

The Integration of the Western Balkans- A Need for Stability and Peace

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DOI Link: <http://dx.doi.org/10.6007/IJARBSS/v3-i10/277>

Published Date: 06 October 2013

Abstract

Joining the European Union has been the main goal of the Western Balkan countries, no matter of their differences in their political and economical development for almost two decades. Therefore, European integration is almost recognized universally as the key strategy for achieving peace, stability and prosperity for the all countries of the Western Balkans. The realization of this project, with no doubts, can be achieved through the European policy makers' involvement in the Western Balkans, which will lead to a positive and long-lasting effect on the management of ethno-political conflict. Concerning the economical part, in general all Balkan countries are small economies and their possible integration would help them a lot becoming part of a big market, more than a help million consumers. But, this might present also an obstacle for companies of these small Balkan countries because the need to compete with other giant European companies. The integration of the Western Balkan countries with provides new members with many benefits in political as well as in economical part. The liberalization of inter-regional trade will help countries in the region to improve their mutual cooperation economically and politically. The membership in the European Union would motivate all countries in the western Balkans to improve and correct the existing problems and opened issues, and to actively undertake and participate for a better future of the Balkans.

Keywords: Western Balkans, European integration, stability, security, development

Introduction

The fragility of the Balkans is one of the main objectives of the European Union agenda. The turbulent history of the region implies more concern about the preservation of democracy, peace, and stability. The development of the region requires a good political stability and reconciliation between countries with their neighbors. The political stability and good governance are extremely important for the future of the region as a whole. The idea behind every integration whether on regional or worldwide basis cooperation between states which enhances the security and stability among them. There are many examples of such

integrations that helped securing long term peace and prosperity both in political and economical plan. The example of the European Union is often pointed out as an undertaking that maintains peace among its member states. From the perspective of the past experiences that countries that agreed to enter a certain modality of integration, the Western Balkans would benefit a lot in increasing cooperation among its members in many areas. The Western Balkans refers to the region of Southeastern European countries involved in the EU Stabilization and Association Process: Albania, Bosnia and Herzegovina, Croatia, Serbia and Montenegro and the Former Yugoslav Republic of Macedonia.

The Western Balkans in the last decade of the twentieth century has gone through many problems in the political plan as well as in the economic plan. Concerning the political problems, these countries were driven by many ethnic conflicts as the main problem, starting with the dissolution of Ex-Yugoslavia and other social problems, like, underdeveloped civil societies, lack of the rule of law and destroyed economic systems. Most of the Balkan countries found themselves on the transition period of their economies, trying to open their free market economies for a better prosperity of their societies, and they still have the problem of recovering from the transition period which in a great deal was hampered by the economic world crisis.

The Balkans with its favorable geographic features and economic opportunities has attracted people since the ancient times due to geopolitical situation. It has always been a ground for co-existence of different culture, religions and peoples over a small territory, making the Western Balkans as a multicultural and multiethnic conflict region.

The fact of integration into European Union would save the Balkan region from further interethnic conflicts. The issues like, border issues, ethno – religious conflicts, cultural and historical tensions and legal disputes will be solved when the western Balkans countries will join the EU family.

One of the EU's greatest missions and challenges concerning external relations is the integration of the Western Balkan countries¹ into the Euro-Atlantic structures. The countries of Western Balkans face many challenges: building democratic institutions; easing social tensions of ethnic ground; restoration of functioning market economy which can stand competition against developed economies (*Oroz, 2010*). Maintenance of peace, security and stability in the region, however, is not the exclusive issue of these countries. There is a mutual interest of EU member states and the Western Balkans to implement reforms and to form a framework for long-term stability which can counteract these negative trends. As an incentive, the EU offered a European perspective for these countries, which proved to be an essential part of the long-term, democratic state-building process (*Oroz, 2010*).

All the Western Balkan countries have become either candidate countries or potential candidate countries but the whole Balkan countries becoming part of EU is far from reality. The accession process requires both efforts from the candidate countries and the willingness of EU members and institutions to accept newcomers in their EU family integration and enlargement.

As a need for the integration for securing stability and economic development many countries in the region have become members of various new regional European integration like the Black Sea Economic Cooperation (BSEC), the Central European Initiative (CEI), the Central European Free Trade Area (CEFTA), the Adriatic-Ionian Initiative (AII) or the Danube Commission. But also they intend and wish to become members of the EU, and NATO.

The Western Balkans has been seen as a fragile region with weak states that needs an international support. (Meurs, 2003). Because these states with the Balkans have witnessed

and experienced a period of transition and many political problems, which caused a decline in the standard of living and a decline in economic growth, but in some ways they have achieved some levels of democratization and in their economic growth. The interethnic relations within countries and an absence of multicultural policies have been seen as a major barrier for stability, security and democracy in the region (Petričušić, 2004).

