the EU and other developed countries, could not be effective, as serious problems occurred in the area of labour demand. The evidence of these problems can be found in extremely low employment rates and high unemployment rates in the region (Table 2.1).

According to available information, employment policies, which also include unemployment insurance, are poorly developed both in passive and active measures. Throughout the region there is relatively little unemployment benefit coverage for the unemployed, and the benefits that exist are low compared to average wages. In this aspect, however, significant differences are manifested; for example, the passive measures in Croatia cover 26.2 % of the unemployed (Bejaković 2011; Bejaković et al. 2010; World Bank 2010), while the coverage in Serbia is 11 % (World Bank 2006, 83), and 9 % in Montenegro (Krsmanović and Walewski 2006). The amount of compensation is defined at different levels. Hence in Montenegro, for example, it amounts to 40 % of the minimum wage defined by the general collective agreement (Ibid.), and in Bosnia and Herzegovina it is 40 % of the average wage (ARZ 2011, 35; DEP 2011, 26).

Increased importance is given to active labour market measures, but their coverage is still low. Thus, these measures include only 2.5 % of the unemployed in Croatia (Bejaković 2011; World Bank 2010). Funds allocated for active measures are relatively modest (0.07 % of GDP in Croatia, 0.11 % in Bosnia and Herzegovina,²² 0.19 % in Macedonia,²³ and 0.10 % in Serbia²⁴), which is lower than in some countries of Central and Eastern Europe (CEE) such as Czech Republic (0.31 % of GDP allocated for this purpose) and Slovenia (0.89 % of GDP) (World Bank 2010). Institutional capacities to implement these measures in individual countries are weak, and evaluation of their effects almost completely absent. Some authors observed that active measures often target more employable categories as in Bosnia with young people with higher qualifications (DEP 2011, 26) or some of the Serbian programmes (for example, First Chance, an active labour market programme)

²² MCP (2010, 26).

²³ Uzunov (2011, 125).

²⁴ Arandarenko and Krstić (2008).

(Babović 2011). It is evident that the primary function of employment services is to register the unemployed and determine their rights to unemployment benefits and health insurance; however, provision of services such as vocational guidance, counselling, implementation of active measures is underdeveloped (MCP 2010, 26).

In most countries in the region, privatisation of employment mediation has not taken significant effect. Private employment agencies are registered, but rare estimates indicate that they do not play a large part in the recruitment process. However, it is assessed that the entry of private agents for employment mediation would contribute more to improvement of state institutions responsible for employment, as is the case in Croatia (Baturina et al. 2011, 21).

Formally, employment policies in the region were adapted to global trends in terms of increased emphasis on active labour market programmes and activation measures. In reality, these programmes have small budgets, are often inadequately targeted and have low impact (among other problems, due to low demand for labour). Unemployment benefits often do not represent an efficient mechanism for support because of the large share of long-term unemployment. Finally, there is a large share of grey economy and informal employment, which further decreases the impact of employment policies.

3.3 *Social Protection Policies*

Changes in the social protection policies will be registered here in the key aspects of the following three components: pension and disability insurance, social assistance to socially vulnerable groups and social welfare services.

In terms of pension policies, paradigmatic and parameter changes are taking place in the region. In the first group, two trends can be roughly identified: in Croatia, Macedonia and Montenegro, under the strong influence of the World Bank, three-tier pension systems have been introduced, which include compulsory pension insurance based on intergenerational solidarity (first pillar), mandatory pension insurance based on individual capitalised savings (second pillar), and voluntary insurance based on individual capitalised savings (third pillar). In Bosnia and Herzegovina and Serbia, these systems have not been introduced; thus the basic system is the successor of the former Yugoslav pay-as-you-go system based on the logic of intergenerational solidarity. Within the second category of changes, there is a noticeable increase in the retirement age and reduction of replacement rates, restructuring of funds and the like. Despite reforms, the pension funds still face an imbalance and deficit covered from the budget (ILO 2009b; Uzunov 2011; Guardiancich 2011; Matković 2009).

Some forms of social protection safety schemes have appeared everywhere, often with local variations in the amounts allocated and variable conditions of eligibility for assistance (Deacon et al. 2007). All systems of social protection are strongly influenced by the institutional framework of the former common state. In the social protection system (which includes material benefits and social

services), the most important role is played by the centres for social work (CSW) as decentralized units of the ministry responsible for social affairs. CSWs administer social security benefits including social assistance and assistance for persons with disabilities, war veterans and the like. In all observed countries, social assistance is relatively low. In Croatia, for example, it is EUR 68 for the first adult (Bejaković 2011, 82); the conditions for receiving aid are strict (tests of behaviour and property); the targeting is good, but the coverage is low²⁵ as is total expenditure for social welfare.²⁶ These countries face problems such as limited coverage for vulnerable groups,²⁷ high-level expenditures for war veterans and other such politically motivated expenditures.

Social services are provided through a network of CSWs and accommodation facilities for users (residential institutions). Due to growing poverty and humanitarian problems caused by wars, ethnic conflicts and massive displacement of populations, centres for social work have prioritised the administration of financial support (also humanitarian aid in earlier periods). In such circumstances, insufficient resources could be devoted to counselling work and the development and implementation of social work services in the community. The main tendency in social services is a shift away from institutional care towards other forms of community support, including foster care and community-based welfare services. Another common feature of the whole region is the diversification of service providers and the introduction of private, non-profit sector, in particular. There are strong indications that the system still relies on the public sector (Papić et al. 2012), although many local and international actors have worked to develop alternative models for nearly two decades. One characteristic of social policies in the region is redefining social policy issues away from traditional sectoral policies and clear political choices within them towards policies that are more responsive to social problems of women, the elderly and young people (Deacon et al. 2007).

3.4 *Social Policy in the Region: Common Trends*

In all three areas of social policy, a relatively pronounced trend towards privatisation is observed. However, the state still remains the dominant service provider. In higher education, there are a growing number of private higher education schools, but only a minority of the student population attends them. Private agents appear on the labour market, but their role remains marginal. Social

²⁵ For example, only one-fifth of the poorest 15 % of Montenegro's population receives social assistance, which is still higher than in Serbia (7 %) and in Bosnia and Herzegovina (5 %) (Gotcheva and Strokova 2010).

