

**ETHNIC CONFLICTS IN THE BALKANS AS A COLLECTIVE ACTION PROBLEM:  
DOES RATIONAL SOLUTIONS NEED NORMATIVE EVALUATIONS?**

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*“Any of the solutions to the Collective Action problem...  
could, in principle, solve the Collective Action problem.  
Which solution gets adopted is an empirical question.”  
Mark Irving Lichbach<sup>1</sup>*

**INTRODUCTION**

In this article, urged by Lichbach above statement, I will try to empirically apply rational model choice of Collective Action problem to ethnic conflicts in the Balkans (1991-2001). Today many rational theoretical models have been proposed in trying to understand and explain the dynamics of inter-ethnic conflicts. Apart of the formal modelling of inter-ethnic conflict, a normative evaluation of rational solution(s) to the conflicts among ethnic groups is absent. This article poses the Balkan ethnic conflicts as a *collective action* problem. The different scenario in resolving these conflicts will be discussed and modelled in a rational choice explanation. Apart from formally modelling the solution(s) to inter-ethnic conflicts in the Balkans the importance of normative evaluations as well as the partiality of the solution to the peace agreements accords as an ex-post problem of implementation will be argued.

***The complexity of intergroup conflicts and where to start with***

Dealing with ethnic conflicts one needs to bear in mind the obscure complexity of the nature of intergroup conflicts since “intergroup conflicts are more complex than any other form of social interdependence”<sup>2</sup>. So a three level analysis needs to be considered: the individuals, the groups (or teams), and the collective actions. The interdependence of these actions and the way how they reflect and influence each other is a very perplex web. The difficulty of an overall inclusive model rests on both, the analysis to be made *between* and *within* the groups (teams) and moreover on trying to map their interdependence and relation for the collective as a whole. Given such complexity the analysis of this article will be confine more in the *between* ethnic group problem of cooperation and less on the within group cooperation. Beside the theoretic complexity issue, other arguments, more practical, have been considered on justifying why these article will tackle only the *between* group collective problem. First of all, a vertical investigation of the inter-group cooperation dilemma can be also justified by ‘realistic’ observation where it have been evident (in the Balkan

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<sup>1</sup> Mark Irving Lichbach, *The Cooperators' Dilemma* (Ann Arbor Michigan: University of Michigan Press, 1996), 200.

<sup>2</sup> Gary Bornstein, “Intergroup Conflict: Individual, Group and Collective Interests”, *Personality and Social Psychology Review* 7 (2003): 141

case, at least) that the within (ethnic) group cooperation seems to have function well. The actual social situation in the '90 in the Western Balkans showed that the vertical cooperation, that is, the within cooperation in any ethnic groups, was possible and often brought violent conflicts. While the most problematic, and in some cases still problematic, is the horizontal cooperation among ethnic groups. This inter-ethnic group cooperation rests still a potential threat for the stability of the entire region. Furthermore, even from an ethical point of view the vertical cooperation will result on a situation where mutual (or even one-sided) mobilization will be significantly dreadful for the entire collective situation bringing violent conflicts. If both ethnic groups, or even just one, are able to mobilize their members effectively, the end-result of the competition will be harmful (violent conflicts as the ethnic wars in Balkans have shown) for both sides. In contrast to the intragroup dilemmas where contribution is consistent with the collective welfare, in intergroup conflicts contribution is good for the group but bad for the larger society.<sup>3</sup> In rational terms, if defection in the vertical level (within group) precedes cooperation, this is still Pareto optimal for the collective as a whole since there will be peace and not violent conflicts.