1. Methodology

This paper concentrates on secondary sources of research regarding the political and the economical integration of countries. The paper analyzes the secondary data, previous research conducted on the field of integration, and what integration first occurs, whether the political integration precedes the economical integrations or they complement each other. The main focus of the paper is the idea behind the integration of western Balkans.

According to the previous literature, there is a lot of evidence that countries entering a certain regional or international integration benefit a lot from that membership. Both political and economical integration are very vital for countries in today's globalization activities. It is still arguable the question of whether political integration needs to take place in the beginning and to pave later the road to a potential economical integration. Some scholars argue that the political integration precedes the economical integration and the some other scholars think that in close economy countries the political integration helps businesses to enter there by removing the political barriers for conducting business there. But they also argue that in societies with market driven economies, it is easier to overcome even any political barriers that companies may encounter in the business activities.

The readings chosen for this paper were sourced from leading authors in the field, as well textbooks and electronic academic sources. Therefore, in order to understand the need for integration of the Balkans states, secondary information will be collected, and the data will be compared and analyzed. Finally, the research propositions will be submitted.

2.1 Research Questions

The purpose of this research is to find an answer to the following research questions about the integrations of the western Balkan countries, and the importance of political and economical integration of the Balkan region itself. Therefore, the paper will focus mainly on answering the following research questions:

1. Why are integration important for securing peace and stability in any region?
2. What are the advantages of forming regional and worldwide blocks of integration?
3. Does both political and economical integration complement each other?

2. Literature Review

2.1 Understanding Integration

According to the literature, scholars differentiate between two kinds of integrations. First of all, an economic integration refers to the unification of economic policies between different states through the partial or full abolition of tariff and non-tariff restrictions on trade taking place among them. This allows states or members of the integration to benefit from the lead to lower prices for distributors and consumers with the goal of increasing the combined economic productivity of the states.¹ Whereas as in economics, the word *integration* was first

¹ http://en.wikipedia.org/wiki/Economic_integration (Retrieved on September, 2013)

employed in industrial organization to refer to combinations of business firms through economic agreements, cartels, concerns, trusts, and mergers, as well as other integration referring to combinations of combinations of suppliers with customers.²

There are many discussions between scientist and scholars concerning the integration, whether the first precedes the later. Does the political integration takes place before the economic integration or the economic integration prompts the political integrations of the countries. If we look through history in general and the European Union Integration in particular, the idea for such integrations is firstly because of political reasons, for countries to smooth and eliminate the political problems and border problem. If we refer to the idea of Robert Schuman, we can see that the main Idea for EEC formation was to put the control of steel and coal between the two countries that were enemies. Thus, both hostile countries, i.e., France and Germany would control the mines and this would lead to lowering the hostility and the possibility of wagging new battles and conflicts. The Schumann declaration led in 1951 to the European Coal and Steel Community among six countries: France, West Germany, Italy, the Netherlands, Belgium, and Luxembourg. Moreover, the ECSC was used as the institutional template for two proposed communities: the European Defense Community and the European Political Community, in order to think using a common army, a common budget, and common institutions with significant legislative and executive powers. (Enrico, 2013).

From the literature review, and from the main result of analysis is that political and economic integration can be found to complementary, and both countries benefit in the political and economical aspect. Therefore, members of a particular regional or international integration benefit a lot in their stability, security, and also in their economical plan development.

But there are some evidence from literature that treats political integration as a way of expanding economic markets when the option of economic integration is not available, because when companies participate in any markets, political integration prevents economic integration from any possible incentives that the membership area can offer. Furthermore, political integration makes the competition for transfers more intense.

In a study conducted by Alesina, Spolaore and Wacziarg (2000) concerning the relationship between political integration, the size of the economic market and economic growth, found out that political integration has a positive effect on economic growth, because it increases the size of the economic market (Alesina et al, 2000). Many factors can contribute to cooperation, and the most evident factors may include: geography and physical proximity; common history and heritage; culture and religion; economic systems, common goals to join the same international organizations; external pressures from influential states and international organizations; common and regional issues and problems, etc (Othon & Dzelilovic, 2002). But , according to the literature review, geography and proximity are the first and most obvious factors that lead to cross-border cooperation in SEE. Common geography and immediate neighborliness are the first and most obvious factors conducive to cross-border cooperation in SEE. Moreover, most of the Balkan countries share some common historical experiences during the history of their development; the more recent communist experience had a common impact in the political culture and economic structures of Balkan countries, which today face similar developmental and transition features (Todorova, 1997).

² http://en.wikipedia.org/wiki/Economic_integration (Retrieved on September, 2013)

The regional raised issues and problems are better understood and their existence is derived from the transition, underdevelopment and the lack of security in the region. This situation requires recognition of the major factors that stimulate cooperation. The collective and multilateral action by all the states in the region can achieve benefits which cannot be attained by individual states acting in isolation (East West, 2001). Thus, the development of regional infrastructure and communications networks, appear as major regional incentives to cooperation and convergence. Following the wars in Croatia, Bosnia, Kosovo and FYR Macedonia, postwar reconstruction has added an additional dimension to the shared needs of the region to cooperate both politically and economically. Moreover, security problems triggered by the wars such as crime, corruption, illegal immigration and cross-border environmental damages are considered regional and needs to be addressed in a regional context (Othon & Dzelilovic , 2002).