²⁶ Allocations for social welfare range from 0.17 % of GDP in Serbia to, for example, 0.5 % of GDP in Montenegro, which is still less than 0.7 % in Slovenia (Gotcheva and Strokova 2010).

²⁷ For example, in Macedonia over 80 % of the unemployed are not covered by any social protection scheme (Uzunov 2011, 131).

protection services are offered by an increasing number of private for-profit or non-profit organisations, but social work centres and residential institutions in most countries are still the dominant network, and significant investments are being made to modernise and empower them.

Marketization is evident in higher education, where in addition to private universities, faculties and colleges, state universities are also providers of services at market prices. Marketization is also manifested through reforms of the pension systems in which a second and third pillar are introduced. However, marketization is reflected in the stronger binding of the results of these services to market needs—education is tailored more to the needs of the labour market; measures of employment and unemployment insurance are also designed to protect the unemployed as soon as possible and to equip them for successful re-employment. By the same logic, material social assistance is conditioned and restricted so individuals and families invest more effort to take care of their own viability in the market.

Although responsibility for social security is generally transferred to individuals, the state is not consistently in retreat, but remains sensitive to the influences and demands of specific social groups and coalitions. That last observation leads us to the next question: Who are the actors that have shaped the direction of changes in social policies?

4 Actors of Social Policies Reform

Identifying actors who have influenced the shaping of social policies in the described directions may not be detailed at this point because insights rely on available analysis and observations rather than on original research. Only in the latter part of this chapter will such analysis be conducted, and that only for a single country—Serbia. Therefore, here we will roughly assess the extent to which different actors played a role in shaping social policies.

The roles that states play as key actors and agents of reform differ throughout the region by type, capacity, nature and size of public administration. The role of states should be viewed in the context of political and social networks of key actors involved in social policy reform, who have been influential to a lesser or larger extent. We will briefly review the different roles of state and local actors in social policy reforms.

In Bosnia and Herzegovina, the state is weak at the central level; key social policy functions take place at lower levels of government. However, the state manifests itself in different ways at the two entity levels. In the Republic of Srpska, it is a centralised state within a state, ethnically homogeneous, with no major obstacles in the articulation and aggregation of interests, which significantly facilitates political decision making. In the Federation of Bosnia and Herzegovina, the situation is quite different because this entity is composed of ten cantons that are ethnically divided or mixed and have significant competences in shaping social policies. This leads to a diversity of social policies and even in social aspects of living between two neighbouring

cantons. The Federation of Bosnia and Herzegovina has little means to influence these policies or to monitor their implementation (Maglajlić and Rašidagić 2011). Some authors suggest that one of the fundamental problems of social policy reform in Bosnia and Herzegovina is that the political scene, and even the state itself, is dominated by nationalist political parties that favour the interests of the ethnic group constituting their electorate in a way that ensures the survival of the elites in power. Due to this fragmentation, it is said that in Bosnia and Herzegovina there is not one, but rather 12 social policy systems (10 cantonal, 1 for the Republic of Srpska and 1 for the Brčko District), which makes the system significantly more expensive, reduces efficiency and leads to selective outcomes as the system offers better protection to groups that support the ruling political elites (Keil 2011).

In its state-building processes, Croatia, like Serbia, overthrew an authoritarian political regime and underwent democratisation processes. However, these political changes have not led to radical transformations in social policies but rather, implemented in a partial manner. Some authors suggest that the main reason for this is a political intention to retain the support of voters, which acts as a limiting factor for any future government. Thus far, every change in the shape or size of social protection has caused dissatisfaction among certain social groups. Political actors who were directly or indirectly involved in the processes of restructuring the social sector tended to have similar attitudes towards social security. In a way, the differences between political parties have disappeared in the field of social security. In addition, social policy reforms have been carried out primarily under pressure from the elites or under the influence of the World Bank and IMF, and later the EU (Vidović and Pauković 2011; Deacon and Stubbs 2007).

Macedonia has weak state institutions, a highly centralised government with poorly developed democratic principles, and a widespread system of patronage used for electoral purposes, including the distribution of key resources and positions to loyal actors. Additionally, underdeveloped civil society and a critical public have also shaped the conditions of social policy reform. Under conditions of widespread poverty and economic underdevelopment, but also due to interethnic tensions, social policy reform has been an extremely sensitive issue. In this context, international organisations have played a particularly strong role, which will be discussed later in more detail (Bornarova 2011).

Finally, the situation is only slightly different in Montenegro. Despite the severe conflicts that are sometimes referred to as bifurcation to show the duality of structure and policy in this country (undeveloped North versus developed South, orientation towards independence versus orientation towards liaisons with Serbia), political forces led by the Democratic Party of Socialists allowed for long-term continuity of government (Džankić 2011). The other actors were too weak to influence social policies reforms. These reforms were, as in other countries of the region, controversial. Thus social policies were not radically transformed as new forms of social integration were still fragile, and political conflicts threatened to escalate and jeopardise the continuity of government. Reforms have mainly occurred under external pressure, first through the World Bank, and then under the conditions of accession to the EU.

Therefore, it is clear that in all countries of the region an important role in social policy reforms has been played by the international community. However, its role should not be viewed in isolation from the characteristics and the role of the states themselves. The role of the international community was variable and depended on the strength of the state and civil society in the region. Namely, where the state was weaker and civil society more underdeveloped (as in Bosnia), international actors had a significantly greater impact (Deacon et al. 2007). Mapping the impact of various international actors in different areas of social policy, the authors observed that, generally speaking, the World Bank had the greatest influence everywhere, using loan conditionality or acting together with the IMF to push for changes in the desired direction. The International Labour Organization (ILO) had a weaker role, while other UN agencies—especially UNDP and UNICEF—have been important actors, often intersecting with bilateral donors (Ibid.). A great influence was exerted by bilateral organisations, primarily the British DFID, which often acted in partnership with the World Bank. Scandinavian organisations (especially from Sweden and Norway) also supported reform initiatives in social policy, as did the American USAID.

