

Beyond transition

Rethinking elite configurations in the Balkans

Steven Sampson

Introduction: a new era

The study of Eastern European societies has been plagued by our adherence to concepts. Before 1989, we studied ‘socialist societies’. After 1989 these became ‘transition’ or ‘postsocialist’ societies (Hann 1994). Postsocialist societies became a general variant of ‘transitology’, in which the transition to democracy familiar to us from Latin America and Southern Europe was now linked to transition from a state-planned to a market economy. As the label for an entire epoch, ‘postsocialism’ has been helpful for several reasons. It serves to remind us that the socialist past is very much a part of the after-socialist present. It was also a convenient label, since its vagueness allowed us to escape the task of periodizing. Concepts such as ‘postsocialism’ and ‘transition’ have trickled down from transitological theorizing to everyday parlance. For our informants, these terms signify some kind of journey to a better life, and have been used by them as *emic* labels in trying to comprehend their own realities.

Like so many shorthand terms for the era, ‘postsocialism’ (or ‘postcommunism’) and ‘transition’ came to take on a life of their own. Some used ‘postsocialism’ as a theoretical concept, others simply as an explanation for all their troubles, while still others found it a convenient rubric to use on a research grant or conference application. What cannot be denied, however, is that postsocialism and transition have had a profound effect on people’s lives—both the discourses and the processes. Anthropological research throughout the 1990s has documented ‘the shock of the new’. Postsocialist anthropology described how Western influence penetrated daily life in the East, in the guise of global tastes of consumption, mass culture, new social classes, new ways of calculating wealth, new discourses of democracy and new understandings of identity. It was a period which Katherine Verdery (1996) called ‘agency over structure’, as the very limits of how people perceived and acted on the world collapsed. We saw how people tried to cope with new and unclear standards for finding their place in the world, establishing new criteria for good taste, and demarcating themselves *vis-à-vis* others as ethnic groups, citizens, or classes.¹ Most importantly, we saw new cosmologies: people recasting their social worlds,

their most basic sense of time and space. Transition was truly a new horizon, where 'all was possible, nothing was certain' (Sampson 1994b).

This period of transition, what we call 'postsocialism', is over. We are now in a post-transition stage, what I call 'post-postsocialism' (PPS). It is a period where the shock of the new has worn off and where the larger structures of the new global order have become embedded in people's consciousness. When I say that the shock has worn off, I mean that people in Central Europe, the Balkans or the former USSR now act as if they have some kind of understanding of the frameworks in which they live. People in the PPS world are not as confused as they once were. They are becoming consumers, or they are becoming politicized as nationalists. They are angry and depressed, or just plain tired. Where 'the West', to take the most typical discourse, was once something 'over there', Eastern Europeans now understand that the West is also a place that poses demands. They know that in capitalism you not only make money, you can also lose money as well as jobs. They now know that they have to value their time, that they are more dependent on themselves for achieving security and meaning in their lives, and that blaming the regime or system (or the Jews or the Gypsies) is no longer sufficient. PPS is a new way of life, profoundly different from the 'transition' period. If the postsocialist interim was 'agency over structure', in post-postsocialism structure is emphatically back.

PPS and the new elites

Acknowledging that we are in a post-transition or PPS era has immediate implications for those groups whom we identify as elites and for how we study them. In the immediate postsocialist period, we observed the emergence of two types of 'new elites': technocratic and cultural. In the first group were the former party leaders, managers and technocrats who took over leadership of the emerging political organizations and ownership of economic enterprises in what Stark (1992) called 'from plan to clan'. This take-over may have been more violent or ruthless in some places, more sophisticated and legalistic in others, but it was basically a continuity of former cadres who seemed to break free of Marxist ideological shackles. They were skilled political operators whose ideologies changed as they became market reformers or successful businessmen.

The second group of transition elites were those whose legitimacy was moral and cultural. They were the intellectuals formerly affiliated with dissident movements, people of moral or intellectual standing: literary critics, sociologists, university rectors, human rights activists, musicologists and historians who became ministers or even presidents, and whose primary slogan was 'return to Europe'.

Whereas the first group of elites tried to appropriate resources from the former state, the second tried to maintain contacts with sources of cultural capital in the West. Over the past decade, both these projects have succeeded,

and in this sense these elites have outlived their usefulness. Privatization has occurred; states are being streamlined. Integration with Europe is now a reality if we judge integration by the number of projects or visiting IMF delegations, or by the EU/NATO commitment to stability in south-east Europe. The West is not just a place 'out there'; it is 'here' among us. It is not just a representation any more. It is also a reality with which people have to cope, be it government officials trying to fulfil EU regulations or ordinary workers suffering yet another plant closing and retraining scheme. This irrevocable integration into global frameworks is the hallmark of post-postsocialism, and it also means the emergence of a new constellation of four kinds of elites: first, a local political class; second, a *comprador* bourgeoisie; third, a domestic business elite; and fourth—in regions of conflict—the warlords and mafia chieftains. In the remainder of this paper, I will argue that these elites differ from their predecessors in the nature of their integration into global networks, in the discourses they can employ and in the resources they can mobilize. Let us first describe these four types.

