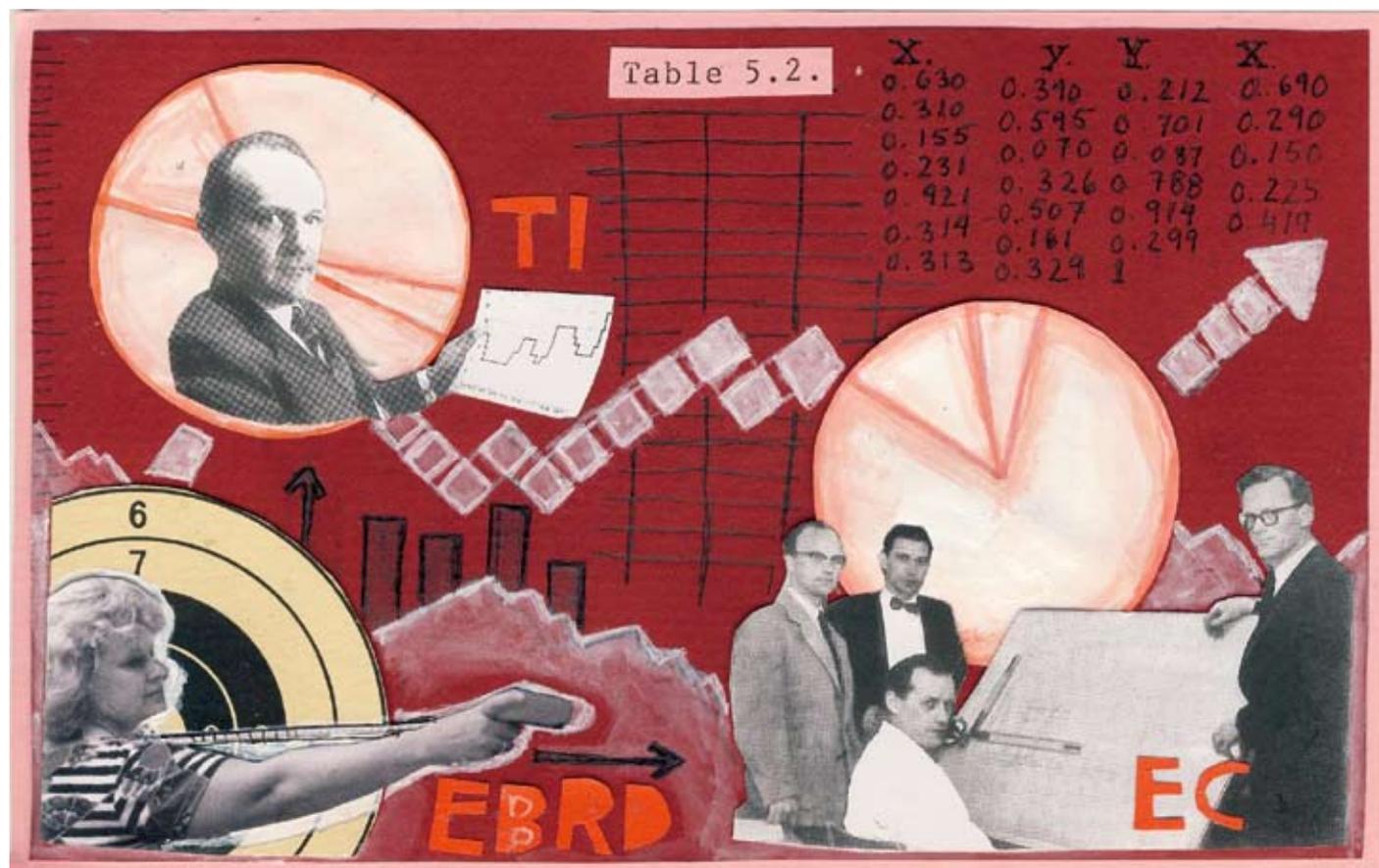


Dissertation review. In search of the non-Soviet person

ILLUSTRATION: RAGNI SVENSSON



Matilda Dahl
**States under Scrutiny:
 International Organizations,
 Transformation and the Construction
 of Progress**