The European Union seems to have had a belated influence compared to other leading actors. Hence it is observed that the EU came into countries of the region with its demands, recommendations and funds, usually after the World Bank had already defined the agenda of social policy reforms. In addition, the manner in which the EU defines competences in the field of social policy—the absence of strong prescription—has made the impact of the EU weaker. The authors observed that the major impact of the EU is reflected in the transfer of discourse (if not immediately the practice as well) of social inclusion (Ibid.). However, the development of policies of social inclusion and social protection in the EU has progressed only after the Lisbon Strategy was passed in 2000; hence its more intensive transfer to the Western Balkans, which normally has a very slow accession to the EU (except Croatia), occurred only at the end of the previous decade.

The preceding discussion of actors and their roles in the social policy reforms in the region are just general observations. It is to be expected that in the context of different policies and different time periods various processes occurred, marked by a distinctive constellation of interests, liaising of or conflict between actors, and negotiations and use of decisive power. It is these processes as they occurred in Serbia that we will examine more closely.

5 Policy Actors and Policy Networks in Serbia: The Case of Higher Education

The analytical framework for case studies of actors and social policy reform processes in Serbia has been extended in several aspects: (1) (groups of) actors involved (directly or indirectly) in key reforms in higher education are identified in more detail; (2) types of connections formed in the given process are

identified; (3) content of reform activities are more closely associated with interests of actors involved in the policy-making process; and (4) resistance and conflicts developed between various stakeholders are identified. Such an analysis should clearly identify the connection between broader societal interests and the process of shaping public policies and link social structure and the shaping of social institutions.

The focus of the analysis will be on a single policy area—higher education. A separate study is devoted to a more detailed analysis of three policy areas: higher education, employment and social protection (Vuković and Babović 2013). Here we will present a detailed analysis of higher education reforms while referring to the broader study when appropriate. The content and the process of reforms in these areas will be examined in terms of a key sector's law while the process of formulation of the public policy and articulation of social interests was studied using the network analysis approach (Babović 2005). The analysis was conducted using data obtained from research that combined two methods of data collection: (1) an analysis of the content of the law,²⁸ and (2) positional and reputational methods²⁹ of examining interrelations among actors and their impact in the given process. In the first phase of the study, all categories of actors involved in the adoption of key legislation were identified, and interviews were conducted with individuals representing the groups and institutions in the process (a total of 12 interviews, of which 4 were in the field of higher education). It is important to note that the interviews were conducted only with local stakeholders, and that the role of foreign actors was reconstructed based on the perceptions of respondents and the insight into other secondary sources (project documentation, related publications). In the following passages we will briefly outline the context in which policy changes have been designed, describe the content of the new policies and then inspect social interest and groups that participated in the process of policy formulation.

²⁸ In addition to the key law, the content of relevant strategies has also been analysed to gain broader insight into the content of changes.

²⁹ Positional methods are applied to network analysis in a situation where the set of actors in the network is known and when one needs to evaluate the shape and the strength of their relationship, and identify the centrality of the position of individual actors (Burt 1982). Reputational research methods are used to identify the relative influence and power of actors in a network, or in any process, based on a subjective assessment of participants in a given network/process on the relative power of other actors (Pfeffer and Salancik 1974). These methods have been applied with several limitations: (1) the analysis included key but not every actor involved in the process; (2) reputational methods are suitable for the highly politicised environment because the perception of different actors on the amount of power and influence of others is more unambiguous, since this power is more apparent, but these methods are more suitable for testing of current relationships and processes and do not provide detailed and accurate insights into the processes that occurred in the past.

5.1 Context of Policy Changes

When reform of higher education was prepared (2001–2004), key challenges were also identified: (1) to redefine and improve the institutional structure and management of universities; and (2) to provide a satisfactory quality of teaching. Universities were decentralised, and faculties had all the power to shape curricula and manage policies of employment and enrolment. This resulted in the multiplication of human and physical resources (teachers, administrative staff, libraries, laboratories) and hindered the establishment of multidisciplinary studies. Academic programmes and teaching methods were evaluated as obsolete and narrowly oriented, emphasising theoretical rather than practically applicable knowledge, with demanding studies that provided top-level students at the European average, but where intermediate-level students lagged behind the European average (Turajlić et al. 2004, 53–57). Two-thirds of the students were not completing studies in the pre-reform period. Those who managed to finish them, studied on average two times longer than the programme envisioned (Ibid., 51). Also, it was estimated that the educational system did not provide the knowledge required by the market.³⁰

The Law on Higher Education (adopted in 2005) legalised the operation of existing private higher education institutions and liberalised higher education.³¹ The overflow of resources from the public to the private sector has been regulated, if not stopped, with the system of accreditation in higher education. In school year 2011/2012, private universities or colleges in Serbia were attended by 17 % of all students. However, the marketization of higher education is not reflected solely through privatisation of the sector. At state faculties, there are two categories of students: those who study at public expense and those who finance their studies. Among the students of state faculties, 48 % belong to the latter category, while in the overall student population in Serbia, a total of 57% pay for their education.³²

³⁰The reform of higher education abandoned the idea of schools and universities as places where, in addition to preparation for work, socialisation of citizens in the spirit of democratic and civic values is being carried out (Jordan 2006, 113) or the idea of the university as a place where national identity was nurtured and developed (Turajlić et al. 2001, 7). The universities are expected to educate students for the market, to adapt to market needs and to include economics in their internal functioning, and even financing.

³¹At a time when the law was prepared (the period between 2003 and 2005), there were three private universities in Serbia and a number of private faculties and colleges that were not a part of a university. Nowadays, there are 7 state universities with 83 faculties and 10 private ones with 50 faculties (there are an additional 50 state colleges and 22 private colleges that do not operate within a university).

³²Other elements of higher education also show the increasing burden of education on families and individuals: (1) scholarships and loans from the national level are used by 13 % of students at state universities, and (2) the network of dormitories is insufficient and unevenly developed. In Belgrade, there is one place in dormitories for every seven students at state universities (no new dormitory has been built since 1978), in Novi Sad, one for every 13 and in Niš, one for every 20 students.