The political class, a French notion that is also often heard in Romania and not necessarily in a derogatory fashion, connotes a class whose primary activity is to set and implement policy. In this sense, they differ from the former communist leaders and managers who were trying to appropriate or hang on to power, and from intellectual and cultural figures who were ostensibly pushed into politics by a moral imperative and give lip service to retreating once things are settled down. The PPS political class have politics as a vocation. They consist of policy-making cadres trained at major national schools of law or administration and have supplemented their training with study, work or training abroad. (Unlike the transition elites, for example, the PPS political class speak English.) In Eastern Europe, the emergence of a professional political class is tied to Western demands for integration into European institutions and to conditions for aid. Hence the continual training courses provided to all leading cadres of PPS societies cover techniques of modern management and public administration, not to mention press relations. This comprehensive training applies to ministers of health, to human resource managers in the central government, to low-level bureaucrats, and even to military and police officials. The political class is also marked by its own local project, in which it attempts to carve out small local empires, often disguised as political parties. Hence, PPS societies are full of new parties created among parliamentarians, break-out factions and consolidated alliances, an extraordinarily large number of whom have received or will receive training from American or German political foundations.

The idea of *comprador* bourgeoisie originated with dependency theory in Latin America. It connotes a local elite who are both inside and outside at the same time. The *comprador* bourgeoisie is a pliable, effective local elite which not only carries out orders from the centre but whose ultimate allegiance and frame of reference also lies with the centre. Today's *comprador* elites are agents of the

Western métropoles in their countries; some may become consultants for or even move to the centre, temporarily leaving their home countries. As I use the term here, the *comprador* bourgeoisie includes all those who work in foreign-dominated private firms or organizations. It includes both local businesspeople and the staff working on aid projects, who are often highly paid professionals with the affiliated cosmopolitan attitudes, consumption patterns and lifestyles. I thus extend the definition to reflect the new environment in PPS Eastern Europe, and especially the Balkans, where much of the legitimate business activity is in fact the aid business. Put another way, the local manager of CocaCola and the programme director of the Soros Foundation have so much in common as cosmopolitan, *comprador* elites, often articulating the same modernizing 'mission', that they deserve to be conceptualized as a single category.

The third type of PPS elites are the domestic business leaders. They are the legalized manager-owners of the state-owned companies, banks and import-export companies, as well as the local luminaries whose business largely depends on local patronage. They are the newspaper publishers, celebrities and financial operators who are often involved in scandals and who may flee the country once discovered. It is this class who continue to operate with prominent consumption displays, building ever larger mansions, and who are now starting to retreat from the public world of restaurants and luxury cars to a more private existence in secluded mansion estates, private clubs, or the second home on Cyprus. They are the PPS Berlusconis, who seek a stable domestic political climate for their activities, but who, unlike the *comprador* bourgeoisie, do not see their personal careers tied to global networks. Not surprisingly, some of these domestic businesspeople become candidates for 'law and order' political parties.

Finally, the fourth type of PPS elites are the violent entrepreneurs. They are the mafia chieftains and warlords who are clearly more prevalent in those parts of the former socialist world which have undergone state fragmentation and ethnic conflict: the Caucasus, parts of Central Asia, Eastern Bosnia and the zones within and around Albania and Kosovo. Such groups tend to combine illicit trade, cross-border transit of key resources (people, arms, drugs, contraband, cash) and some kind of nationalist/regionalist political agenda. This is especially visible in cases where the central government is weak, as it allows forms of banditry and guerrilla warfare to overlap with these violent entrepreneurial activities. That this group is not simply transitional is signified by their increasing sophistication and the international importance given to 'combating organized crime' or 'anti-corruption'.²

As the PPS societies have shaped up in the wake of state collapse and shock therapy, these four elite groupings have consolidated themselves. This new configuration differs from the potpourri of holdovers or former dissidents that could be observed in the mid-1990s. Many of this initial group have left the scene, some pensioned off, others retreating into local business or failing in business, others returning to the world of culture from whence they came. Those who

remain find themselves in a new regime in which their contacts or competencies as former party member are no longer useful, or in which credentials as a former dissident are irrelevant to one's current career possibilities as head of a publishing company or director of a local NGO. Rather, it is this new set of elites—interacting and competing—which signifies the post-transition era.

PPS elites and global forces

What is most new about these PPS elites is the means by which they can deal with 'global forces'. Behind the metaphors of globalization as 'forces' or 'flows', we tend to forget that cultural practices and representations do not just 'travel': they are pushed, pulled, mediated, refused, bounced back and assimilated. PPS elites confront global forces with group interests and strategic practices; they are not just reactive but proactive. This is what makes them elites.

In the immediate postsocialist period, the different states of the region had different reform trajectories. But as a general tendency, the main result of the immediate transition and the effect of global forces has been to reduce the function of the state by transferring its economic functions to private enterprises and its welfare functions to the market or the emerging civil society. The process came about via reforms from within, demands from Western donors, and the demise (or plunder) of state resources carried out under the guise of privatization. Like states elsewhere, the states in the former Second World are just not that important any more. Upper-level state functionaries, for example, have significantly lower living standards than the four elite groups, since they find it harder to supplement salaries with privileges. Major foreign policy and economic decisions are now out of state hands and carried out by intergovernmental or international institutions. It makes more sense to approach Eastern Europe, and the PPS world generally, in terms of regions or formations each with their particular sets of economic, social and elite characteristics. We may, for example, distinguish those states in the 'first wave' of EU-entering countries from those in the 'second wave' or subsequent waves. The relevant unit of analysis may not be states but rather 'waves'. And the declining political resources from the state available to elites make for changes in their composition and strategic practices, not to mention everyday consumption patterns.