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GUJE SEVÓN
 Professor of economic
 psychology at Stockholm
 School of Economics.
 From 1987 to 2001 she
 was a professor of man-
 agement and organization
 at the Swedish School of
 Economics, Hanken, in
 Helsinki. Also worked at
 Copenhagen Business
 School as a visiting pro-
 fessor, and at Stanford
 University. Among her
 latest works are "Man-
 agers, Ideas and Jesters",
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TWO YEARS AFTER the fall of the Berlin Wall, the Soviet Union disintegrated. This spelled the end the Cold War era which had been characterized by polarization and tension between the two world powers, the U.S. and the Soviet Union – by the “balance of terror”. When we witnessed the presidents of Russia, Belarus and Ukraine sign a tripartite agreement that declared the countries independent yet linked in a union, we were surprised at the geo-political changes that had taken place. Very soon, twelve of the fifteen former Soviet Republics had joined this union. The three Baltic republics, Estonia, Latvia, and Lithuania, did not join.

When the economic, political and military power of a terror balance weakens and dissolves, what happens? Who takes over and controls developments? Or is it really essential that control be taken?

When the Soviet Union collapsed, I was surprised to find that many, otherwise reasonable and experienced people, apparently believed in some sort of

“natural” development. They believed that these societies, once they were liberated from what was seen as an oppressive social-realist ideology, would revert to a natural type of state: a democratic system populated by citizens who were motivated to work, not only to improve their own and their families’ economic situation, but for the benefit of society as a whole. In many political camps, there was an amazingly naive belief in the “free” person, who was naturally good, enterprising, and hard-working. One might even claim that this free person, as described, could easily be mistaken for a stereotypical representative of the American middle class. And this is hardly surprising, since this stereotype could be placed in perfect opposition to that of the true Marxist proletarian.

AFTER THE COLLAPSE of the Soviet Union, it was generally assumed that this identity existed, and the populations of the now “free” states could and should emulate it. This identity was different from, even opposite to, everything the Marxist state and the proletarian person had stood for. There were lofty ambitions: this transformation, to the modern European state and to the Western identity, was necessary and would be achieved. And there was great confidence that the transformation would take place quickly.

At a conference on organizational identity, held in Turku in 1995, a researcher from Warsaw, Monika Kostera, described how Polish companies had called in business consultants who were to ensure a rapid transition to new institutional and organizational routines.

But both the Polish client and the – usually – North American consultant lacked knowledge of each other’s culture. The Polish organization thought it would be possible to turn its business into something very much like a stereotypically successful American enterprise; whereas the American consultant was usually far too ignorant to realize that each culture has its own history and its own, particular processes of change. During the conference, the question was raised whether it is at all possible to accomplish thoroughgoing social changes if these are engineered by experts from a different cultural background. If social development is to be controlled externally, it is essential that one have, among other things, access to information. This again requires that the economic and political culture be transparent. Such transparency did not exist at the time of the Soviet Union’s collapse. On the other hand, nor could an internally developed transformation ensure the wished-for changes. The post-communist states chose a middle way – a political and economic course of development which was steered partly from the inside and partly from the outside. During this development, they were very attentive to

Continued. Dissertation review

comparisons between themselves and other nation-states.

The transformation of the post-communist states – this revolutionary political and economic quasi-experiment – was very much appreciated by researchers in the social sciences. Now, for the first time, there was an opportunity to study, in real time, how a planned economy is transformed into a market economy, how a one-party state turns itself into a multi-party state and perhaps, also, how Western (often called “modern”) values are spread within social institutions and social groups. The collapse of the Soviet Union also meant that secret archives were opened to researchers; it became easier to gain access to interviewees who could relate their former and present experiences. In some cases, this access to entirely new data and experiences had unexpected results.