As for the goals of legal and institutional reforms, a major point of conflict was changing the management system of universities—that is, the issue of integration of universities. This reform goal has not been achieved to this day. Faculties have maintained the status of legal entities and are self-managing the process of teaching (including quality control), enrolment and employment. Among national authorities responsible for management of the entire system of higher education, they have a majority of votes.³³

5.2 *Actors, Networks and Outcomes*

If we disregard the fact that the concept of higher education reform was essentially predefined by the Bologna process, and that in this sense the most important actor was the international community—that is, the EU, which Serbia hopes to access—two key interest ‘camps’ can be identified in the reform of higher education. The first is the Ministry of Education of Serbia—more specifically, a group of experts gathered within and around this ministry; and the other is the universities. In addition to these two key actors, the process also involved students as well as international development partners. Let us briefly look at the positions of these groups and their interests in terms of reforms.

The Government of the Republic of Serbia was entirely for change. The official policy in Serbia at the time was for reform and Europeanization, and adopting the Bologna reform of higher education—a clear pan-European process—was to be expected. However, the government had already confronted several painful political ‘fronts’: it had to cooperate with the International Crime Tribunal for the former Yugoslavia, was under pressure due to difficult economic and social situations, and had dealt with large security issues (which in 2003 culminated in the assassination of the prime minister). In such circumstances, there were certain limits to the government’s willingness to exert greater reform pressure in this area. This is also evidenced by the assessment of a respondent included in the process of drafting a new law on behalf of the Ministry of Education. According to this respondent, in conditions of low social support, the government did not want to face a politically influential university public as its opponent.

The main promoter of reforms was the Ministry of Education (MoE). However, the very composition of the ministry was peculiar. Immediately after the political regime changed in 2000, new management arose from the ranks of the Alternative Academic Education Network (AAEN) and from the circles of

³³ The National Council for Higher Education is responsible for development and improvement of higher education. Most of the members are representatives of higher education institutions, although the ministry’s intention was for this body to be constituted so that universities are no longer managed by universities themselves (Branković 2010, 62).

university professors³⁴; even the minister was a university professor.³⁵ The new leadership of the ministry took time to become acquainted with the work because they had no experience in public administration. Furthermore, the administrative officers of the ministry were unfamiliar with the reform of the European higher education system, and great efforts were invested to improve human resources. Serbian public administration was at that time (as well as now) characterised by a very hierarchical structure (Ben-Gera 2009; Grupa autora 2002), and all major decisions relevant for work of a ministry were made by a few figures. This is why the Ministry of Education was faced with a paradoxical situation: Decision making was at the top, the top was not familiar with all aspects of the work of ministries and sectors and relied in its decisions on the lower professional and administrative structures. The lower structures, however, were sceptical about changes, but powerless to take initiative except to passively or actively sabotage and slow down the changes.

The eight universities (five public and three private) operating at the time resisted change. The views of representatives of private and state universities converged on one point: university representatives felt that reforms threatened the interests of all university stakeholders: in the new system, professors would have to work more, external sources of income would be threatened, and the position of faculties (especially the economically powerful ones) would be compromised because decisions would be made at the university level. Opponents of change thought that the reforms paid little attention to traditional values and concepts of education. Bologna reforms were associated with the new type of mass higher education that would significantly change the previous, well-entrenched and prestigious Humboldt-type of university 'for the elite' (Popović and Đorić 2011). They also undermined the governance structures at universities—where real opportunities lay to adapt to changes and so on.

Students who participated through representatives of their organisations in the working group to draft the law were the most opposed to change. According to the interpretation of one respondent (a representative of the ministry), the students were already primarily interested in reforms that would principally facilitate studies, even if solutions were not in accordance with the principles of the Bologna Declaration.³⁶

³⁴ AAEN is a nongovernmental organisation (NGO) established in 1998 by a group of professors who were expelled from the University of Belgrade (after the adoption of the restrictive Law on University in 1998) or who were looking for ways to restore or maintain the academic freedom and offer new courses and new models of work to students. AAEN had great international support and participated as an observer in all major international initiatives. Within the organisation itself, human capacities necessary for the reform of higher education have been developed. When government changed, experts associated with AAEN had international contacts and knowledge necessary for the higher education reform.

³⁵ Member of the Civic Alliance of Serbia, a small party close to the Democratic Party of then prime minister Zoran Djindjic.

³⁶ Later legislative amendments in 2008 and 2010 were largely a response to the demands of students to facilitate studying.

The influence of student organisations and student representatives in working groups that prepared the law was, in the opinion of the respondents, insignificant.

The influence of international actors is the result of internationalisation of sector policies and social policy in general (Stubbs 2003; Deacon and Stubbs 2007). Council of Europe, WUS Austria, the World Bank, the Fund for an Open Society and others were active in the higher education sector in Serbia. Some financed reforms through loans (World Bank), and some through grants (WUS, Fund for an Open Society). According to the respondent from the ministry, at the beginning of the process ideas about higher education reform were supported only by these international actors. Moreover, it was the international partners who, after a change of government, pressured the next ministry to continue reforms (Branković 2010). However, the main dynamics of the reform process were carried out through negotiations between two key interest groups, or rather, institutions—the ministry and universities.

Insight into the characteristics and dynamics of the process indicates that it was not straightforward, that it was conducted in conditions of a very complex conflict of interests, and that in parallel with the confrontation over reforms—which the university community resisted—attention had to be paid to preserving the autonomy of institutions of higher education which had been compromised in the past decade. The reform was designed by a circle of experts associated with the then MoE. During the preparation of legislation (2003–2004), there were as many as four working groups for drafting the Law on Higher Education, and there were different conceptions of reforms and legislative changes (Branković 2010). At no time was there a consensus on the content of changes; the greatest differences were between the concept advocated by ministry representatives and the prevailing mood at the university. According to respondents involved in the process for the government, the ministry had to be cautious in negotiations with university representatives because the university was just emerging from a period of repression and lack of autonomy; hence the interest of the reform-oriented government was to further strengthen this autonomy.³⁷

From the very beginning, the structure of university management—that is, the issue of university integration—caused the greatest conflict of interest. All faculties were uniformly resistant, although the academic community in Serbia widely believed that the biggest opponents of change were the large and powerful faculties. However, the assessments of respondents show the University of Belgrade (UB) had the greatest impact, as illustrated by the observation of one respondent from university circles, ‘... if UB does not want something, others will grumble, but will not complain publicly’. UB’s political influence was measured by, among other things, the fact that many

³⁷That is exactly why one of the first steps after the change of the Milosevic regime in 2000 was the abolishment of repressive legislation of 1998 and return to the force of law on universities from 1992. This solution was not considered optimal, but it was deemed necessary to make positive changes in higher education in a short time span.

professors also had political careers.³⁸ However, even UB comprised, at that time, a set of faculties as independent units. Thus, the analysis of university interests really meant analysing the interests of individual faculties.

