

NATIONAL RECONCILIATION, INTER-ETHNIC AND INTER CONFSSIONAL TOLERANCE IN THE BALKANS

RECONCILIATION AND HUMAN SECURITY

**Proceedings of the Fourth ECPD
International Conference**

Editors:

Takehiro Togo / Negoslav P. Ostojić



**EUROPEAN CENTER FOR PEACE AND DEVELOPMENT
University for Peace established by the United Nations**

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e-mail: ecpe@EUnet.yu; office@ecpd.org.rs

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Editorial Board: **Takehiro Togo**
Negoslav P. Ostojić
Todor Mirković
Ljubiša Adamović
Yves-Rastimir Nedeljković
Darko Tanasković
Budimir Lazović
Bojan Starec

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PREFACE

NATIONAL RECONCILIATION, INTER-ETHNIC AND INTER CONFSSIONAL TOLERANCE IN IHE BALKANS

RECONCILIATION AND HUMAN SECURITY

PROCEEDINGS OF THE FOURTH ECPD INTERNATIONAL CONFERENCE

The Conference was held in Miločer, Montenegro, October 30–31, 2008. Its organization and work represented a continuation of the realization of the ECPD International Research Project “**National Reconciliation, Inter-ethnic and Inter-religious Tolerance and Human Security in the Balkans**”, launched in 2005. In the meantime, the following activities were carried out:

- Organization and holding of the ECPD International Symposium on “National and Inter-ethnic Reconciliation and Religious Tolerance in the Western Balkans”, Belgrade, October 28–29, 2005, for 100 participants;
- Establishment of the ECPD International Permanent Study Group (IPSG) of 22 members, renowned scholars and experts on the Balkan issues;
- Organization of the First Session of IPSG, Sveti Stefan, Montenegro, June 17, 2006;
- The Second ECPD International Conference (considering the Symposium as being the first) on Inter-ethnic Reconciliation, Religious Tolerance and Human Security in the Balkans, Belgrade October 27–28, 2006, for 80 participants and 12 observers. The Conference was preceded by the Second IPSG Session, held on October 26;
- The Third IPSG Meeting, Prizren (Kosovo), for 81 participants and eleven observers;
- The Third ECPD International Conference on Reconciliation and Human Security in the Balkans, Belgrade, October 27–29, 2007, for 91 participants and 12 observers. The Conference was preceded by the Fourth IPSG Meeting;
- The Fifth ECPD IPSG Session, Belgrade, June 20–21, 2008;
- The Fourth ECPD International Conference on National and Inter-ethnic Reconciliation, Religious Tolerance and Human Security

rity in the Balkans, Miločer, Montenegro, October 30–31, 2009, for 99 participants, 8 observers and 12 media representatives. The Conference was preceded by the Sixth IPSG Session;

- Publishing of the separate proceedings of the First, Second and Third Conferences, and the Third IPSG Meeting.

The Fourth Conference, therefore, represented the continuation of three previous conferences and six IPSG meetings. In essence, all of them dealt with the same topics and attempted to achieve the same goal: **to contribute to the improvement of national/inter-ethnic reconciliation and inter-religious tolerance as a vital prerequisite for the establishing durable peace and stability in the Balkan region.** It is expected that the next Conference will reconsider the current situation in the Balkans and point out the ways toward full reconciliation and elimination of threats to peace and stability in the region.

The participants of the Fourth Conference (99) came from all Balkan countries, most other European and several non-European countries, including the United States, Canada, Japan, Seychelles and Ghana. Among them, there were several high-ranking public figures, including: Milo Djukanović, Montenegrin Prime Minister; H.E. Yasushi Akashi, former Special Envoy of the UN Secretary-General for ex-Yugoslavia; Sir James Mancham, the founder and the first president of the Republic of Seychelles; Branislav Šoškić, former President of the Republic of Montenegro; H.E. Kovačič Matjaž, Ambassador in the Ministry of Foreign Affairs of Slovenia; H.E. Nano Ružin, Ambassador of the Republic of Macedonia to NATO; H.E. Majed Shardoun, Ambassador of the Republic of Syria in Belgrade; H.E. Wolte Wolfgang, Ambassador, Austrian Society for European Policy, Vienna; Milan Brajović, General Secretary of the President of Montenegro; H.E. Milivoje Baletić, Ambassador, Director of the Diplomatic Academy of the Ministry of Foreign Affairs of Montenegro etc. The Conference was attended by several prominent academicians: Paskal Milo (Albania), Vladeta Jerotić and Časlav Očić (Serbia), Vladimir Stipetić (Croatia), Mijat Šuković and Momir Djurović (Montenegro). The participants in the Conference are also the professors from almost all university centers in the West Balkan countries, as well as from the Florida State University (USA), Lomonosov State University, Moscow (Russian Federation), University of Geneva (Switzerland), University of Vaasa (Finland), University of Namur (Belgium), University of Bradford (U.K), University of Saint Paul (Canada), University of Paris (France), University of Trieste (Italy), University of Kiev – Mahyla (Ukraine). The attendance of the

professor and famous Soviet and Russian astronaut, Yury Batutin, was particularly noted. Directors and researchers of several research institutes and research centers also took part in the Conference, including the: Cyprus Research Center for European and International Affairs; Lego Center for International Affairs, Luanda (Ghana); Institute for European and International Studies (Luxembourg); Institute for International Sociology, Gorizia (Italy); Mitsui Global Strategic Studies Institute, Tokyo (Japan); International Legal Institute, Georgetown University (USA); Institute for Ethnic Studies, Ljubljana (Slovenia) and others.

The presence of the representatives of two, out of three, major religions in this part of Europe attracted special attention. They were, among others, Bishop Amfilohije Radović and Bishop Joanikije Mićović, Serbian Orthodox Church; Mufti Muhamed Jusufspahić, Islamic Religious Community, Belgrade, and Rifad Fajzić, Reis of the Islamic Community, Montenegro. Stanislav Hočevar, Archbishop, Catholic Church, Belgrade, was unable to attend the Conference due to a previous engagement.

The organization and holding of the Fourth ECPD International Conference were supported and financially helped by the Government of Montenegro and the Tokyo Club, Japan, as major contributors, as well as by UPF with smaller contribution. However, the major portion of the expenses was borne by the organizer that is, the European Center for Peace and Development. The editors and the publisher wish to thank the sponsors who enabled the proper organization and holding of this very important international gathering. We are especially thankful to H.E. Takehiro Togo, President of the ECPD Council and the Chairman of the Conference, for his tremendous efforts geared to the organization and holding of the Conference. We are greatly thankful to all participants who, with their speeches and discussions, contributed to the successful work of the Conference and fulfilling of its noble task – promotion, reconciliation, tolerance, peace and development in the Balkans. We also express our gratitude to the press and electronic media for their wide coverage of the Conference, its aims and objectives.

The organizer expects and would appreciate very much the appropriate, intellectual and material contributions by all national and international organization and individuals interested in peace and stability in this conflict-ridden region, so that it could continue its activities focused on the improvement of inter-national/inter-ethnic relations and prevention of new tensions and conflicts.

Togo Tahekiro/Negoslav P. Ostojić

INTRODUCTION

The ECPD Fourth International Conference was organized and held within the scope of the ECPD activities focused on the promotion of inter-national/inter-ethnic reconciliation, religious tolerance and human security in the Balkans, which started in 2005. In the meantime, three International Conferences and six ECPD International Permanent Study Group (IPSG) meetings were organized and held. However, acute and long-standing inter-national and inter-confessional rivalry and disputes in the Balkans deepened during the fratricidal armed conflict of the 1990s so that reconciliation slowly and hardly progresses. Thus, the Fourth Conference was organized and held in a rather gloomy situation in the Balkans, especially in their western part.

Kosovo used to be almost historically a hot spot and, after its unilateral proclamation of independence, became even potentially flammable. The perspective of reconciliation, peace and stability in the South-Western Balkans will probably depend primarily on how the Kosovo problem will be further developed. The Balkan peoples and states faced numerous other issues, posing a barrier to reconciliation and tolerance, such as: a slowdown in economic growth due to reduced foreign aid, foreign direct investment caused by the global financial crisis; conflicting views on the Bosnia and Herzegovina governance; disputes among the leaders of the Western Balkan countries on the causes and consequences of the armed conflict; delaying of accession of the Western Balkan countries to the European Union, etc. The Conference was chaired by H.E. Takehiro Togo, President of the ECPD Council, and was carried out through six plenary sessions, each managed by its moderators. During two days of its work almost one half of the participants presented their written contributions and delivered speeches, while numerous attendees took part in the discussions. The presented papers, along with other relevant materials, were arranged in the following thematic order:

- Opening Address, Introductory Speeches and Greetings;
- Economic Environment and the Ways Towards Improvement;

- Reconciliation, Human Security and Peace Building;
- Minorities and Regional Stability;
- Ethnic and Religious Tolerance, and
- Concluding Remarks.

In his Opening Address, **H.E. Takehiro Togo** greeted Mr. Milo Djukanović, Prime Minister of Montenegro, other distinguished guests and participants, reminded the audience on the ECPD tasks and objectives concerning the promotion of peace, development and international relations, and stressed the importance of the Conference and its role in the promotion of reconciliation and human security in the Balkans. **Milo Djukanović**, greeted the attendees and, in a brief, introductory speech expressed, a rather optimistic view on the current and future development of the Balkans, pointing out that ‘the example of Montenegro confirms that one can build and promote harmonious relations among different cultures, religions and peoples and that the Balkan peoples are capable of living together’. **H.E. Yasushi Akashi** focused his greeting address on the basic building blocks of the world and major threats to international relations today, as well as on the perspective of reconciliation and human security in the Balkans. Referring to the overall international situation, Mr. Akashi pointed out that interstate conflicts ‘have not disappeared, but there are, above all, ethnic conflicts of all kinds which today overshadow much of Asia, Africa, the Balkans and the Middle East’. **Teruhiko Shinada** addressed the Conference on behalf of H.E. Tadashi Nagai, Ambassador of Japan to Serbia and to Montenegro and introduced it with the commitment of the Government of Japan in the field of reconciliation and human security in the Balkans. Archbishop **Amfilohije Radović** and Bishop **Avdul Kurpejović**, in their greeting addresses, emphasized the importance of building peace among peoples, while **Christina Samandari-Hakim** suggested the topic “Overcoming Prejudices as a Prerequisite for Peace” for discussion.

The Balkans, as well known, **are the least developed European region**. Only Greece and Slovenia could be considered as highly developed, while all other countries are medium and/or less developed ones. Some economic progress marked at the beginning of the 21st century has been slowed down due to the global financial crisis. Several participants pointed out to the importance of its speeding up and tried to trace the way leading toward achieving that goal. **Tihomir Jovanovski**, for example, argued that dynamic economic and social development was a crucial condition for succeeding in reconciliation and human security in the region and

pointed to interdependence between dynamic development and democratic society. Speaking about the impact of the world economic crisis on South-West European countries, **Vladimir Stipetić** stated the following reasons for its negative effects: excessive indebtedness, reduced foreign aid/direct investment, high trade deficits and the like. **Tihomir Domazet** presented a brief study on the level of economic development of the Balkan countries in which he analyzed the global economic turmoil and its impact on the economies in the Region. In his concluding remarks, Mr. Domazet suggested that 'to a greater or lesser degree' each Balkan country (in order to achieve the goal of Freedom from Want) has to promote its own programme including especially the following: 1. (to) Reduce the current account deficit; 2. Reduce the trade deficit; 3. Manage the general government budget deficit, and 4. Reduce foreign debt. **Radmila Jovančević** presented her view on the importance of émigré remittances for economic development in the South-East European countries and in that context, she detailed, *inter alia*, emigration movements in the region (courses, quantum etc), amount of remittance inflow, economic and social consequences (advantages/disadvantages) of emigration, especially for younger generations, etc. **Boško Bojović**, in his brief statement, emphasized the significance of integration of the Western Balkan countries into the system of the Euro-Atlantic organizations. **Milivoje Baletić** presented his paper on the present and future peace and development in the Balkans emphasizing the genesis of the formation and transformation of the EU and NATO and dependence of the Balkan countries peaceful development upon their inclusion into Euro Atlantic integration processes, while **Esmeralda Uruçi**, thought that economic and cultural integration could greatly support peace building and security in the region and tried to draw attention of the audience to some problems that are "related to the need to increase cultural and economic exchanges among the countries of the region". Prof. Uruçi elaborated the regional and multilateral trade of her country – Albania in greater detail. **Vjekoslav Domljan** advanced the idea about the establishment of the South East-Europe Development Bank, while **Pasquale Baldocci** thought that a Mediterranean trade union might be a challenge for the development of the Western Balkans.

National/inter-ethnic reconciliation and the concept of **human security** implementation in the Balkans could still be considered as a goal rather than as a reality. It seems that in this unstable region in these turbulent times as soon as a problem is solved another one arises. The peaceful secession of Montenegro was followed by and Kosovo's unilateral proclamation of independence. Such a sequence of events breaks the

process of reconciliation, internal development, regional cooperation and European integration. It also marked the work of the Conference and the participants' presentations. **Gueorgui Skorov**, for example, assessed the situation in the Balkans in the following way: 'What strikes an outside observer is that no peace treaty binding upon all former belligerents was concluded after the war. No agreed patterns of behavior were established. Territorial disputes...have not been settled. The borders acceptable to all do not exist...The region still does not enjoy real peace'. **Svetozar Livada** argued that the stupid politicians started the wars which produced additional animosity and hatred among people and that they are responsible for obstructing of reconciliation and tolerance. Therefore, the institutional organization of reconciliation is almost *conditio sena qua non*. Prof. Livada suggested a model for such an organization. **Boško Bojović** traced the path through which modern Europe was built: Byzantium – Balkans – Europe, with numerous turmoils – from universal to national, from national to supranational. Despina Syrri emphasized the significance of contributions made by civil society and international organizations to human security, social and economic development in Bosnia and Herzegovina, while **Ken. E. Ahorsu**, in an overview of the post-violence environment argued that the so-called Western Balkans "remained polarized with ethnic and religious divide without any meaningful socio-cultural, economic, and political relations that are inevitable for transcending and reconciling a conflict situation, attitudes an divide". Mr. Ahorsu also argued that "political relations among most Balkan countries are anything but normal" and suggested the creation of an umbrella-body to oversee and influence the process of inter-ethnic and inter-religious movements in the region. **Pavle Bubanja**, having in mind the unfavorable situation in the Balkans and its surroundings started his presentation with the question "**Does Peace Really Exist?**" and concluded that under certain conditions it could be attainable and that instead of the fear of war, peace along with justice could illuminate all peoples of the globe with joy and happiness. **Melita Richter** elaborated briefly the experience of the Women's association net in Bosnia and Herzegovina and its efforts to overcome post conflict consequences in that country, while **Yves-Rastimir Nedeljković** argued that conciliation and forgiveness are a precondition for effective reconciliation and tolerance in the Balkans.

Matjaž Kovačič, speaking about the **Human Security concept**, affirmed that, despite the acceptance of some projects and corresponding actions, "so far, we have only obtained the working definitions of the concept offered by the Report of the Human Security Commission". **Marta**

Balan, in her efforts to contribute to the assessment of the situation in the Balkans, presented the multi-religious project “International Eco Harmony Values Community”, applied in the Australian Province of Victoria and in Vojvodina (Serbia). Mrs. Balan described the difficulties which she encountered in the project promotion in Serbia. **Saša Papović**, in his “search for the political gnosis”, presented an essay on the importance of structural knowledge in the process of transition of societies and civilizations, while **Arthur Lyon Dahl** emphasized the significance of environmental security as a factor of reconciliation and peace building. **Slobodan Lang**, in his “Challenge for Goodness”, referred to the sufferings of the Balkan peoples through the history and said, *inter alia*, that “WWII was not a war in which good won against evil, evil lost but good didn’t win”, and added that the prime responsibility everyone is to do good. **Mitja Žagar** offered an outline of the “Reconciliation and Its Impact on Peace in the Balkans”, followed by the question “Success or Failure? And in conclusion he asserted that reconciliation in the Region practically does not exist; “it is not even spelled out and accepted as a realistic goal”, while **Branislav Gošović** proposed the creation of an institutional nucleus which would be working on the “basis of positive ideas and initiatives for cooperation and coexistence among the peoples and countries in the Region”.

Within the relatively small Balkan area there are ten independent states. None of them is pure nation-state; each has larger or smaller **national and religious minorities**. Several participants raised the question of their position and stressed the importance of them to be protected and enjoy human rights and equality. They argued that the proper treatment of minorities, would contribute to ethnic reconciliation and religious tolerance. Presenting his views on the minority issue, **Pasquale Baldocci** said that the minorities were not only the Balkan phenomenon, but of the West European countries and added that they (minorities) should be entitled to the full realization of human rights in all fields: language, religion, labor..., equal opportunities in employment, public services, etc”. **Sonja Tomović-Šundić**, presented her paper on Human rights, stressing up that full human rights should enjoy everyone especially national minorities members. Academician **Valery Tishkov**, who was unable to attend the Conference, sent his paper dealing with the Russian people and national identity, stating that the Russia a nation state... “embracing the members of other ethnic communities (usually) defined as peoples, nationalities, ethnic groups or nations”, while **Marina Martynova** expressed her view on the different comprehension of the terms such as “nation”, “nation-state”; “ethnic”, “ethnic-state”, “ethnicity”, etc. between the Western and Eastern countries and

how those differences were reflected in the Kosovo case. **Vern Neufeld Redekop** presented a concise paper on “reconciliation: an Ethical Challenge to Leaders”, emphasizing distinctions between ethics and morals, their virtue and needs that modern leaders should respect and follow the main ethical and moral principles. **Nada Debeljački**, in her presentation, advocated a systematic approach to the rights of national minorities, national reconciliation and human security in the Balkans, while **Aleksandro Burra** introduced his theoretical approach to the “Factors that Can Foster Trans-border Cooperation of the National Minorities”.