I remember a thesis in political science written in 1987, which compared social welfare and lifestyles in East and West Germany.¹ In the study, which was competently conducted and fulfilled the quality requirements of good scientific work, the researcher had been forced to rely on the official statistics of what was then East Germany. Among other things, the study showed that the welfare levels in the two German states were on par, even though they had been reached in two entirely different political and economic systems. As it later turned out, this conclusion was erroneous. Data to which one gained access after the unification of East and West Germany proved that the East German statistics had been grossly misleading. Such sources of error should no longer be as great a problem. These states are now obliged to keep correct statistics and show transparency vis-à-vis the surrounding world. They wish to accomplish extensive changes, and for this they depend on assistance from helpful Western states and institutions. And as it turned out, the need for resources supplied from the outside was extensive.



THE CENTRAL AND EAST European states went through their transformation at a time when a new instrument had

become popular among consultants in organizational change: benchmarking. After twenty years, this instrument retains its popularity. The trend makes itself particularly felt in the public sector. Benchmarking supposedly enables one to compare public institutions to other, more successful, organizations – granted that these resemble the public institution enough to make a comparison meaningful – and to set one’s goals accordingly. Where the structural development of states is concerned, benchmarking is now extremely common.

To make it easier to compare states, a large number of scrutinizing organizations have been created. Some of these are transnational organizations that evaluate various aspects of a given society’s structures and processes. We encounter such evaluations in our daily newspapers. They give an account of how countries compare internationally – on issues such as, for instance, welfare, lifestyle, health and the quality of education.

A doctoral dissertation published in 2007 accounts for the transformation of post-Soviet states by focusing on the transnational organizations that scrutinize and compare states. The author, Matilda Dahl, was associated with the Baltic and East European Graduate School, BEEGS, at Södertörn University. The purpose of her dissertation is to analyze “the role of scrutiny as a practice of transnational regulation in the transformation of states”. The more specific objective of the research is to describe how the process of evaluation represents and constructs states that are undergoing a transition.

THE STUDY FOCUSES on evaluation processes that were carried out after 1993. Matilda Dahl’s premise is that such evaluations might work in two ways. They might depict the states under evaluation, and grade them according to various factors. They might, however, also affect the states themselves. An organization may, for example, evaluate the degree to which various states have a culture of corruption, and then plot its findings on a graduated scale. If this scale is subsequently publicized in the media, it will give a general picture of which states need to change when it comes to corruption. This may, in turn, stimulate a process of change. Dahl thinks our understanding of the transformation of the post-communist states can benefit from research into the praxis of organizations whose task it is to scrutinize states. For the study of the development of post-communist states, this is an unusual choice of focus. Nevertheless, it has turned out to be very rewarding.

Dahl carried out three case studies. She investigated three influential evaluations which differed with respect to organization, ways of approaching the task, and subjects evaluated. Furthermore, the evaluations chosen covered the areas described in the *Copenhagen Criteria of the EU*: the political, the economical and the administrative. She ended up with the following organizations: the European Commission, the European Bank for Reconstruction and Development (EBRD), and Transparency International (TI).

Another decisive issue was the choice of states to be included in the study. Matilda Dahl chose the Baltic

states – small states to whom the evaluations were critical, as they were keen on joining the EU community. Furthermore, their small size meant that they might well be influenced by statements made during the evaluation process. Finally, these countries were dependent on the resources that might be provided in case the evaluations were positive.

FOR EACH AND EVERY one of the evaluating organizations, a case study was done. The following questions were asked: Who, in the organization, did the evaluating? What exactly did they evaluate? And how did the evaluation turn out? In her analysis of the European Commission, Dahl establishes that its evaluation was done in cooperation with the evaluated state, and that the latter had great influence on the final content of the evaluation report. Not surprisingly, the evaluation primarily focused on aspects that were relevant to criteria for EU membership. The evaluation process was extensive, complex, and took place over a number of years. It also involved a large number of the evaluated states’ civil servants.