After the elections in 2003, the minister of education was chosen from the ranks of the Democratic Party of Serbia, former prime minister Vojislav Koštunica's party. During this period there was a change and a mutual convergence of attitudes of MoE and the university public. The researchers recorded more positive attitudes among the most influential representatives of academia towards the new minister and his associates (Branković 2010, 56 ff.). It is obvious that in the new circumstances, the university interests were better represented, and the new law was drafted and passed in the parliament soon after. It is interesting that today, 8 years after its adoption, all players in the process have an equally negative attitude about both the law itself and its implementation. Representatives of the former ministry feel the law did not transform the higher education system sufficiently and did not dissipate the old power relations and governance structures. On the other hand, representatives of the university public say that the implementation of the Bologna reforms was full of compromises (for example, with students on the conditions of studying) and that it devalued the teaching process, reduced the quality of teaching and its outcomes, and over-commercialised knowledge.

The limited reform reach of existing laws is explained by some respondents as arising from an unfavourable social context: 'You cannot make the most modern European system of education and not change anything else. In a country where everything is falling apart, one cannot tighten anything'. Many participants in these processes now point out that one of the reasons for failure of the concept of deeper changes in higher education lies exactly in what its opponents were saying 10 years ago: the country was not ready. In the words of a respondent from the ministry:

The prime minister was not popular [...]. He had a respectable government and hoped to create something in four years that will give him another four years, only to be able to make something serious then. To do this, he had to avoid antagonising people. He was prepared for a higher risk with primary and secondary education. There were people who were ready for reforms [...]. He was definitely not ready to confront the people in higher education that were loud, public figures, had access to the media [...]. Political support is misleading [...] We had full political support until we would pull a move that would stir up the academic public, but not from that point on.

We, on the other hand, conclude from the analysis that the Law on Higher Education was a result of specific social interests articulated and resolved in a particular institutional environment. The resistance from the universities was largely due to the fact that the new system would transform them into institutions more appropriate for a market society, and force teachers in terms of selection and promotion, into a market position, demanding a more proactive stance and competitiveness. At the same time, the law introduces the mechanisms of monitoring and quality checks, which again in market conditions, threatens the protected university

³⁸The entire modern history of Serbia is characterised by engagement of the intellectual, particularly university elite, in politics (cf. Čalić 2004; Prpa 2003).

community. Universities and faculties organised in a short-term policy network managed to adapt the initial reform concepts to their interests and to preserve what, in the public, is perceived as the most important interest (autonomy of the faculty). MoE was faced with deeply entrenched interests and perceptions. It failed to create a policy network of representatives of interested institutions and remained isolated in an attempt to change higher education in Serbia.

6 Conclusions

Overview of key aspects of reforms in three areas of social policy (higher education, employment and social security—in the narrow sense), and the analyses of roles of different actors in their making, aimed to show how the conditions of social integration are being redefined in certain areas of societies of Western Balkan countries. Namely, the task was to examine the content of the reforms in the chosen subsystems and to recognise how these changes redefine the terms of access for different social groups. Furthermore, the task was to identify groups with access to the policy-making process whose interests affected the actual form of selected social policies.

The first part of the analysis was conducted more as a review of key policy directions with mapping of roles of key stakeholders in this process, especially international institutions and organisations as well as local, state and political elites. This comparative regional analysis has shown that essential directions of change are basically the same in the observed societies of the Western Balkans and that differences are demonstrated in the range, level and proportion of established changes, or certain specific features in detailed operationalization of individual components. Processes of privatisation of services have been identified everywhere (private high schools, employment agencies, various providers of social protection services, private pension funds), as have marketization of services where the public sector also acts as a bidder in the competition with the private sector (especially in higher education and community social services), with small state funding for certain programmes of social inclusion and social protection (for example, in active employment). In general, the described changes indicate a specific shift in key social integration mechanisms: responsibility to engage in production and other social processes and to ensure adequate living conditions lies primarily with the individual. The state converted its role of direct integrator to one of defining the conditions and was seen in a more competitive context as a service provider.

Pressures or influences from the international community primarily support these directions of changes. On the other hand, the structural legacy of the socialist era and the burdened transition of Western Balkans societies, marked by severe political instability and rising inequalities between the ‘winners’ and ‘losers’ of transition, act in the opposite direction. They put pressure on the state or rather the political elite to preserve elements of social policies in which the vested interests of certain social groups are particularly strong.

The deeper analysis in this paper was conducted for higher education reforms in Serbia. The analysis revealed that unlike reforms in employment and social protection (Vuković and Babović 2013), which were marked by developed networks (as in social protection) or lack of entrenched interests and corresponding networks (as in employment policy), higher education reform was characterised by confrontation between two competitive networks. The process of policy changes itself took place mostly under the influence of external factors as it was necessary to align the system with the Bologna model. Internal stakeholders were strongly divided between the supporters and opponents of reform, while the enactment of the law was marked by numerous conflicts. Interim policy networks have been formed on the side of the university community. The Ministry of Education, as a proponent of reform, did not manage to similarly develop networks of political support, thus limiting the reach of higher education reform. The reform model was imported from the EU, but its national operationalization was strongly influenced by the conflict between pro-Bologna and status-quo groups. Pro-Bologna players gathered around the ministry and the government, while the other group came from the university and claimed that elements of the reform—if not the entire reform—were at odds with the university's position. The ministry's expert team also originated from the university, but failed to provide the same level of organisation and support as the stakeholders from the university. Therefore, we can observe that this process was in large part shaped by the internal conflicts within the university community, with the authentic pro-Bologna option remaining a minority position. The outcome of this process has been that reforms were carried out according to the Bologna model, but with frequent changes within the basic framework (through various legal acts) and with outcomes that, in the end, satisfy no one.