Fostering **ethnic and religious tolerance** is of utmost importance for effective peace building and stability in the Balkans. Several prominent experts on the very nature of religions and religious dignitaries delivered notable speeches related to reconciliation and tolerance. After his observations and further elaboration of the “general crisis – the crisis of spirituality, morals and ethics”, Academician **Vladeta Jerotić**, concluded that “the oldest archetype in man, his *homo religiosus*, his spirituality, will last together with earthly man as long as there is God and his Earth”. **Darko Tanasković** affirmed his opinion that inter-religious dialogue was an important factor of reconciliation and stability in the Balkans and argued that it could be necessary for the Balkan states and peoples to affirm the model of a genuine secular state, “in which the agents of political power and state institutions, on one hand, and churches and religious communities, on the other, would establish their relationship as a constructive partnership”. **Boško Bojović** presented an outline of Kosovo history, with emphasis on the migration of population, changes in the ethnic composition and internal situation. Mr. Bojović paid particular attention to recent Kosovo and Metohija history (from the beginning of the 21st century), relations among the Serbs and Kosovo Albanians and to the current internal and external situation in and around Kosovo. Bishop **Joanikije Mićović** presented his view on reconciliation, human security and religious freedom and argued that modern civic society represents a very complex amalgam of heterogeneous, secular and religious ideals. Bishop Mićović emphasized that the Church has an enormous ethical and spiritual capacity and credibility to act in society in general and for the sake of reconciliation and tolerance in particular. He also pointed out that cooperation between the state and the Church ensures social stability and religious freedom. **Peter Zöhrer** referred to Kofi Annan’s three pillars of peacebuilding: international security, eradication of poverty and starvation, and protection of human rights adding that if one of them is neglected, real peace will remain distant goal for our countries. Mr. Zöhrer consid-

ered religious freedom as the fundamental human right and expressed his concern that anti-semitism, Islamophobia and sectophobia are spreading across Europe. **Andreas Theophanous** elaborated the case of Cyprus – ethnic conflicts and conflict resolution, which might be a the lesson for setting the ethnic disputes in the Balkans. Prof. Theophanous presented also brief paper “The Model and the Substance of a Cyprus Solution”.

In his Closing Remarks, Chairman **Takehiro Togo** summarized the work of the Fourth Conference and outlined the tasks and objectives of the Fifth one to be held in 2009.

According to most participants and others, the Conference was very successful. The speakers and discussants advanced many interesting ideas and recommendations, which would be taken into account in the further ECPD activities related to the promotion of reconciliation and human security, as the prerequisites for peace and security in the region.

More information about the above mentioned ideas and recommendations can be found in the papers presented in these Proceedings. However, the views expressed in these papers are solely the views of the authors and not necessarily the views of the European Center for Peace and Development as the organizer of the Conference and the publisher of the Proceedings.

The Editors

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Togo, Takehiro*	President of the ECPD Council and Chairman of the Conference, Professor, Tokai University, Tokyo, former Japanese Ambassador to the Russian Federation, Singapore and the Republic of Turkey
Akashi, Yasushi	Former UN Under Secretary-General, Special Envoy to Former Yugoslavia
Adamović, Ljubiša*	Professor, Florida State University, Tallahassee, USA
Adamides, Constantinos	Research Fellow, Cyprus Centre for European and International Affairs, Nicosia, Cyprus
Ahorsu, Ken	Legon Centre for International Affairs, Ghana
Balan, Marta	Australian Psychological Society, Australia
Baldocci, Pasquale*	Ambassador, Professor, Faculty for Diplomacy, Gorizia, Italy
Baletić, Milivoje	Ambassador, Director of the Diplomatic Academy of the Ministry of Foreign Affairs of Montenegro
Baković, Todor	Special Adviser ECPD
Baturin, Yuri	Professor, Lomonosov Moscow State University, Pilot-Cosmonaut, Moscow, Russian Federation
Brajević, Milan	General Secretary of the President of Montenegro
Bubanja, Pavle	Professor, University of Niš, Serbia
Burra, Aleksandro	ECPD Branch Office Trieste, Italy
Cizelj, Boris	Ambassador, Director of SBRA, Brussels, Belgium
Clesse, Armand	Director, IEIS, Luxembourg
Dahl Lyon, Arthur	Professor, UNEP University of Geneva, Switzerland
Darmanović, Srđan	Dean, Faculty of Political Sciences, Podgorica, Montenegro
Debeljački, Nada	Legal Counselling, Municipality of Vračar, Belgrade, Serbia
Domazet, Tihomir	Professor, University of Zagreb, Croatia
Domljan, Vjekoslav	Ambassador, Professor, University of Sarajevo, Bosnia and Herzegovina
Đurić, Rajko	Professor, President of the Association of Roma in Serbia, Serbia
Đurović, Momir	President of the Montenegrin Academy of Sciences and Arts, Montenegro
Eraković, Aleksandar	Public Relations Advisor to the Prime Minister, Montenegro

Fejzić, Rifad	Reis of Islamic Community of Montenegro
Fetai, Besnik	Professor, University Stulov, Macedonia
Gasparini, Alberto	Professor, Director of Institute for International Sociology in Gorizia, Italy
Gošović, Branislav	ECPD Branch Office Geneva, Switzerland
Houston, Steve	Senior Development Specialist, Canada
Hutin, Gonzague	President, Euroscopie-Eurometrie, Paris, France
Jakir, Nada	Senior Advisor, Directorate for National Minorities, Government of Croatia
Jakobsson, Matti	Rector, University of Vaasa, Finland
Jerotić, Vladeta	Academician, Professor, Faculty of Theology, Belgrade, Serbia
Jovančević, Radmila	Professor, University of Zagreb, Croatia
Jovanovski, Tihomir*	Professor, SS Cyril and Methodius University, Macedonia
Jusufović, Muhamed	Mufti, Islamic Religious Community Belgrade
Kekäle, Tauno	Vice Rector, Vaasa University, Finland
Kondo, Tetsuo	Deputy Director, UNDP, Office in Kosovo
Kovačić, Matjaž	Ambassador in the Ministry of Foreign Affairs of Slovenia
Kukić, Damir	Professor, University of Tuzla, Bosnia and Herzegovina
Kurpejović, Avdul	President of the Alliance of Muslims in Montenegro
Lang, Slobodan	Professor, University of Zagreb, Croatia
Lazović, Budimir	Ambassador, Deputy Dean of ECPD International Postgraduate Studies
Levett, Jeffrey*	Professor, National School of Public Health, Athens, Greece
Livada, Svetozar	Professor, University of Zagreb, Croatia
Ljubić, Spomenka	University of Mostar, Bosnia and Herzegovina
Maes, Albert*	Ambassador EU, Professor, University of Namur, Belgium
Makolli, Ibrahim	Member of Parliament, Activist of Human Rights Watch
Mancham, Sir James*	Founding President of the Republic of Seychelles; President, Global Peace Council
Marković, Mirko	Director of the Directorate for National Minorities, Government of Croatia
Marmullaku, Ramadan*	Ambassador, Professor, Bradford University, UK
Martinova, Marina*	Russian Academy of Sciences and Arts, Moscow, Russian Federation
Maruyama, Yoshihito	Mitsui Corp. Director of Bucharest Branch
Mićović, Joanikije	Bishop, Serbian Orthodox Church, Montenegro
Milo, Paskal*	Former Minister of Foreign Affairs of Albania, Professor, University of Tirana, Albania
Mitrić, Boro	President of the Council, Medical Chamber, Montenegro
Mulić, Mirsad	Member of the Executive Board of the Democratic Party of Socialists of Montenegro
Nadaždin, Siniša	Executive Director, Philia Ministries, Montenegro

Nakagawara, Shunsuke	Director, Russia CIS Baltics Business Development Center, Mit-sui Global Strategic Studies Institute
Nedeljković, Yves-Rastimir*	Professor at ECPD Postgraduate Studies
Očić, Časlav	Academician, Serbian Academy of Sciences and Arts
Ojeda, Alfonso*	Professor, Complutense University of Madrid, Spain
Ostojić, Negoslav P.	ECPD Executive Director
Papović, Saša	Geopolitical Analyst, Skopje, Macedonia
Perović, Gojko	Rector, Seminary of Cetinje, Montenegro
Popović, Vitomir*	Professor, Ombudsman of the UN High Commissioner of Human Rights, Bosnia and Herzegovina
Radović, Amfilohije	Metropolitan of the Metropolitanate of Montenegro and the Littoral, Archbishop of Cetinje
Raičević, S. Ivan	Chief Editor of the magazine “Tokovi”, Montenegro
Rama, Shukrie	Professor, University Fama, Prishtina
Redekop, Vern*	Professor, University of Saint Paul, Canada
Redžematović, Džemo	Imam of the Islamic Community of Montenegro
Richter, Melita	Professor, University of Trieste, Italy
Ružin, Nano*	Ambassador of Republic of Macedonia to NATO
Samandari-Hakim, Christine*	Baha’ie Association of Women for Development, Peace and Unity, Paris
Shadoud, Majed	Ambassador of Syria in Belgrade
Shinada, Teruhiko	Counsellor, Embassy of Japan to Serbia and to Montenegro
Skorov, Gueorgui	Professor, Visiting Professor, Paris University, HEC School of Management, and ICN Business School, Nancy, France
Skovran, Anika	Professor, ECPD UPUN
Skovran, Maja	Editor, RTS, Belgrade, Serbia
Soung, Ryong Kim	Regional Director, UPF West Balkans
Spajić, Goran	Serbian Orthodox Church Municipality, Croatia
Starec, Bojan*	ECPD Coordinator for International Relations
Stipetić, Vladimir*	Academician, Professor, University of Zagreb, Croatia
Suleiman, Ilham	Magister, Embassy of Syria, Serbia
Syrri, Despina	Horizont Foundation, Athens, Greece
Šoškić, Branislav	Academician, Former President of the Republic of Montenegro
Šuković, Mijat	Academician, Vice President of the Montenegrin Academy of Sciences and Arts, Montenegro
Šundić-Tomović, Sonja	Professor, Faculty of Political Sciences, Podgorica, Montenegro
Tanasković, Darko*	Ambassador, Professor of University of Belgrade, Serbia
Theophanous, Andreas	Director, Centre for European and International Affairs, Nicosia, Cyprus
Tishkov, A. Valery	Director, Institute of Ethnology and Anthropology, Russian Academy of Sciences, Russian Federation

Uruçi, Esmeralda	Former Minister of Culture, Professor, University “Luigj Gurakuqi”, Shkoder, Albania
Vllasi, Azem	Lawyer, Prishtina
Vujović, Predrag	Professor, UPF Serbia
Wallace, Don	Professor, President ILL, Georgetown University, USA
Wolte, Wolfgang*	Ambassador, Austrian Society for European Politics, Vienna
Yakushik, Valentin*	Professor of University Kiev-Mohyla Academy, Ukraine
Žagar, Mitja	Professor, Institute for Ethnic Studies / University of Ljubljana, Slovenia
Zöhrer, Peter	Chairman, UPF Austria

OBSERVERS

Eraković, Aleksandar	Public Relations Advisor to Prime Minister, Montenegro
Lakić, Andrej	Research Fellow, Atlas Consulting
Mihelj, Vasja	Director, Hotel „Maestral”, Miločer, Montenegro
Andonov, Aleksandar	ECPD Chief Operation Officer
Polak, Milan	ECPD Research Associate
Malabotta, Kosta	MA Student, Faculty for International Relations and Diplomacy, Gorizia, Italy

PRESS

Brajović, Bojana	Journalist, MBC TV
Burzon, Tihomir	Journalist, SRNA
Jevtić, Milan	Journalist, PINK MTV
Jovićević, Danijela	Journalist, TV Vijesti
Lukičić, Jelena	Journalist, Radio Budva
Mirković, Aleksandar	Journalist, TV CG
Salanović, Snažana	Journalist, PINK MTV
Savović, Đorđe	Journalist, MINA
Skovran, Maja	Journalist, Editor, TV Belgrade
Todorović, Ana	Journalist, TV Budva
Velikić, Jasna	Journalist, Free Europe
Vojvodić, Draško	Journalist, TV IN
Zirdum, Dženita	Journalist, TV B&H

* Members of the ECPD International Permanent Study Group Working language: English and Serbian/Montenegrin. Simultaneous translation service available.

I

OPENING ADDRESS,
INTRODUCTORY SPEECHES
AND GREETINGS

TAKEHIRO TOGO

PRESIDENT OF THE ECPD COUNCIL AND THE CHAIRMAN OF THE CONFERENCE

OPENING ADDRESS

Your Excellency Mr. Milo Djukanović, Mr. Yasushi Akashi, Distinguished Ladies and Gentlemen,

It is my honour to declare open 4th Conference “National and Inter-ethnic Reconciliation, Religious Tolerance and Human Security” in the beautiful setting of Miločer, Montenegro. Mr. Prime Minister Djukanović, we are indeed grateful for your firm support honouring ECPD activities and especially for all-sided support for this Conference and to us with your presence this morning. The ECPD highly appreciate overall cooperation with the Government of Montenegro.

ECPD, as an affiliate of the University for the Peace of UN, has been carrying out many postgraduate educational courses for master’s and doctor’s degrees on various subjects and researches for more than 20 years, since its establishment in 1985. Since 2005, we have conducted 3 International Conferences on Inter-ethnic Reconciliation, Religious Tolerance and Human Security and 5 meetings of International Permanent Study Group to prepare such Conferences, within the framework of the programme entitled “The Balkans in the 21st Century – The Ways Leading to Peace and Stability in the Balkans”. In fact, the very first of such Study Meetings was held in June 2006, in Sveti Stefan, just after the independence of Montenegro, and we all congratulated the Foreign Minister of Montenegro during the dinner after the Conference. Last year, the Study Group met in June 2006 in Prizren, Kosovo, to mark the first anniversary of the ECPD Center in Prizren. It was carried out in a rather tense situation, because the status of Kosovo was imminent, but it was attended by the Representatives of UNMIK, Provisional Institutions of Self-Government of Kosovo and Municipality of Prizren, international organizations in Kosovo, but also numerous experts from Serbia, as well as numerous guests from the whole region, Europe, Russia, US and Japan. The deliberation was carried out in the spirit of understanding and shared responsibility in spite of occasional heightened emotions.

Through the deliberations of the Conferences and Study Groups, the points stressed were roughly the following. It was widely recognized that

the West Balkan region is in a state of crisis. In spite of some positive trends, there are many other issues which are not solved and threaten to jeopardize peace and stability in the Western Balkan region. Long-time suffering during fratricidal conflicts inflicted new wounds on different ethnic and religious groups, stirred up hatred and animosity being still carried deeply within them, and reconciliation requires patience and time. Recognition of past mistakes, wrongdoings and crimes committed during 1991–1999 war, public presentation of excuses by all parties concerned and punishment of the key persons responsible for the last conflict should be carried out. Importance of the roles of political leaders, education, media, development of economic and health condition were stressed.

A few words on human security. The concept was first introduced by UNDP in 1984 in its report on Human Development and further analyzed and elaborated in the Report of the UN Commission on Human Security of 2003. Through globalization, cross-border traffic in people, goods, money and information has increased, causing a new type of threat to human beings, such as: contagious diseases, international organized crimes and widened gap between rich and poor. There is a need for ensuring human security in economy, food, health, environment, education and many other areas, and they became the greater sources of threat than inter-state conflicts. Traditionally, the state would monopolize the right and means to protect its citizens. But in the 21st century, both challenges to the security and its protectors have become more complex, and in civil wars, the state often became a threat to its own citizens. That is why attention must now shift from the security of the state to the security of the people.

Our Conference today is being convened in a crisis moment of the world, where politically, as we were apprehensive, the instability and unpredictability surrounding the relationship between Serbia and Kosovo, was reflected in the Caucasus in the crisis in South Ossetia and Abkhazia, creating almost a “second cold war” like the atmosphere between Russia and US and EU, and economically, subprime loan crisis in US has led to the bankruptcy of US firms, causing the global financial crisis, involving developed and developing countries. The Western Balkan situation is far from being stable and peaceful, especially in Kosovo, Bosnia and Herzegovina and Macedonia, the situation is still volatile and requires attention.

Our Conference today has acquired more imminent significance in coping with the present global crisis as well as peace and stability of the Balkans against this background.

Our this year's Conference is expected to devote itself to a detailed discussion on ways and means to come out of the present impasse. The state of inter-ethnic reconciliation and religious tolerance should be seriously debated as well as the importance of assuring human security in the region. We are also expected to prepare a concrete scheme for the problems and tasks to be carried out, so that it can formulate a general framework and outline for achieving reconciliation, religious tolerance and human security in the Balkans.

We have prepared the Assessment of the Situation in the Balkans, its history, present situation and future prospective. I hope we can discuss this paper during this Conference, so that we can develop the authentic version to be issued by the next Conference. At next years Conference, we wish to adopt a declaration on the importance of firmly establishing the concept and its application in the Balkan region, and we would like to start our discussion at this Conference.

Our efforts are an unique attempt to firmly establish the principles of human security through deliberations on reconciliation and tolerance during 5 years of sustained efforts, not only in the Balkans, but also throughout Europe, and it may well offer a model for other conflict areas of the world.

European integration has created the common space in Europe, where war among member states has been relegated to history and security and economic prosperity is the common denominator for 27 member states. It is a reality and integration process will be applied to all the Balkan countries if reconciliation is achieved among them. It will be the final solution for many difficult questions in the Balkan region. All efforts are being carried out through the UN, EU and many other organizations to devote their attention to peace building and post-conflict solution of problems. There is an ocean of good will ready to help the solution of difficult situations. Parallel efforts should be carried out in the Balkans as well, including search for common space for economic and touristic activities in the region in order to prepare themselves for future integration.

I count on the goodwill of all participants of this Conference today by taking active participation in the deliberations to begin.

Last but not least, I would like to express our hearty gratitude for financial support to the Government of Montenegro, Tokyo Club and Universal Peace Federation.

INTRODUCTORY SPEECH

Distinguished Guests, Ladies and Gentlemen,

It is a great pleasure to greet you as the participants in the 4th International Conference on National and Interethnic Reconciliation, Religious Tolerance and Human Security in the Balkans and I wish you a warm welcome.

The modern political community is underpinned by principles and ideas of a new logic of global historic processes. In general, the traditional concept of politics is changing through establishment of international institutions as an important factor in efforts aimed at preserving peace. The new paradigm should meet complex challenges in preventing any possible form of violence or discrimination and any potential local, regional or international conflict.

Respect for human rights, individual and collective, and tolerance among peoples, faiths and cultures are fundamental norms underpinning all modern societies. It is these universal values that form the basis of a global international order making possible to strike a balance between the individual and the society, rights and morality, citizen and the state and finally ethics and politics.

The Western Balkans of the 21st century are turning to the future, increasingly speedily leaving behind the past dominated by myth, historical, ideological, inter-ethnic and religious conflicts. The purpose of European and broader Euro-Atlantic integration of Western Balkan countries is to create a common political and economic space for action. This complex process is bound to irreversibly suppress the nationalistic claims that were in the limelight in the 19th and late 20th century, so that the essence of democratic processes in individual states will be more important than the form of their external organization.

The position of the Western Balkans is inseparable from European Euro-Atlantic associations and the political culture based on respect of human rights and freedoms. Since the World War Two, human rights as inalienable rights of the individual, have been perceived as international responsibility, guaranteed by international documents and instruments

for their implementation, from the United Nations Charter to the European Conventions and Protocols.

In this regard the most promising political option and one that may be conducive to overall progress of the West Balkan societies is a common integration policy ensuring long-term peace and building a strong security system. In particular bearing in mind that small states, depending on the degree of their harmonization with the most developed democracies, may have an important international part to play, along with a more equitable treatment in redistribution of the economic power in the multipolar world.

