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National Minority Capital: Introducing the New Concept

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The Background

The role of national minorities in development of border regions and in cross-border cooperation is attracting research interest but the topic remains under-explored.¹ Over the past few years, the European Centre for Minority Issues, approaching the regions as ‘spaces of politics’,² started examining the contribution of national minorities to regional development to fill this academic gap. In one of the projects (2016-2017), the ECMI³ researched the bridge-building role of the national minorities within and across states of five geographic regions: Balkans, Caucasus, Central Asia, Eastern and Western Europe⁴. The analysed empirical evidence showed that community social capital, inter-cultural knowledge and competences establish national minorities as a development factor.⁵ All minority communities⁶ (not only those officially recognised e.g. national minorities) have a potential to become economic drivers but only when states create an enabling environment; by allowing grass-root initiatives to thrive, by facilitating economic, social and cultural entrepreneurship within and across borders and by entering into open dialogue and cooperation with stakeholders and their organisations.⁷ The report found that close cooperation with local and national authorities, active participation in decision-making processes, and a presence of trust between institutions and communities are important preconditions for the national minorities to be an asset to societies. Furthermore, these factors can help overcome the largely dominant discourse of minorities being perceived as a risk factor.⁸

Other ECMI research found that decentralization, when entailing the transfer of decision-making powers to the community level, is among the mechanisms to foster development of regions.⁹ It also creates conditions for minorities, if living compactly, to have a significant role in the decision-making process and to contribute actively to the development of their localities. Furthermore, accumulation of varying cultural competences in the multicultural spaces increases the economic advantages and potential of regions only when inter-ethnic dynamics are channelled as Standortfaktors.¹⁰ Recent studies show, a precondition for economic development is the activation of the hard and soft cultural competences of national minorities¹¹ and not necessarily the size of communities.¹² Hence, development in multicultural regions is dependent



on skilful management of diversity that enables minority entrepreneurship and mobilises joint action.

An ECMI project (2018-2019) supported by the U-Lead with Europe Programme,¹³ provided empirical evidence, in the context of Ukraine, that national minorities can contribute to the development of regions and that diversity is not only an asset but also brings economic benefit. Departing from theoretical models elaborated within the frameworks of these two projects, the integrated findings were interpreted using social capital framework. By combining different theoretical approaches in both ECMI projects and earlier research on social capital rebuilding in ethnically divided societies¹⁴ this paper offers novel analytical concept: **national minority capital**. This original interdisciplinary approach has the potential for practical application and further theoretical expansion of our understanding about how national minorities contribute to development.

Defining ‘National Minority’

With no widely agreed academic or political definition of national minorities, the first challenge in the analysis is to explain the agency of the national minority capital. Taking into account 1977 definition of the UN Special Rapporteur Francesco Capotorti,¹⁵ the 1986 proposal of Jules Deschene¹⁶ and the Asbjørn Eide’s of 1993,¹⁷ the UN perspective clearly indicates that minorities possess different ethnic, religious or linguistic characteristics from the rest of the population in a state. The European legal approach¹⁸ also emphasises cultural diversity as a factor in identifying a group as a national minority.¹⁹ The Council of Europe definition²⁰ also establishes formal relation between the state and the communities, with their members being denoted as ‘nationals’.

Therefore, for the purposes of presenting the new concept, *national minorities* are viewed as ***culturally distinct communities, whose members are nationals of the states of residence and who have historical presence***. Acknowledging that diversity is not dependant on the legal status of minorities,²¹ to avoid potential conceptual shortfalls at this early stage of piloting the new concept, only **minorities formally recognised by the states** are considered. The reason the adopted limitation is that the state, as a key factor for the accumulation and boosting of national minority capital and as its direct beneficiary, constitutes an important element in the proposed theoretical model.

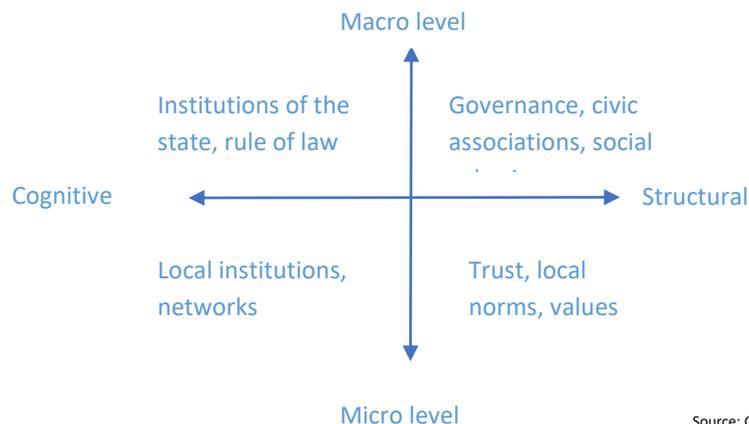
The Condition: Nesting the Minority Social Capital