The outcome of the struggle for higher education reforms was determined essentially by structural factors. The pro-Bologna network was in the minority and relied on the university and political elite. It was opposed by a broader and more heterogeneous network that united around basic common interests. These interests included the protection of certain privileged and unchallenged positions that could have been endangered under open market conditions, as well as the privilege to trade off positional capital in the public sector for higher remunerations in the private higher education sector. Public discussion also encompassed the deterioration of knowledge, loss of social influence and prestige of the university as well as other more general issues.

References

- Agencija za rad i zapošljavanje (ARZ). (2011). *Bilten br.6*. Sarajevo: Agencija za rad i zapošljavanje Bosne i Hercegovine.
- Agency for Statistics of Bosnia and Herzegovina (ASBH) (2011). Labour force survey 2011, final results. Sarajevo: ASBH.
- Arandarenko, M. (2010). Politicka ekonomija nezaposlenosti. In M. Arandarenko, A. Prascevic, & S. Cvejic (Eds.), *Ekonomsko-socijalna struktura Srbije* (pp. 71–86). Beograd: Naucno drustvo ekonomista i Ekonomski fakultet u Beogradu.

- Arandarenko, M., & Krstić, G. (2008). *Impact analysis of employment policy and active labour market programmes in the Republic of Serbia, 2003–2007*. Belgrade: Government of Republic of Serbia.
- Babović, M. (2005). Socijalne mreže—povezivanje društvenih aktera u sferi ekonomskih aktivnosti. *Sociologija*, 47(4), 351–370.
- Babović, M. (2009). *Post-socijalistička transformacija i socio-ekonomske strategije domaćinstava i pojedinaca u Srbiji* (Post-socialist transformation and socio-economic strategies of households and individuals in Serbia). Belgrade: Institut za sociološka istraživanja Filozofskog fakulteta.
- Babović, M. (Ed.). (2010). *Izazovi nove socijalne politike: socijalna uključenost u EU i Srbiji* (Challenges of new social policy: Social inclusion in EU and Serbia). Belgrade: SeConS—Grupa za razvojnu inicijativu.
- Babović, M. (Ed.). (2011). *Socijalno uključivanje: koncepti, stanje, politike* (Social inclusion: Concept and policies). Belgrade: SeConS i Institut za sociološka istraživanja Filozofskog fakulteta Univerziteta u Beogradu.
- Baturina, D., Bežovan, G., Matančević, J. (2011). Local welfare systems as part of the Croatian welfare state: Housing, employment and child care. WILCO Publication no. 05, Zagreb, www.wilcoproject.eu
- Baucal, A., & Pavlović Babić, D. (2009). *Kvalitet i pravednost obrazovanja u Srbiji: obrazovne šanse siromašnih: analiza podataka PISA 2003 i 2006*. Belgrade: Ministarstvo prosvete Republike Srbije, Institut za psihologiju Filozofskog fakulteta.
- Bejaković, P. (2011). The national model of the welfare state tradition and changes: 1991–2010. The case of the Republic of Croatia. In M. Stambolieva & S. Dehnert (Eds.), *Welfare states in transition: 20 years after the Yugoslav welfare model*. Sofia: Friedrich Ebert Stiftung.
- Bejaković, P., Bratić, V., & Vukšić, G. (2010). Komparativna analiza zaposlenosti i naknada za zaposlene u javnom sektoru u Hrvatskoj i u Europskoj uniji. *Društvena istraživanja*, 21(1), 101–111.
- Ben-Gera, M. (2009). *Horizontal policy coordination*. Belgrade: Ministry of Public Administration and Local Self-Government.
- Bolčić, S. (1997). *Ownership transformation and the problems of redistribution of the social power in the post-socialist societies*. Balkan forum 2.
- Bolčić, S. (2003). *Svet rada u transformaciji* (The world of work in the transformation). Belgrade: Plato.
- Bornarova, S. (2011). Development of the social protection system in post-communist Macedonia: Social policy making and political processes. In M. Stambolieva & S. Dehnert (Eds.), *Welfare states in transition: 20 years after the Yugoslav welfare model* (pp. 135–165). Sofia: Friedrich Ebert Foundation.
- Branković, J. (2010). *Decision making on decision making: Deciding governance in higher education in Serbia 2002–2005*, MA thesis, Faculty of Education, University of Oslo.
- Branković, J., & Šabić, N. (Eds.). (2011). *Research policy, financing and performance: Croatia, Serbia and Slovenia in comparative perspective*. Belgrade: Centre for Education Policy.
- Burt, R. (1982). *Toward a structural theory of action: Network models of social structure, perception, and action*. New York: Academic.
- Čalić, Ž. M. (2004). *Socijalna istorija Srbije 1815–1941*. Belgrade: Clio.
- Croatian Bureau of Statistics (CBS). (2010). *Labour force survey*. Zagreb: CBS.
- De la Porte, C., & Deacon, B. (2002). *Contracting companies and consultants; the EU and social policy of accession countries* (Globalism and Social Policy Programme (GASPP) Occasional Paper 9). Helsinki: STAKES.
- Deacon, B. (2007). *Global social policy and governance*. London: Sage.
- Deacon, B., & Stubbs, P. (Eds.). (2007). *Social policy and international interventions in South East Europe*. Cheltenham: Edward Elgar.