#### **ANALYZING TEAM-GAMES AND THEIR RATIONAL LOGIC CONSISTENCY**

For all of the above reasons I do consider crucial to deal with ethnic conflicts at the horizontal level, as a Team-game. To put it into the Bornstein (2003) taxonomy of Games by Type of Players, my approach will be of type U-U game (unitary team-unitary team). Taken such an approach, the first and the most crucial question to be asked here is if considering teams as unitary player is consistent with the rational choice logic as we are consider groups (teams) and not the individual members of the groups as the units of analysis?<sup>4</sup> The literature on *social identity theory* legitimizes the rationality of analysis using groups as units of investigations by arguing that “the minimal group experiments stimulated the formation of *social identity theory*... where the basic premise of social identity theory is that individuals strive to achieve or maintain a satisfactory image about them and an important aspect of self-definition is group identification”<sup>5</sup>. Can such individual actions guided by norms, values or reciprocity be rational *in se*? That is, does it presuppose that some sort of maximization of individual benefits or utility lies behind individuals' choice? All the other “*extra-rational motivations*”<sup>6</sup>, such as social norms, moral motivations, sense of participation and other reasons although can be count for the non-selfish behaviour of individuals they can still be rational following the Lichbach criteria for logical consistency. That is, their actions (deeds); 1) are intentional behaviours<sup>7</sup> (intentionally joining the group) since individuals demonstrate locally (ethnic positive) altru-

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<sup>3</sup> Gary Bornstein, “The Free Rider Problem in Intergroup Conflicts over Step-level and Continuous Public Goods”, *Journal of Personality and Social Psychology* 62 (1992): 599.

<sup>4</sup> Although groups involved in conflict are in a certain sense rational still, this approach has nothing to do with *rational methodological individualism*, as it considers the groups as the units of analysis and not the individual members of the groups.

<sup>5</sup> Károly Takács, “Modeling Inter-Group Conflict as Strategic Interactions”, *Review of Sociology* 9 (2003): 4.

<sup>6</sup> Eirik Mikkelsen, “Rationality and collective decisions and actions”, (paper til kurset Vitenskapsteori med etikk - SVF-8000, Institutt for økonomi, UiT. 2005), 20

<sup>7</sup> Intentional action means that actors assess their situation in term of their own desires and beliefs. Mark Irving Lichbach, “Rethinking Rationality and Rebellion: Theories of Collective Action and Problems of Collective Dissent”, *Rationality and Society* 6 (1994): 27.

istic preferences regarding their ethnic group and; 2) are rational<sup>8</sup>, since joining in group they intent to maximize also their individual benefits. So, ethnic groups are considered as effective coalitions that are formed to extract material benefits from others or to defend possessions.<sup>9</sup> Furthermore, in its analysis and models Bornstein admits the existence of both, the individual rationality as well as that of collective rationality considered at two levels; the first level involves group rationality, whereas the second involves the interest of the “superordinate” group consisting of all members of the groups.<sup>10</sup> Another reason favouring the “unitary” approach is the “discontinuity effect”, meaning that interaction between two unitary groups is dramatically more competitive than interaction between two individuals<sup>11</sup>.

That is why ethnic groups (groups of individuals that make a joint, single decision) will be consider as ‘acting unitary’ and this will be analogous to the behaviour of individual players. Bornstein argues that: “Rational choice theory does not distinguish between groups and individuals as decision makers; as long as it can be assumed that the members of a group can make a binding agreement concerning a collective strategy (and can thus be considered a unitary player)”<sup>12</sup>.

## **RATIONAL MODELLING OF THE BALKANS’ ETHNIC CONFLICT SOLUTION**

The prisoner’s dilemma (PD) is a classic type of game that includes the fundamental features of collective action problems, where free-riding (or not cooperating) is always better for the player. This is, because the PD has defection as strictly dominating strategy: meaning that the strategy to free-ride (defect) gives a higher payoff, regardless of what other players do. The costs for signing the agreement was bigger than the benefits ( $c > b$ ) and as a result negative payoffs ( $b - c < 0$ ). Presenting the ethnic conflict in the formal equivalent of a 2x2 persons Prisoner’s Dilemma, - in which each ethnic group (player) must choose between a) competing (defection) against each other for different reason (such reasons may be territory, political power, status, ethnic pride) or b) cooperating with the other ethnic group to produce a jointly preferable outcome (that is peace), - makes the first strategy (competing against each other) the dominant strategy of both ethnic groups. That is, no-one will contribute toward a settlement for peace. So, how this collective action problem can be resolve? Putting it other way, how a peace agreement could be achieved knowing that none of the actors would dare to contribute toward such an agreement?

