

THE BALKANS AND THE CHALLENGE OF ECONOMIC INTEGRATION

REGIONAL AND EUROPEAN PERSPECTIVES

edited by Stefano Bianchini and Milica Uvalić



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Students of the Fine Arts Academy paint murales on the ruins of the city centre.
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FOREWORD

This book is part of a four volume series which deals with different aspects (History, Economics, Politics, and International Relations) of the complex relationship between Europe and the Balkans. The volumes are the product of a three year project conducted under the title "*Europe and the Balkans. A research and training proposal for the development of mutual understanding and future integration processes*".

The research project was submitted to the European Union in 1993 and approved by the Human Capital and Mobility Programme. An international network of scholars was thereupon established to conduct the project as the *Europe and the Balkans International Network*. At the outset, membership was limited to 12 scholars from the United Kingdom, Denmark, Greece, and Italy. The Network grew rapidly – within a few years over 100 distinguished scholars from 25 countries including Europe, Russia, and the United States had joined and the scope of the project was meaningfully broadened. Central coordination was carried out by the Department of Political Science at the University of Bologna (Italy) and particularly by its Programme on International Relations based at Forlì.

Because the Network was established to develop academic research projects that meet a basic need for more information concerning Central and Southeastern Europe, its activities were strongly supported not only by the University of Bologna, but also by the Bologna and Forlì City Councils, the Emilia-Romagna Regional Council, and the Italian Ministry of Foreign Affairs.

The aim was indeed ambitious, as the work of the Network corresponded to a very unhappy period of regional instability. The efforts of the members were to a

great extent intended to foster relations among scholars focusing on Balkan and Central European issues inspired by the conviction that in spite of tensions and conflicts there is and will continue to be a real possibility for greater European integration.

What has been lacking, in particular in the Western world, is a full understanding of the complex issues underlying perceptions of security in these regions, where political and diplomatic-military factors are compounded by cultural and economic considerations. Literature, history, philology, and demography also contribute to defining perceptions of security, and in many respects the role of intellectuals has been critical. It is not by chance that in Poland as well as in Serbia, Russia, and Bulgaria (indeed nearly everywhere in East-Central Europe) the best and most successful political programmes have since the early 19th century been promulgated in the form of novels or as poetry. Works such as «*Quo Vadis?*» by Sienkiewicz; «*What has to be done?*» by Černyševskij; the *Kosovo Epic*, as well as works by Gogol', Dostoevskij, Bulgakov, Solženicyn, Pasternak, to mention but a few, have indeed had a significant political impact...

For this reason, one of the Network's main goals has been to examine Europe's view of the Balkan countries and vice versa, in order to determine the language registers that come into play in the diverse fields of politics, mythology, economics, law, and history and to distinguish those that further positive communications from those that hinder it by perpetuating stereotypes. Stereotypical perceptions affect not only the relationship between Europe and the Balkans, but also relations within the Balkan region itself, where they are often shared by large groups within the local populations. These stereotypes are the manifestation of a deeply rooted mistrust that is the product of ignorance. How to overcome such ignorance represents a great challenge, particularly for those whose work is focused in the fields of education, information, and politics.

In a world characterized by the rise of mass societies, increasingly wider participation in political and economic institutions, the constant introduction of new technologies and the increased diffusion of information, the strengthening of democracy requires a general and widely diffused level of knowledge. By way of contrast, a generally low level of knowledge and awareness is an essential prerequisite for the exclusion of the citizenry from the policy-making process and the re-introduction of elite systems of leadership and neo-authoritarian regimes. Populism and demagogy are still considered to be useful instruments, particularly in countries where a democratically-grounded civil society is weak or absent.

With this general context in mind, the Network has systematically defined a method of work emphasizing an interdisciplinary approach. As we have already noted, wherever the magnifying glass of academic research is turned on Balkan and East-Central European issues, a large number of interrelated explanatory variables are revealed. Understanding these complicated situations requires si-

multaneous research efforts by scholars working in a variety of fields. The idea of scholarly exchange and interaction sits at the heart of the Network and leads us constantly to nurture relations with a wide variety of institutions and organizations working on Balkan and Central European questions.