The EBRD is owned by 61 countries and two international institutions. Its main purpose is to participate in the structural development of Central European and Central Asian states’ market economies and democracies. The EBRD’s assistance primarily consists of investments in the private sector, often in cooperation with a commercial partner. But in order to receive this assistance, a state must fulfill certain criteria. It must have a democratic multiparty system, pluralism, and a functioning market economy. The EBRD investigates whether individual states fulfill such criteria. As Matilda Dahl observes, the bank functions as a centralized organization which has individual sub-organizations that work according to different business logics. These sub-organizations must take into consideration a multitude of interested parties, including governments, investors, and funding recipients. The EBRD evaluates both investment projects and the recipient states. It pays particular attention to the consequences that its own efforts might have. The progress of the projects and the states’ transformation to a market economy are monitored.

Transparency International (TI) evaluates the level of corruption in individual states. TI is a non-profit organiza-

tion. It has its headquarters in Berlin but has local chapters in the various states. Thus, the organization's structure resembles that of a commercial franchise. The objective of the chapters is "bringing together people worried about corruption". The goal is to raise the level of responsibility and transparency. In order to achieve this, the organization conducts a variety of surveys of the situation in different states, which are then publicized as the product of TI. The surveys are concerned with different aspects of the corruption that people experience. The information about corruption is often based on the opinions of various elite groups. But local chapters are also directly concerned with bringing about change. They attempt to find solutions to the corruption problem through discussions.

Matilda Dahl assesses the evaluation methods of the three different organizations by comparing them with the classic auditing method ideal. She wants an answer to the question of whether these governmental evaluation processes can compare to the audits made by corporate organizations. The result is an extraordinarily clear table of differences between the European Commission, the EBRD and TI.

as evaluated. In these situations one could discern a high degree of mutuality, dialogue, socialization, and internal disclosure of the evaluation results. When the scrutinizing organizations took a critical stance, however, Matilda Dahl found that the distance between evaluated and evaluator became more pronounced. A comparison of the three organizations also showed that different mandates and objectives determined how encouragement and critique was handled. On the one hand, an evaluation could reassure a state by indicating that it was moving in the right direction. This came out clearly in evaluations done by the European Commission. On the other hand, an evaluation could create conflicts and cause problems. This happened in the cases of both TI and the EBRD. These organizations could also, however, create a certain "comfort", by offering their critique in cooperation with the scrutinized state.

THIS STUDY'S CRUCIAL question is whether, in these cases, the extensive scrutiny of the post-communist states had an impact on their transformation. The study is premised on the assumption that the evaluation procedure not only reflects a reality – it is also *part* of that reality, i.e. it contributes to its creation. How is this possible? Audits and evaluations are far from being neutral technologies. Dahl describes how resources are being mobilized in an interplay between those who have them and those who want them. For states with few resources, membership in the EU and the chance of attracting capital investments to the country's private sector are strong motives for accept-

government corruption, is, of course, dependent on the organization's own political legitimacy. Matilda Dahl observes that TI wins this legitimacy by referring to the scientific research on which its evaluations are based. Scientific research lends the evaluations legitimacy, and hence lends legitimacy to the object of the evaluation. According to Dahl, this is particularly true in cases where the evaluation results are expressed in quantitative terms. These make it possible to place different states on one and the same comparative scale.



THE GREAT QUASI-EXPERIMENT, which began with the end of the Cold War, led to the emergence of a number of post-communist states that, for various reasons – including both internal and external pressures – began to strive for new identities and new economic and political affiliations. In her dissertation, Matilda Dahl clearly shows that the transition process which then began, and which continues today, was influenced by the transnational evaluation organizations' engagement in the development of these countries. She points out that the evaluations entailed a number of different processes which, in many cases, led to changes in the political, economic, and administrative institutions of these states. The dissertation is an extremely well-written and informative study of these issues. Dahl underpins her analyses with a structural mapping of both the scrutinizing organizations and the states. This demonstrates her analytical talents, while her fine writing style makes the dissertation interesting and pleasant to read.

