

Decentralisation and the Management of Ethnic Conflict: Lessons from the Republic of Macedonia. By Aisling Lyon. Abingdon: Routledge, 2016, 248 pp., £90.

The book 'Decentralisation and the Management of Ethnic Conflict' by Aisling Lyon is based on extensive research conducted in the Republic of Macedonia between 2005 and 2012, after the implementation of the Ohrid Framework Agreement. This internationally sponsored peace agreement ended months of fighting between ethnic Albanian insurgents and state security forces, and was signed in the Macedonian capital Skopje in August 2001. The monograph represents an in-depth study with great analyses of the circumstances that preceded the Ohrid Framework Agreement, with conclusions drawn from fieldwork interviews with local and national politicians, NGOs, central government and municipal representatives, and citizens. Its principle argument is that decentralisation in Macedonia between 2005 and 2012 has only been partial, and advances in the administrative and political aspects of the reform have been undermined by limited progress in its fiscal dimension. The key lesson of the Macedonian case, Dr. Lyon therefore contends, is that attempts to solve internal self-determination conflicts through decentralisation will fail if local self-governance exists only in form but not in substance.

The book begins by outlining the theoretical basis for the study. It considers why states decide to decentralise (or not), and engages thoroughly with the literature on ethnic conflict management and decentralisation, power-sharing and complex power-sharing theory. Chapter One provides historical context and identifies factors unique to Macedonia, which influenced the decision to devolve responsibilities to the municipalities after 2001. This chapter also examines the particular institutional design that Macedonia's decentralisation took. Chapter Two examines the political aspects of decentralisation and assesses whether the reform has contributed to widening effective political participation and strengthening local democracy. Chapter Three considers administrative decentralisation in the form of education reforms, and examines whether devolving responsibility for the provision of public services has satisfied the demands of non-majority groups for greater autonomy over their own affairs. Chapter Four assesses fiscal decentralisation from a political economy perspective and determines whether the reforms have enhanced the fiscal autonomy of Macedonian municipalities. Chapter Five considers the apparent conflict between subsidiarity and solidarity, and examines whether fiscal autonomy has been achieved at the expense of economic and territorial cohesion. The study concludes with some thoughts on the extent to which the reform has contributed to the management of ethnic conflict in Macedonia. It also

considers whether decentralisation has had any adverse effects on Macedonia's delicate inter-ethnic relations.

Aisling Lyon offers a unique perspective as she resided in Macedonia during a crucial period, which is covered in the book, worked there and completed her research. Her decision to focus on education as a factor in the management of ethnic conflict is important because, as she points out (p.81), how education systems are designed and delivered is important to minority ethnic communities because education is crucial for reproducing (and re-creating) group identity. She has not included university level education in her analysis, and has instead focused only on primary and secondary education. This is because, unlike in Serbian-majority municipalities in neighbouring Kosovo, university or tertiary education is not a municipal competence in the Republic of Macedonia. Her analyses of the situation and the side effects of the newly implemented policies in primary and secondary education are accurate, and she correctly identifies the negative side effect of language-based segregation of pupils, since education is instructed in different community languages. Whilst outside the scope of a study on municipal decentralisation, it would have been useful for Dr. Lyon to include a brief analysis of higher education, because university education was a very controversial issue for both the ethnic Albanian and Macedonian communities during the 1990s. Yet today the tendency is to have mixed students not just from Macedonia, but also from other Balkan countries; a trend which I see as positive in the context of social integration. Enabling the ethnic Albanian community to continue their education in the Albanian language to the highest level has also resulted in more ethnic Albanians being employed in the public sector, which is also a positive outcome in the long run.