This is also the reason why the research programme was developed gradually, in the course of a succession of meetings between engaged scholars. The members of the Coordination Center developed links to the various affiliated centers within the European Union, the Balkans, Russia, and the United States. The work was divided between four research teams that met both separately and all together, while team leaders promoted a constant exchange of information and ideas. Conferences, round tables, seminars, summer schools, and other events were organized in order to strengthen cooperation. As a culmination, the scholarly output of the groups has been collected and presented in published form in four volumes with the following titles:

1. *The Balkans and the Challenge of Economic Integration: Regional and European Perspectives.*
2. *The Yugoslav Conflict and Its Implications for International Relations.*
3. *State Building in the Balkans: Dilemmas on the Eve of the 21st Century.*
4. *Balkan National Identities in Historical Perspective.*

This method of work has created a great human rapport within the Network, that has in turn played a crucial role in overcoming an initial distrust or fear born of disparate national outlooks. The intensity of both personal relationships and reciprocal knowledge has increased steadily during the course of the project. Communication has allowed the participants to develop a common scientific language, methodology, and framework for understanding. Innovative patterns of scholarly collaboration have created a cooperative and authentically interdisciplinary work atmosphere which has greatly facilitated the achievement of the project's goals.

Three years of monitoring the situation in the Balkans have produced a number of fresh insights. In particular, it is generally acknowledged that the upheavals that have occurred in the Balkans since the early 1990s must be considered irreversible. Although the Dayton agreement has brought an end to fighting in the area, a framework for stability is far from having been achieved, and the road toward such a framework is not clear. In addition, a whole series of transformations took place in 1996 and 1997. After the electoral defeat of Ion Iliescu in Romania, the long and peaceful demonstrations of the *Zajedno* coalition have shaken Milošević's power in Belgrade. A similar protest has forced the resignation of Bulgaria's socialist government and imposed early elections. In Albania,

Sali Berisha has had to confront the general uprising of an alienated population and the national economy has virtually collapsed. In Croatia, the ill-health of president Franjo Tudjman seems to profile an unpredictable struggle for succession in a country where political authority is strongly centralized. In Bosnia, Alija Izetbegović is also sick and presiding over non-functional institutions that threaten to become empty shells. Finally, both Macedonia and Slovenia are facing periods of internal instability.

This picture seems to announce a new phase of turmoil in the Balkan post-communist era. At the same time, although instability has been confirmed, events also give the impression that a rollback of the doctrine of the "ethnically pure" state and of ethnic extremism is possible. This process has already begun, although with many contradictions and difficulties. It can be illustrated by the formation by the Bosnian opposition parties and political associations from both Bosnian entities (the Republika Srpska [RS] and the Bosnian Federation [Muslim-Croat]) of a Bosnian shadow government in March 1997. This "shadow" government has been constituted at a time when the official government of Bosnia-Herzegovina has yet to begin to work in any meaningful way.

Many factors interact to create the volatile political framework of the Balkan peninsula. As in all of post-Communist Europe, the tasks of institutional, national, and economic reconstruction are evolving simultaneously. This historically unprecedented situation encompasses a multitude of challenges, including (a) the legacies of the past; (b) cultural obstacles to democratization; and (c) socio-economic backwardness. In order to assist in the process, Western countries need to overcome traditional misperceptions, and ground their interventions in an overall approach that combines military and diplomatic efforts with economic and cultural initiatives.

The prevailing image of the Balkans inside the European Union is oversimplified, and this is mirrored by the simplistic character of engagement in the area. At the same time, the prevailing image of the EU within the Balkan states is weighed down by excessive expectations. Reciprocal political and cultural misunderstandings intertwine with the Balkans' lack of experience with market economics and lack of trained leaders (in a diversity of fields). The illusion that the collapse of communism would allow a rapid and effortless transition to democracy and the market clashes with the divergent developmental rhythms of Balkan societies, and elites have often sought to obtain immediate personal advantages while abandoning the people to their fate. Old disputes over the appropriate institutional forms to be imported from the West and the need to protect pure indigenous traditions are providing new/old justifications for ethno-nationalism and authoritarianism, thereby strengthening the confrontation with partisans of reform.

Because of the vast dimensions of the problem that has erupted since 1989, events in Central-Eastern Europe and the Balkans must be considered in a larger

European context. There are obviously reciprocal influences and interdependencies between regional and continental dynamics. These dynamics concern not only the spheres of security and economic assistance, but also, in a period when social fragmentation and a search for identity is affecting all of Europe, those of state structure and organization. They concern the need to define new patterns of common existence, including the process of European integration in a world that is more and more dominated by the extremes of globalism and localism.