- Deacon, B., Lendvai, N., & Stubbs, P. (2007). Conclusions. In B. Deacon & P. Stubbs (Eds.), *Social policy and international interventions in South East Europe*. Cheltenham: Edward Elgar.
- Direkcija za ekonomsko planiranje (DEP). (2011). *Bosna i Hercegovina—Ekonomske trendovi 2010. godina* [Bosnia and Herzegovina: Economic trends 2010]. Sarajevo: Savjet ministara BiH—Direkcija za ekonomsko planiranje.
- Džankić, J. (2011). Political transformations: Welfare states in transition Montenegro: A long drive down a tough road. In M. Stambolieva & S. Dehnert (Eds.), *Welfare states in transition: 20 years after the Yugoslav welfare model* (202–28). Sofia: Friedrich Ebert Foundation.
- Farnell, T., & Kovač, V. (2010). Uklanjanje nepravednosti u visokom obrazovanju: prema politici »proširivanja sudjelovanja u« Hrvatskoj. *Revija za socijalnu politiku*, 17(2), 257–275.
- Federalno ministarstvo obrazovanja i nauke (FMON). (2010). *Informacija o upisnoj politici na visokoškolskim ustanovama u Federaciji Bosne i Hercegovine i uskladjivanje sa potrebama tržišta rada*. Mostar: Federalno ministarstvo obrazovanja i nauke.
- Gotcheva, B., & Strokova, V. (2010). *Social safety nets in the Western Balkans: Design, implementation and performance*. In Presentation at the Policy Round-table. Podgorica, March 2011.
- Grupa autora. (2002). *Izazovi reforme—dijagnostička studija organa državne uprave Republike Srbije* [Challenges of the reforms – Diagnostic study of the public administration in the Republic of Serbia]. Belgrade: Vlada Republike Srbije.
- Guardiancich, I. (2011). Penzije i socijalna uključenost u tri zemlje bivše Jugoslavije: Sloveniji, Hrvatskoj i Srbiji* [Pensions and social inclusion in three countries of former Yugoslavia: Slovenia, Croatia and Serbia]. In D. Vuković & M. Arandarenko (Eds.), *Socijalne reforme: sadržaji i rezultati* [Social reforms: Content and results]. Belgrade: Fakultet političkih nauka.
- Institut za strateške studije i projekcije i Zavod za zapošljavanje (ISSP, ZZ). (2007). *Radna snaga i zaposlenost u Crnoj Gori* (Labour force and employment in Montenegro). Podgorica: Institut za strateške studije i projekcije i Zavod za zapošljavanje.
- International Labour Organization (ILO) (2009a). *Delivering decent work in Europe and Central Asia* (Vol. I, part 2). Report of the Director-General. Geneva: ILO.
- International Labour Organization (ILO) (2009b). *Report on the pension reform in Bosnia and Herzegovina: First assessment*. Budapest: ILO.
- Jordan, B. (2006). *Social policy for the twenty-first century*. Cambridge: Polity Press.
- Keil, S. (2011). Social policy in Bosnia and Herzegovina between state-building, democratization and Europeanization. In M. Stambolieva & S. Dehnert (Eds.), *Welfare states in transition: 20 years after the Yugoslav welfare model* (pp. 41–58). Sofia: Friedrich Ebert Foundation.
- Krsmanović, A., & Walewski, M. (2006). *Labor market institutions in Montenegro—a barrier to employment?* (Working Paper). Podgorica: Institute for Strategic Studies and Prognoses.
- Lazić, M. (1995). The features of global social transformation of Serbia. In S. Bolcic (Ed.), *Social changes and everyday life: Serbia at the beginning of nineties*. Belgrade: Institut za sociološka istraživanja Filozofskog fakulteta u Beogradu.
- Lazić, M. (Ed.). (2000). *Račji hod. Srbija u transformacijskim procesima* (Crab's walk. Serbia in the transformational processes). Belgrade: Filip Višnjić.
- Lazić, M. (2011). *Čekajući kapitalizam. Nastanak novih klasnih odnosa u Srbiji* (Waiting for capitalism. The creation of new class relations in Serbia). Belgrade: Službeni glasnik.
- Lazić, M., & Cvejić, S. (2004). Promene društvene strukture u Srbiji: Slučaj blokiranog post-socijalističke transformacije (Changes of social structure in Serbia: The case of blocked post-socialist transformation). In A. Milić (Ed.), *Društvena transformacija i strategije društvenih grupa: svakodnevnica Srbije na početku trećeg milenijuma* (Social transformation and strategies of Social Groups: Everyday life in Serbia at the beginning of third millennium) (pp. 39–70). Belgrade: Institut za sociološka istraživanja Filozofskog fakulteta u Beogradu.
- Lewis, G. (2000). Introduction: Expanding the social policy imaginary. In G. Lewis, S. Gewirtz, & J. Clarke (Eds.), *Rethinking social policy*. London: Sage.

- Maglajlić, R. A., & Rašidagić, E. K. (2011). Socio-economic transformation in Bosnia and Herzegovina. In M. Stambolieva & S. Dehnert (Eds.), *Welfare states in transition: 20 years after the Yugoslav welfare model* (pp. 16–41). Sofia: Friedrich Ebert Foundation.
- Matković, T. (2009). Pregled statističkih pokazatelja participacije, prolaznosti i režima plaćanja studija u Republici Hrvatskoj 1991–2007 [An overview of the tertiary education participation, completion and tuition fee indicators in the Republic of Croatia 1991–2007]. *Revija za socijalnu politiku*, 16(2), 239–250.
- Milić, A. (2002). Dobitnici i gubitnici u procesu tranzicije iz ugla porodične svakodnevice (1991–2001) (Winners and losers in the transition process from the perspective of everyday family life). In S. Bolčić & A. Milić (Eds.), *Srbija krajem milenijuma: razaranje društva, promene i svakodnevni život* (Serbia at the end of millennium: Destruction of the society, changes and everyday) (pp. 251–281). Belgrade: Institut za sociološka istraživanja Filozofskog fakulteta u Beogradu.
- Miličević, F., & Danijela, D. (2009). *Razvoj socijalne dimenzije u obrazovanju: izvještaj za Hrvatsku* [Development of social dimension in education: Report for Croatia]. Zagreb: FES i Institut za društvena istraživanja.
- Ministarstvo civilnih poslova Bosne i Hercegovine (MCP). (2010). *Strategija zapošljavanja u Bosni i Hercegovini 2010–2014* [Employment strategy for Bosnia and Herzegovina 2010–2014]. Sarajevo: Ministarstvo civilnih poslova Bosne i Hercegovine.
- Ministarstvo prosvete i sporta (MPS). (2011). *Strategija razvoja i finansiranja visokog obrazovanja u Crnoj gori 2011–2010* (Strategy of development and financing higher education in Montenegro 2010–2011). Podgorica: Ministry of Education and Sport.
- Montenegro Statistical Office (Monstat) (2012). *Labour force survey 2011—release*. Podgorica: Statistical Office.
- Nestić, D., & Rašić Bakarić, I. (2010). *Minimum wage systems and changing industrial relations in Europe*. National Report Croatia. Zagreb: Ekonomski institut.
- Papić, Ž., Dmitrović, T., Vuković, D., Delova-Miladinova, P., & Ninković-Papić, R. (2012). *Who, how, why? Regional cooperation of NGOs in reducing social exclusion and poverty*. Sarajevo: Inicijativa za bolju i humaniju inkluziju and Fondacija za socijalno uključivanje.
- Pavlović, D. (2006). Zarobljena država [Captured state]. In S. Mihailovic (Ed.), *Pet godina tranzicije* [Five years of transition]. Belgrade: Friedrich Ebert Foundation.
- Petrović, M. (2004). *Sociologija stanovanja. Stambena politika: Izazovi i mogućnosti* (Sociology of housing. Housing policy: Challenges and opportunities). Belgrade: Institut za sociološka istraživanja Filozofskog fakulteta u Beogradu.
- Pfeffer, J., & Salancik, G. R. (1974). Organizational decision making as a political process: The case of a University budget. *Administrative Science Quarterly*, 19, 135–151.
- Polšek, D. (2004). Higher education in Croatia and requirements of the European Union. In K. Ott (Ed.), *Croatian accession to the European Union: Institutional challenges, vol. 2*. Zagreb: Institute of Public Finance.
- Popović, N., & Đorić, G. (2011). Od uzgajališta za elitu do masovne proizvodnje visoko obrazovanih stručnjaka' [From a nursery-base for the elite to a mass production of highly educated experts]. *Nacionalni interes*, 7(3), 301–325.
- Prpa, B. (2003). Neuspešni reformisti: Srpski intelektualci u Kraljevini Srba, Hrvata i Slovenaca (1918–1929) [Failed reformers: Serbian intellectuals in the Kingdom of Serbs, Croats and Slovenes]. In L. Petrovic (Ed.), *Srbija u modernizacijskim procesima 19. i 20. veka: 3. Uloga elita* [Serbia in modernization processes 19th and 20th century: The role of elites]. Belgrade: Izdanje autora.
- Republic of Srpska Institute for Statistics (RSIS) (2011). *Higher education: Statistical bulletin* no. 8, Banjaluka: RSIS. Available at <http://www.rzs.rs.ba/PublikObrazCIR.htm>
- Republički zavod za statistiku. (2011). *Anketa o radnoj snazi. Izvestaj za 2011*. Beograd: godinu.
- Stambolieva, M., & Dehnert, S. (Eds.). (2011). *Welfare states in transition: 20 years after the Yugoslav welfare model*. Sofia: Friedrich Ebert Stiftung.
- Statistical Office of the Republic of Serbia (SORS). (2011). *Labour force survey 2011*. Belgrade: SORS.