Inter-ethnic and inter-religious dialogue must be permanently recreated based on the culture of respect of human and minority rights, as preconditions for democratic headway of the Western Balkans. Internal reconciliation is necessary, obliterating inherited prejudices that have dogged the Balkans throughout its history. Consolidation of multi-ethnic societies is based on democracy, social equality and equal opportunity, the rule of law and their palpable impact on evolution of the society and human security.

The further development of far-reaching political and economic objectives of the Western Balkan states will depend on their internal transformation, on construction of effective legal and economic systems that will give a fresh momentum to integration dynamics. I believe that only in this way can Balkan states be real players in international relations. The process itself will generate accelerated social and economic prosperity. Construction of democratic institutions, coupled with endeavours towards meeting international commitments, forms the basis for peaceful resolution of conflicts between social groups and the prevailing democratic precept that political issues should be resolved by political means only.

The example of Montenegro confirms that one can build and promote harmonious relations among different cultures, religions and peoples and that Balkan peoples are capable of living together. Even during the most difficult period of our recent history, at a time when inter-ethnic and inter-religious wars were raging in the former SFR Yugoslavia, Montenegro managed to preserve multi-ethnic and multi-religious harmony, as that ex-Yugoslav republic on whose territory no wars took place. In our efforts to preserve peace and establish stability our signpost was our centuries-long tradition.

Montenegro has throughout its history demonstrated a high sensibility in regard of minority peoples and they in turn have reciprocated by respect and allegiance. This strong bond has been reaffirmed in the refer-

endum that restored Montenegro's independence and allowed the country to make yet stronger strides towards her European and Euro-Atlantic future.

In regard of efforts aimed at preserving peace and stability in the region, I think that they are closely linked to building a civil society as an important factor in efficient pre-emption of possible conflicts. So in Montenegro we have two parallel processes evolving, the internal reform of the society and the process of adoption of a whole range of legal proceedings and procedures relating to the protection and promotion human rights, as laid down by the international community.

Besides, I think that the policy of reconciliation is not only about legal and economic transformation of the society and its institutions, but primarily about changing a cultural behaviour pattern and inherited habits. Historic tension that tended to become manifest in particular in regard of sensitive issues: nationhood, state and religion, can be gradually overcome by changing orientation patterns. The new political culture is based on a changed cultural paradigm and a humanistic perception of dignity of each human being. On this road education will be needed, including a whole series of concrete inter-ethnic reconciliation programmes, as well as long-term international projects.

Ladies and Gentlemen,

Time has come to make a joint effort towards more concrete democratisation of West Balkan countries. It is inherited divisions and specific historic experience, as well as different perception of such experiences that have brought about lack of mutual understanding. For the first time we have a chance to overcome the historically divided roads of Balkan peoples by a single framework, based on rights and responsibilities, equally binding for all the states. We have an opportunity to make a rational choice, one resulting not from emotion, but from reason in making common political decisions.

Consciousness of a community that binds us is based on belief in common goals, as well as responsibility for their achievement.

I strongly believe in our common European and Euro-Atlantic future as a safe framework for achieving all our goals, through promoting good-neighbourliness and strengthening regional stability, along with prosperous economic development and enhanced social and personal living standards for our citizens.

YASUSHI AKASHI

FORMER UN UNDERSECRETARY-GENERAL AND
THE UN SPECIAL REPRESENTATIVE FOR FORMER YUGOSLAVIA

GREETING ADDRESS

I am very pleased and honoured to make a short address to the 4th ECPD International Conference. I would like to focus on the basic building blocs of the world and major threats existing in international relations today, in the perspective of reconciliation and human security in the Balkans, which is the theme of our conference.

For three centuries, from the Conference of the Westphalia to the commencement of the Cold War at the end of World War II, the international relations were mainly based on nation-states. Sovereignty of states was considered sacrosanct.

The Cold War, led by the United States and the Soviet Union, respectively, began soon after 1945. The world was largely divided into two groupings, based on power and ideology. All nations – large and small – faced the threat of thermo-nuclear war, which probably exerted a dampening effect on the occurrence of ethnic conflicts.

With the end of the Cold War in 1989, ethnic conflicts burst out contrary to our expectations of general peace and enhanced power in the hands of the United Nations. In the Balkans in the 1990's, the former Yugoslavia broke up into several independent entities, at times through tragic bloodshed, while the status of Kosovo is still not entirely clear, even though independence accompanied by international monitoring seems to be inevitable components of its final outcome.

In parts of Africa and Asia, national boundaries were often drawn up arbitrarily by colonial empires. Because of it, some of the ethnic conflicts turned into inter-state wars, as in Rwanda and the Congo. The weaknesses of new states in Africa eventually led to the birth of a rather strong regional body, which is now the African Union. Europe, which has experienced two devastating world wars in the 20th century, has succeeded in creating the cohesive European Union. Asia, which is larger, more divergent and more populous than other regions, lags behind others in political integration, except that the Middle East the greatest difficulty in this respect.

In short, the nation-state system is threatened from two directions; one direction is ethnic conflicts from within or from below. The other

direction is a number of supranational threats from above. The threat of transnational terrorism by non-state actors was ushered in, in a most dramatic fashion on 11 September 2001. We are now confronted with the global crisis of contagious financial capitalism, which literally affects everyone in all parts of the world. These transnational threats include also: poverty, communicable diseases, environmental destruction as well as the weapons of mass destruction and the spread of small arms. While benefits of globalization are incontestably enormous, with the potential to enrich all of us, its negative side shakes the foundation of the nations-state system, which is already buffeted from different sides.

The United Nations has weathered a turbulent history in the last six decades. Nevertheless, it still remains an imperfect but indispensable framework for interstate cooperation. At the same time, we have to recognize that the notion of state sovereignty and non-interference in internal matters are undergoing a major transformation. In the Outcome Document of the global summit held at the United Nations three years ago, the “responsibility to protect” civilians in cases of genocide and other serious crimes was proclaimed. The Millennium Document, adopted in the year 2000, has also made clear that peace, good governance and the rule of law are a matter of legitimate concern among nations, but equally within each country.

There has also been a historic paradigm shift on security, from the security of nations to the lives of people everywhere. National security from external threats is still essential, but protection and empowerment of people within nations in order to secure their lives, livelihood and dignity, especially in a violent conflict, has become vital. Human security may still elude a precise definition. Nevertheless, it cannot be denied that its perspective and approaches are increasingly accepted in this 21st century.

Interstate conflicts have certainly not disappeared. They are still looming, for example, in Northeast Asia and the Middle East. However, it is above all ethnic conflicts of all kinds which today overshadow much of Asia, Africa, the Balkans and the Middle East.

President Woodrow Wilson ushered in the concept of national self-determination at the Versailles Peace Conference. This principle was given a further momentum, with the creation of the United Nations in 1945. Self-determination finds concrete expressions in the diversity of today’s world. In some cases, self-determination may lead to independence, in other cases to different degrees of autonomy or the devolution of power, and in still other cases to some kind of federation. The emergence of a successful transnational confederation, which is approaching a federation,

exemplified by the European Union, may provide an inspiration for some of the difficulties experienced in other parts of the world. But we should be aware of risks and dangers of applying the same medicine to different political illnesses.

An enormous challenge before us is how to prevent conflicts from spreading and how to consolidate the gains of temporary peace, through serious post-conflict peace-building, into a solid, sustainable peace. It is vital for us to be able to devise and implement a large variety of means, extending from economic and social assistance, to trans-cultural and political means, without ignoring a prudent use of military means as a last resort, in order to resolve conflicts which keep arising in different parts of the world. It is incumbent on us to have at our disposal a host of comprehensive, multidimensional and dynamic approaches to cope with different situations.

In conclusion, traditional conflicts have to be looked at in the new perspective of the interests of individuals and communities affected. In other words, interests of states will have to be subjected to the perspective of civil society and all citizens concerned. At the same time, nation-states are looked at increasingly from global, regional and transnational viewpoints and values. In the end, it is people themselves who have to make a final decision on their own destiny.

We stand now at a historic juncture, in which states, large and small, from the United States to Iceland, as well as their people have to find new, more effective ways and means of assuring their survival and achieving peace and prosperity. This can be done only through a worldwide, well-coordinated and concerted search for better instruments to resolve vexing issues for which our past and traditions do not provide ready-made answers.

TERUHIKO SHINADA

DEPUTY HEAD OF THE MISSION, EMBASSY OF JAPAN TO SERBIA
AND TO MONTENEGRO

WELCOME ADDRESS ON BEHALF OF H.E. TADASHI NAGAI, AMBASSADOR OF JAPAN TO SERBIA AND TO MONTENEGRO

Prime Minister Mr. Djukanović, Ambassador Togo, Distinguished Participants, Ladies and Gentlemen,

It is my great pleasure to address you here today on behalf of the Ambassador of Japan to Montenegro, Mr. Tadashi Nagai.

First of all, allow me to express my appreciation for the efforts for the preparation of this significant conference made by the executive members and staff of ECPD as well as the Government of Montenegro.

It is widely known that ECPD has dedicated itself to work on reconciliation and human security in the Balkans. Japan shares the view with ECPD about the importance of these issues, thus has been advocating ECPD's activities. That is why the Japan Foundation and Tokyo Club Foundation, for example, have been making financial contribution to the ECPD's conference.

Let me introduce briefly the commitment by the Government of Japan in the field of reconciliation and human security in the Balkans. In April 2004, Japan hosted with Ireland, then EU Presidency, "the Ministerial Conference on Peace Consolidation and Economic Development of the West Balkans" in Tokyo. At this conference, attended by the representatives of Albania, Bosnia and Herzegovina, Croatia, Macedonia, Serbia and Montenegro, my Government stressed the importance of "Peace Consolidation", "Economic Development" and "Regional Cooperation" as three pillars of the Japan's policy towards this region. This conference was followed by "the International Seminar on Community Building in the Multi-ethnic Societies of the Western Balkans" in March 2006 in Tokyo. The participants discussed intensively the facilitation of ethnic reconciliation in Balkans.

With regard to the issue of human security, Japan took the initiative to establish the Human Security Fund of United Nations in 1999 and has contributed over USD 33 million to the Fund up to now. This resource has

supported the realization of more than 180 human security projects all over the world including the Balkans. In September 2000, Japan launched the idea to establish an international committee on human security at the United Nations Millennium Summit. It resulted in the creation of the Commission on Human Security in January 2001.

I would say, therefore, that the main course of the policy of Japan towards the Balkans shows the harmonization with the efforts made by ECPD during the recent decade, and that is why my government has continuously supported and appreciated the ECPD's activities.

If I may, before closing my address, add to explain about our support to Montenegro, where we are now, the Government of Japan has extended 10 million EURO of Official Development Assistance to Montenegro in various fields, such as health care, education, agriculture for the purpose of stability and sustainable development of this country.

Finally, I would like to express my wishes and conviction that this conference will be concluded to be very successful after fruitful discussion by those present.

AMFILOHIJE RADOVIĆ

HIS EMINENCE ARCHBISHOP OF CETINJE, METROPOLITAN OF MONTENEGRO
AND THE LITTORAL, AND THE EXARCHOS OF THE SERBIAN ORTHODOX CHURCH

WELCOME ADDRESS

Distinguished Participants of the Fourth Conference on Inter-Ethnic Reconciliation, Religious Tolerance and Human Security in the Balkans,

I wish to welcome you on behalf of the Metropolitanate of the Montenegro and the Littoral of the Serbian Orthodox Church, the institution that has been present in these lands as the Christian Church for almost two thousand years, while the Metropolitanate itself has been present here for eight hundred years already. It has been continuously incorporated into the being of these lands and its centuries-long mission is just the mission that is the topic of this gathering. And the topic of this gathering and the issue you are concerned about are not only human task. They are also God's task.

Glory to God in the highest and on earth peace, goodwill to all people – this is the basic principle on which the attitude of faith and its relationship toward the innermost secret of life, toward God's creation, toward all beings and, above all, toward people are based. I say – God's task, because one of the well-known beatitudes in the Gospel is: *Blessed are the peacemakers, for they will be called sons of God*. While listening to these very wise discussions and lectures, I keep recalling the saying of an ancient prophet: *Mercy and truth are met together, righteousness and peace have kissed each other*. Mercy means love in the most profound meaning of the word. The world is revealed to man through love. God reveals Himself to people through love. Love is a gnoseological principle. It is also an existential ethical problem in the original meaning of the word.

It is not possible to know the truth, things and events, the truth of man as a being, or the truth of the events in human history and on the cosmic plane without possessing such love. Consequently, the truth is revealed to it and we come to know man through it, and the more we know him and human destiny, the more we love him. The smaller the love, the smaller is the knowledge and understanding of man. The greater the love, the greater is the readiness for sacrifice, for the sanctity of God's creation and the human being. The measure of love is the measure of sacrifice, just

as the measure of sacrifice is the sacrificed measure of love. Consequently, the truth of things and beings, as well as everything that is happening in the world, including the truth of economic processes, which are mostly spoken about here, can only be revealed and given to those who possess such love. Just as, on the other hand, righteousness and peace can kiss each other, which means that peace can exist among people and within people only if it is based on righteousness.

If peace among people, among nations and among countries is not based on righteousness, such peace is only transient and worthless. And unrest will always perpetuate itself according to the principle – peace in their vocabulary, war is in their hearts. If peace is not achieved within oneself, the deepest peace which man is called upon to achieve, it will be impossible to establish peace and righteous relations among people. And this is confirmed by all history – whether older or more recent. The history of our lands and everything that has happened until the present day are just the indicator that whenever my relationship toward another man, or any man, and my attitude toward people, or any people, are based on injustice, this injustice will sooner or later bring misfortune, conflict, further search for justice, that is, for equilibrium among people.

And today, on both the domestic and global plane, as well as on the plane of something we are talking about, on the economic plane, on the recession plane or on the plane of economic crisis, it can be observed that such events always take place under conditions of an inner disequilibrium in man, in people, in their mutual relations. And until this inner equilibrium is restored and love reveals the truth of things and beings, peace will not be based on righteousness which, according to a folk proverb, holds the land and cities together – until then there will be “no peace under the olive trees”. There was such a film a long time ago and, if I remember correctly, that was its title. Until then there will be no peace among people or, in other words, there will be no happiness among people.

Love as sacrifice simply enables us to establish a normal, sound relationship toward creation. Why is one of the basic problems of the modern civilization associated with the endangerment of creation, that is, the endangerment of water, air and living being? This is so because man’s attitude toward the creation around him is based on his selfishness and not on true and genuine life. This also applies to man’s attitude toward another man and another people.

Hence it always seems to me that we must return to these basic principles, the essential existential principles, which give the inner light

to man while walking through history and the inner light to the paths that must be followed by him. And the way in which man must solve all those problems faced by him. Therefore, I am glad that this conference is devoted just to the topics of reconciliation and tolerance among people and religions, to the topics of security which is so important to all of us. I welcome you all in that name and wish that this conference should bear real fruits.

GREETING REMARKS ON BEHALF OF THE ISLAMIC HEADQUARTERS, MONTENEGRO

Dealing with the history of the Balkans, studying their present and assessing the consequences of the future is very complex, specific and I hope very challenging for many researchers. The Balkans, especially their western part, is very strange as well as citizens from this region. The mental type and gene of many Balkan citizens is much stronger and dominating from the one that is studied at school, read, heard or desired.

The Western Balkans have many different things that you cannot find in any other region of Europe, which makes them more than just a geographic concept, therefore, this region is more distinctive and problematic. The Balkans in the 21st century is still the same as the Balkans of the 19th, 20th or any other century even though some of the states are members of the European Union. There are not many citizens of the Balkans who are proud of it and even less of those who are from the Balkans and live abroad and who are proud of belonging to some particular state or nation.

We have to be aware and to accept, without looking behind, that it is not possible to skip the genetic historical evolutionary progressive process which runs for many centuries and it is out of reach. Hardly ever people give up their tradition, costumes, habits, life style, and especially religion, culture and nationality. Inversely, we are the witness of massive acceptance of some (retrograde), dogmatic religious fanatics from the 15th century and with those want to step into the developed Europe, progress and better future.

The Slavic people from the Balkans went through many temptations, jeopardizing human existence, discrimination, negation of culture, national language, persecutions, tortures, degradations, assimilations, ethnic cleansing and ethno-genocide. Some of these temptations and provocations were during the wars in the former Yugoslavia and some of those are still existing today, especially negation of cultural and national identity and assimilation caused by nationalistic, (hegemonistic) and assimilated programs.

It is well known that during long Ottomans rule over the Balkans, Balkan wars in 1912–1913, and World War I 1914–1918, in this region there were many assassinations, upheavals, rebellions, outbreaks, and liberation wars with enormous human victims, destructions, devastations, demolitions and robberies.

All of these were left an indelible imprint, which was used in the preparation of new conflicts, hates, killings, ethnic cleansing, assimilations and ethno genocide. After all of these wars, especially after World War I and II many peace keeping contracts, partial reimbursement of war damages, responsibility for war crimes. The peace keeping contract was not sustainable since the reconciliation was not equal and it was dictated by the winners.

With regard to different acknowledgments, we have to accept the reality that it is an illusion, improvisation and compromise to talk about the inter-national reconciliation in the Balkans in the 21st century without previously created important international security conditions social-economic and socio-political sustainable assumptions which create realistic and sustainable reconciliation.

Right now in the Balkans, actually the Balkan countries (Macedonia, Serbia, Montenegro, Bosnia and Herzegovina, Croatia and newly Kosovo) Europe and other parts of world we deal with the consequences of tragic destabilization of the former Yugoslavia. However, we can notify that many people in the world are examine the situation in the Western Balkans through different congregations, but none of them work on these issues continuously.

If we want, and it seems that many people would like to create real inter-national and inter-ethnic reconciliation, religious tolerance and human security in the Balkans, especially the Western Balkans, then we need to establish important assumptions and conditions for equal and sustainable reconciliation between people.

I declare that there is not more sustainable and constitutive reconciliation in the Western Balkans without establishment of important assumptions and conditions such as:

1. Assurance of international security conditions, guarantee of sustainable reconciliation and protection from menace of nationalistic, (hegemonistic) and assimilation projects, which are the current issues in some countries.
2. International and national guarantee for the protection of freedom and human rights of all identities – religious, cultural, lingual, ethnical and national, which are the subject of neglect.

3. Set international and national standards which prohibit any kind of discrimination, assimilation that is happening in some of this states.
4. Urgently eliminate human rights disproportion between national minorities.
5. Establish equivalence, equality among the citizens especially for national minorities.
6. Using international or European documents we have to establish criteria of treatment for minorities and majorities in order to avoid improvisation in achieving political goals.
7. In all Balkan states, we have to guarantee by the statute authentic presents of national minorities.
8. Disable the influence of antinational politics by nationalistic political parties in Montenegro and other states of Balkan.
9. With European and International help achieve consensus to revoke the documents that stipulate nationalistic, (hegemonistic) and assimilate programs. Otherwise, they present the potential threat for peace and stability in the Balkans.