In a more dramatic sense, the Balkans represent a warning that needs to be taken seriously by Europe as a whole. For this reason among others, the Balkan crisis cannot be considered and managed in isolation, as a case of regional instability without a European dimension. On the contrary, the Balkan crisis demonstrates the need for a great, common European transformation of political institutions, the role of the state, economic and social relationships, cultural approaches, and mentalities.

On the basis of these general considerations, which are analyzed in more detail in the individual volumes, a series of shared proposals and recommendations can be identified that are widely supported by Network participants. They can be summarized as follows:

a. Any policy of intervention which aims to obtain short-term results is illusory. On the contrary, any effort to promote dialogue between the Balkans and Europe, as well as dialogue inside the Balkans amongst political subjects and neighboring countries and to foster the economic and democratic development of Southeastern Europe, must consider the need for long-term actions in order to achieve positive goals.

b. The diffusion of a new conception of history and of new approaches to the way in which history is written and taught is unavoidable in the Balkan context. This is a vital issue whose importance is chronically underestimated, particularly within the developed countries. The presentation of history has a profound effect upon the cultural and political attitudes of Balkans peoples, particularly of the younger generation. Stereotypes and negative images of the "other" are often built upon a distorted reconstruction of the past, where the only elements considered are those which conform to the political and ideological aims of leaders and restricted elites. History must no longer be used to legitimize political authority, and it must be de-ethnicized and secularized. In particular, history cannot be manipulated to impose upon peoples a sense of community and of a common mission that have actually been created *ex post facto* to serve political ends. Instead, history must be recast as a useful tool for understanding the complexity of the past and the evolution of mentalities, political and socio-economic systems, and identities. Furthermore, history needs to be analyzed in a broad, European framework in order to overcome a misperception of the historical isolation of the Balkan region and a sense of exclusion based on the assumption that the Balkans do not really belong to European culture and tradition. A reconsidera-

tion of the role of history can contribute toward a shared acceptance of a common past and a consequent reduction in regional tension.

c. A similar effort must be made to encourage a deeper understanding of constitutional mechanisms and institution-building as well as of political theory and Political Science in general. Methods could include refresher courses, scholar mobility programmes, inter-university cooperation, and joint publications. Reciprocal contacts between schools, the media, and the political world must be encouraged. The aim, once again, is a long-term one. It is also a very concrete one, because it is related to the need to educate new leaderships and elites in a number of fields. Today, the humanities tend to be considered less important than technical studies. In a period of general economic and political crisis they risk being set aside altogether. Applying this approach to the Balkans would be a mistake that could have deep, negative implications.

Few concepts in Political Science have been as widely accepted (particularly in the Western world) as the idea that socio-economic well-being is the crucial foundation of a sound democracy. The formation and growth of a middle class through robust economic development is considered to be the bulwark of democratic stability. Western countries are widely acknowledged to be the best example of the interdependence between economic welfare and democratic government, an axiom that few non-Western countries can convincingly criticize. Since democracies rarely go to war with other democracies, Western neighbors have long enjoyed peaceful relations and low tension in the sphere of security. Furthermore, industrialized countries have learned how to benefit from diversity, which is the basis of competition. Finding ways to better manage and solve the same problems represents the core activity of enterprises in the developed world. The application of this model to Central and Eastern Europe after the collapse of communism has been widely considered the best option to ensure the successful transformation of these societies towards integration in the market economy, democratization, and eventual integration in the European Union. Nevertheless, the outbreak of the Yugoslav secession war and the spreading of ethno-nationalism sabotaged the course of development. Perceptions, expectations, and political, economic, and cultural goals have been deeply affected by these events in the whole peninsula. In these circumstances, on the basis of the shared concepts above mentioned, it has been assumed that significant financial aid and economic incentives will help the warring parties to come to terms with each other in order to obtain mutually beneficial gains, and in the interest of the whole Balkans.

Unfortunately, this approach does not take into account the specific relevance of humanities in the political culture of Southeastern Europe, where the absence of a middle class offered to the local intelligentsia the chance to play that role. The intelligentsia was able to obtain consensus by influencing centers of political and economic power, by performing a leadership role in the cultural field, and, at times, by taking power directly. As mentioned above, novels have often been the