### ***Imposing Peace Agreements - The third actor...***

In his book Lichbach (1996) will argue, beside many other approaches, that the mutual cooperation can be achieved by signing what he calls “binding agreements”. Such a mutual cooperation can be achieved only when it is imposed by a third party since “potential contributors are very willing to

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<sup>8</sup> Rational action at this level thus simply means consistency in desires and beliefs. Lichbach, “Rethinking Rationality and Rebellion...”, 28

<sup>9</sup> Károly Takács, “Modeling Inter-Group Conflict...”, 5

<sup>10</sup> Bornstein, “The Free Rider Problem in Intergroup...”, 599

<sup>11</sup> For more on discontinuity effect see John Schopler and Chester Insko, “The discontinuity effect in interpersonal and intergroup relations: Generality and mediation,” in *European review of social psychology*, Strobe and Hewstone Eds., (Chichester, England: Wiley, 1992), 121–151.

<sup>12</sup> Bornstein, “Intergroup Conflict: Individual...”, 142.

have binding agreements imposed on them”<sup>13</sup>. The model proposed by Lichbach<sup>14</sup> solves formally the cooperation problem since the conditions under which the “binding agreement” is a NASH equilibrium are at the same time Pareto optimal solution.

Considering these analyses it can be formally explained why ethnic groups have signed the peace agreements. The Dayton Peace Agreement on November 21, 1995 for Bosnia and Herzegovina<sup>15</sup>; Interim Agreement for Peace and Self-Government in Kosovo, signed in Rambouillet on February 23, 1999<sup>16</sup>; and the Ohrid Agreement on August 13, 2001 for Macedonia<sup>17</sup>. In all the three cases it was the international community (third player) that imposes the peace agreements. Although these agreements were achieved it needs to be mentioned that different scenarios were presented in the three cases.

### *... and the different scenario*

Even though all the cases can be modelled in one single game, in practice they did not happen under the same conditions. Even though in the final stage of signing the agreement the payoffs (benefits – costs > 0) were positive, the strategies to achieve it were very different.

The principle strategy used in settling peace, both in the case of BiH and Kosovo, was the so-called “take it or leave it” strategy, where the third party withdrawal increases the parties’ fear of continuing war, in formal language, leaving the status quo NASH equilibrium (Defect, Defect) of the PD. In the 1995 Dayton peace Conference for Bosnia it was only after the Secretary of State, Warren Christopher, told the delegations on the 20<sup>th</sup> day that he would announce the conference failure, that the parties finally resolve their remaining differences,<sup>18</sup> signing the agreement and successfully ending war in Bosnia. Holbrooke will describe it as “the Big Bang Approach to negotiations, where you lock everyone up till they reach an agreement”<sup>19</sup>. The same strategy was used in the Rambouillet (February and March 1999) negotiations, where US strategy seems to replicate Dayton by threatening the two parties: on the one part by threatening Serbia through using NATO bombing and on the other part by threatening the KLA (Kosovo Liberation Army) by undermining their international legitimacy in case they refuse to sign the agreement. The strategy of the third party in both cases was what Regan has argued to be the key to any intervention; that is “to make it costly for the combatants to continue fighting”<sup>20</sup>. For example “NATO and United Nations Protection Force Operation in Bosnia (UNPROFOR) did create the incentives for the Serbs to sign the Dayton Peace Accord by making it costly for the Serbs to persist in rejecting demands”<sup>21</sup>. The same applies also for Kos-

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<sup>13</sup> Lichbach, *The Cooperators’ Dilemma*, 191

<sup>14</sup> For a formal argumentation of this see exhibit on Lichbach, *The Cooperators’ Dilemma*, 190.