As individuals who are nationals of a country, minority members are, by default, an economic resource since they are part of the human capital of the state.²² Since Adam Smith (1776), the



definition of human capital has been developing to come to the conceptualization as of *stock of skills possessed by the labour force*.²³ National minorities however constitute not only human capital, but also cultural, linguistic and transnational social capital both for states and for regions.²⁴

Established as communities, culturally distinct not only from the majority population but also from other minority ethnic and cultural groups, national minorities accumulate particular social capital, which enables them to function as a collective body. The comprehensive four-dimensional model of social capital,²⁵ suggested by Grootaert and van Bastelaer in 2001,²⁶ addresses complexity by using an umbrella concept, in which structural and cognitive forms of social capital at both macro and micro levels interact in a dynamic interdependence. The model provides both a definition and an instrument for measurement of social capital,²⁷ where the function is dependent on the coherence and the balance between the elements of all of its four dimensions.²⁸

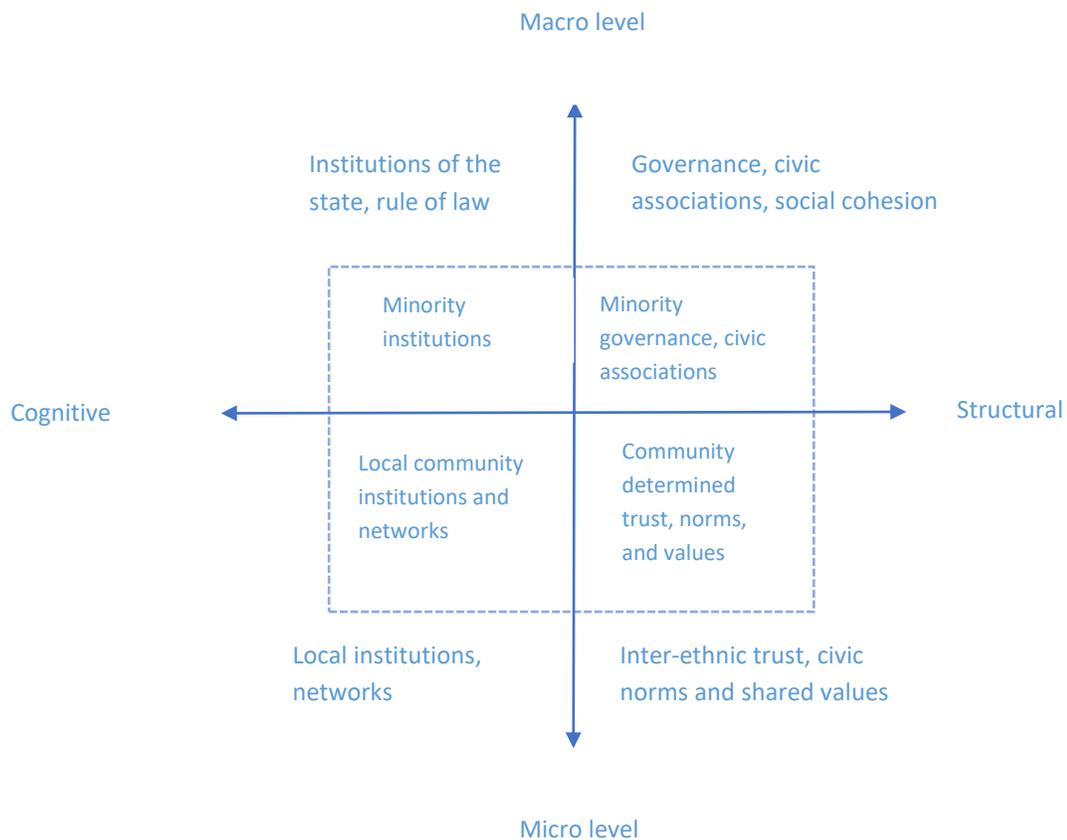


The social capital of a minority community would be defined not only by shared values and norms, but also by the respective ethnic macro-level institutions and governance. In the case of a formally recognised national minority, these would be the official minority institutions that the state collaborates with respect to the international regulatory frameworks.²⁹ In a case of a non-recognised minority, informal institutions that identify minority as a group would determine the macro-level.

Although all minority communities might possess social capital, not all of them would be interested and willing to offer its benefits to other minority groups or to the majority. However, when the social capital of minority communities becomes an integral part of the national social capital, synergies between the micro and the macro levels can be observed. This would be a case of a ‘nested minority social capital’.