Given the declining function of the state and the role of global forces and pressures, the new elites' practice is concentrated largely in how they can exploit or hinder the way in which global forces operate in the local PPS landscape. Unlike socialist elites, who were provincial, and unlike the postsocialist elites, who were busy consolidating their positions at home by plundering the state or simply trying to cope with the new world, the PPS elites are more sophisticated. They are conscious of their transnational aspects, of being at once both within and without; they may live in a country but are not of it. They may speak the local language but they often act within a completely different code, either cosmopolitan or in terms of

illegal international trade. They are conscious mediators for global forces and have become skilled at gatekeeping global resources.

Generally speaking, global forces operate in two ways: they bring about both fragmentation and integration. Fragmentation—along class, ethnic, regional or social lines—tends to occur in areas outside zones of capital accumulation and political decision-making. Downwardly mobile social groups and forgotten regions in the core European countries as well as regions of ethnic tension in the Balkans are prone to such fragmentation. Integration occurs in those zones or among those groups who have been brought into the circles of accumulation and central decision-making. The urban areas of Central Europe are in this zone, as are those areas where there has been considerable Western investment in new enterprises or humanitarian aid. The integrated areas are those where the telephones work, where an internet café is close by, where the roads are well-paved, where young people have not all emigrated.

We find fragmentation and integration processes in the metropole, as well as in the postsocialist and Third Worlds. Fragmentation in the metropole is marked by competing citizen visions of a future, a search for new personal identities, anti-EU, anti-immigrant or anti-globalization movements and increasing regional autonomy. In Western Europe, this tendency reflects the fate of large segments of the former industrial workforce feeling that they have lost control and that their elites do not speak for them. Fragmentation in the former Second World and in the Third World has largely taken the form of ethnic or class polarization, often linked to regional secession movements, and is invariably associated with local corruption as either precipitant cause or result. Polities have become smaller, peripheral areas less controllable, and mafia formations emerge to control border traffic between the more integrated and less integrated border areas and between these areas and the EU. Ethnic conflicts are intermixed with conflicts between central authorities and border-crossing warlord groups, who invariably mobilize ethnic ties. This mixture of economic difference, weak central authority and ethnic border zones creates the foundation for the kind of ethnic discontent, crime and paramilitary banditry we see in the western Balkans along the borders of Albania, Macedonia, Kosovo and Serbia, as well as in the Caucasus.

Fragmentation processes are by no means new to postsocialism or postpostsocialism. Socialist societies were also fragmented, but that fragmentation was long term. There was a clearly demarcated caste-like differentiation between the party elite and the masses. People found culturally creative ways to cope with this situation, in terms of dissidence, informal networks, second economy, retreat into the private sphere, jokes, rumours, etc. (Sampson 1986; Wedel 1986, 1992). Fragmentation in the immediate postsocialist period was marked by unclear lines: the fissures, if you will, had not been formed; the 'us' and 'them' were fluid. Today, in the PPS phase, the fissures are more visible. People know where they stand, and even if they are discontent with their position, they also have a clearer idea of who the 'they' are. 'They'

can be corrupt politicians, the local NGO activists and their cosmopolitan ways, the foreign rulers' represented by the various offices of the High Commissioner (Bosnia/Kosovo) or IMF officials, or the criminal elements who are corrupting our youth and 'ruining our chances' for integration into Europe.

Fragmentation is itself a metaphor for accelerating social differences and contradictory political practices. Despite the prevalence of this metaphor, societies, we must remember, are not 'wholes' which can be split into pieces. To talk about fragmenting of a social world or a political order is really another way of talking about different types of conflicts, of diverse ways by which people gain access to resources, and of fundamental differences in how people pursue their life projects. Here I would conceptualize fragmentation processes into a further set of metaphors to highlight these differences: 'lift-off', in which elites abandon their societies, seeking instead to affiliate with higher-level centres; 'truncation', in which sections of society simply abandon the national project, seceding or dropping out; 'slicing', in which new social lines of demarcation are formed which cross-cut existing class or ethnic lines; and 'burrowing in', in which elites form a new power base by taking over a certain sphere of political or economic activity (legal or illegal) in the form, say, of corrupt local regimes, illegal entrepreneurship, extreme nationalism or use of paramilitary forces. To say that a society is undergoing fragmentation is to describe these kinds of decentralization processes.

Contrasting with fragmentation, integration is the process by which these kinds of fissures are ameliorated or eliminated, and where people are drawn into ever larger units. Integration in this sense is not necessarily synonymous with centralization; rather, it may be understood as wider adherence to some kind of common behavioural norms, cultural or political project, e.g. transparency in government, human rights, market reform, etc. In this sense, new forms of decentralized/privatized public management are not the same as fragmentation or disintegration. Examples of integration processes include outside efforts to undermine local elites by demanding reforms (or by bringing them to The Hague for trial), attempts at modernizing society from above, rebuilding from below (via civil society), and restructuring from within (institutional development). The metaphor here is of constructing or reconstructing society like a building, an edifice (and in this sense, 'institution building' bears an uncanny resemblance to Stalin's notion of 'building socialism'). The work of integration is not carried out solely at the level of the local society. Integration and development are now directed by international actors who bring their own resources, interests, discourses and projects to bear. In the early 1990s, for example, there was 'shock therapy' and 'market reform' in Central Europe. Today there is 'strengthening state institutions', 'building the rule of law' or 'creating a society of tolerance' in the Balkans.

These international actors cannot pursue their goals without relying on local institutions and actors. This fosters the rise of a new, more professional and pliable political class, as well as a new *comprador* bourgeoisie. The latter are a kind of

Euro-elite; they do not formulate the EU integration project, but they certainly carry it out. Seen from the top-down, integration perspective, PPS societies are a landscape for carrying out integration projects. Integration rewards those groups who can establish relations with representatives of Western capital, be it financial, political or cultural. For those groups unable to articulate with the West—the non-computer-literate, non-Anglophone, traditional working/peasant populations in the provinces—the choices seem more limited: wait for the state to provide welfare benefits, affiliate with a local leader's party, or join a band of violent entrepreneurs selling commodities any way they can.