<sup>15</sup> For more see: <<http://www.state.gov/www/regions/eur/bosnia/dayton.html>>

<sup>16</sup> For more see: <<http://jurist.law.pitt.edu/ramb.htm>>

<sup>17</sup> For more see: <[http://en.wikipedia.org/wiki/Ohrid\\_Agreement](http://en.wikipedia.org/wiki/Ohrid_Agreement)>

<sup>18</sup> William Zartman and Saadia Touval, “International Mediation in the Post-Cold War Era”, in *Turbulent Peace: The Challenges of Managing International Conflict*, eds. Pamela Aall, Chester A. Crocker, Fen Osler Hampson (Washington DC: United States Institute of Peace Press, 2001), 437

<sup>19</sup> Cited from Peter Wallensteen *Understanding Conflict Resolution: War, Peace and the Global System* (London: Sage Publications, 2002), 284.

<sup>20</sup> Cited from David Rowlands and Dane Carment “Three’s Company: Evaluating Third-party Intervention in Intrastate Conflict”, *The Journal of Conflict Resolution* 42 (1998): 575.

<sup>21</sup> Rowlands and Carment. “Three’s Company...”, 575.

ovo case where the NATO bombing did it costly for the Serbian government bringing Milosevic to sign the peace agreement in June 1999.<sup>22</sup>

As a result of such strategies their payoffs (b-c) of signing the agreement were changed by changing the costs. By comparative static if we decrease the cost of signing the agreement (increase the cost of not signing the agreement through punishment) the chances of cooperation increases.

A very different approach was taken on Macedonian crises where from the very early signs of violence observed in 2001 direct measures were taken by the international community (third party) aiming to change the payoffs of the two ethnic groups by giving them rewards instead of making it costly to fight. Instead of increasing the cost of defection they increased the benefits of cooperation through incentives. The strongest incentive that the EU used, to pressure the two parties in conflict for concluding a political deal (cooperating), was the looming signature of the Stabilization and Association Agreement (SAA) between EU and Macedonia.<sup>23</sup> The inducement of such an incentive (the probable candidacy for a future enlargement to EU) created the background for an open, inclusive 'space' of all the parties in conflict to cooperate, increasing so the benefits they would get if signing the peace agreement. Such increase in benefits (as result of adding the Incentive) were enough to overcome the cost (giving up of their ethnic claims) of signing the agreements. The EU strategy, in other words, was the best response to the old problem of (ethnic-) cooperation in the Balkan region, since 'collective' rather than 'ethno-national' interests were being promoted.

The strategy in the case of Macedonia changed the payoffs (b-c) of signing the agreement by changing the benefits. By comparative static if we increase the benefits of signing the agreement, through rewards, we also increase the chances of cooperation.

## **NORMATIVE EVALUATION OF THE TWO SCENARIOS AND POSSIBLE PROBLEMS**

In Kosovo and in Bosnia the third party aimed to change the *costs* of the game while in the case of Macedonia priority was given to *benefits*. Any of these changes reflected on overall payoffs of the game. Both of the two scenarios can be modelled as Selective Incentives solutions to the cooperation problem that ethnic groups in the Balkan were facing. In the case of Bosnia and of Kosovo "punishment" were the incentives while in the Macedonian case "rewards" were used as incentives. "Olson and most others writing in the collective action tradition make no distinction between positive and negative incentives, within their framework of rational decision-making there is no difference between them for the recipient of the incentive"<sup>24</sup>.

But was there any difference and if yes where these difference between the two scenarios rests and how can we interpret that?

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<sup>22</sup> Note: on the chronology of the events please refer to "Focus on Kosovo: A timeline of tensions" <<http://www.cnn.com/SPECIALS/1998/10/kosovo/timeline/>> (accessed 23 April 2007)

<sup>23</sup> Claire Piana, "The EU's Decision-Making Process in the Common Foreign and Security Policy: The Case of the Former Yugoslav Republic of Macedonia", *European Foreign Affairs Review* 7 (2002): 212

<sup>24</sup> Pamela Oliver, "Rewards and Punishments as Selective Incentives: An Apex Game", *The Journal of Conflict Resolution* 28 (1984): 124

Although the solution in Macedonian case is same rational as the solutions in Bosnia and in Kosovo still the incentives offered in resolving the Balkan conflicts have a qualitative difference which portrays different goods to insiders (individuals) of the ethnic groups.