These assumptions and conditions for sustainable inter-national reconciliation in the Balkans, especially the countries of the Western Balkans, I did not explain and annotate because of the limited time for my presentation. Additional information and documents can be available upon request.

CHRISTINE SAMANDARI-HAKIM

INTERNATIONAL REPRESENTATIVE OF THE BAHÁÍ ASSOCIATION OF WOMEN
FOR DEVELOPMENT, PEACE AND UNITY (ABF, PARIS, FRANCE)

GREETINGS ON BEHALF OF THE BAHAI ASSOCIATION OF WOMEN FOR DEVELOPMENT, PEACE AND UNITY, PARIS, FRANCE

Mr. President, Mr. Director, Excellencies, Dear Colleagues and Friends,

It is with great joy and honor that I participate in this 4th International Conference in beautiful Montenegro. I feel particularly privileged to be associated with this Conference devoted to Peace and Stability in the Balkans together with the distinguished participants and my dear colleagues.

My short presentation is a contribution to the last point of the framework “Estimate of the Present and Future of the Balkans” prepared by ECPD, titled “The selection and recommendation of the means and procedure for the promotion of peace and development in the Balkans States and the entire region” by introducing the topic “Overcoming Prejudices, a Prerequisite for Peace”.

An objective historical and social analysis of conflicts in general, including those in the Balkans clearly reveals prejudices of all kinds as one of the main sources at the root of most of them or contributing to their aggravation.

Rarely do individuals or groups of individuals recognize being prejudiced. Instead they would like to convince themselves and others that they are motivated by reality and facts alone. As an individual or as a member of a group, one must possess a high degree of self-abnegation, honesty, clarity of thought and determination to admit ones prejudices and try to overcome them.

Basically, prejudice can be described as a cultural attitude which develops negative stereotypes of individuals or groups of individuals based on gender, religion, race, ethnicity, social background and standing or nationality different from oneself. Prejudices can also be based on strong emotional attachment to an idea notwithstanding the fact if the idea is correct or not.

Past and contemporary history illustrates ample examples of prejudices which caused conflicts between groups and enflamed hatred which often led to oppression, war and genocide.

It is increasingly admitted that prejudices exert a destructive influence on the psychological, social, political and economic spheres of society and numerous researchers agree with Otto Kleinberg's assertion that "Prejudices and ethnic hostilities constitute a major danger to peace both within a nation and among nations."

Throughout the history, almost no society or nation has been exempted from prejudice and discrimination which is the active form of prejudice, either as a victim or victimizer.

Contemporary forms of prejudice date back to the colonial period. The most dramatic forms of prejudice and discrimination include slavery, genocide, and legislated discrimination such as Apartheid. At a lower level but still oppressive in nature, prejudices include social exclusion at institutional level, such as in schools, universities, and hospitals and in a more manipulated form such as propaganda through the media.

In the West, some groups such as Jews and Roma have suffered and continue to suffer more persistently from prejudices.

The causes of prejudice are very uncertain. However, scholars and researchers do agree that prejudices are not universal and not inherent to the human being and that prejudice is a social acquisition, a learned behavior.

Prejudices start at home with parents, then in school, with teachers. The media and social institutions consolidate prejudicial attitudes and finally the society legitimates this behavior.

In that sense we cannot speak of "eradicating" prejudice since prejudice is learned but one can certainly reduce and then gradually overcome prejudice.

The solutions available for addressing the problems caused by prejudice are wide and multiple.

It can start with individual awareness of the need for independent investigation of truth and the rejection of "blind imitation" of the past and of the dominant group.

For the followers of religion it can be through understanding the spiritual meaning of life: human beings have been created by the same God "from the same dust" and as mentioned in Bahá'í writings the accomplishment of one's happiness depends on the accomplishment of the collective happiness and by considering humanity as one single family.

As prejudices start at home, it is at home and then at school that children can learn to overcome prejudice through education and transmission of values. It is at home and at school and in universities that the subjective conditions that lead to prejudice and ignite and nourish conflicts can be changed. Teaching manuals and history books are a great example as demonstrated by German and French educational institutions which developed common history manuals to overcome the devastating prejudices following World War II. This process can be developed for children and youth through teaching and cultivating values such as tolerance, understanding, dialogue, respect for human dignity, learning about the world, and understanding and appreciating its diversity.

Women can also play a significant role in all efforts towards overcoming prejudices and building peace. While often women are the first victims of prejudices, discrimination and armed conflicts, they are also the key to the solution and have an essential role to play in this process as the first educators of the next generation.

There are finally several other key players who can contribute to overcoming prejudices. These include enlightened opinion leaders such as intellectuals and artists, representatives of media and religious leaders just to name a few.

In conclusion, I would like to propose to include in our recommendations as to the means for the promotion of peace and development in the Balkan States and the region the issue of overcoming prejudices as a prerequisite to peace. Moreover, I humbly suggest that before the end of our Conference we issue a common statement as a group around the ECPD to pledge to the principles of understanding, respect, peace and unity and to raise our voice together with Thomas Paine who said: "An army of principles can penetrate where an army of soldiers cannot".

II

ECONOMIC ENVIRONMENT
AND THE WAYS TOWARDS
IMPROVEMENT

DYNAMIC ECONOMIC AND SOCIAL DEVELOPMENT – CRUCIAL CONDITION FOR RECONCILIATION AND DEVELOPMENT OF HUMAN SECURITY IN THE BALKANS

Here comes the Fourth International Conference with a title: “Reconciliation and Human Security in the Balkans”

1. INTRODUCTION

In the introduction, just for reminding you, I’d give a short retrospective of the three previous international conferences.

At the First International Conference with the title “National Reconciliation and Ethnic and Religious Tolerance in the Balkans”, held on 28–29 October 2005. There were some discussions and a shy approach to the influence of the dynamic development of the economic and social sphere of the national and interethnic reconciliation.

I didn’t participate in that conference with my paper, but with my discussion I drew the attention of the participants to the place and role of the economy and the social sphere, especially to the dynamic development of the economy as a base for solving of a greater number of economic problems in the countries of the Western Balkans, as well as the social problems that determine political problems, first of all: political unrests, intolerance, conflicts (economic, social, ethnic and religious).

I also spoke about the reversible influence of all those problems for the further retrogression of the economy and further influence on the disturbance of the social structure in the countries and on the destruction of the structure (economic, social, ideological, religious and national, etc).

The Second International Conference was named “National Reconciliation, Ethnic and Religious Tolerance – Reconciliation and Human Security”, held on 27–28 October 2006.

Even the topic of that Conference was directed towards the national, ethnic and religious questions, but without disregarding those questions, I still think that the economic and, especially, development aspects, to-

gether with the social ones, have the privilege comparing to other given aspects. This knowledge is based on the following:

First, in the Balkans, Yugoslavia existed (SFRY) as the federation of six countries (republics) and two autonomous provinces within Serbia. With the separation of Yugoslavia, six independent autonomous countries were established and the seventh (Kosovo). That was the disintegration of one political community with its own political, legal, social, economical and defense system. Instead of that, new six entities with autonomous political, legal, social, economical and defense systems and Kosovo are going to establish them. In all those systems, before there was a unique, agreed and consensual approach with a certain degree of tolerance, humanity, understanding and regional interethnic tolerance on a wider territory;

Second, although the SFRY was a developing country, its economic system and economic policy at the federal level created conditions for fast economic development, maintenance of relatively tolerable unemployment, maintenance and strengthening of the middle class in the social pyramid, satisfactory level of personal and collective security, free education and relatively satisfactory level of social security. In the relatively settled economic, political and social relations, there was no great attention to the question of national, ethnic, religious, political and social tolerance;

Third, the openness of the SFRY enabled the import of new scientific researches, visits to a large number of countries in the world without visas or other obstacles, studying and improvement abroad, and the creation of conditions for tolerance not only in the SFRY, but also for the relations with the countries in Europe and the world. Under such conditions, the SFRY was a European country thanks to the increasingly economic, political, scientific and cultural relations with the West European countries and the countries in the Balkans.

Fourth, with the disintegration of the SFRY, socialism as an ideological approach was abandoned and, as previously mentioned, six countries were established and the seventh is in the establishing phase. The territory of the former SFRY in that way was divided into smaller territories with less population and resources. At the same time, each of those countries established its own political, economic, social, security and defense system. The costs for that were and are still relatively very high. Almost all former Yugoslav republics (except Slovenia) and provinces at the end of 2007 had lower gross domestic product (in general and per capita), compared to 1989. The rates of economic growth are lower comparing to

those before, the number of employees fell steeply and there was a rigid increase in the number of unemployed. There was a deformation of the social pyramid with the disintegration of the middle class.

The faster the former socialist system in education, science and art was giving away to the capitalist one, the more the relationship based on the logic of profit earning and personal enrichment was taking root. The impoverished countries and socialized citizens were not and still haven't been in the position to realize the transition process without economic, social, political even military conflicts. All this influences the creation of a fruitful ground for economic, social, political and religious intolerance (supported from abroad).

At the same time, those countries are faced with hard conditions for joining NATO and especially the European Union, taking into consideration their present state.

Fifth, if we observe them individually, almost all ex-members of the SFRY, except Slovenia, are in the same or similar economic, social, political, security situation. The separation of the SFRY into six countries and the transformation of B&H into a confederation consisted of three countries (according to national, ethnic in other words religious criteria, Orthodox, Catholic, Muslim) seen from an economic aspect was irrational. In the SFRY there were six countries with the same number of nationalities, several ethnic groups, three official languages, but with an economic, social, security and political constellation. The size of the territory and the international authority of the country enabled a different attitude and the creation of conditions for a different attitude towards the national, ethnic and regional tolerance. The attitude towards the ethnic groups (the attitude among the nations and the attitude of the nations towards the ethnic groups and vice versa) in the SFRY was far from a more progressive solution, as compared to other Balkan nations and countries. In some Balkan countries there is still a high level of restrictiveness in the obtaining of the rights for the national minorities (there is no recognition of the Macedonian national minority in Bulgaria and Greece, the Albanian national minority in Greece etc.).

In contrast to the First Conference held in 2005, at the Second Conference held in 2006, when there were papers and discussions dedicated to the economic and social aspects as the determinants of the situation in the Balkans in general, especially in the countries that once made up the SFRY and for the economic and social conflicts, human and religious intolerance; the Third International Conference (held on 26-27 October 2007 in Belgrade) entitled "Reconciliation and Human security in the

Balkans” was almost no papers that elucidated the economic and social constellation in the Balkans, especially in the countries in the Western Balkans as a determinant of the former and current condition in the Balkan on one hand and as a possibility for consolidation (for outdoing of that condition).

An exception to all that was the presentation of the book “Dynamic Economic Development” by Branko Horvat. In that book in a studious way, there was the presentation of facts that confirm the thesis from more respectable economic professors in the Balkans, where my thesis is about the economic and social shocks in the Balkans during the last 20 years, that the political and military conflicts, are the basic causes of the conflicts in the so called upgrade of the societies of the countries in the Balkans, especially the Western Balkans.

It is known that **without economic and social security there are no conditions for understanding, human security, religious tolerance and cooperation and political security and cooperation.**

2. DYNAMIC ECONOMIC DEVELOPMENT AND SOCIAL REFORMS

In the final notes of the Third ECPD International Permanent Study Group, held in Belgrade on June 20–21, 2008, at the headquarters of ECPD, which were given by Takehiro Togo, PhD, President of the Group, he emphasized the seriousness of the members of the Group dedicated to the “Cause for Peace and Stability in the West Balkan Region”. The researching trend of that cause, as Mr. Togo says, can stimulate the countries of the Region to try to prepare them selves for joining the EU **with economic and social reforms**. For that purpose, Mr. Togo thinks **that the intellectual potential of all participants of the Fourth Conference in Milocer should be completely mobilized.**

According to my knowledge, one of the directions for mobilization should be the establishment of the so-called **common economic space in the region as an antithesis of the former division of the economic space in the Balkans, especially the Western Balkans.**

In Mr. Togo’s opinion, **the functional regional economic and social integration and cooperation** would support the process for decreasing and elimination of the visible consequences of economic and social disintegration as the basic reason for economic and social instability in the Balkans.

According to Mr. Togo, human security consists of two pillars:

- Freedom of fear that covers conflicts, natural catastrophes, illnesses, epidemics, economic and social crisis, and
- Human security as the concept for protection of the vital core of the human life in the ways that increase the freedoms of the human realization.

In the context of giving priority to dynamic economic development (dynamic economy), later to social development (social economy), it is known that economic development and the stability of the national economy are the important components of the macro-economic policy of every national economy. As a matter of fact, a good, on in other words, complex macro-economic policy consists of the following aims:

- Maintenance of the highest possible rate of economic growth, coupled with full use of the best combination of the production factors;
- Maintenance of high-level production (within the material possibilities) and a relatively high rate of employment;¹
- Maintenance of stability at the general price level in accordance with structural changes in the economy and the price movement on the world market; and
- Maintenance of the exchange rate stability of domestic currency on, in other words, the balance of payments equilibrium.

In response to the question concerning the determinants of macro-economic policy, I present some of them:

- economic, social and political constellation in national economy;
- dynamics of economic growth and the level of economic development;
- basic directions and aims of the development strategy of the national economy;
- stability level of national economy;
- market level of the national economy on, in other words, prevalence of private (shareholders) ownership (privatization level);
- development level of the elements of the financial market;

¹ “The most difficult economic and social problem is the huge rate of unemployment. The unemployed person can’t support the family; the health and education are disordered, there are psychological deformations, labour on the black market, corruption, drugs, crime that irreversibly increase; the social moral is destroyed; without prospects and with apathy the society becomes very ill. So, the right for work shouldn’t be only a proclamation but it should be realized.” Branko Horvat – Dynamic Economic development”, Belgrade, ECPD, 2007, p. 143.

- level of the national economy openness to other national economies;
- whether the national economy has or has not the conditions for foreign investment, for attraction of foreign investment; and
- if it is a country in transition aspiring to join the European Union, whether that country can achieve enough competitiveness and realize development of the democracy and democratic relations or not.

When we speak about the social sphere, the social economy, we speak about drafting and realization of social policy and the narrower and broader draft of the social policy can be seen.

The narrower draft of social policy in achieving social development is based on understanding whether social development covers only the activities related to the social protection of minimal conditions for life of certain population categories. In that context, social policy covers different population categories, primarily poor people.

The broader draft is based on understanding as to whether social development covers all activities that depend on the population standard of living, in other words, on social welfare. It is the question of the living, working and social conditions and the whole population work.

Such understanding suits the social policy draft as a permanent method of integral planning and realization of social development. In such a case, the general characteristics of social policy are:

- Social policy covers all areas of social development;
- Social policy is a permanent process that is based on a short-term, middle-term and long-term development process as well as the system of measures for realization of the programs;
- Social policy should be an expression of the integrated development of all areas of social development where priority must be given to social policy; and
- Social policy should be connected to economic policy in order to, obtain social security within one national economy we come to:
- Social dispersion, where the social stratum of the population is disintegrated there is an increase in the rich stratum, and a higher increase in the poor stratum. The population social pyramid is deformed; and
- Economic, social and even political insecurity.

In the ethic sense, it is fully justified to start from the idea that all people have the right to live under the same conditions, but it is also

correct to postulate that everyone should live from his own labour and from that he gets redistribution.

For the realization of dynamic economic development, the relations between economy and politics have their own place. In practice, experience shows that **we basically meet three approaches when speaking about the attitude towards the economy and politics;**

The first approach is respect for the proportion and mutual influence of the economy and politics, where consensually there is no given priority to the economy or policy. In certain moments it is possible to give priority to solving the economic questions and changes, but that's only temporary without disrupting the relations between the economic and political events and influences;

The second approach gives priority to the economy, economic relations and not to politics and political relations. In fact, economic growth, economic trends, economic conditions and dynamics, or, in other words, on that economic base, influence is exerted on the changes of the political upgrade. The relations within the country are settled in such a way that the economic base influences the political upgrade;

The third approach gives priority to policy and political relations and not to the economy and economic relations. It is held that the wider frame of political relations would influence the creation of a better climate for the development of the economy, economic trends and relations. When priority is given to policy, there is no respect for understanding that the economic base, that is, economic dynamics with respect to the reasonable stability, is the one that crucially influences the development of political relations and development of democracy in the country.

When we speak about relations or, in other words about the proportion between the economy and policy, that proportion could be also defined as: economy versus politics, or politics versus economy.

The relations so defined or, in other words, proportions between the economy and politics display that the economy is the base of society and that politics is the upgrade of society.

The economy is the base of society for building economic relations in the economic system (ex ante system), as well as in economic, macro-economic and micro-economic policies. According to the way of determination, economic relations (in the economic system and economic policy) highly depend on the base created for the construction and development of politics, understood and defined as an upgrade.

In society, politics can also influence the economy, economic trends and relations:

- in the direction of economic development through the maintenance of a relatively high development rate and achievement of the necessary stability rate;
- in the direction of creating the conditions for stagnation (underdevelopment) of the economy, and
- in the direction of creating the conditions for retrogression of the economy.
- The economy (economic system and economic policy) may influence the policy (political system) in three directions:
 - to create material conditions (economic base) for the development and improvement of the political system, political relations in the country or, in other words, to positively influence the advancement of democracy;
 - not to create conditions (economic base) for the development of the political system or, in other words, to stagnate, thus influencing the stagnation of democracy; and
 - to create negative conditions, where the political system, political relations and democratic processes will regress.

In undeveloped countries, developing countries and, especially, in the countries in transition, when there are questionnaires with the question related to the politician(s) who will be elected: “To what more attention should be paid?” the answers are almost always: 56–75% – questions from the economic and social sphere, and 25–35% – questions from the political sphere.

In almost all those countries, the economy (developing strategy, macro-economic strategy and macro-economic policy) is unfortunately behind politics. In other words, it is the question of pursuing the so-called subtle political aims, which looks more like politicking than politics. Such aims inevitably lead to depression, social and political tensions.

If politics is concentrated on the economic phrase (it could be vice versa), then every politics without a good economy isn't politics, but quasi-politics – politicking (it could be vice versa). There are rare moments in an inefficient national economy to have a stable and democratic system. That can be realized under conditions of unitarianism, political compulsion or, in other words, dictatorship and even military dictatorship. **And vice versa: there are rare moments in a national economy that the system is not stable and democratic** (there are Unitarianism, political

compulsion or in other words political and even military dictatorship), **to have dynamic and efficient economy.**

The economy has its own logics of the movement and it can't tolerate dictatorship of the political system (political dictatorship).