The post-postsocialist societies thus experience a variety of fragmentation and integration processes. These, in turn, are linked to different kinds of elites and different elite practices. In broad terms, integration is carried out with the assent of the political class and with the active support of the *comprador* bourgeoisie, who in the current conjuncture function as cosmopolitan Euro-elites, 'lifting off' from their societies. These Euro-elites compete with some elements of the political class and with the warlords, whose political practices often contribute to fragmentation processes. The domestic business elite and other sections of the political class are under pressure from both integration and fragmentation processes. Shielding themselves from threats to their own power, they seek to 'burrow in' so as to establish their own power bases. The unclear legal system in PPS societies means that distinctions of legality/illegality assume importance only to the foreign actors, but less so on the local 'stage'.

If we view the PPS landscape as stretching from the Baltic states to the postconflict Balkan areas and across to the clientelistic Central Asian societies and the fragmented, war-torn Caucasus region, we find variations in integration and fragmentation processes, and therefore in the nature of the elite configurations. All four categories are present: the political class, the *comprador* bourgeoisie, the domestic business elites and the various Mafiosi and warlords. Like elites everywhere, the four groups are in competition with each other for followers and personal access to resources. Yet because of the fragmentation processes involved, these elites may also be in complementary, competing, or simply different 'worlds'. Elites can lift off and assume cosmopolitan orientation; they can burrow into the political system and create their own power bases in a truncation process; they can retreat from the public sphere and cultivate privatized, even secretive consumption; and they can proceed to take the criminal route, or trade it off for nationalist politics. Elites are elites precisely because they *can* make choices about their actions or set these processes in motion: they can enter politics, retreat back into culture, commute back and forth between politics and business, from illegitimate to legitimate business, or as businessmen or *comprador* bourgeoisie, they can start their own populist movement.

Elite practices thus reflect processes of integration and fragmentation, as well as the corresponding discourses about how integration and fragmentation are perceived. Here we have ideas of 'a pathway toward Europe' and of being part of a 'first' or 'second wave', and more pessimistically, discourses of 'being stalled',

in stagnation, decline or 'falling behind' in the inevitable comparisons between aspiring countries for EU membership, and discourses of 'betrayal by the West'. Thus, an understanding of integration and fragmentation processes, together with analysis of elite discourses and actual practices, can provide the keys to understanding why the post-postsocialist period is indeed a new era. It is beyond transition.

Study of some of the major master narratives and their associated practices can be used to reveal how these new configurations of elites operate. 'Democracy promotion' is one such master narrative, and includes the export of human rights norms and institutions, rule of law, civil society development, transparency in civil administration, and free elections. Other such master narratives are 'market reform and privatization', 'European integration', 'combating social exclusion', 'promoting security', and, finally, 'anti-corruption and fighting organized crime'.

In the remainder of this chapter, I will describe how these processes of liftoff, truncation, slicing and burrowing in operate in one particular integration process—the promotion of democracy—and within one particular group of elites—the *comprador* bourgeoisie operating as project staff. Democracy promotion, invariably involving the export of Western models, involves efforts to foster rule of law, better governance, civil society organizations, respect for human rights, and public administration reform. While democracy promotion may serve to integrate some aspects of these societies with Western institutions, it also has a fragmentary effect, often pitting elites and their followers against each other. We see the formation of new elites in some cases and the isolation or disappearance of other elites in others. I myself am part of this democracy export field, having participated as an external consultant in various civil society support projects in Albania, Bosnia, Romania and Kosovo (see Sampson 1996). These projects have long become a 'way of life', a routinized system for moving resources, people, money, knowledge and practices between East and West. Since East-West relations are not equal, some of these resources move only in one direction. The Western project of democracy promotion is thus mediated by a host of middlemen operating between the central agency in, say, Brussels, and the target community or group somewhere in eastern Moldova. Project life is a global flow of power, a flow in which various local elites have strategic or mediating roles.

Project life in the Balkans

The Balkans may be a world of kinship, clan and ethnicity, of peasant families trying to make a living, of folklore, migration and violence; but the Balkans are also a world of projects. By 'project' I mean a special kind of activity: short-term activities with a specific goal and output, a schedule and a budget controlled by donors, their contractors, aimed at a target group and taking account of the

various stakeholders involved. Projects always end, evolving into policy, or being replaced by new projects. Project society entails a unique set of structures and activities: the project identification mission, the implementing partner, the project unit, the board, the staff, monitoring and evaluation, and, of course, the magic giver, the Donor. Project life entails a special kind of language, almost like the wooden language of Stalinism. Learning something is called training of trainers'. Getting better at something is called 'capacity building'. Giving control to someone else is called 'empowerment'. Articulating the project goal is a 'mission statement'. Communicating information is called 'transparency'. Trying to find out what's going on is called 'networking'. Finding the money is called 'fund raising'. Surviving after the money runs out is called 'sustainability'. Taking your money somewhere else is an 'exit strategy'. And when donors are unable to utilize their money, one gets what a Danish report termed 'donor constipation'.