In Chapter Four, Dr. Lyon notes that the threat of ethnic conflict in Macedonia has decreased and that this diminishes the leverage of international agencies, such as the Organisation for Security and Co-operation in Europe (OSCE), operating in Macedonia. I see this as a positive trend because ultimately the aim of their work is to stabilise Macedonia and strengthen its democratic institutions, rather than rely upon external support. As in other countries where external agencies and internationally funded NGOs have been operating for decades, in Macedonia there is a tendency for these agencies to see a very gloomy picture of the development and democratisation processes. This may be because they want to convince themselves, their donors and the wider society that their work remains not only necessary, but also crucial for the survival of the country and for the continuation of democratic processes. Indeed Dr. Lyon quotes the International Crisis Group as saying: "The decentralisation process will either make or break Macedonia" (p.149). As

much as decentralisation is an important factor in the state building process of Macedonia, to point it out as the sole factor determining the survival of the Macedonian state is an overstatement. Seeing Macedonia and its decentralisation process in the context of the region where it is situated, as well as considering wider geopolitical factors, is crucial in the understanding of how this state functions, and explains a lot of the behaviour of the political classes that Dr. Lyon very accurately describes and analyses. This is where her strong interviewing and analytical skills reward the readers of this book with the results of her in-depth fieldwork and the wide spectrum of chosen interviewees, articles and media research.

I particularly appreciated the inclusion of fiscal analysis in Chapters Four (on fiscal autonomy) and Five (on fiscal equalisation). It is unusual for political scientists to include analysis of fiscal issues, particularly to the extent that Dr. Lyon has done in this case study. As she points out in the introductory chapter's review of literature, economists tend to research fiscal relations between the different tiers of government and/or aspects of local economic development, while political scientists typically focus their attention on issues of institutional design and inter-governmental relations, election results and accountability mechanisms. The benefit of taking a multi-disciplinary approach such as this is that the author has been able to examine how different aspects of decentralisation reform (political, administrative and fiscal) interact with each other. Doing so has led Dr. Lyon to one of her key research arguments (that the reform thus far has been partial, and that progress in one aspect of decentralisation, for example administrative, does not necessarily mean that improvements have simultaneously occurred in its other dimensions).

Adopting a multi-disciplinary approach to the study of decentralisation also facilitates a more nuanced understanding of Macedonia's reform process, and enables an important discussion of the benefits and shortcomings of sequencing different aspects of the reform. For this Dr. Lyon draws on the work of Falletti (2005)², whose research demonstrates how political, administrative and fiscal decentralisation may intentionally be rolled out in different sequences on the basis of politically motivated strategies. Examples include establishing mechanisms for the election of local politicians when strengthening local democracy is key reform objective, and prioritising fiscal decentralisation in order to more effectively harness resources for developmental ends. Interestingly, Dr. Lyon's analysis of Macedonian decentralisation also illustrates how changes in different aspects of the reform

² Falletti, T. (2005) A Sequential Theory of Decentralisation: Latin American Cases in Comparative Perspective. *American Political Science Review*, 99(3): 327-46.

may not always occur in the same direction. The warning to practitioners, therefore, is that early progress in one dimension of the reform should not be taken for granted and may in fact slow down or even regress with changes to the political and economic environment.

At a time when long established democracies in Europe struggle with the integration of their ethnic minorities, especially their Muslim communities, and when Samuel Huntington's clash of civilisations has moved further west from the Balkans, Aisling Lyon's book is an eye opener to all the hurdles that stand in the way of successful and sustainable ethnic conflict management. The challenges, the length of time it takes to implement changes, the obstacles, and the role of minority communities in a very fast changing political scene are all present in the example of the Republic of Macedonia. And yet, whether these examples will be observed and studied, implemented or modified and improved by neighbouring Balkan countries that could benefit from them, by the wider region or by the rest of Europe and the world, remains to be seen.

This book should serve the political elites in the Republic of Macedonia as a reality check on the progress of the implementation of decentralisation reforms. Its research findings are also relevant to practitioners working in the country, and the policy recommendations it offers provide a useful tool for future progress. It is very useful reading for students, academics, political analysts, activists and NGOs studying the process of decentralisation and the circumstances that preceded the Ohrid Framework Agreement.

In the same way as Dr. Lyon has relied upon the experience of other decentralised countries, such as Indonesia, Peru and Uganda, when researching this case study, the Macedonian case is of relevance to any multi-ethnic country that has recently embarked upon or intends to commence decentralisation reforms as a means of integrating territorially concentrated ethnic groups. Examples include but are not limited to the Republic of Kosovo, Ukraine and potentially also Turkey.

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