The political system and politics can influence the efficiency level of the economy and economic system. But, political crashes can have a negative influence on economic trends. That creates conditions for a negative retroactive influence on the economy over creating a favourable climate for new political crashes. It's known that the economy is a base for the development of the remaining spheres and living conditions. In that context, a healthy, dynamic and stable economic base creates solid conditions for the realization of a healthy social and political structure in every national economy. On the other hand, that's a base for enlarging and further development of democracy, democratic processes in every country. It is no coincidence that in economically and socially more developed countries, the process of democratic relations develops normally, without any negative tensions. So, it's more than a coincidence that the level of democracy in the relations of a country is measured by the level of economic and social development of that country.

The more successful in the drafting of stable development, in the creation of conditions for a dynamic economy with a stable economic and social basis, the more successful in the development of democracy and democratic relations the country would be. The greater the economic and social stratification and the poverty limit, the more advanced the democratic relations.

So, one cannot expect from a country with unstable economic and social conditions to have the development of democratic relations, no matter what it wishes. It's possible to have a retroactive positive influence on the development of democracy and developed democratic relations for further dynamism in the economic and social sphere. But that is conditioned by the previously realized certain dynamic and stability level the national economy.

A discrepancy in economic and social development in undeveloped countries, developing countries, countries in transition, on one hand, and in more developed countries, on the other, almost always creates conditions for a discrepancy in the development of democracy and democratic relations.

So, from my point of view, the economy and democracy are complementary terms and without developed economic and social conditions and relations there are no conditions for the development of

democracy and democratic relations, and without the development of democracy and democratic relations, coupled with economic and social relations and conditions, further accelerated economic and social development is not possible.

The study of the economy and relations between economic agents and movements within the economic system, economic policy and, at same time, coupled with the study of the ethic and moral, the ethic and moral could be highly involved in economic events.

The economy and ethics should be analyzed as one system of evaluation and understanding, which is expressed in economic systems in a direct and indirect way. Directly seen, ethic thoughts are expressed by using explicit figures and valorization about what system is “good”, “fair”, “adequate to the human nature” and what is not.

The questions about the ethic content, of the economic system are raised in modern societies, where there is insistence on “class solidarity”, “mutual help”, morale and its action in the sphere of economic relations. Here we speak about the behaviour connected to loyal competition, relations with partners, fight against the corruption, economic crime, labor exploitation done by the technocratic and bureaucratic structures, etc.

3. CONDITIONS AND PERSPECTIVES

In confirming my knowledge for the need for a dynamic economic development in the developing countries of Southeast Europe, especially in the countries of the Western Balkans, first I would provide some data and knowledge and then the ways of solving the economic and social questions in those countries and then solving the remaining questions that have the characteristics of upgrading.

The data of the London-based European Bank for Reconstruction and Development (EBRD) in its 2006 report on the levels of GDP in the countries of Southeast Europe for 2005 show the seriousness of their economic condition. In fact, most countries in transition in 2005 had real income below that in 1989. For examples: if in real income 1989, is designated with 100, then in 2005 in Bosnia and Herzegovina it was 70, Bulgaria 94, Montenegro 69, Croatia 100, Macedonia 88, Romania 105 and Serbia 60.

If we start from the fact that against the doubled world gross domestic product, whose index was 222, gross domestic product in the countries of Southeast Europe in 2005 was at the of 1980 level, it can be concluded that **stagnation during a period of 25 years in the region of Southeast Europe had and still has deep consequences in all spheres of life.**

According to my knowledge which I've showed several times in my paper, **the negative tendencies could be stopped only by speeding up economic development and by developing and dynamizing the social policy of the countries of Southeast Europe, especially in the Western Balkans.**

The growth of real gross domestic product in the countries in transition, including the countries of Southeast Europe and Western Balkans, can be seen in the following table:

Growth of real gross domestic product in the countries in transition during the period 1989–2005²

Country	Average annual rates of GDP in %		
	Level of GDP in 2005 (in 1989=100)	1994–1999	2000–2005
Countries of Central Europe and the Baltic countries			
Czech Republic	121	2.2	3.6
Estonia	130	3.8	7.6
Latvia	101	3.6	7.8
Lithuania	98	1.8	7.1
Hungary	129	3.2	4.2
Poland	148	5.8	3.2
Slovakia	127	4.7	4.4
Slovenia	132	4.7	3.5
Average	133	4.4	3.8
Countries of Southeast Europe			
Albania	137	7.2	5.8
Bulgaria	94	-1.3	5.0
Montenegro	69	4.1	1.7
Croatia	100	4.5	4.1
Macedonia	88	1.2	1.9
Romania	104	0.5	4.9
Serbia	60	1.2	5.4
Average	97	1.9	4.7
Countries of the former SSSR			
Belarus	123	0.7	7.2
Georgia	49	3.0	6.3
Moldova	47	-7.7	6.3
Russia	88	-3.0	6.8
Ukraine	59	-8.4	7.4
Average	87	-3.2	7.1
Average for the countries in transition	97	0.1	6.7

² Source: Branko Horvat, "Dynamic Economic Development", ECPD, 2007, p. 25.

For purposes of comparison, I will show the following data that are related to an increase in per capita social product and the population in the Yugoslav federal units during the period 1952–1988:

Development of the Yugoslav federal units 1952–1988³

	Growth per capita social product Yugoslavia=100		Population in mil		Growth rates	Growth rates	
	1953	1988	1952	1988	1952–1988	sp	sp per capita
Developed regions							
Slovenia	161	200	1.49	1.95	0.75	5.7	4.9
Croatia	116	129	3.91	4.68	0.50	5.3	4.8
Vojvodina	100	118	1.70	2.05	0.52	6.0*	5.5*
Serbia without the provinces	97	100	4.40	5.84	0.79	5.2	4.4
Less developed regions							
Bosnia and Herzegovina	86	65	2.79	4.48	1.32	4.9	3.6
Monte Negro	75	71	0.42	0.64	1.20	5.3	4.1
Macedonia	68	65	1.28	2.11	1.40	5.6	4.2
Kosovo	46	24	0.79	1.94	2.52	5.5	3.0
Yugoslavia	100	100	16.80	23.69	0.96	5.5	4.5

When we compare the above data on the growth of gross domestic product in the countries of Southeast Europe, especially in the countries of the Western Balkans and the growth of social product in the countries of the former Yugoslavia, we can conclude that the economic base in the countries of former Yugoslavia is at a much lower level in the period 1994–2005 as compared to the period 1952–1988. **The discrepancy in the development level in those two periods is the basic determinant of all negativities and consequences on an economic, social and political plane and all and kinds of intolerance (national, ethnic, social, political and even religious).**

There is no doubt that we should conduct a dynamic economic policy, and dynamic economic development, as early as possible – **in other words, achieving the growth rate of gross domestic product in the countries of the Western Balkans of 8–10% at the annual level.**

³ Source: Branko Horvat, “Dynamic Economic Development”, ECPD, 2007, p. 25.

The realization of such a growth rate of gross domestic product (8–10%) results in:

- Increase in the demand for capital;
- Increase in employment and wages;
- Stoppage of domestic capital outflow;
- Stoppage of domestic brain outflow and brains inflow of from other countries;
- Improvement of the structure of the national economy;
- Creation of conditions for a different social structure (higher share of the middle section of the population in the social structure);
- Strengthening of the image and the economic and financial rating of the national economy;
- Profit earning and accumulation for further development;
- Creation of conditions for further development and upgrading of education, science, culture and the civilization level of the country.

When we speak about the economic condition of the Republic of Macedonia, the country I come from, expressed by using several selected macro-economic indicators and compared with several countries in transition, the situation is as follows:

Selected Macroeconomic Indicators in Different Economies in Transition

	Real GDP				Consumer prices ⁴				Current account (balance) ⁵			
	2004	2005	2006	2007	2004	2005	2006	2007	2004	2005	2006	2007
Markets in development– Total	6.9	6.1	6.6	5.8	6.3	5.1	5.4	5.6	-5.4	-4.7	-6.2	-6.6
Bulgaria	6.6	6.2	6.3	6.2	6.1	6.0	7.4	7.6	-6.6	-12.0	-15.6	-21.4
Czech Republic	4.5	6.4	6.4	6.5	2.8	1.8	2.5	2.8	-5.3	-1.6	-3.1	-2.5
Estonia	8.3	10.2	11.2	7.1	3.0	4.1	4.4	6.6	-12.3	-10.0	-15.5	-16.0
Hungary	4.8	4.1	3.9	1.3	6.8	3.6	3.9	7.9	-8.4	-6.8	-6.5	-5.6
Latvia	8.7	10.6	11.9	10.2	6.2	6.7	6.5	10.1	-12.8	-12.5	-22.3	-23.3
Lithuania	7.3	7.9	7.7	8.8	1.2	2.7	3.8	5.8	-7.7	-7.1	-10.8	-13.0
Poland	5.3	3.6	6.2	6.5	3.5	2.1	1.0	2.5	-4.2	-1.6	-3.2	-3.7
Romania	8.4	4.1	7.9	6.0	11.9	9.0	6.6	4.8	-8.4	-8.9	-10.4	-13.9
Slovakia	5.2	6.6	8.5	10.4	7.5	2.8	4.4	2.8	-7.8	-8.5	-7.1	-5.3
Slovenia	4.4	4.1	5.7	6.1	3.6	2.5	2.5	3.6	-2.7	-2.0	-2.8	-4.8
Croatia	4.3	4.3	4.8	5.8	2.0	3.3	3.2	2.9	-4.9	-6.2	-7.9	-8.5
Malta	0.2	3.4	3.4	3.8	2.7	2.5	2.6	0.7	-6.0	-8.7	-6.7	-6.2
Turkey	9.4	8.4	6.9	5.0	8.6	8.2	9.6	8.8	-4.0	-4.7	-6.1	-5.7
Republic of Macedonia	4.1	4.1	4.0	5.1	-1.9	1.2	2.9	6.6	-8.4	-2.7	-0.4	-3.1

Source: World Economic Outlook, IMF, Washington D.C., April 2008. For Republic of Macedonia, Ministry for Finance, Bulliten 01–02/2008, p. 64.

⁴ Annual average.

⁵ Percent of GDP.

During the period 1991–2006, the Republic of Macedonia recorded the average annual rate of real gross domestic product of 1,6% during the period of 1998–2007, the rate was 2,78%, during the period of 2004–2007 the rate was 4,33% and in 2008 the anticipated rate is over 5%.

There is even certain dynamics in the growth of the annual average rates of gross domestic product in the Republic of Macedonia, which is still only recovering and it's not big enough as the average annual growth should be –between 6 and 8%.

I think that for a dynamic economic growth it is also necessary to create a kind of **mutual economic space** among the West Balkan countries (Economic Union of the West Balkan countries: Croatia, Bosnia and Herzegovina, Serbia, Montenegro, Macedonia and Albania) or wider – **Economic Union of the Balkan countries**, including Slovenia, Bulgaria, Romania and Hungary.

This would create economic and social conditions for an even more dynamic economic development or, in other words, for painless accommodation of the EU member countries in economic and financial flows into the European Union.

I think that my suggestion for establishing an Economic Union of the West Balkan countries or, in other words, for establishing a broader Balkan economic union so as to achieve more intensive, and more dynamic economic development of the member countries and, at same time, make up for the false moves during the 1990.

In fact, the disintegration of the Soviet Union, Czechoslovakia and Yugoslavia on an economic, social, political and military plane, in was a false move dictated by the developed capitalist countries, primarily by big my opinion, capital in the world in order to create conditions for the use of natural and human resources in the disintegrated countries or, more precisely, to create conditions for their economic conquering, impoverishment and exploitation according to the dicatate of the so called international capital (bourgeois oligarchy) for their economic and social destruction.

The arogancy of the so called international capital brought about economic, social and political disintegration and disorientation of huge economic and banking organizations in those countries, rapid decrease in their economic value and price and their sale mostly to foreign economic and financial “saviours”.

If we see the data on economic and social trends in those countries from the 1960s until the early 1980s and the first years of the 21st century, we can see that in most countries in transition at the end of 2006, the

growth of gross domestic product (total and per capita) from 1998 and 1999 was not achieved.

This, the suggestion for establishing one of the two mentioned economic unions is not just the product of theoretical and applicative thinking, but is an economic (and wider) necessity.

The size of the population in the common economic space and, in other words, in the Economic Union of the Balkan Countries, the size of the area covered, economic and financial power, development of economic and financial relations with the EU and other countries in the world can create conditions for the inflow of foreign capital, for increasing the economic and social development level and for the faster realization of the criteria for joining the EU.

I think that the creation of a common economic space or, in other words on economic union in the Balkans is the necessity for economic, social, political and ethical transformation of the countries-members.

To all this, one should add the need for an increase in EU **economic and financial support to the Balkan countries** and their faster integration into the EU.

WORLD ECONOMIC CRISIS AND SOUTH-EASTERN EUROPE

1. INTRODUCTION

The crisis is shaking the globalized world. It started as a crisis in the financial sector in the United States (like the one of 1929) and then spread, like tsunami waves, to the banking sectors in Europe and the Far East, as well as to the real sector of the world economy.

The prices of shares on all world stock exchanges are sharply declining,¹ thus testifying that the process is continuing and that the crisis is deepening. An increasing number of banks across the world are increasingly sliding toward bankruptcy: the first were American banks which provided credit insurance for excessive housing finance, but they were soon joined by investment banks (Lehman Brothers and others). The American government – impregnated with the neo-liberalism of the Chicago School – is taking some previously inconceivable steps. It has nationalized some banks, while others have been approved extraordinary funds by the Congress (700 billion US dollars are only the first tranche).

The process spread to Europe in September: governments are rehabilitating banks (Fortis, Dexia, Bradford – Bingley and others) by nationalizing them in part or in full. Iceland first saved Glitnir Bank and then the remaining three, seeking credit for this purpose throughout the world. On 6 October, the British House of Commons approved the extraordinary credit of 50 billion pounds in order to partially nationalize the largest eight banks.

The crisis is spreading and its end is not in sight. The indices on the Asian stock exchanges are sharply declining (on 7 October and later

¹ According to the London newspaper *The Economist* (dated 18 October 2008), the stock exchange indices on the New York Stock Exchange lost one-third of their value (DJIA – 35.3%, S&P – 38.2%), on the London Stock Exchange – 44.6%, on the Canadian Stock Exchange (S&PTSX) – 43.4%; in the EURO area (FTSE – EURO 100) – 48.5%, in Greece – 57.3%, in South Korea – 46.6%, India – 56.7%, in China even 69.6% (SSEB). All these data are in US dollars, so that the data in local currencies are somewhat lower (due to the continuous depreciation of the US dollar).

on): NIKKEI fell by 10% only in one day!! Thus, it is unanimously stated that the Asian crisis of 1998 was mild compared to the current one. In the United States, the stronghold of neo-liberalism and the seat of the Chicago School, President Bush announced the partial nationalization of banks, with the additional amount of 250 billion dollars (14 October); on 15 October he convened an extraordinary meeting in order to coordinate economic policy vis-à-vis the threatening catastrophe, while on 19 October he met with French President Sarkozy to talk about coordinated global action.

The real reason behind the sickness of all those banks lies in the fact that they invested their short-term deposits in long-term projects, so that there is a threat that they will not be able to return depositors' money: insolvency is knocking on the door. All banks are now competing for cash and are ready to pay the previously inconceivable amounts.² As a result, credits offered by banks are increasingly expensive. And enterprises are forced to accept that, because they are afraid that, in the opposite, they would be removed from the list of those which are credited by the bank in question.

In such circumstances the real sector of the economy is also faced with depression. Sales are declining (including houses, automobiles, household appliances and textiles, not to mention other products) and, thus, employment is also declining. The crisis is not only knocking on the door of industrialized countries, but is also spreading across the world, which has strengthened mutual economic relations over the past thirty of so years.

The purpose of this paper is not to explain the character of this crisis, which is being increasingly turning from a crisis in the financial sector into a crisis in the real one. Therefore, we will set aside the discussion as to whether we are faced with:

- Long-term waves of the business cycles of the capitalist economy (as explained by Nikolai Dimitrievich Kondratiev);
- Exhaustion of innovation outputs, which took place in the second part of the 20th century (whereby we would follow the hypothesis of J. Schumpeter);

² At an auction held by the European Central Bank in September 2008, the funds offered by it at the interest rate of 11% were accepted.

- Money issue outputs in a time of crisis (confirming Veblen-Mitchell's hypothesis about money as the genesis of capitalist crises), which was also supported by M. Friedman later on.³

The aim of this paper is to present the impact of this financial crisis on the world of the real economy in a narrower region – in the economy of South-Eastern Europe.

2. SOUTH-EASTERN EUROPE (IN FURTHER TEXT: SEE)

SEE was initially a geographical notion, which has also been used in political and economic science since the 20th century. Here we will deal with this region which had many common traits during the period 1945–1990. With the exception of Greece, the region was dominated by various forms of socialism.

Those systems collapsed in 1990, coupled with the creation of new states that once made up Yugoslavia. Today, SEE consists of six countries of the so-called “Western Balkans” (Albania, Bosnia and Herzegovina, Croatia, Macedonia, Montenegro and Serbia) and five countries which already are EU members (Bulgaria, Greece, Hungary, Romania and Slovenia). In 2007, South-Eastern Europe had 75.7 million inhabitants (of whom 23.5 million in the Western Balkans). Since 1990, the number of inhabitants has been declining in almost all countries (except in Macedonia and Greece where it is increasing, while in Slovenia it has remained at the same level). The average annual decrease in the population in SEE is 0.22% (total decrease is 3.5%). See Table 1.

After 1990, the long-term downward tendency of fertility was enhanced by the emigration of the population (mostly the young, entrepreneurial and educated). On the other hand, the remaining population is ageing at an accelerated pace (there is an increasing number of persons aged 65 and over in the age composition), thus aggravating the already great demographic and economic problems.

The extent of emigration was significantly influenced by the economic circumstances. The process of transition from a socialist economy to a capitalist one, accompanied by the opening of the previously protected markets, caused a fall in production, including a decrease in GDP per capita. GDP reached its 1989 level only in the early 21st century. The in-

³ M. Friedman: Wesley Mitchell as an Economist Theorist, *The Journal of Political Economy*, December 1950, pp. 465–493.