Project society and project jargon reflect project ideology. This is a linear set of ideas about social engineering, often beginning with a 'problem tree'. From the problem tree, project consultants construct a set of goals, activities, inputs and outputs using techniques such as the Logical Framework Approach. Project life requires understanding the key words or concepts, and specifically which words and concepts can generate money: from 'empowerment' one year, to 'good governance', followed by 'income generation', 'institution building', 'network development', 'anti-corruption', and, of course, the ubiquitous 'partnership'. As part of the transition, social practices and ideas become grant categories. The notion of 'civil society', for example, is understood as the social organization of people to solve problems. But 'civil society' is also a funding category. Project life is a world with a premium on abstract knowledge, by which power accrues to those best able to manipulate the key symbols and concepts. Since these symbols and concepts come from outside, those *comprador* bourgeoisie attached to foreign project organizations—let us call them 'Euroelites'—occupy a key role in this scheme, competing with the local political class in terms of political influence with key foreign actors and in terms of living standards. Whether these Euro-elites should be called a 'class' can be debated. They certainly have lifestyles, political views and private aspirations that distinguish them from many ordinary citizens and groups of elites. Moreover, they have the ability to maximize these. They are a social group with a specific lifestyle marked by an attentiveness to what is new in the West, with an understandable desire to ensure communication with the donor, and insecurity about what will happen when the donors leave. And donors do leave, though often to be replaced by other donors with different agendas.

This world of projects, now exported to the Balkans, provides benefits for some and provokes others. Like all such worlds, it is based on representations or even myths about our own societies. There is the idea that we can export sectors of our own society—here democratic institutions and civil society—as if they were independent of other aspects of social life (such as effective government,

functioning markets, rule of law, a stable middle class). There is the assumption that our *model* actually reflect the *realities* of democracy in our own societies. There is the idea of the single 'international community', which is neither international nor communal. There is the idea that Western NGOs and international organizations cooperate effortlessly with each other and with the state; that professional Western NGOs operate on the basis of voluntarism and altruism; that our activities are actually the result of the kind of strategic thinking characterized by the Logical Framework Approach, rather than by the improvisation that occurs when new grant categories suddenly appear and the proposal is adapted to the donor. There is the idea that the only 'capacities' that need 'building' are those in the target countries, and not our own. And there is the idea that a large number of foreign-funded NGO organizations is some kind of index of democracy. Given such representations, it is hardly surprising that we find disillusionment in the Balkans about Western hypocrisy, or that many citizens view NGO activity not as social commitment but as an alternative enrichment channel for intellectuals who will not do other kinds of work. Such attitudes and the conflicts they generate in turn lead to a disillusionment among donors, who tend to blame the locals for their inability to cooperate or who suddenly contract that well-known disease 'donor fatigue'.

One may envision the structure of project life in two ways: first, as a traffic in resources, people and knowledge, and second, as a set of concentric circles of power. As a flow of traffic, the relationship between donors and recipients in the world of projects is one where some resources go from West to East/South and others go in the opposite direction. From the West comes money, transmitted in complicated 'tranches' and often by circuitous routes in countries where banking systems remain primitive. Along with money comes traffic in people: expatriate consultants, foreign project managers, and short-term evaluators and trainers. These individuals often go from country to country, and much of their job is spent talking with other donors, an activity called 'donor coordination', or negotiating with government officials to start up project units. Government officials, not being donors, are useful for smoothing the administration of the programme, and increasingly as co-partners in applying for EU, World Bank or UNDP funds. Promising officials may then be coopted as project managers, either on government salary or, much more attractively, as local staff of the organization/firm implementing the project.

The West-East traffic in money and experts is partially balanced by a traffic in the reverse direction: promising local project managers are invited to conferences, meetings, internships and training in the West. From Eastern Europe, thousands of NGO activists, journalists and officials have been on shorter or longer trips abroad for training and to see with their own eyes how democracy works. In Denmark, for example, the government-funded Democracy Foundation has spent about \$100 million over ten years to bring 70,000 foreign NGO activists, local government officials, parliamentarians, teachers, and social and health workers to Denmark on brief study tours. Other

programmes run by Western governments have concentrated on NGO leaders, journalists and government officials. The socialization of local NGO activists into the world of projects proceeds with their acquisition of the discourse of global civil society as they go about attending training courses, meeting donor representatives, applying for money and managing projects.

It would be insufficient to view project life solely as a flow of resources, for this hides the power dimension of the system. Project life is also a system of hierarchical concentric circles. At the centre of the circle are the donor organizations in the West and their funding policies (these policies being generated by knowledge producers who help define 'strategic objectives'). This inner circle generates the most abstract type of knowledge. At the other end, there is concrete, local knowledge of real people with everyday problems. This is where we send out appraisal missions to assess 'needs' and to locate 'target groups', including the most Vulnerable groups' such as refugee women, unemployed families in closed mining areas, handicapped persons or unschooled Roma children.

Visits and field operators are needed at the periphery to gather key information, locate new target groups or issues, or monitor and evaluate ongoing projects. Kosovo, an international protectorate where more than 300 international organizations are operating, is rife with donors coordinating projects and sounding each other out. In practice, this means an enormous number of meetings and follow-up memoranda, as well as interaction with all categories of PPS elites: with the local political leaders for collaboration, with domestic businessmen for procurement, with promising local project staff who will work on implementation, and with other donors to discuss 'security' against bandits and organized crime.

Viewing projects as a hierarchy of concentric circles helps to highlight the power dimension of global project life. Resources, people and ideas do not simply 'flow'; they are sent, channelled, manipulated, rejected and transformed on their journey eastward by the myriad of middlemen at the source, on the way and in the local context. Local elites compete for control over resources, be they money, people, knowledge or ideas:

Control over money involves who is allowed to apply, who is allowed to spend, and who must do the accounting.

