

## THE VIABILITY OF SMALL STATES: SECURITY, COOPERATION, EUROPEANIZATION

Janusz Bugajski  
Herceg Novi, Montenegro

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I would like to make four points about the recent agreement between Montenegro and Serbia pushed through by the European Union. While full independence is the only effective long-term solution for both republics, given the intensive pressure from Brussels and the divided electorate inside Montenegro, the current agreement is probably the most that could be achieved. However, even if it is endorsed by parliament and actually implemented, the agreement is only provisional.

Second, the accords are an EU experiment and many questions remain concerning how the joint state will work in practice. Will it be dysfunctional, confusing, and conflictive, or will it allow sufficient space for the pursuit of reform, investment, and international integration. It is reassuring to know that Brussels is pleased with itself over the agreement, but I would suggest any celebrations are premature and may lead to lingering indigestion.

Third, the positive news for Montenegro is that the country's international recognition can be strengthened. For example, Montenegro's name has international stature for the first time since the country lost its independence in 1918. Montenegro will now be defined as a state even if it is still half a state. Montenegro's equality with Serbia is recognized and can be defended in all international fora. Montenegro has the unquestioned right to hold a referendum on independence even if this has been delayed for three years. And Montenegro has clearly qualified for more substantial EU aid for building up its institutional capacity and infrastructure and for pursuing economic reforms.

Fourth, it is important at this time to have a strong and united Montenegrin government that can flesh out the skeleton agreement with a strengthened hand. Emotional reactions and the collapse of this government or a failure to forge a similar political constellation will weaken the cause of independence. This will play into the hands of political forces who seek a subordinate role for Montenegro, who will block reform, and obstruct European integration. Such a process may actually marginalize the independence movement.

And fifth, it is vital now for Montenegro to substantially develop its international presence. The interim agreement reinforces the republic's international legitimacy, but there is sure to be a struggle between Podgorica and Belgrade over its interpretation and over foreign policy. Montenegro must assert its distinctive identity and its foreign and security priorities. I remain convinced that full statehood and a direct union with the EU is the only viable solution. And this brings me nicely to my presentation the viability of small states.

Contrary to conventional wisdom in Brussels, small states of under one or two million citizens are not only potentially viable entities, but they can also make substantial contributions to international cooperation, regional security, and the Europeanization process. Let me offer five concise arguments to make the case for why small is not merely beautiful but also smart.

**1. Historical Identity:** The recognition of small states with a long historical tradition within a defined territory fosters confidence, security, and identity among the citizenry. The restoration of statehood for countries that have been denied subjectivity for decades can release new energies and commitments for national reconstruction. By contrast, the denial of statehood and self-determination promotes anxiety, insecurity, unpredictability, and fear of foreign domination. And in

some cases, it can engender crisis and conflict in opposition to the denial of state restoration and as resistance to imposed control.

**2. Political Effectiveness:** Small states are more homogenous, compact, and often more internally legitimate than multi-regional or multi-federal entities. The public feels more connected with the political leadership, it can become more actively involved in political life, and it may have a more direct impact on policy and national decision making. Such a process is evident in the United Kingdom, Spain, and Italy, where devolution is the norm, and it should not be denied in the eastern part of the continent.

The disengagement of citizens from politics, at a time when the democratic transition has not been consolidated, has become one of the main problems areas in Eastern Europe. This delegitimizing trend needs to be countered through more widespread and effective participation in local government, political parties, pressure groups, and the central administration. Smaller and more manageable state units can provide conditions that are more conducive to engagement. Additionally, a smaller state unit can undercut trends toward the expansion of large, wasteful, and corrupt bureaucracies that further estrange citizens from government and invariably thwart political and economic reforms.

**3. Social Cohesion:** Small states provide more interface between public institutions and government bodies. They also provide opportunities for a more effectively mobilization of public opinion and public action in support of specific policies, including the input of distinct ethnic, religious, and territorial minorities. Social cohesion ensures a lessened chance of alienation from the central government or pressures for the pursuit of isolationist regionalism and economic protectionism. Ethnic and sub-territorial tensions may also be more effectively managed and resolved where there is more direct contact with government and citizens feel they have a stake in the administration.

**4. Economic Viability:** Smaller state units are invariably more efficient economically. EU policy is plainly hypocritical in claiming that certain territories are not potentially viable states. For example, there are at least seven countries in the western half of the continent with smaller populations and lesser territories than Montenegro. Viability is not a function of size, but a consequence of the rule of law, investment opportunities, and access to markets. Although Brussels claims that only a joint Serbian-Montenegrin state can be integrated into the EU, in practice smaller states are more likely to be assimilated than cumbersome and dysfunctional federal-type units with festering political problems, industrial obsolescence, and oversized militaries. Additionally, in terms of domestic economies, foreign investors will be more attracted to a state with a single legal, economic, and monetary system than a hybrid that the EU is now experimenting with. And lastly, simplified state structures are less likely to breed resentment about insufficient central funding, withholding of international assistance, or exploitation of local resources - issues that have often exacerbated political conflicts in the former Yugoslavia.

**5. Security Promotion:** Small states are less likely to be isolationist and defensive toward the outside world as they need to engage in international security institutions and common markets and cannot afford to remain detached. Small states are more likely to have small armies and limited armaments and thus pose less of a threat or a perceived threat to their neighbors. Small states are more inclined to pursue confidence-building measures and security ties with their neighbors rather than seeking to expand their military capabilities or competing with other countries. Statehood lessens the fear of partition or annexation.

At a regional level, economic and infrastructural ties with neighbors are important for developing the local economies. Such processes promote inter-governmental and private cross-border contacts and help to integrate a region on the basis of common interests rather than enforced political subordination. This enhances cooperation between governments in both soft and hard security arenas because of growing inter-dependence in combating international threats. At a

broader European level, regional cooperation will help to generate economic development, to attract foreign investment, and serve as a springboard for future EU accession.

My conclusion is therefore straightforward in a Europe that consists of small and medium sized independent states. The restoration of Montenegro's statehood, although the timetable has been put back, will enhance democratic and economic development and contribute to regional security and European integration. Indeed, developments in Montenegro are similar to one of the main pillars of the European process, namely the search for local identity and democratic self-determination. The challenge for each country and for Europe as a whole is to find the most effective blend between self-determination and integration rather than simplistically dismissing statehood as disintegration.