- Stubbs, P. (2003). International non-state actors and social development policy. *Global Social Policy*, 3(3), 319–348.
- Stubbs, P. (2009). A missed opportunity? Social and labour market policies in the Western Balkans. In M. Weichert et al., (Eds.). *Dialogues: Ownership for regional cooperation in the Western Balkan countries*. Sofia: Friedrich Ebert Stiftung.
- Turajlić, S., Babić, S., & Milutinović, Z. (Eds.). (2001). *Evropski univerzitet 2010?* [European university 2010?]. Belgrade: Alternativna akademska obrazovna mreža.
- Turajlić, S., Andrejić, M., Rudić, L., & Todorović, L. (2004). *Visoko obrazovanje u Srbiji* [Higher education in Serbia]. Belgrade: Alternativna akademska obrazovna mreža.
- Unija Sindikata Prosvetnih Radnika Srbije (USPRS). (2010). *Obrazovanje u Srbiji danas* [Education in contemporary Serbia]. Belgrade: USPRS.
- Uzelac, M. (2009). *Priče iz Bolonjske šume* [Stories from Bologna forest]. Vršac: Visoka škola strukovnih studija za obrazovanje vaspitača.
- Uzunov, V. (2011). Socio-economic transformation and the welfare system of the Republic of Macedonia in the period of transition. In M. Stambolieva & S. Dehnert (Eds.), *Welfare states in transition: 20 years after the Yugoslav welfare model* (pp. 115–135). Sofia: Friedrich Ebert Foundation.
- Vidović, D., & Pauković, D. (2011). Welfare state in transition: Political transformations. The case of Croatia. In M. Stambolieva & S. Dehnert (Eds.), *Welfare states in transition: 20 years after the Yugoslav welfare model* (pp. 92–115). Sofia: Friedrich Ebert Foundation.
- Vukasović, M. (Ed.). (2009). *Finansiranje visokog obrazovanja u Jugoistočnoj Evropi: Albanija, Crna Gora, Hrvatska, Slovenija, Srbija* [Financing higher education in South-East Europe: Albania, Montenegro, Croatia, Slovenia, Serbia]. Belgrade: Centar za obrazovne politike i Državni univerzitet u Novom Pazaru.
- Vuković, S. (2005). *Pravo, moral i korupcija* [Law, morality and corruption]. Belgrade: Filip Višnjić.
- Vuković, D. (2010). Izazovi oblikovanja socijalnog režima u Srbiji' [Challenges in creating Serbian welfare regime]. In *Izazovi nove socijalne politike: socijalna uključenost u EU i Srbiji* [Challenges of new social policy: Social inclusion in EU and Serbia]. Belgrade: SeConS—Grupa za razvojnu inicijativu.
- Vuković, D. (2011). Društvene osnove pravne države: slučaj Srbije' [Societal foundations of the rule of law]. *Sociološki pregled*, 45(3), 421–451.
- Vuković, D., & Babović, M. (2013). Social interests, policy networks, and legislative outcomes: The role of policy networks in shaping welfare and employment policies in Serbia. *East European Politics and Societies*. doi:[10.1177/0888325413495088](https://doi.org/10.1177/0888325413495088). published online.
- World Bank. (2006). *Serbia: Labor market assessment*. Washington, DC: World Bank.
- World Bank. (2008). *From fragmentation to cooperation: Tertiary education, research and development in South East Europe*. Washington, DC: World Bank.
- World Bank (2010). *Social impact of the crisis and building resilience*. World Bank report no. 55111-HR. Zagreb: World Bank and UNDP Croatia.

Public Policy Making in the Western Balkans
Case Studies of Selected Economic and Social Policy
Reforms

Thomas, M.; Bojicic-Dzelilovic, V. (Eds.)

2015, XV, 244 p. 25 illus., Hardcover

ISBN: 978-94-017-9345-2