TABLE 1. – Population in South-Eastern Europe, 1990–2007

Region/country	Population (in 000)			2007:1990 Index
	1990	2001	2007	
Albania	3,251	3,090	3,190	98.1
B&H	4,424	3,850	3,930	88.8
Croatia	4,778	4,427	4,450	93.1
Macedonia	1,861	2,020	2,040	
Serbia & Montenegro	9,931	10,020	9,860	99.3
West Balkan	24,245	23,407	23,470	96.8
Bulgaria	8,894	7,950	7,640	85.9
Greece	10,130	11,010	11,150	110.1
Hungary	10,372	10,190	10,030	96.7
Romania	22,866	22,030	21,440	93.8
Slovenia	1,991	1,990	2,000	100.4
Countries in EU	54,253	53,170	52,260	96.3
South-Eastern Europe	78,498	76,577	75,730	96.5

Source: Census and IMF: International Financial Statistics, September 2008, Washington, D.C.

flow of foreign capital (in the form of FDI and portfolio investment) facilitated the establishment of a new equilibrium, enabling those countries to achieve relatively high growth rates from 2001 to 2007 (5-8 per cent annually). In this way, a gap between SEE and the European Union with respect to GDP per capita began to be closed. However, unemployment is still present, in addition to increasing differentiation by social strata.

The crisis, which is now hovering over the world, is threatening those young, just grown-up economies.⁴ They are heavily burdened with external debt, while their export potential is small and is now also adversely affected by the crisis in Europe (to which they export 50–70 per cent of their products). A slowdown in economic growth, which is threatening SEE and, in particular, the Western Balkans, could slow down the path toward mutual understanding and tolerance that has been taken (although not fast enough for the observers). By tradition, all blame for the current or forthcoming difficulties in this region is put on the first neighbours. A slowdown in growth, coupled with the absence of foreigners (who sup-

⁴ The American Evan Kraft, Advisor to the Governor of the Croatian National Bank, says laconically about that: “A slowdown in Europe also implies a slowdown on export markets and capital flows into Croatia are very likely to decrease. Interest rates will probably increase. Croatia will be under the strong influence of a slowdown in Europe, so that one can expect a decrease in economic growth” (October 2008).

plement the deficient labour force in some sectors), always provides a basis for the growing strength of the rightist forces (the recent elections in Austria can serve as an example). I will deal with the threats to SEE in further text, laying emphasis on the economic aspects of the situation and expected tendencies.

3. EXPOSURE TO THE SEE CRISIS

The SEE countries are exposed to the world crisis like all other countries in the increasingly globalized world with respect to the following: their external debt, foreign investments in their economies (FDI and bank credits) and, finally, trade in goods.

We will try to quantify the degree of exposure of each SEE country and the region as a whole according to those three criteria. We will first consider the levels of external debt (Table 2). As shown in the Table 2,⁵ when we consider them per capita they range from only 738 USD per capita (Albania) to even 15,000 USD (Slovenia). The average level of 3,971 USD increased until the beginning of the crisis in 2008, but for this quite probable conclusion we do not have the definite data. If we compare it with the levels of exports of goods and services, it accounts from 61% (Albania) to 162% (Croatia) of the relevant annual earnings of these countries.

This represents a very high percentage of indebtedness, which approaches the annual level of GNI (Hungary, Croatia, Slovenia), but it is also high in other countries. In 2006, according to the data provided by the World Bank, the annual debt service amounted to about 55 billion USD (without Greece!!), of which the Western Balkan countries paid 11.6 billion USD.

The world economic crisis will undoubtedly increase that amount. Credits will be more expensive and creditors will be reluctant to accept the conversion of the outstanding principal due. Thus, there will be a problem with this macroeconomic item to which the countries must find the solution as soon as possible.

The situation with foreign investments in those countries is similar. It is most likely, that due to the financial crisis, the amount of capital available for long-term investments in SEE will be declining. It is certain however, that those who have already invested their capital in this region, will

⁵ The IMF does not give the data for Greece, but it is quite probable that its debt is very high.

TABLE 2. – External Debt of South-Eastern Europe, 2006

Region/country	External Debt		Debt (as % of)	
	Total (mil US\$)	Per capita (US\$)	GNI	Exports of goods & services
Western Balkans	62,905	2,688	50.5	...
Albania	2,340	738	25.2	51.5
B&H	5,669	1,444	44.2	84.2
Croatia	37,480	8,439	91.2	161.7
Macedonia	2,661	1,307	42.8	79.9
Montenegro	924	1,537	37.5	...
Serbia	13,831	1,859	43.8	...
Countries in EU	182,716	(4,673)	(64.2)	...
Bulgaria	20,925	2,720	58.4	...
Greece	...	...	...	...
Hungary	107,677	10,696	102.7	115.5
Romania	55,114	2,553	46.6	117.1
Slovenia	(30,000)	(15,000)	85.5	...
South-Eastern Europe	245,621	3,971	...	...

Source: The World Bankdata Book on External Debt 2008, Washington, D.C., 2008. The figures in parentheses are the author's estimates.

be less prone to reinvest the capital gains in the same region, but will try to strengthen the finance of the parent company and/or bank from which this capital originates. And the investments made thus far in this region are very large, as shown by the data in Table 3. They are incomplete, because some Western Balkan countries have not yet prepared the International Investment Position Table (from which Table 3 has been taken), so that the data for the whole region are incomplete.

Despite this, the available data point to enormous liabilities which they assumed in the past period (1990–2007) and which, under crisis conditions, will not be continued at the previous level. A slowdown in economic growth in the industrialized countries of Europe and North America during the 1990s produced favourable results for SEE countries. Wishing to reduce their production costs, managers from those countries relocated their operations to the former socialist economies. Outsourcing ensured high profits: in SEE there were a great number of underemployed yet highly qualified workers, who were willing to work for low wages.

They are still low, so that Western consulting firms estimate that the labour costs in the SEE transition economies amount to only 20–25% of the wages in the eurozone. The results of such arrangements for these

countries were mostly favourable: they provided new employment opportunities and new technology, while at the same time increasing dependence on the markets, from which new capital had originated. The entry of foreign banks into this region brought modern financial practice, but also new risks. The investments of these banks, such as housing finance, contributed to the blowing up of housing loans, so that this bubble already began to burst. This certainly reduces the attractiveness of capital investments through banks, but also of FDI and portfolio investment. The huge amount invested in those countries (which certainly exceeds 1.3 trillion or 1,300 billion US dollars!!) is now not covered by assets or foreign currency reserves. This is probably why capital inflow will decrease in the immediate future, which will also lessen the possibility of maintaining public finance at the hitherto level.

TABLE 3. – **Liabilities of countries in South-Eastern Europe, 2006–2007**

Country-Region	Assets (mil US\$)		Liabilities (mil US\$)			
	Total	Reserves	Total	FDI	Portfolio	Banks
Albania (a)	...	269	...	325	34	...
	No data available					
B&H		876				
Croatia	31,151	13,674	89,326	44,640	8,582	12,372
Macedonia	3,257	1,866	5,730	2,764	367	341
Montenegro	No data available					
Serbia	No data available					
Bulgaria	22,231	11,756	39,703	20,707	3,085	4,382
Greece	280,136	3,658	596,071	52,838	349,731	143,416
Hungary	163,893	24,052	306,637	171,668	70,386	33,830
Romania	54,391	39,957	131,647	60,822	7,579	27,526
Slovenia	33,102	7,136	39,968	8,923	4,132	14,075
Countries in EU	553,753	86,559	1,114,026	314,958	434,913	223,229

(a) 2006.

The active items in this balance amount to only one-half of the liabilities. The crises of the 1990s, which occurred in developing countries (Mexico, Indonesia, Argentine and others), demonstrated the dangers of high external debt, which is not covered by adequate⁶ foreign currency

⁶ I emphasize *adequate*, because the foreign currency reserves of industrialized countries are below 4% of their annual GDP. In accordance with the IMF policy and their own experience, all SEE countries have much larger currency reserves (with the exception of Greece). In September 2008, China's foreign currency reserves amounted to 1,800 billion USD, thus constituting about one-fifth of its GDP.

reserves. Despite difficulties, the SEE countries succeeded in creating significant foreign currency reserves, which can undoubtedly offset some pressures, which could come from the deepening of the world's economic crisis. However, this fact should not lull them into the conviction that they are immune to the forthcoming difficulties.

However, this fact does not eliminate the permanent cause of a current account deficit in the balance of payments; rather, it only alleviates it. The cost of the lost years – lost for the creation of the export-propulsive sectors – will be high. The constantly delayed structural reforms of the public sector must be urgently carried out and this also applies to the reforms of the labour rights sector, thus avoiding their deepening the forthcoming crisis.⁷ This is especially necessary for the countries with a high current account deficit, because they could face serious problems.

4. CURRENT ACCOUNT DEFICIT

At the beginning of the 21st century, all SEE countries recorded a current account deficit in their balance of payments and this deficit is constantly increasing, as shown by the official data in Table 4. Although these data are not complete (our source did not provide the data for Serbia and Montenegro), an increase in the current account deficit is evident – about 4.8 times.

According to the official data, an increase in the deficit is higher in those countries which already are EU members (it increased 4.9 times) than in the West Balkan countries (3.7 times).

In 2007, a current account deficit in the balance of payments ranged from 6% to 14% of GDP (in 2006, Greece recorded the deficit of 13.8%). This deficit had to be covered either by foreign capital inflow or by increasing foreign borrowing. *Tertium non datur!!*

Therefore, it is necessary to make an analysis of that deficit. The analysis has shown that the greatest part of this deficit is derived from the trade deficit of those countries, which was extremely high and could not be covered by a surplus, which was recorded in the services items in the balance of payments. Therefore, we will deal with it in greater detail.

⁷ Experience has shown that a rise in unemployment and a decline in the standard of living change the behaviour of both voters and politicians. Hasn't this been confirmed by the results of the recent elections in Austria? Namely, the weaker the political system, the more likely it is that some unexpected events will occur.

TABLE 4. – Current account deficit in the balance of payments of South Eastern Europe, 2001–2007

Country/region	Current account deficit (mil US\$)				
	2001	2003	2005	2006	2007
Albania	217	407	572	671	...
B&H	743	1,631	1,913	1,040	1,939
Croatia	729	2,162	2,555	3,287	4,447
Macedonia	244	149	81	24	...
Serbia & Montenegro	...	...	...	...	...
Western Balkans	1,932	4,349	5,120	5,022	(7,150)
Bulgaria	805	1,022	3,347	5,659	8,592
Greece	9,400	12,804	18,233	29,565	...
Hungary	3,205	6,721	7,463	6,824	6,777
Romania	2,229	1,674	8,621	12,785	23,136
Slovenia	-31	216	681	1,088	2,293
Countries in EU	15,608	22,437	38,435	55,921	(77,000)
SE Europe	(17,540)	(26,786)	(43,465)	(60,943)	(84,000)

Source: IMF: International Financial Statistics, September 2008, Washington, D.C.

5. TRADE BALANCE OF THE SEE COUNTRIES

Our globalized world is characterized by increasing trade in goods among the countries that have freed themselves from the protectionist shackles and are now seeking their place in the global – world division of labour. The statistical data show that the increasing portion of world product is being included in international trade and that exports increase faster than world product.⁸

The statistics also show that the countries with the fastest economic growth are those which successfully integrated themselves into world trade⁹ a long time ago, or those which are making gigantic strides towards that aim.¹⁰ What are the prospects of the SEE countries in that respect?

⁸ According to the IMF statistics, in 2000, world exports amounted to 6.381 billion dollars (1,085 USD per capita of the world), while until 2006 they doubled (that same year they amounted to 12,046 billion USD, or 1,862 USD per capita of the world).

⁹ Let us only mention that in 2006 Singapore's exports amounted to 46,375 USD per capita (vs. 30,975 USD in 2000). For Hong Kong these figures were 26,890 and 49,881 USD respectively; in these 6 years, Finland doubled its exports per capita (14,583 vs. 7,027 USD). The similar figures were recorded in Ireland (18,721 USD per capita in 2006 vs. 13,195 USD in 2000) and in other countries recording fast economic growth.

¹⁰ The case of China is classical. This country doubled its GDP between 2000 and 2007 (the annual rate of increase was 10.4%), while its exports increased almost five times during the same period (from 266 to 1,218 billion USD per capita). Although the level of its exports per capita

We will first consider the level of exports and their dynamics in the 21st century (Table 5). The Table shows the data for 1990,¹¹ 2000 and 2007. It can clearly be seen that during the 1990s the SEE countries slowly expanded their exports – with the exception of Greece. The former socialist economies, with the hitherto policy being more or less autarchic and/or relying on a large market (USSR) had difficulty in integrating themselves into the global trends. Many activities were not competitive under the new conditions, while the transition and privatization process did not focus on an increase in productivity. The hitherto export sectors frequently failed (see Bulgaria), so that the first more significant results of integration into the world economic trends were produced only in the 21st century.

TABLE 5. – Exports from South-Eastern Europe, 1990–2007

Country/region	Value of exports (mil US\$)			Growth indices	
	1990	2001	2007	2001/1990	2007/2001
Albania	(150)	305	793*	203	260
B&H	1,969	1,134	4,243	58	374
Croatia	2,859	4,767	12,623	167	265
Macedonia	555	1,155	2,396*	208	207
Serbia & Montenegro	4,348	1,142	8,860	26	776
Western Balkans	9,881	8,503	28,915	86	340
Bulgaria	13,347	5,113	18,524	38	362
Greece	8,021	10,615	20,300*	132	191
Hungary	9,707	31,080	74,247	320	239
Romania	5,870	9,252	26,553	234	287
Slovenia	3,949	9,252	26,553		
Countries in EU	40,894	67,455	179,973	165	267
South-Eastern Europe	50,775	75,948	208,888	150	275

* 2006

Thus, during the 1990s the West Balkan countries recorded a fall in the *value* of exports (in *volume* terms this fall was even greater!!), while during the first six years of the 21st century, their exports more than doubled. The same tendency – dynamization of exports in the 21st century – was also recorded in the countries which already are EU members. So, Romania doubled its exports in **eleven years**, between 1990 and 2001,

is still low (208 USD in 2000 and 916 USD per capita in 2007), the progress is impressive, thus confirming the hypothesis about the faster development of the countries which are rapidly integrating themselves into globalization processes.

¹¹ The data on the exports and imports of the countries that once made up Yugoslavia are based on the data given in the Statistical Yearbook of Yugoslavia for 1991. They were converted into US dollars at the average exchange rate given in the Yearbook.

while during six years of the 21st century it increased them 3.5 times. When we know that during the same period world exports doubled, then the fact that exports from the SEE countries tripled shows that they are being increasingly integrated into world trade, although their share is still low.¹²

Finally, it should be stated that SEE did not succeed in creating its image on the world market with some special, product, that is, a brand. There are still no Nokia, Swiss watches, French cheeses, Italian fashion, Swedish ball bearings, semiconductors or other world-known products. It is evident that a lot will have to be done in that respect, whereby it is probable that closer cooperation among those countries will be required, since they have a small number of inhabitants.

While exports per capita are low (not only in relation to the dynamic world economies – Pacific and Atlantic tigers), imports increased enormously, as shown in Table 6. During 17 years under review, SEE imports increased almost 5 times (index 498). The increase was higher in the countries which have already acceded to the EU (index 509) than in the Western Balkan countries (index 440). Differences in the export increase rates across the countries are enormous. So, for example, Slovenia increased its imports 6.6 times (2007 vs.1990), as compared to Hungary which increased its exports 10.5 times. The situation is similar in the Western Balkans: Serbia and Montenegro increased their imports 2.9 times, Croatia 6 times and Albania even 10.4 times.

It is evident that the markets of those countries, separated from the markets of industrialized countries for a long time, were “hungry” for prestigious consumer goods,¹³ which were also imposed by the demonstration effect and neglect of such consumption in the past.

In addition to this basic factor, one should also mention the impact of the increased prices of oil and metals, which brought about an enormous increase in the import value. These increased imports also led to a cut in output in some traditional sectors (such as the textile or footwear industry), as well as the consumers’ shift to imported goods in general.

¹² In 2006, those countries accounted for 1.13% of the world population and for 1.7% of world exports.

¹³ We emphasize this because industrial production was slowly increasing, so that the bulk of imports accounted just for consumer goods.

TABLE 6. – Imports to South-Eastern Europe, 1990–2007

Country/region	Import value (mil US\$)			Growth indices	
	1990	2001	2007	2001/1990	2007/2001
Albania	(280)	1,332	2,916	457	214
B&H	1,788	4,092	9,947	229	243
Croatia	4,291	8,860	25,556	206	288
Macedonia	1,066	1,682	3,682	158	219
Serbia & Montenegro	6,173	(3,000)*	17,690	49	590
Western Balkans	13,598	18,966	59,791	139	316
Bulgaria	12,895	6,693	28,665	52	428
Greece	19,895	29,702	64,585	151	217
Hungary	8,764	33,318	92,277	380	277
Romania	9,115	14,534	64,689	159	445
Slovenia	4,485	10,148	29,480	226	291
Countries in EU	54,960	94,395	279,696	172	296
South-Eastern Europe	68,558	113,361	339,397	16	300

* Estimate

The resultant of those two divergent import and export tendencies was an increasing trade deficit, as shown in Table 7. In the West Balkan countries the coverage of exports by imports was 73% (1990), but only 50% in 2007. A somewhat milder fall was recorded in the SEE countries which have already become EU members: the coverage of their exports is now only 71% of imports, as contrasted to 74% in 1990. Albania and Greece (!) have the lowest import-export coverage (below 30%), while the best coverage is recorded in Hungary (80%) and Slovenia (90%!!).

TABLE 7. – Trade deficit of SEE countries, 1990–2007

Country/region	Exports (as % of imports)			Trade deficit (mil US\$)		
	1990	2001	2007	1990	2001	2007
Albania	(54)	23	27	(130)	1,027	2,123
B&H	110	28	43	+181	2,958	5,704
Croatia	67	54	49	1,432	4,093	12,933
Macedonia	52	69	65	511	527	1,286
Serbia & Montenegro	70	(38)	50	1,825	(1,858)	9,100
Western Balkans	73	45	50	3,717	10,463	31,146
Bulgaria	104	76	65	+452	1,580	10,141
Greece	41	36	31	11,680	19,087	44,285
Hungary	111	93	80	+943	2,238	18,030
Romania	64	78	62	3,245	3,149	24,340
Slovenia	388	91	90	536	896	2,927
Countries in EU	74	71	71	14,066	26,950	99,723
South-Eastern Europe	74	67	68	17,783	37,413	130,869

The trade deficit in the SEE countries is extremely high: in 2007, it amounted to even 131 billion USD (7,4 times higher than in 1990 and 3,5 times higher than in 2001). This deficit is the main cause of the aforementioned constant current account deficit in the balance of payments. Can it be cut and how?

Table 8 tries to give an answer. It provides the data on exports and imports per capita, on the basis of which one can derive an unfavourable conclusion: the West Balkan countries with their exports worth 1,284 USD per capita (2007) are below the world's average exports per capita, which points to the insufficient competitiveness of those countries on the world market. The countries which have already become EU members were more successful – their exports per capita are three times higher on the average than those of the West Balkan countries.