Control over project personnel is carried out by the Western consultants and project directors, some of whom fly in, while others are resident. Such control requires the recruitment and management of additional foreign specialists and hiring of local managers and support staff. The Western donor representative 'networks with' various other donors, diplomatic missions and local government officials in order to ensure 'transparency'.

Control over knowledge involves deciding whom to tell about what; in the world of projects, knowledge involves deadlines, budget lines, key words on applications, the major conferences being held, and coordinating time

schedules with others. At the local level, knowledge control involves knowing which donor is about to give out funds. Since most Western donor consultants are pressed for time, there is a continual monitoring of the next bid, project or upcoming trip. The hierarchical relations of the project system are best expressed in the way the time of foreign consultants is allocated, and the invariable waiting time for those who want to speak with them. Meetings must be scheduled and rescheduled, with donors and foreign organizations taking precedence over meetings with locals or supplicant NGOs. With more information, the number of meetings increases, which means more rescheduling and more waiting. Logistical problems—local traffic, bad weather, phones that don't work, lost messages, power blackouts, delayed flights, unexpected application deadlines necessitating couriers—create a pressure-cooker atmosphere in which the foreign consultants are constantly moving and the hapless target group is endlessly waiting.

Control over concepts is the final type of control in the project system. Project ideas are sent, received and manipulated, and resources are always attached to them. Projects are all about attaching ideas to activity, and activity requires money. It involves an understanding of donors and the identification of a target group and an implementing partner. Establishing such partnerships between a donor and implementing partner organization is not difficult if there already exists a local partner with which to implement a project. This partner might be an established network, an NGO or a government office. The idea might be about, say, establishing crisis centres for battered women, a legal aid office or an anti-corruption bureau. The problem for the donor comes when these potential implementing partners do not exist. In that case, they must be created.

Creating such NGOs or implementing organs may be called 'institutional development', 'capacity building' or, at times, 'cloning'. In some cases, the international donor or NGO simply uses its local secretariat to create a local NGO. Cloning of NGOs ensures a role for the parent organization, facilitates continuity of funding for the newly created local NGO, and solves some of the post-partum sustainability problems after donors go elsewhere.

With the fly-in, fly-out missions, the strange vocabulary and the hunt for funds, one might conclude that project life is simply some kind of facade, a vehicle for opportunists to achieve their private strategies. In cases where projects fail or where there is corruption, this is certainly true: private goals undermine any kind of common activity, organizations cease or fracture, and donors become disillusioned. The presence of thousands of such facade NGOs throughout the PPS world is certainly evidence of this phenomenon. However, we have innumerable cases where projects do make a difference and where significant results have been achieved. The Balkans are filled with successful projects where local NGOs deliver key services which ameliorate the damaging effects of uncontrolled markets or which supplement the government social

programmes. Hence, civic education or refugee NGOs help to publicize new laws so that citizens and returnees know their rights; human rights NGOs conduct training of law-enforcement personnel in international human rights provisions. Environmental and health NGOs carry out surveys or hold hearings on specific local problems. Educational NGOs help procure textbooks or lobby for school improvements, while youth and women's NGOs sponsor counselling or provide shelter.

Insofar as local NGOs are supported by foreign donors and their projects, there is a linkage between transnational project society and the creation of new elites. Project society is thus a field in which there is a contestation over scarce resources. People compete for money, influence, access and knowledge; they distribute these resources among their own networks and try to prevent others from obtaining access. The successful actors in this competition become the project elites. These elites are intimately tied to Western ideas and funding, not to mention knowledge of English and the skills known as 'project management'. This Euro-elite is not only paid well, but occupies a special position with close access to the donor community. Most of its members are younger, all are anglophone. As trusted project staff earning at the lower levels of the international scale, they tend to earn more money than most of their neighbours, more than even high government officials. They tend to move from one project to another, to find their friends and spouses within project society, and to have similar aspirations to study in the West and to send their children there. By many criteria, we could define this group as a class. However, this class has no resources of its own: they are wage earners working for foreign projects. Their entire world is externally focused, and for many, the ultimate strategy is emigration or at least intense participation in global civil society networks. In this way a potential national elite goes missing. This is the 'decapitation' process, a liftoff of the elites that seems to go hand in hand with the integration brought about by global forces.

Even if they do not physically emigrate, the livelihood of this group of elites is crucially dependent on continued foreign inputs. This tends to give them a more cosmopolitan orientation and leads to a conflictual relationship with the more locally oriented political class. Ultimately, too much lift-off makes some project elites so isolated from their local situations that they become useless to the Western donors. The typical project staff, familiar to foreign consultants, donors or anthropologists working in the NGO sector, tend to be overqualified for some aspects of the job, underutilized in others. By virtue of their positions and access, they are often overburdened by working on several projects or having to help friends and colleagues obtain employment. All are well acquainted with members of the political class, but unlike such individuals in Western Europe, who see politics as a possible career move, these local project elites are trying to maintain their niche.