most effective political programmes in the Balkans (as in all of Eastern Europe). In addition, we may note that during the process of economic and political disintegration in Yugoslavia, the publication of a Memorandum by the intellectuals of the Serbian Academy and the reply by a group of Slovenian intellectuals published in a journal a few months later, provided the basis for ideological platforms which accelerated the collapse of the country. Furthermore, the relevance of political culture to economic activity is confirmed by the overall European experience itself. In fact, many prominent studies in the 1960s and 1970s highlighted the role played by ideologies (such as liberalism in the United Kingdom, Saint-Simonism in France, nationalism in Otto von Bismarck's Germany, and Marxism in Sergei Witte's Russia) in the creation of a nucleus of people capable of supporting efforts to overcome backwardness, launch industrialization, and move toward economic take-off. This is all the more true in the case of the Balkans today, where any effort aimed at encouraging the stability of the area, the strengthening of democratic processes, the development of civil society, a diffused market economy, and the integration of the Balkans in Europe needs the support of an adjusted political culture. This political culture must be shared by a nucleus of people (in particular by the young generations) aware of the ways of economics and democracy in the modern world and committed to overcoming old mentalities based on patriarchy, autarchy, clan loyalties, the sham security of restricted and homogenous groups, or a general mistrust of political and social institutions. Such nuclei already exist and are at work in the Balkans. They need to be encouraged and strengthened from outside the region through specific action-programmes.

d. A similar approach can have crucial relevance with regard to economic reconstruction and structural adjustment. In this perspective, a new Marshall Plan promoted by the European Union and by its member states for the entire Balkan region should be strongly encouraged. This plan should be flexible enough to emphasize modernization and development appropriate to the cultural environment of the area and include a strong, long-term effort in the field of education. In this framework regional economic integration would be possible, rather than the mere transfer of Western models. Sustainable economic development, and the equitable distribution of resources and control over them, is to be encouraged, adapting modernization and the diffusion of new technologies and innovations to the local context. At the same time, the interdependence between economic welfare and democratic government has to be encouraged in the whole of the peninsula as a goal in itself. What must be made clear to local leaders is that development cannot be achieved without democracy.

e. Models for state-building and political representation must also be profoundly reconsidered. Because of the specific nature of the area, a new balance between individual (citizen) rights and collective rights (particularly minority rights) must be found that does not threaten the fundamental civil rights of indi-

vidual citizens. Ethnic identity is as legitimate as other aspects of identity (such as gender, age, religion, culture, or race). What is at issue is a profound reconsideration of western European political systems and a deep reform based on the existence of a plurality of political subjects acting in a complex society, represented by their institutions and aware of their limits. Such a perspective can be hard to accept for some groups and movements (for example ethno-national and religious movements), but the emergence of a more secularized and differentiated society is unavoidable in a context where the claims of group identities and claims on behalf of the rights of the individual citizen will inevitably tend to increase.

f. A common local stereotype (which is partially grounded in truth) claims that some European countries have an imperialistic or domineering approach to the Balkans. The road beyond this perception runs in the direction of political integration with the European Union. This perspective can change old attitudes and stereotypes which are also used instrumentally by neo-authoritarian regimes to strengthen their power. The EU integration process, if it is speeded up and strengthened in political, cultural, and economic terms can rapidly become an attractive point of reference for the Balkans. It can radically influence the search for power legitimization by eliminating questionable historical traditions which tend to generate misunderstandings and tensions. At the same time, the perspective of integration into Europe provides a convincing way-out of backwardness while protecting a dynamic of democratization.

Finally, the convergence of transformations in Southeastern Europe with the evolution of the political framework of the EU and of the Old Continent as a whole outlines a new method of work for the future; a method capable of directing both short and mid-term strategies toward the achievement of desired goals.

These and other general considerations were discussed at length during the various phases of development of the *Europe and the Balkans* project. They will be encountered by the reader as leitmotifs running through the volumes that the project has produced.

Finally, it is important to point out how this three year effort has transformed the Network itself, bringing together as it does a great deal of regional expertise from a variety of disciplines, into a great potential source of value to the European Union. The evolution of the Network through disciplined interdisciplinary work has multiplied its ability to elaborate analysis and evaluation relevant to the entire Balkan region. In particular, it can generate specialized appraisals including economic, political, legal, cultural, and historical approaches that enable the European Union and its member states to draw on a large community of specialists accustomed to working together in investigations of democratic processes in the region, inter-ethnic relations, economic transition, institution building, constitutional reform, and international and cross-border cooperation. These studies encompass both broad comparative analyses and in-depth case studies relevant to specific countries and areas.

We believe that our work represents a crucial foundation for the further evolution of common foreign policies in regard to Southeastern Europe and a basis for confronting the tensions and instability that will inevitably continue to plague the region.

Stefano Bianchini and Milica Uvalić