First of all, from an ethical point of view the Macedonian case was more successful than that of Bosnia or Kosovo since it overcome the deadly conflicts saving peoples lives. Secondly, the punishment in the case of Bosnia and in the case of Kosovo promoted by a strategy of “take it or leaved” resembled peace as a step-level good, that is, you rather have it all or nothing. In the contrary in the case of Macedonia the strategy of further integration in EU portray cooperation as a continuous good where both groups will benefit from it. Framing cooperation as a good for all has clear advantages from the perspective of both groups as it makes rational for all members, independently of which group they belong, to contribute in achieving peace. Thirdly, the reward strategy in the case of Macedonia makes it more successful than the punishment strategy used both in Bosnian or in Kosovo case in terms of promptness and deepness of the between ethnic group cooperation. The reward strategy has a longer term vision of conflict resolution.

### ***Implementation as an Ex-post Problem***

Lichbach evaluating the third party imposition to agreements and followers respond to rewards/punishment (incentives) admit that they as solutions to collective action problems “are very much in the rational-choice tradition and... are quite compatible with the pecuniary self-interest core of rational-actor theorizing”<sup>25</sup>. The introducing of a third party to solve collective problem of cooperation, the settlement of peace agreement, among the ethnic groups is particularly important since it breaks the conflict path-dependency and more it resolve the derived problems of who provides incentives. But is that all?

The acceptance of the agreement does not imply ex-post adherence to the agreements. Since parties were forced to sign the agreement, the collective action problem do not ends there. The next collective action problem may reappear if the commitment to peace (intra-group cooperation) of both groups is shallow. The caution here is that without the “real consensus” of parties involved in the conflict any kind of solutions *imposed*, as good as it may be, is in danger of being rejected with the first possibility the parties will have. Think here, of the last Anna Plan for a unified Cyprus which were rejected by Greek-Cypriot referendum although both parties had initially agreed under the UN pressure or the difficulties in implementing the agreements in Bosnia. As Lichbach also notices, the paradox here is that although “people voluntary agree to be forced to make a choice that they would not voluntary make, they still try to cheat on the agreement”<sup>26</sup>.

## **CONCLUSION**

Lichbach (1995) already has pointed out that “the major difficulty with every solution to the Cooperator’s Dilemma is that each presupposes the existence of at least one other solution. For this reason all solutions to the Cooperator’s Dilemma are, in other words, fundamentally incomplete”<sup>27</sup>.

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<sup>25</sup> Lichbach, *The Cooperators’ Dilemma*, 195.

<sup>26</sup> *Ibid.*, 191

<sup>27</sup> Mark Irving Lichbach, *The Rebel’s Dilemma* (Ann Arbor Michigan: University of Michigan Press, 1995), ix

The approach I took to map the collective action problem of inter-ethnic group cooperation in the Balkans relied on more than one model. The *Binding Contracts* model combined with that of selective incentives was evaluated to better represent the “real” situation of how the collective action problems between the ethnic-groups in the Balkan was “solved”. Whereas the difference among the Macedonian case and that of Bosnia and Kosovo, more than mapping the situation had normative conclusions evaluating what solutions are bests for dealing with interethnic conflicts. As it has been argued in this article the strategies of the third party as well as the types of incentives (punishment/rewards), although not explicit, they play a role on shaping the type of “public good” offered. The question over step-level or continuous public goods remains fundamental to the (real) solution in inter-ethnic group conflicts as well as it have policy implications. Framing the game as a zero sum thinking “take it or leave it” may tiger the in-group contribution but not the inter-group cooperation, which is needed for peace. By facilitating cooperation among the groups through rewards instead of punishments we present peace as a continuous public good and have a better chance to succeed because all individuals (independently of which group they belong) have temptations of selfishness on their side.

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