CAN MATILDA DAHL'S dissertation contribute to a greater understanding of states under evaluation? Certainly. But, being the outstanding piece of research that it is, it also makes the reader ponder over the situation that the Baltic states now face.

One can thus establish that the extensive evaluations done by the European Commission, the European Bank for Reconstruction and Development, and by Transparency International have not succeeded in making these countries immune to the difficulties they face in

TABLE 8. SUMMARY AND COMPARISON OF THE THREE CASES OF SCRUTINY

	EUROPEAN COMMISSION	EBRD	TRANSPARENCY INTERNATIONAL
CONNECTION BETWEEN LOCAL AND CENTRAL LEVELS	participant: locals as colleagues	integrated: locals as ambassadors	autonomous: locals as franchise-takers
RELATIONSHIP (BETWEEN SCRUTINIZER AND THOSE UNDER SCRUTINY)	reciprocity	contingency	separation
EVIDENCE	achievements in adapting to the EU	economic records	perceptions of corruption by experts and public
EXPECTATION	criteria for EU membership	standard of market economies	ideal of absence of corruption
EVALUATION	description of achievements	judgment of change	aggregation of perceptions
COMMUNICATION	text	index	ranking
AUDIENCES	core actors	transition communities	mass media

AS IS CLEAR FROM this table, the organizations differ on several points. At the same time – and contrary to the author's expectations – the evaluations led not only to critique but also to "comfort" (*komfort*). This was the case for all organizations, evaluators as well

ing the evaluators and for conforming to their requirements. The evaluation is coupled to the allocation of resources. Furthermore, it affects not only the allocation of material resources. A state's reputation is dependent on whether it has been evaluated, especially if the evaluating organization has great legitimacy. The legitimacy of organizations such as TI, which examine

Continued.

September, 1808. A month that sealed Finland's fate

the year 2009. While this is being written, Latvia is in political and economic turmoil. In the last quarter of 2008, the country's economy shrank by 10.5 percent. The government resigned in late February 2009. The president has called for more efficient governing of the country, and many blame the large Swedish banks for the economic crisis, as these, over the last years, have provided a major proportion of the loans. The de-regulation of the capital markets and the privatization of the banking system that took place as part of the adaptation to the EU's inner market are not features that guarantee the kind of "free" state that was dreamt of when the Soviet Union collapsed. Latvia is, in many respects, dependent on other, larger political and economic systems, and is subject to the vagaries of time.

DO WE NOW DETECT The signs of another up-coming collapse, that of modernism? Are these evaluating organizations trying to be modern and rational at the dawn of a postmodern era, in which we can no longer rely on an enduring pool of competence dwelling beneath the shiny surface of the financial world? This dissertation does not focus on, or question, the aspects that evaluating organizations choose to investigate, or on the values and economic and political theories that govern their actions. But in the time to come – which some already call the era of de-globalization, or the era of protectionism – we might soon see some exciting dissertations about the development of the Baltic states, dissertations that, conforming to the new spirit of the time, build on different ideas of how to develop the good state. Matilda Dahl gives a hint of this, in her conclusion, when she reflects on whether modern society exists here and now – or whether it exists at all.

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MARTIN HÅRDSTEDT

Associate professor of history at Umeå University. Has recently published a book on 19th-century history of Åland and a depiction of the Napoleonic Wars from a Nordic perspective. Recipient of the 2007 Swedish Clío Prize.

FINLAND'S FUTURE WAS settled in September 1808. Before the year was over, the eastern part of the Swedish kingdom would be occupied and controlled by Russian troops.

The decisive military outcome had already arrived with the Battles at Ruona and Salmi on the 1st and 2nd of September. With the Battle of Oravais on September 14, the last Swedish attempt to reverse their fortunes in the war, Sweden's defeat was confirmed. Hopelessly unsuccessful landings in the Turku area during the second half of the month simply underlined the inevitable. Despite the often crisp, clear air of the Norrland autumn, the month of September 1808 carries with it a heavy sense of fate. It was in the increasingly chilly nights that the Swedish-Finnish army dragged itself out of Finland. Those who remained were Finnish civilians, who were left to the Russian authorities, with their demands for a pledge of allegiance to a new ruler. In addition, there was a Russian army with an inexhaustible need for food and shelter.