TABLE 8. – Per capita exports – imports, South-Eastern Europe, 1990–2007

Country/region	Exports (US\$)			Imports (US\$)		
	1990	2001	2007	1990	2001	2007
Albania	(46)	(99)	249*	86	431	914
B&H	445	295	1,080	404	1,063	2,531
Croatia	598	1,077	2,837	898	2,001	5,743
Macedonia	298	572	1,175*	573	833	1,805
Serbia & Montenegro	228	114	899	622	299**	1,794
Western Balkans	408	363	1,284	561	810	2,462
Bulgaria	1,501	643	2,425	1,501	842	3,752
Greece	792	964	1,821*	792	2,698	5,792*
Hungary	936	3,050	9,397	936	3,270	9,499
Romania	257	517	1,882	257	660	3,017
Slovenia	1,983	4,649	13,277	2,253	5,099	14,740
Countries in EU	754	1,268	3,827	763	1,775	5,352
South-Eastern Europe	663	992	3,039	725	1,480	4,482

* 2006

** Estimate

Since 2001, exports per capita from South-Eastern Europe have been increasing at an accelerated rate: from 663 USD per capita (in 1990) to 992 USD per capita in 2001 (an increase of 50% in 11 years). During the last six years, these exports increased to 2,039 USD per capita (an increase of 3.1 times in six years). There is no doubt that this was also contributed by the depreciation of the dollar. In the West Balkan countries this progress was slower (between 1990 and 2007, exports per capita increased 3.14 times) than in the countries which already are EU members (during the same period, they increased 4.58 times).

However, imports in both groups were increasing faster than exports: from 1990 to 2007, imports per capita in the West Balkan countries increased 4.39 times, while in the countries which already are EU members they increased 7 times.

The increasing trade deficit was the resultant; in SEE as a whole it increased from 17.8 billion USD to even 130.9 billion USD (7.36 times!!). This increasing deficit was somewhat cut thanks mostly to the active balance in the service sector (tourism as well as transport earnings). However, these countries had to cover the bulk either by increasing foreign borrowing and/or the sale of enterprises and other assets to foreigners.

Therefore, it is extremely important to perceive the method by which some SEE countries succeeded in cutting their trade deficit. Two SEE countries distinguish themselves by high import-export coverage. Those are Slovenia (which covers 90% of its imports by exports) and Hungary (80%). We have already pointed to these data when commenting on Table 7 and here we only wish to point to the way in which they did that. The answer is provided by Table 9, which shows that the expansion of both exports and imports relied increasingly less on industrialized countries (North America, Western Europe and Japan) and increasingly more on less developed European countries and, in particular, SEE. This path was pursued by following economic logic: these countries were more competitive in the immediate neighbourhood, where their products were valued and well known, rather than seeking new, distant export markets.

TABLE 9. – Destination of exports and origin of imports for Hungary and Slovenia

Country	Exports to		Imports from	
	2000	2006	2000	2006
Hungary	28,056	74,216	31,955	77,206
in that (%)				
ind. countries	83.6	67.2	69.7	62.0
Europe (less dev.)	12.8	26.6	16.9	24.7
SEE	5.7	9.7	2.2	4.4
Asia	1.9	2.4	11.0	12.8
Slovenia	8,729	23,179	10,089	24,136
in that (%)				
ind. countries	69.0	60.3	75.2	71.1
Europe (less dev.)	27.7	35.7	18.2	23.0
SEE	18.6	21.8	10.1	14.1
Asia	1.0	1.3	4.1	3.4

It is evident that the solution, used by Slovenia and Hungary, is less successful among the West Balkan countries (where there is still mistrust towards the neighbours), as well as among the countries which have already acceded to the EU (Bulgaria's trade with the West Balkan countries is still modest and below the actual needs).

It is evident that under conditions of the deepening world crisis, stagnation and fall in production in many countries, it will be necessary to intensify trade among the SEE countries. And that will be also a significant contribution to better understanding and elimination of all misunderstandings, which had such an adverse effect on mutual relations in the past.

6. CONCLUSION

What can the crisis bring? Experience has shown that crises always bring dramatic shifts in economic policies. The crisis of the 1930s brought protectionism, coupled with monetary interventionism (Keynes). In Western Europe, it strengthened the welfare state, but its principles were affected by the strengthening of neo-liberalism. Taking root in North America, this doctrine was dominant in the world until the 1980s. For this reason, numerous sectors were denationalized (in Western Europe); it encouraged the strengthening of investment banking; more liberal world trade was intensified through the WTO (which replaced the GATT); laissez-faire was proclaimed a salutary principle of economic policy, which should strengthen globalization and accelerate the economic development of mankind, coupled with freer movement of capital.

The crisis has also pointed to the weak theoretical and other foundations of that doctrine. Instead of laissez-faire, we have been faced with increasing and stronger state intervention; the apologetics of private entrepreneurship has been replaced by the nationalization of the banking sector.¹⁴ And economic history teaches us that the greatest victims of great crises are small economies for many reasons. And this is where the dangers are to be expected by the SEE countries lie.

¹⁴ According to the London newspaper *The Economist* (dated 18 October 2008), the British government's intervention in banking will result in its acquisition of a 60% stake in the Royal Bank of Scotland of 60%, 40% in the indebted bank HBOS Lloyds TSB, etc. Those are the two largest (!) British banks; for 250 billion dollars to be granted by the American government, it will receive the dividends of 5-9% from those banks, etc.

It can be expected that the world crisis will also affect the SEE countries.¹⁵ This will probably first be reflected in the flow of capital into this region and the higher costs of the hitherto used funds. The already present recession tendencies have an impact on the service items in the balance of payments of these countries (tourism is stagnant, maritime freight revenues are declining, etc.), which enhances the present problem with a current account deficit in the balance of payments.

It is thus probable that the existing high deficit of that item will not be preserved (6-14%, as already mentioned), so that a cut in this deficit will also have an impact on the level of personal consumption. The probable stagnation of employment will probably head in that direction.¹⁶ The already present inflation is causing a fall in real consumption (as shown by the statistical data). And this always has undesirable consequences for the behaviour of voters.

The solutions should be sought, first of all, in subsidizing the hitherto neglected agriculture and agribusiness, as well as the other sectors of the neglected real economy, and in the potentials of the SEE markets. And this opens up great opportunities for better understanding and the elimination of the legacy of the past.

¹⁵ I have omitted my conclusion the fact that the ideology of the Chicago School with *laissez-faire* as the basic economic regulator has been an absolute failure in economic policy. French President N. Sarkozy has stated that the idea that “markets are always right” is crazy. German Finance Minister P. Steinbrück calls this theory “simplicist and dangerous”. Italian Finance Minister G. Tremonti is publishing the book about the dangers of globalization. Theorist economists, who have been pointing to this fact for years (P. Krugman, J. Sachs and others), were rejected in the United States, so that the Nobel Prize for economics in 2008 is the recognition, albeit belated, to the persons paving the way for new economic knowledge. My study “*Laissez-faire as the Croatian Economic Policy*” (published in the proceedings *Ekonomaska politika Hrvatske u 2006*, Opatija 2005) is along those lines.

¹⁶ As an illustration, I wish to point out that Cemex (as the owner of Dalmatian cement factories) decided to “temporarily” suspend cement production due to a fall in cement consumption in the Mediterranean countries.

LEVEL OF ECONOMIC DEVELOPMENT OF THE BALKAN COUNTRIES AND ACHIEVEMENT OF THE GOAL: FREEDOM FROM WANT

PREFACE

The global economy, including developed countries, in particular, is facing a big crisis. The whole world is holding its breath and watching the markets in turmoil. And we've seen some extraordinary actions taken by the US, EU and some others, including G7 and G20. At the same time, some experts are arguing that is the greatest crisis since the Great Depression.

Underlying this political pressure is a sense that the financial class, people who run global financial institutions, have failed to behave responsibly and effectively. Is it possible to raise the question as to whether they have therefore lost their legitimacy?

The G-7 is looking hard for a solution that will not require this level of intrusion, both because they don't want to abolish markets even temporarily, and more important, because they have no idea how to manage this on a global scale. For the time being looking for a appropriate respond to it is accepted bridged UK idea of nationalization of financial institutions. On the other hand, there are no visible ideas what next action to be taken if turmoil would be worse.

In other words, the financial crisis is becoming an economic problem – and that means public pressure will surge, not decline.

Obviously, the countries affected by the crisis are looking for the adequate solution, meaning that there is no isolated action in coping with the crisis.

On the other hand the Balkan or SEE (South Eastern Europe) countries currently are not coping with the crisis, notwithstanding each of them to be affected by turmoil. Taking into account the economic level of these countries and the number of their risks on horizon, it is necessary to prepare appropriate measures.

What is more important is that greater attention should be paid to economic development than ever before. Regarding the above mentioned issues related to the Balkan countries raised the question as to whether

they can find a way to do this regionally, or whether that will be done nationally. If they do go together, the question is how they will settle this situation, but it will be no easier to start this than to end it and a higher development level is very attractive in the long run.

It would be easier not to have a co-ordinated regional response. However, out of that crisis, a self-help initiative among the region economies, regional cooperation seems to be a stronger player in observing future globalization rules, maps and goals, to the benefit of each of them.

Those are the reasons for the preparation of this study.

1. DEFINITION OF THE REGION

The title of this paper uses the word 'Balkans', which requires some additional explanation, instead of using general term "Region".

The Balkan Peninsula is geographically delineated by the Danube-Sava-Kupa line. This is the historical name of a geographic region South-Eastern Europe. The region takes its name from the Balkan Mountains. The ancient Greek name for the Balkan Peninsula was the 'Peninsula of Haemus'.

The identity of the Balkans is dominated by its geographical position; historically, the area was known as the crossroads of various cultures. It has been the juncture of the Latin and Greek bodies of the Roman Empire, the destination of a massive influx of the pagan Slavs, an area where Orthodox and Catholic Christianity meet, as well as the meeting point between Islam and Christianity. There are probably not in the world so many differences in so small territory.

Following the collapse of the Warsaw Pact and the breakup of Yugoslavia, most Balkan states have acceded to the European Union, or are in the process of doing so.

The first time the name 'Balkans' was used in the West for the mountain range in Bulgaria was in a letter by Buonaccorsi Callimarco, an Italian humanist, writer and diplomat in 1490. The concept of the 'Balkan Peninsula' was created by German geographer August Zeune in 1808. As time passed, the term gradually obtained the political connotation far from its initial geographic meaning.

Today, the term 'Southeast Europe' is preferred or, in some cases, a part of Central Europe. Due to the connotation of the term 'Balkans' mentioned before, many people prefer the term 'Southeastern Europe'.

Greece has been a member of the European Union since 1981; Slovenia since 2004; Bulgaria and Romania became members in 2007; in 2005 Croatia became a candidate country; and also the Republic of Macedonia were accepted as candidates for European Union membership. In 2004, Bulgaria, Romania and Slovenia also became the members of NATO. Albania, Bosnia and Herzegovina, Serbia and Montenegro started the negotiations with the EU through the Stabilisation and Accession Agreements.

Most of the region is covered by mountain ranges running from the north-west to south-east. The main ranges are the Dinaric Alps in Slovenia, Croatia and Bosnia, the Šar massif, which spreads from Albania to the Republic of Macedonia and the Pindus range, spanning from southern Albania into central Greece. In Bulgaria, there are the ranges running from east to west: the Balkan mountains and the Rhodope mountains at the border with Greece. The highest mountain of the region is Musala in Bulgaria, with highest peak of, 2925 m, with Mount Olympus in Greece, the throne of Zeus, being second at 2919 m and Vihren in Bulgaria being the third at 2914.

In the coastal areas the climate is Mediterranean, in the inland it is moderate continental. In the northern part of the peninsula and in the mountains, winters are frosty and snowy, while summers are hot and dry. In the southern part, winters are milder.

During the centuries, many forests have been cut down and replaced with bush and brush. In the southern part and on the coast there is evergreen vegetation. In the inland there are forests typical of Central Europe (oak and beech, and in the mountains, spruce, fir and pine). The tree line in the mountains lies at the height of 1800–2300 m.

The soils are generally poor, except in the plains, where there are areas with natural grass, fertile soils and warm summers provide an opportunity for tillage. Elsewhere, land cultivation is mostly unsuccessful because of the mountains, hot summers and poor soils, although certain cultures such as olives and grapes flourish.

Energy resources are scarce. There are some coal deposits, especially in Romania, Bulgaria, Serbia and Bosnia. Lignite deposits are widespread in Greece. Petroleum is most notably present in Romania, although scarce reserves exist in Greece, Serbia, Albania and Croatia. Natural gas deposits are scarce. Hydropower stations are largely used in the energy sector.

Metal ores are more usual than other raw materials. Iron ore is rare but in some countries there are considerable deposits of copper, zinc, tin, chromite, manganese, magnesite and bauxite. Some metals are exported.

The Balkan region was the first European area to experience the arrival of farming cultures in the Neolithic era. The practices of growing grain and raising livestock arrived in the Balkans from the Fertile Crescent by way of Anatolia, and spread west and north into Pannonia and Central Europe.

In pre-classical and classical antiquity, this region was home to Greeks, Illyrians, Paeonians, Thracians, Dacians and other ancient groups. Later the Roman Empire conquered most of the region and spread Roman culture and the Latin language but significant parts still remained under classical Greek influence. During the Middle Ages, the Balkans became the stage for a series of wars between the Byzantine, Bulgarian and Serbian Empires.

By the end of the 16th century, the Ottoman Empire became the controlling force in the region, although it was centered around Anatolia. In the past 550 years, because of the frequent Ottoman wars in Europe fought in and around the Balkans, and the comparative Ottoman isolation from the mainstream of economic advance (reflecting the shift of Europe's commercial and political centre of gravity towards the Atlantic), the Balkans has been the least developed part of Europe.

The Balkan nations began to regain their independence in the 19th century (Greece, Serbia).

The region's principal nationalities include, and ordered by its number, as following:

- Romanians,
- Greeks,
- Serbs,
- Bulgarians,
- Albanians,
- Croats,
- Bosniaks,
- Slovenes,
- Macedonians,
- Montenegrins,
- others (Roma, Jews, Turks)

With no prejudice to any further solution in using the term ‘Balkans’ or ‘Region’, this area consists of the following countries (in alphabet in order):

1. Albania,
2. Bosnia and Herzegovina,
3. Bulgaria,
4. Croatia,
5. Greece,
6. Macedonia,
7. Montenegro,
8. Romania,
9. Serbia (including Kosovo),
10. Slovenia.

Also, for study purposes, the Region is further divided into two groups: (i) EU members and (ii) candidate and potential EU members.

2. WORLD ECONOMIC TURMOIL ANALYSIS

The financial crisis sweeping world markets is the worst since the Great Depression. While the crisis is biting into the real economy, hard lessons are being learned. The world has experienced with boom and bust cycles before, but these are exceptional circumstances. Understanding causalities is a precondition for good policymaking, since bubbles and crises will occur again if the sources are not addressed directly. There is wide agreement that markets need more effective monitoring and regulation. The market system is in crisis, and governments are in the driver’s seat. The countries from all part of the world and their leaders must solve the financial crisis together.

What confronts the world can be seen as the latest in a succession of financial crises that have struck periodically over the last 30 years. The current financial turmoil in the US and Europe affects economies that account for at least half of world output, making this upheaval more significant than all the others. Yet it is also depressingly similar, both in its origins and its results, to earlier shocks. Dollar surpluses in emerging economies such as China have been influential in inflating asset price bubbles in the US and elsewhere in the developed world.

At the end of 2007, globally, banks alone have reported just under \$600 billion of credit-related losses and have raised a huge amount in new capital. Certainly, it is already clear that many more write-downs lie ahead. The demise of the investment banks, with their far higher gearing,

as well as deleveraging among hedge funds and others in the shadow-banking system will add to a global credit contraction of many trillions of dollars. The IMF's "base case" is that American and European banks will shed some \$10 trillion of assets.

There are some claims that Anglo-Saxon capitalism has failed meaning the "Washington consensus" of deregulation and privatisation, preached condescendingly by America and Britain to benighted governments around the world, has actually brought the world economy near to disaster. More simply, economists worldwide call it – economic crisis. If this notion continues to gain ground, politicians from Beijing to Berlin will feel justified in resisting moves to free the movement of goods and services within and between their economies. It would be a mistake to argue that, had politicians rather than bankers been in charge, policy would have been more prudent. Indeed, politicians encouraged banks to make riskier loans. This was particularly true in America.

What happened over the past 25 years? In that period the world has delivered wealth and freedom on a dramatic scale, namely, hundreds of millions of people have been dragged out of absolute poverty. Also, the last decade may well see the fastest growth in global income per person in history.

The world as such is challenging ever before the future not only regarding its economy. There is no debate on using the terms, such as: recession, depression, financial disaster or similar, rather than provide to the people worldwide: freedom from want.

The economic crisis has drawn attention to the deregulation in finance as well as financial innovation. Much of the financial innovation in complex credit instruments, known broadly as securitisation, that helped inflate the credit bubble began as a funding tool for nonbank lenders. But it was increasingly adopted across the financial system because it turbo-charged banks' returns on equity by allowing them to recycle more quickly the same capital for use in banking and more fee-earning lending. The lack of regulation encouraged a gambling. According to the Bank for International Settlements, the notional value of all outstanding global contracts at the end of 2007 reached \$600 trillion, some 11 times world output, which amounting \$55 trillion. A decade earlier it had been "only" \$75 trillion, a mere 2.5 times global GDP. Financial innovation in derivatives soared ahead of the rule-setters. Somehow the world ended up with \$62 trillion-worth of credit-default swaps (CDSs), none of them traded on exchanges. Not even the most liberal libertarian could imagine that was sensible. Yet the failures of modern finance cannot be blamed on deregulation.

lation alone. Financial innovation would seem able to reduce the pivotal role of banks by providing alternative channels for firms and households to access financing, channels that loosen collateral constraints for borrowers and soften the adverse impact of financial stress on the cost of capital for banks. However, even though the role of banks has evolved over time, their symbiotic relationship with securities markets remains an essential feature of many financial systems, especially those characterized by arm's-length financing. As a result, episodes of banking distress continue to affect nonbank sources of financing as well.

The analysis finds that financial stress is often, but not always, a precursor to economic slowdown or recession. A rapid expansion of credit, a run-up in housing prices, and heavy borrowing by households and firms all increase the likelihood that stress in the financial system will lead to a more severe economic downturn. Banking stress, in particular, tends to lead to greater effects on activity, despite financial innovation that has increased the role of securities markets in many countries.

So how do central banks dig their way out of this deep hole? The key is to sharpen the distinction between financial firms whose distress is truly panic driven (and therefore temporary), and problems that are more fundamental.

