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REVIEW & OUTLOOK

The Death of Yugoslavia

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The people of Montenegro (pop. 620,000) on Sunday chose to break up their union with Serbia -- all that was left of Yugoslavia -- and give birth to the Continent's 24th and 25th new nation-states since the end of the Cold War. As long as these decisions are freely, peacefully and constitutionally made, we say the more the merrier.

The break-up party will continue in Kosovo (pop. 2 million), which wants to part ways with Serbia as well. Once that happens the Serbs can at last celebrate their independence from Titoist delusions of grandeur. Elsewhere in Europe, Flanders and Wallonia may follow suit to put Belgium down; Catalonia and the Basque country might split from Spain. Compared to Europe's old but thriving city-states of Liechtenstein, Monaco, Liechtenstein, San Marino and Andorra -- whose populations range from 28,000 to 67,000 -- these possible new arrivals are veritable giants.

Balkanization doesn't deserve its bad name. Throughout history, Europe's microstates have tended to be less bellicose (shrimps don't pick fights), more democratic (government can't be closer to the people) and, with fewer resources to waste, economically savvier. To thrive the Tiny Tims need open trade borders -- thank the EU for that today -- and peace, which now comes courtesy of a U.S.-led NATO.

Montenegro's leaders talk grandly of taking full advantage of this ideal environment for small states. The plan is to join the EU as soon as possible and attract investors with policies inspired by slightly larger Estonia. Seven years ago, when Slobodan Milosevic misruled the rump Yugoslavia, Montenegro's leaders dropped the Serbian dinar and unilaterally adopted an Estonian-style currency board using the deutsch mark, now the euro.

Whether Montenegro's experiment in independence works will be determined by the success of its economy and political governance, not by some woolly notion of Montenegrinism founded on the country's brief monarchy (1878-1918) or its heroic resistance to Ottoman rule. The new country could usefully shed its reputation as a haven for cigarette smugglers and regional Mafiosi vacationing along its idyllic coast.

The mushrooming of new states in Europe has tended, especially after the wars of the early 1990s, to coincide with the spread of freedom on the Continent. May it continue.


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