IT IS THIS IMPORTANT MONTH in the collective Swedish-Finnish past that is the starting point for historian of ideas Nils Erik Forsgård's book. The book gives a series of snapshots, or on-the-spot accounts, that capture the events from several perspectives. It is precisely in the different perspectives that the pre-sentation has its decisive strength. Classic historical events like the Finnish War often tend to be described on the basis of old, ingrained patterns of thought. Forsgård's book exemplifies the renaissance in research into the Finnish War that took place in the 1990s. The purely military-historical perspectives, which tended to focus on the actions of the most prominent historical actors, were increasingly joined by studies on the civilian population qua resource for the conduct of war, the consequences of the war for Finns from different social groups, and the reactions to the systematic Russian pacification policy. The explanations for why the war went the way it did multiplied, and were increasingly rooted in the preconditions of warfare – maintenance and transport – rather than being grounded simply in the decisions of highly placed commanders.

In Forsgård's well-written and illuminating book, the themes of the new research appear in many of the chapters, where we can meet people as they come to life from the source material: the plundered farmers, the refugees from Finland in Stockholm, the true Anna Bärlund and the made-up Amalia, Second Lieutenant Ljunggren, Battalion Pastor Holm, and many more. One theme that in many ways has the power to shake even a contemporary reader – even though today we are jaded because of all of the misery that we encounter daily in the media – is the ravages of disease. Illness was not only the cause of most of the losses among the soldiers, but also claimed the lives of tens of thousands of civilians. Forsgård brings the chilling diseases and their progression to life. The Finnish War, in the same way as almost all wars in pre-industrial Europe, quite simply *was* the history of the spread of illness and its lethal potential. The medical care available at the time was powerless in the face of the epidemics. The conse-

quence was population decreases and the impoverishment of settled areas. Forsgård's accounts provide support for the idea that the war hardly ended with a ceasefire, or when the peace treaty was signed on September 17, 1809. For the individual man or woman, the war continued as long as illness claimed victims and life in the material sense had not returned to normal. In many cases, it took several years before normalcy returned. The beginning and end of a war can thus in some respects be relative phenomena.

Perhaps it might have been possible to reflect even further on the women who baked the bread and the farmers who did the transporting. Here, the problem lies in the nature of the source material. The diseases have left traces, but bread-baking and troop and materiel transport have surely not done so. Nonetheless, it was likely bread-baking, transport, and the provision of accommodations that actually made the prosecution of the war possible.

Forsgård devotes considerable space to the Battle of Oravais. It was the bloodiest of all the battles. With a good eye for the overall course of events of the war, and with a sense of how it can be used for educational purposes, Forsgård sees the Battle of Oravais as illustrative of the entire war: the Russian attack on the north, the Swedish retreat, the Swedish counteroffensive, and the final Russian victory and the Swedes' desperate withdrawal. Döbeln's Battle of Jutas is of course also included in the historian of ideas' depiction of the war. This is partly because Döbeln is a compelling figure, but also because of Runeberg's poem "Döbeln vid Jutas" [Döbeln at Jutas], which surely should be numbered among the most famous of all the poems in the epic of Finnish national poetry, *Fänrik Ståls sägner* [The Tales of Ensign Stål].

ONE CHARACTERISTIC OF FORSGÅRD'S book still needs to be highlighted. The author himself says that he wants to open windows onto important people and events in Europe. Therefore, people such as Goethe, Beethoven, and Carl von Clausewitz figure prominently in the book. They are linked in an interesting way to events in Finland. The author has a desire here to show the reader that there is a concurrence of events in Finland and on the Continent. The war is placed in its European context. Here,