To understand the pressures under which these elites operate, it may help if I describe one particular slice of project society in which conflicts are especially transparent. Romania, Bulgaria, Albania and Kosovo all have civil society

development projects in which a local foundation is created, which then, as a donor, awards grants and training to local NGOs. The funds for these foundations come from a foreign donor such as the USAID, the EU, individual European governments, or from private foundations. These civil society foundations establish a board and a staff which take applications from local NGOs, provide training in how to run organizations, distribute information about the sector to the public and potential donors, decide strategic priorities for civil society development, and monitor the evolution of the NGO sector generally. The foreign consultants' task (in which I participated) is to help in the legal establishment of these foundations, coordinate their activities with the work of other donors, locate and train competent board members who have experience and vision for civil society, advise the board on future strategy and activity, and recruit and train the staff. In all these countries, the foundations have been evaluated positively by several independent evaluators and have obtained respect from many international donor organizations. One explanation for their positive reception is clearly their empowerment aspect: instead of supplicants for funds, which is the position of most local NGOs, this project actually creates donors. As is the case with all donors (even governments), they have responsibilities to their donors, to be sure, but they are donors nevertheless.

Although locally established, the heads of these civil society foundations also attend donor meetings together with other foreign donors assisting the NGO sector. As donors and as recipients, they straddle both worlds, reaping both the benefits and the accompanying pressures that this entails. These projects therefore create a specific type of local elite. The elite consist of the local board members who achieve respect and power, and the project staff who obtain good salaries and a special status. The board members and staff of these foundations are respected by foreign donors for their 'competence' and 'professionalism', but they are an object of attention or jealousy by the locals by virtue of their access to foreign resources (money, knowledge, contacts). The conflicts faced by these local elites are articulated as conflicts of loyalty. They must balance the loyalty to the foundation and principles of sound project management with the loyalties to friends and family who desire their resources. Hence, local project managers have talked of cases where one of their friends or colleagues has solicited a job, or applied for a project, where they were nevertheless unable to assist them on meritocratic grounds and accused of disloyalty. Since so many project management procedures are complicated to the outsider or based on abstract judgements, this leads to accusations of favouritism. Why did X receive funds to go to his conference but not Y? Why did As NGO receive project support money but not B's? Since so much of project life is indeed abstract, the role of elites is to turn abstract concepts into concrete decisions, to channel resources. This channelling represents a combination of abstract decisions (based on principles) and concrete knowledge (whereby the board members know the applicant personally).

It might be thought that a successful project is one where the local project

elite subordinates these private obligations to the needs of the project organization. In fact, exaggerated elite loyalty to the organization is more likely to result in lift-off in which the local elite becomes so cosmopolitan so as to become alienated from the local community. Such individuals eventually become the object of derision in the local communities, ultimately losing the local knowledge and contacts for which donors had sought them out in the first place. The elites who are most loyal to their foreign patrons are not necessarily the most capable. It is not because people have *subordinated* their personal goals to the project that makes for successful outcomes, but rather that these project and personal strategies have been skilfully *combined*. Project staff, for example, achieve good incomes, high status and connections to valued Western donors. These can be used to recommend good friends for jobs when a Western donor sets up shop. The question for donors is not whether informal contacts are used, but whether the recommended friend is in fact qualified. Being an elite in the Balkans, as elsewhere, is about who can make recommendations for whom.

This process of utilizing one's position to achieve both organizational goals and private obligations is not without its conflicts. In one project, the project director recommended a very good friend as information officer, someone who came from a well-known intellectual and dissident family. It turned out that the friend, despite his talents, had a drinking problem and was mentally unstable, and had to be discharged; in another case, a friend hired to do accounting started to embezzle small amounts from the travel fund and was promptly fired by his colleague. And in yet another, a board member of a local foundation thought that he was qualified enough to borrow money from the project fund, for which he was asked to resign. Project society, then, is not just about maximizing the ability to exploit project resources to maximize personal goals. It is also about the creation of new loyalties; loyalties to the organization, to 'the project', to abstract meritocratic principles such as 'transparency', which the elites must balance with their social and personal obligations. A typical case was the NGO project director in Kosovo who had to choose between going to the funeral of an uncle and meeting an important donor in Geneva. The individual chose Geneva, incurring the disappointment of family and personal guilt feelings.

Understanding the role of elites necessitates understanding new transnational hierarchies and new combinations of powers and obligations. The pattern varies for the different groups. For the political class, the new obligations are to the European institutions imposing demands on the regime for integration. For the domestic businessmen, there are new obligations to local politicians and perhaps export partners. For the mafia chieftains and warlords, there are similar new obligations among international collaborators or corrupt politicians. Finally, among the *comprador* bourgeoisie and the Euro-elites, as I have shown, we find new obligations to donors and to the project. Being an elite is therefore inherently a middleman situation. The four categories of elites can maximize their private projects and reduce the conflicts by

horizontal contacts within or across elite categories. The formation of an ever-increasing number of private elite clubs is one indication that such processes are working. Yet this also creates an even wider set of social obligations. Accusations of corruption, essentially illegitimate flows of resources between elites, are an example of what happens when such obligations get out of hand.

Project society, elites and the PPS state

This account of project society in PPS societies might at first appear to be a typical case of globalization undermining the state. The tensions between state officials and the NGO sector are illustrative. The intimate relations between NGOs and Western donors are an object of jealousy in some of the poorly paid, poorly equipped government offices. Ministers and state functionaries complain that 'there are too many NGOs', that 'they' are getting money intended for 'us' (the government). Isolated cases of NGO overspending, abuse of funds or inefficiency are used to smear the entire sector. Government officials complain that NGOs tend to have better office equipment than government offices, while salaries for NGO staff tend to exceed those of even the highest officials in local or central government.