Minority social capital can become embedded into the national social capital only if the civic identity is part of the multiple identity of the minority members, who feel valued as citizens of the their state.³⁰ The model below illustrates the nested minority social capital as a public good transcending the boundaries of the minority community.



Facilitating co-ordination and co-operation for mutual benefit³¹ based on networks, norms, shared values, and trust,³² on social engagement and commitment, reciprocity and social cohesion,³³ on agreed obligations and expectations,³⁴ as well as on flows of information,³⁵ the nested minority social capital is a key precondition for the generation of national minority capital.

What is National Minority Capital?

The analysis of the role of national minorities in regional development suggests that ethno-cultural diversity presents an economic advantage and added value to regions and hence to states.³⁶ With their institutions, services, infrastructures, social and human capital and cross-



cultural knowledge and competences, minorities can play an important role as Standortfaktors³⁷ in the regional socio-economic development and the cross-border cooperation. The operationalisation of the nested minority social capital as a Standortfaktor is hence the second key precondition for national minorities to be able to contribute to the economic development as a collective body, by generating and accumulating economic capital through their cultural competences and networks. Acknowledging that further research is needed for strengthening the theoretical framework presented here, some of the initial assumptions are:

- National minorities can contribute to development not only of border regions but of regions in general.
- Compact living of national minorities is an enabling factor but not necessarily a precondition for the ‘generation’ of national minority capital.
- It is not the size of the minority community but the nested minority social capital that should be seen as a developmental factor

The outlined connection between the cultural competences, social capital and economic capital evokes references to the theory of Pierre Bourdieu³⁸. However, while he discusses processes within a community, the national minority capital concept focuses on intra-community dynamics and potential mechanisms for enabling and fostering economic development through cohesion of social units. The concept takes as a unit of analysis a collective body, determined as ethnically or culturally different in the wider societal context.

National minority capital therefore denotes a type of social capital, enriched by the ethno-cultural competencies of its members (Standortfaktors), which although accumulated within the particular community has a significant potential for positive impact at regional and/or national level.

The concept encompasses a complex interplay between:

- the cultural competences that constitute national minorities as an asset to societies
- the role of minority communities in regional socio-economic development (as actors and as factors)³⁹
- the channels through which the national minority resources can be activated and used
- the institutional, legal, political, economic, and social frameworks that would enable minorities to develop and pursue their initiatives
- the mechanisms and the precondition that would establish national minorities as active citizens willing to work together with the others for the public good.

National minority capital therefore is a national and development resource, which brings advantage for regions. As a type of a social capital it is a public good, whose supply increases when used and depletes when neglected.⁴⁰ A key prerequisite for the activation of national minority capital however is the socio-political environment, regulated by not only the



institutional and the legal frameworks of the state but also by trust and cooperation between the public authorities and the national minorities.

Conclusion

The aim of this issue brief is to present the novel concept of *national minority capital* and to define it against the background of minority and social capital studies. The concept is based on analysis of empirical evidence within the frameworks of past ECMI research projects and the conceptual models designed for their purposes. It sits at the intersection of regional development studies, minority studies and social capital theory, which helps it to offer an alternative perspective and inspire further interdisciplinary academic research and debates on the topic.

Although the model and the theory are only at their initial stage, the discourse that they introduce can help policy and decision makers in their strategic planning. National minority capital can become an asset and economic advantage to states but only if they can manage diversity so that individuals belonging to minority communities feel motivated to offer their cultural competences to the benefit of the multicultural societies to which they belong.



Notes

¹ Malloy, Tove H. (2010) Creating New Spaces for Politics? The Role of National Minorities in Building Capacity of Cross-border Regions, *Regional & Federal Studies*, 20:3, 335-351

² Ibid

³ Supported by German OSCE Chairmanship and HCNM

⁴ Malloy, Tove, Zora Popova, Sonja Wolf et al. (2016) Dynamics of Integration in the OSCE Area: Bridge Building and National Minorities, ECMI report; https://pdfhost.io/v/t5vxzviy_FINAL_OSCE_REPORTpdf.pdf (accessed 28.06.2019)

⁵ Ibid

⁶ In the current text, the notion of ‘cultural communities’ is used as an umbrella concept to encompass all the cultural variables such as language, religion, traditions, etc.