3.2 Political aspects of EU integration

The future of region is improving the political climate, which a prerequisite for a better a more prosperous life. Thus, the turbulent history of the region is as the priority of European Union to help the western Balkans countries in order to promote peace, democracy, and stability. Improving the political climate, good governance, political stability is extremely important for the future of the region as a whole. First of all, there are some political aspects of EU integration:³

- Good governance,
- Liberal democracy,
- Decentralization process,
- Service quality by public institutions,
- The role of the parliament,
- The institution of ombudsman,
- The civic society,
- Free and fair elections,
- The reform of judicial systems,
- Ethnic and inter-ethnic relations,
- Freedom of media and speech.

In order to deal with the outstanding problems the integration of the region within the EU remains one of the best options for dealing with the current problems and issues. This by no means will help the prospective of the western Balkan countries to overcome their difficult position after a long way of transition and conflicts. Thus, this will guarantee in a way the economic and social modernization, as well as the democratic consolidation, of merely all the Balkan countries. This is also good for the EU's own security, its democratic and economic peace of mind, as well as for its global foreign policy ambitions. There is a real need and hope that reserved European politicians take a much more needed dose of pragmatism and start to be engaged actively in order to help the Balkan countries enlargement (Stratulat, 2012). The EU enlargement for the western Balkan countries after a more than a decade of ineffective, crisis-driven and reactive conflict intervention, and the prospect of integrating the

³ Friedrich Ebert Stiftung, Western Balkans' Accession to the European Union: Mission (Im)Possible (<http://library.fes.de/pdf-files/bueros/sofia/08091.pdf>, retrieved 01.02.2013)

Western Balkans into European political, economic and military integration appears to provide a long-term perspective to international involvement and one of the best ways of a valuable conflict management tool (Belloni, 2009). Thus, the idea of integrating SEE into the EU is a long-term vision that helps to articulate and sustain a coherent conflict management approach towards the region. (Belloni, 2009).

Integration is an alternative to conflicting and contradictory objectives pursued through short-term, discrete interventions and projects. According to Solana, the European states 'capacity to overcome their own narrow national self-interest gives the EU a unique advantage in its ability to export freedom, democracy and good governance(Solana, 2003).

3.3 Economic integration of the Western Balkans to the European Union

Economic Integration also plays an important part of the process of accession of the Western Balkans to the European Union. In general apart from political criteria the economic issues are amongst the most important ones when acceding to the Union, especially in the light of the recent financial and economic crisis and what it resulted (Solana, 2003).

The belief of the European Union is the assumption that the multilateral liberalization of trade can bring great advantages to the global and the regional economy has defined the basis for building some forms of economic integration blocks in the region of the Western Balkans. Thus, free trade brings more business opportunities, globalization of markets and production, a more optimal distribution of resources; this is exactly what the developing regions need in order to overcome the obstacles of transition.

The realization of this idea was done in late 2006 when, at the summit of the CEFTA in Bucharest, as many as ten countries signed their integration into the organization. 9 It is expected that the signing of this agreement would contribute to harmonization, transparency, stability and predictability of the conditions for economic activities in the Western Balkan region (Miljković, 2007).

It is doubtless that joining the CEFTA represents an important turning point in the inter-relations among the Western Balkan countries just as it opens up a set of opportunities for economic development. These opportunities are evident in opening up the ways for a more intensive inflow of foreign direct investments, diversification of trade in the region and the creation of the conditions for enlarging competition and employment (Miljković, 2007).

3. Conclusions

European integration is almost universally recognized as the key strategy for achieving the twin goals of peace and prosperity in the Western Balkans. From the European policy perspective the greater European involvement in the Western Balkans the greater the positive and long-lasting effects on the management of any conflicts derived from political or other aspects. The views represented in the paper are also shared by many politicians and citizens in the region, who are united in their thoughts considering the process of adherence to European political, economic and financial institutions.

The positive attitude of the European Union to the Western Balkan integration in its structure is reflected in its continual participation in the process of stabilization and integration. In order to achieve desired results, it is also necessary to promote a much faster economic development of the Western Balkans. By carrying out of the reforms and tasks posed by the transition process, there is efficient transformation from the planned to the functional market economies. In order to realize this goal, of great importance is the adoption of legal norms which aim at improving the general business climate, creation of a favorable macroeconomic

ambiance for further growth of foreign direct investments and setting-up of the basis for a stable economic development.

The future of the Western Balkan countries is, undoubtedly, within the European Union. Becoming part of the EU family for the Balkan countries, it depends much more on their readiness and the way and quality of their commitment to political and economic reforms as well as through mutual political dialogue and economic cooperation.

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