Jealous of the resources flowing into the NGO sector, some state officials devise strategies to tap into project resources, ranging from cooptation to sabotage. The most widespread method is for state organs to clone their own NGOs, called GOs and quasi-NGOs or QUANGOs.³ Throughout Eastern Europe it is common to find independent organizations competing with governmentsponsored youth, sport, environment and women's groups, some of which may be politically affiliated. In socialist times, such organizations would have been called 'fronts'. 'Promoting civil society' and 'supporting human rights' are now means by which non-Western countries can procure Western aid. Invariably, much of the money goes informally to the government officials who sit on the boards of these foundations, while other funds are diverted into foreign trips or political campaigns. In this way, international funds inadvertently help to build a local political class, while the scandals about 'NGO mafia' or 'Soros mafia' launched by jealous competitors undermine the credibility of the *comprador* bourgeoisie among the public.

A second strategy by which state actors attempt to tap into the resources of project society is for government officials to sit on the boards of various NGOs as an indication of state-civil society 'partnership'. This practice is hardly objectionable in itself, since public officials may be genuinely interested in the project and can become a lobby for the organization's mission within the government. For example, an NGO helping handicapped youth can benefit from having a board member who works in the Ministry of Health. More often, however, state officials' participation in the NGO sector serves to provide government with knowledge about donor priorities and the means by which to

channel eventual donor funds away from civil society organizations and directly to government itself. Throughout Eastern Europe, one is therefore witness to the emergence of government offices for 'civil society partnership' or 'NGO coordination'. These offices or secretariats are now the object of intense donor interest.⁴

Finally, governments may actively seek to undermine the activities of NGOs by imposing barriers to NGO cooperation with foreign donors, limiting financial independence of NGOs or other kinds of legal, fiscal or informal harassment. Some social assistance and humanitarian aid organizations can operate unhindered, since they are viewed as a supplement to state activities. Other NGOs, particularly in human rights, law, media, environment and anticorruption, may be regarded as adversaries of state agencies, who see them as part of the political opposition. This conflict is exacerbated as NGOs become more influential in their lobbying and 'advocacy' activities, in effect becoming political, though not party-political.

Project society, a set of practices with its associated sets of resources, social groups and ideological constructs, is thus both a threat and a resource for states. One may even differentiate between 'weak' and 'strong' states in terms of their ability to adapt to or coopt project society. Strong states have strong but welldemarcated NGO sectors; there are many interest organizations, and policy-makers find themselves compelled or at least willing to listen to them. Weak states tend either to be actively opposed to project society, or they try overtly to subvert it by the creation of quasi-NGOs and amorphous partnership arrangements with vague responsibility. With unclear boundaries, state and project society have a tendency to undermine each other. Instead of partnership there is conflict, lack of accountability, and tensions between the various elite groups. The push by the West to promote democracy and civil society creates new groups (the NGO staff elites) and fosters competition between them and the political class.

Conclusion

From the transnational arms smugglers caught on the mountain road between Kosovo and Macedonia, to the cosmopolitan NGO elites zipping off to Geneva, we can see that the elite configurations in the PPS world exhibit a range of variations. This chapter has argued that post-1989 societies have undergone a fundamental transformation. New periods are marked by the emergence of new social groupings with new projects of their own, and this demands a new kind of anthropological understanding of elite worlds. The Euro-elites tied to foreign projects are one example of the kind of new elites that now exist in this postpostsocialist era. Global processes of integration and fragmentation will ensure that they will remain with us for a long time to come. Such groups exemplify the social forces which on the one hand integrate the new societies

into larger Western projects, but which on the other hand fragment these societies by 'decapitating' them of promising elites drawn up into cosmopolitan lifestyles and by stimulating competition among elite groups. This competition becomes especially acute because PPS elites are both power wielders and subordinate to the power of others higher up in the global system.

The Euro-elites of project society can be considered part of an emerging *bourgeoisie of comprador* type. As part of an international political class, they compete with the local political class in state administration, the domestic business elite and the warlords/Mafiosi. As rival elite groups, some go local, others go transnational. The domestic business elite competes for local influence with the political class, while local warlords/Mafiosi cooperate in both local and transnational networks. A full mapping of local elite formations would thus provide us with valuable insights into post-postsocialism.

It is not enough to describe PPS by invoking the rhetoric of 'global forces' or asserting that the state is being 'weakened'. These forces must be understood in terms of the concrete practices which contribute to elite 'lift-off' from society, or other processes which may have a fragmentary or integrative character. Weak states weaken old elites, but they also create new ones. The new PPS elites are embedded in new hierarchies of subordination. Focusing on these groups can help us understand how and why the transition has been concluded, and why the PPS era is likely to be more resilient, and its elites more tenacious, than most commentators have so far realized.

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Notes

- 1 See Sampson 1994a; Verdery 1996; see also innumerable issues of *Anthropology of East European Review* and the *Anthropological Journal on European Cultures*.
- 2 A typical example reported in May 2001 indicates the extent of these activities and their transnational character:

NATO Seizes Weapons in Kosova

Italian KFOR troops arrested seven people and seized 'a large truck full of weapons' near Peja on 10 May, AP reported. KFOR Spokesman Roy Brown said in Prishtina the next day: 'This is one of the biggest seizures in the time we have been here.' He added that the haul included '52 rocket launchers, a couple of dozen antitank weapons, five antiaircraft SAM 7 missiles, [an unspecified quantity of] mortars, an 82 millimeter cannon, various rifles and a significant quantity of ammunition.' The truck had Bosnian license plates.

(RFE/RL Newsline, 16 May 2001)

- 3 This term was popularized in Thatcher's Britain in the context of privatization.
- 4 Curiously, no such offices exist in Western Europe where the association sector is too large and too diverse to be the object of any kind of coordination beyond very specific sectors like 'women', 'youth', 'development' or 'environment'.

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