⁷ Popova, Z (2018) Building Bridges Within and Across Diverse Societies: The Role of States, ECMI Issue Brief #40; https://www.ecmi.de/fileadmin/redakteure/publications/pdf/Issue_Brief_40.pdf (accessed: 18.08.2019)

⁸ Malloy, Tove, Zora Popova, Sonja Wolf et al. (2016) Dynamics of Integration in the OSCE Area: Bridge Building and National Minorities, ECMI report; https://pdfhost.io/v/t5vxzviy_FINAL_OSCE_REPORTpdf.pdf (accessed 28.06.2019)

⁹ Ebinger, Falk, Sabine Kuhlmann & Joerg Bogumil (2019) Territorial reforms in Europe: effects on administrative performance and democratic participation, *Local Government Studies*; also Swianiewicz, Paweł, Adam Gendźwiłł and Alfonso Zardi (2017) Territorial reforms in Europe: Does size matter? Territorial Amalgamation Toolkit: Tools For Local And Central Authorities; Centre of Expertise for Local Government Reform, Council of Europe, November 2017

¹⁰ Malloy, Tove, Stanislav Cernega, Sonja Wolf, Ljubica Djordjevic, Sergiusz Bober (2019) Territorial and administrative reforms in Europe: ethno-cultural diversity as a factor for regional development, ECMI Report, www.ecmi.de (forthcoming)

¹¹ Ibid

¹² Willis, Craig (2019), National Minorities and Regional Development: A Comparative Overview of the Three Baltic States, ECMI Working Paper #117, Available at: https://www.ecmi.de/fileadmin/redakteure/publications/pdf/WP_117_National_Minorities_and_Regional_Development_A_Comparison_of_the_Baltic_States.pdf (accessed: 20.09.2019)

¹³ ECMI project (2018-2019) Managing Diversity for Sustainable Economic Development of Local Government in the Context of the Decentralisation Process in Ukraine, implemented with the financial support of the U-LEAD with Europe programme; <https://www.infoecmi.eu/index.php/ecmi-has-a-new-project-in-ukraine-the-first-dmd-training-course-starts-today/>

¹⁴ Popova, Z 2009, 'The role of social capital for post-ethnic-conflict reconstruction', Ph.D., University of Bath; <https://researchportal.bath.ac.uk/en/studentTheses/the-role-of-social-capital-for-post-ethnic-conflict-reconstruction>

¹⁵ Francesco Capotorti: Proposed Definition of ‘Minorities’ within the Context of Article 27, ICCPR: Study on the Rights of Persons Belonging to Ethnic, Religious and Linguistic Minorities (1979) E/CN.4/Sub.2/384/Rev.1

¹⁶ Jules Deschenes, Proposal Concerning a Definition of the Term ‘Minority’ E/CN.4/Sub.2/1985/31, 14 May 1985

¹⁷ Asbjørn Eide, Working Definition of Minorities, Possible Ways and Means of Facilitating the Peaceful and Constructive Solution of Problems Involving Minorities, E/CN.4/Sub.2/1993/34, 10 August 1993, SCPDPM (45th Session), para 29

¹⁸ Council of Europe, Framework Convention for the Protection of National Minorities and Explanatory Report, (H(95)10), ETS 157

¹⁹ Council of Europe Parliamentary Assembly (PACE) Recommendation 1134/1990; CSCE Concluding Document Copenhagen 1990/Para 32(1); Council of Europe, Framework Convention for the Protection of National Minorities and Explanatory Report, (H(95)10), ETS 157

²⁰ Council of Europe Parliamentary Assembly (PACE) Recommendation 1134/1990

²¹ The author acknowledges that there is no correlation between diversity and official recognition of minorities. At the same time, the dynamics between minorities and states are viewed as an important element of the theoretical model. Hence, the initial assumption is that the official recognition establishes the state-minority relations as legitimate as well as the investments in the national minority capital and the use of the benefits stemming from it.



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- ²³ Goldin C., 2016, Human Capital. In: Handbook of Cliometrics. Heidelberg, Germany: Springer Verlag 2016
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- ²⁵ As Grootaert and van Bastelaer point out (see note 77), the model has been developed by the authors as a synthesis of the theories of Olson (1982), Coleman (1988), Putnam (1993), Fukuyama (1995), Uphoff (1996)
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- ²⁷ Ibidem, p.4
- ²⁸ Popova, Z 2009, 'The role of social capital for post-ethnic-conflict reconstruction', Ph.D., University of Bath; <https://researchportal.bath.ac.uk/en/studentTheses/the-role-of-social-capital-for-post-ethnic-conflict-reconstructio>; pp 138-141
- ²⁹ Ibid
- ³⁰ Malloy, Tove, Stanislav Cernega, Sonja Wolf, Ljubica Djordjevic, Sergiusz Bober, 2019, Territorial and administrative reforms in Europe: ethno-cultural diversity as a factor for regional development', ECMI Report, www.ecmi.de (forthcoming)
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- ³² Putnam, R. (1993) The prosperous community: Social capital and public life; The American Prospect, Fukuyama, F. (1995) Trust: the social virtues and the creation of prosperity, London: Hamish Hamilton
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- ³⁶ Malloy, T. H., et al., 2007, Competence Analysis: National Minorities as a Standortfaktor in the German-Danish Border Region, EURAC Research
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