After a period of massive expansion during which the financial services sector nearly doubled in size, some retrenchment is natural and normal. The sub-prime mortgage loan problem triggered a drop in some financial institutions' key lines of business, particularly their opaque but extremely profitable derivatives businesses. Some shrinkage of the industry is inevitable. Central banks have to start fostering consolidation, rather than indiscriminately extending credit.

In principle, the financial industry can become smaller by having each institution contract proportionately, say, by 15%. But this is not the typical pattern in any industry. If sovereign wealth funds want to enter and keep capital-starved firms afloat in hopes of a big rebound, they should be allowed to do so. But they should realise that large foreign shareholders in financial firms may be far less effective than locals in coaxing central banks to extend massive, no-strings-attached credit lines.

It is time to take stock of the crisis and recognise that the financial industry is undergoing fundamental shifts, and is not simply the victim of speculative panic against housing loans. Certainly better regulation is part of the answer over the longer run, but it is no panacea. Today's financial firm equity and bond holders must bear the main cost, or there is little hope they will behave more responsibly in the future.

Perhaps most surprising, the philosophy of the free market and its corollary, light-touch regulation, are facing the biggest test to their primacy in the Anglo-Saxon economic model since the Great Depression of the 1930s.

During the Great Depression, in 1930s, the British economist, John Maynard Keynes, formulated his new theory on unemployment, which detailed how government action could help restore the economy to full employment and growth. Keynes was vilified by conservatives, who saw his prescription as increasing the role of government. They seized on the budget deficits that inevitably accompany a downturn as an occasion to cut back on government programs. But Keynes actually did more to save the capitalist system than all the pro-market financiers put together. Had the advice of the conservatives been followed, the Great Depression would have been even worse; it would have been longer and deeper, and the demand for an alternative to capitalism would have grown. By the same token, it should be believed that unless we recognize and deal with the problems of globalization, it will be difficult to sustain its current momentum.

Globalization, like development, is not inevitable – even though there are strong underlying political and economic forces behind it. By most measures, between World War I and World War II, both the pace and extent of globalization slowed, and even reversed. For example, measures of trade as a percentage of GDP actually declined. If globalization leads to the lower standards of living for many or most of the citizens of a country, and if it compromises fundamental cultural values, then there will be political demands to slow or stop it.

The path of globalization will, of course, be changed not only by the force of ideas and experiences (ideas about whether trade or capital market liberalization will improve growth and the actual experiences with these reforms, for example) but also by global events.

Instead of trying further explanation and diagnosis of causes of turmoil it should emphasis as following:

- (i) ***Financial and accounting innovation.*** Financial innovation in derivatives are in the first scale of causes of the financial crisis. As it was stipulated 2007 the world ended up with \$62 trillion-worth of credit-default swaps (CDSs), meaning more than global GDP that amounting \$55 trillion. More important, notional value of all outstanding global contracts at the end of 2007 reached \$600 trillion, meaning about 11 times of global world. Securitisation has been at the centre of the current crisis, which eventually gave rise to collateralised debt obligations, sophisticated in-

struments that bundled together packages of different bonds and then sliced them into tranches according to investors' appetite for risk. Beyond securitisation is deregulation. The most visible impact of this deregulatory schema can be seen in basic lending standards. Considering all credit transactions – loans, mortgages and any debt instrument, it is clear that over the entirety of human history, the borrower's ability to service the loan has been the paramount factor in all credit. Using mortgages as an example, this included elements such as employment history, income, down payment, credit rating, other assets, loan-to-value ratio of the property, debt-servicing ability, etc. The FED decision not to supervise mortgage lenders led directly to the former standard being thrown overboard. In its place, a new lending standard developed. During that five-year period (2002–07), the basis for making mortgages was NOT the borrower's ability to repay – rather, it was the lender's ability to sell mortgages to a third party who securitised and resold them.

- (ii) **Financial system failures.** It seems to be better to enact the term 'world' financial system failures, while to be more precise, the world financial institutions like IMF, World Bank, BIS and others to be in charge for world financial system, stay apart from the crisis. It should be stipulated, world financial system is not regulated and world financial institutions are far away from current financial and economic turmoil. The current crisis is not just a financial crisis, because it puts into question the mode of growth in the USA and the configuration of the world economy.
- (iii) **Global economic imbalances.** The crisis originally came from the USA, however, the housing and credit bubble is a consequence of economic policy and financial system running for decades. The bubble is the end of that policy or/and system. It would be a mistake to blame today's mess only, or even mainly, on modern finance and "free-market fundamentalism". Also, it is already clear that, even in the absence of a calamity, US economic model to be will significantly changed. Over the past 7–8 years, the model produced, *inter alia*, external debt amounting more than 2,600 trillion US \$ thought US is the most indebtedness country in the World. Also, US saving is far below investment. More important, during 2003–2004 period, FED run the interest rate below inflation rate. The United States' growth model has just burst apart and I can't

see any way it could be patched up. That model was based on a double mechanism: on the one hand, regular reductions in the household savings rate (close to a half-point a year) and, on the other, an equally regular increase in the trade deficit. Consumption pulled the United States' growth – consumption sustained by growing recourse to debt. So it was a credit growth that had to be covered by ever more massive capital inflows from the rest of the world. The dollar has never been so weak and unstable and interest rates are no longer attractive. In addition, during period prior to the subprime mortgage crisis, in the mortgages credit field the lender's ability to sell mortgages to a third party was preferred rather than the financial capacity of the borrower. It is easy to conclude that this system can no longer operate. Global imbalances remain an issue, but with some shift in focus away from the potential problems of financing the U.S. current account deficit toward risks created by the need to recycle large surpluses from oil exporters and toward risks of protectionism.

- (iv) ***New economic model is needed.*** The USA and most developed countries have made a strategic mistake. They carried out a transition from agriculture to manufacture more than 100 years ago. Namely, the share of manufacturing has fallen not just in America but also in Europe and Japan to 20 percent. However, it is not possible to be the most sustainable power able economy consisting of 80% service share. Evidently, it is not sustainable to run the economy by selling (exporting) high profit service industries and buying (importing) manufacturing goods and raw materials. The innovations of modern finance generated great profits for its participants. On the other hand emerging-economy central banks now hold over \$5 trillion in reserves, a fivefold increase from 2000. It seems that the USA finally understood its situation. From the economic point of view, the FED as one of the greatest followers of economics neoliberalism (*laissez - faire*), but that policy had been supported by other very few key players. This was more important strategic issues, which failed. Debating on suspicion that the previously mentioned was the strategic goal aimed at USA preferential economic and financial benefit fall outside this consideration.
- (v) ***New world economic order is needed.*** The world is key players are looking for a new economic system. However, for the time

being, there is some democratic deficit there and in the global world. That problem has to be solved primarily. Firstly, to reform the institutional arrangements, and the secondly, think more carefully about what decision to be create on international level. That failure is now threatening to bring a global recession with dangerous to damage more positive built after World War II. Last but not least, in bringing a new economic world order based on democratic principles, it should be avoid next great strategic mistake if the rest of the world wouldn't be included in the creation of a new system. Anybody included in this creation have no mandate to make another mistake. That is world challenging for all participants, worldwide.

3. THE REGION COUNTRIES HAVE TO TACKLE WITH GREATER TURMOIL OR RECESSION

The tendencies shown in the Region are quite different from those in other countries European. Instead of cooperation in the economic, financial and all other important fields, like Višegrad Group countries did in the nineties and strengthen their negotiating position compared to the EU, the Region countries mostly tried to flatter to the EU instead of strengthening their institution and economic position. On the internal plane, most Region countries still rely on weak institutional capacity – mechanisms that enable governments to display non-transparent behaviour, manipulation with the judicial system and judges, selective implementation of the laws, very high and resistant level of corruption in all social and economic fields, survival of organised crime structures which are very often related to government officials at all levels of authority, etc. Integration of those countries in the EU will be a long-term and difficult process as the precondition will be the building of effective institutional mechanisms that could provide governance comparable with other transition countries and in more distant future with European mature market economies. It is important also to establish efficient regional cooperation and to increase the level of income and competitiveness to cope with competition from the EU. Experiences from of other Balkan countries should be useful for the Western Balkans, including Greece as an old member state, Slovenia also a EU member (with Greece EMU member) and Romania and Bulgaria as the newest member states. Most of the Region countries expect to have greater understanding of EU officials for their very serious problems that

have to be resolved and it is out of question that this can be done without foreign support.

Following the above explanation, the risk of recession in a number of other European economies and probably in most of them in this Region and the likelihood of a sharp global economic slowdown has lead to concerns that the risks of stagflation may be rising.

From the global point of view, US hard landing meaning recession will lead to a reduction in aggregate demand relative to the aggregate. Such reduction in aggregate demand tends to reduce inflationary pressures and put deflationary pressures. As a consequence, one can expect job losses and a rise in unemployment. The path of aggregate demand and slack in labour markets will occur around the world, including this Region.

Economic conditions across those countries are quite different, although there are some similarities.

TABLE 1. – Region: Countries' General Data 2007

COUNTRY	GDP \$ billion	Popula- tion million	Surface area Sq. 000 km	Life exp. years	Population growth	Scholl enrol- ment
1	2	3	4	5	6	7
Albania	10,6	3,1	28,8	76	0,3	93,6
Bosnia and Herze- govina	15,1	3,8	51,2	75	-0,1	
Croatia	51,3	4,4	56,5	76	-0,1	90,4
Macedonia	7,6	2,0	25,7	74	0,0	91,8
Montenegro	3,6	0,6	14,0	74	-0,1	
Serbia	41,6	7,4	88,4	73	-0,3	
EU candidate and potential	129,8	21,3	264,6			
Bulgaria	39,5	7,6	111,0	73	-0,7	92,3
Greece	360	11,1	132,0	79	0,4	99,5
Romania	166	21,1	238,4	72	-0,2	92,8
Slovenia	45,5	2,0	20,3	78	0,6	95,4
EU members	461,0	41,8	501,7			
Region	740,7	63,1	766,3			
EMU	12179,3	318,7	2536,1	80	0,6	
World	54347,0	6612,0	133945,8	68	1,1	86,4

Source: World bank data

Legend: GDP = gross domestic product.

The Region represents more than 63 million population, more than 765 thousand square kilometres of surface area with near \$ 600 million GDP, only small part is still outside EU meaning only more than 20 mil-

lion population, more than 260 thousand square kilometres of surface area with near \$ 130 million GDP. While Republic of Croatia is in front of the door of EU membership, EU policy should strengthen its policy toward membership rest of the Region. Also, each country titled EU candidate and potential should shift their policy toward EU membership as the priority.

TABLE 2. – **Region: Level of Development Measured by GDP and GNI 2007**

COUNTRY	GDP per capita \$	GNI per capita \$	GNI/GDP (%)	Index GDP World=100	Index GNI World=100
1	2	3	4	5	6
Albania	3323	3290	99,0	40,4	41,3
Bosnia and Herze- govina	3940	3580	90,9	47,9	45,0
Croatia	11554	10460	90,5	140,6	131,4
Macedonia	3726	3460	92,9	45,3	43,5
Montenegro	5928	5180	87,4	72,1	65,1
Serbia	5630	4730	84,0	68,5	59,4
EU candidate and po- tential	6090	5392	88,5	74,1	67,8
Bulgaria	5175	4590	88,7	63,0	57,7
Greece	32143	29638	92,2	391,1	372,4
Romania	7703	6150	79,8	93,7	77,3
Slovenia	22523	20960	93,1	274,0	263,4
EU members	14583	12852	88,1	177,4	161,5
REGION	11720	8523	72,7	142,6	107,1
EMU	37323	36329	97,3	454,1	456,5
World	8219	7958	96,8	100,0	100,0

Source: World bank data

Legend: GDP = gross domestic product, GNI = gross national income¹

GDP (gross domestic product) is the most frequent economic indicator which shows the level of economic development in general. The data on GDP per capita show that there are more differences than similarities. For example, Bulgaria and Romania membership in EU does not

¹ Gross national income (GNI) comprises the total value produced within a country (i.e. its gross domestic product), together with its income received from other countries (notably interest and dividends), less similar payments made to other countries.

GNI consists of: the personal consumption expenditures, gross private investment, government consumption expenditures, net income from assets abroad (net income receipts), and gross exports of goods and services, after deducting two components: gross imports of goods and services, and indirect business taxes. GNI is similar to gross national product (GNP), except that in measuring GNP one does not deduct indirect business taxes.

mean a higher level than some non-member like Croatia. It is possible to find more similarities between Greece, Slovenia and Croatia, on the one hand, and other countries in the Region (Albania, Bosnia and Herzegovina, Macedonia, Serbia, Bulgaria and Romania), on the other. However, the level of economic development in the Region as a average whole is better than in the world, but the average level of non-members is below the world and EU levels.

Gross national Income (GNI) is a more useful comparative indicator than GDP, and the World Bank suggests its use based on the so-called Atlas method. There are significant differences of GNI level against GDP per capita within most countries. Due to the GNI level, which is below GDP of each country, with significant differences, it is simple to conclude that out flows of resources (income) are greater than inflows in those countries (economies).

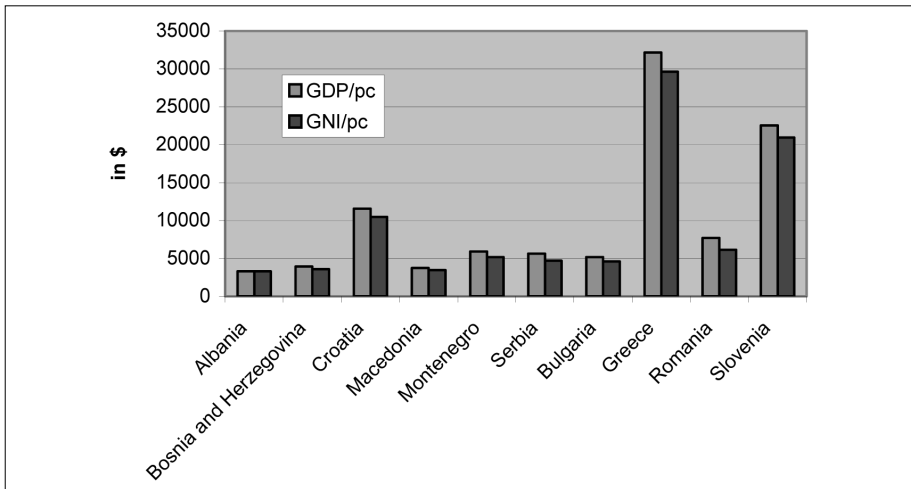


FIGURE 1. – GDP and GNI per capita 2007

However the level of GNI per capita in most of those countries suggests that the level of about \$ 5000 per capita or below is far from needs or from other EU members.

Recommendation: Each country should prepare its own programme to achieve at least 75% EU average GNI per capita within a reasonable period of time. The consideration would also include the important and complex case of Kosova. At the same time, on should consider from to promote regional trade and economic cooperation in order to improvise own economy.

South Eastern Europe, or the Balkans, geographically a part of Europe and, at the same time, it is the most undeveloped and unstable region.

What is dangerous, is that the countries in the Region are at risk it times of financial turmoil and more calamity during recession and their hard lending.

Recommendation: Each country should prepare own programme against recession. Also, it is recommended to consider better regional trade and economic cooperation during recession.

TABLE 3. – **Region: Gross Domestic Product Structure (%) 2007**

COUNTRY	GDP \$ million	Agriculture (%)	Industry (%)	Service (%)	Export (%)	Import (%)	Invest. (%)	Military exp (%)	Merchant trade (%)	FDI – net inflow \$ mil	Remittances \$ million
Albania	10570	23,0	22	56	27	54	27	1,8	50	325	1359
Bosnia and Herzegovina	15140	10,0	26	64	36	70	18	1,3	92	423	2514
Croatia	51280	7,0	32	61	47	56	33	2,0	74	3376	1788
Macedonia	7590	12,0	29	59	56	76	24	2,1	113	351	267
Montenegro	3560	10,0	18	72	42	71	29	1,7	104		
Serbia	41580	13,0	26	62	28	48	25	2,3	65	5128	834
EU candidate & potential	129720										
Bulgaria	39550	8,0	33	59	71	93	35	2	123	5172	2087
Greece	360030	3,0	21	76	19	27	26	3	28	5401	1543
Romania	165980	8,0	26	65	26	39	22	1,8	66	11394	8533
Slovenia	45450	2,0	34	64	71	73	31	1,5	135	649	300
EU members	611010										
Region	740730										
EMU	12179250	2,0	27	72	40	38	21	1,6	67	400472	57349
World	54347040	3	28	69	27	27	22	2,1	51	1352442	336851

4. VULNERABILITY AND RISKS ON THE HORIZON

The really shocking thing, however, is the way the crisis is spreading to the markets, like in the economies in this Region.

It should be recalled that during the 1990s and later on, most of those emerging market governments were vulnerable because they had a habit of borrowing abroad, when the inflow of dollars dried up, they were pushed to the brink. Since then they have been careful to borrow mainly on domestic markets, while at the same time building up lots of

dollar reserves. But, all their caution was undone by the private sector's obliviousness to risk.

Economic vulnerability and risks in each Region country stem from a number of inherent and permanent² economic features, including:

1. A high degree of economic openness rendering those countries, particularly susceptible to economic conditions in the rest of the world;
2. Dependence on a narrow range of exports, giving rise to risks associated with lack of diversification;
3. Dependence on strategic imports, in particular energy;
4. Current account deficit;
5. Trade deficit;
6. Foreign debt, government debt and total (non-financial sector) debt as of amount and in percent against GDP/GNI and related interest and interest rate rising;
7. General government deficit;
8. Cost of insuring government debt against default;
9. Level of investment against GDP/GNI and in compare with saving; and
10. Huge foreign finance inflows.

So far, the greatest risks for the Region countries have been as follows:

- (i) Current account deficit (CAB),
- (ii) Trade deficit,
- (iii) General government budget deficit and
- (iv) Foreign debt.

Following own methodology and in line with the Region countries data (see Table 4) it is estimated that each country is potentially entering in to greater turmoil as the well as i.e. world crisis contagion:

- (i) Current account deficit as a percentage of GDP 10% or more;
- (ii) Trade deficit as a percent a se of GDP 20% or more,
- (iii) General government budget deficit as a percent a se of GDP 3% or more,
- (iv) Foreign debt as a percent a se of GDP 85% or more

² There are human induced measures (possibly as a result of bad policies or lack of awareness) which exacerbate the inherent vulnerability of small and isolated states. It is possible that these are considered as man-made actions leading to the weakening of resilience against vulnerability.

TABLE 4. – **Region: The Greatest Risks as of 2007**

COUNTRY	Trade balance of GDP (%)	CAB of GDP (%)	Budget Balance of GDP (%)	Foreign Debt of GDP (%)
Albania	-20,4	-11,2	-3,4	20,2
Bosnia and Herzegovina	-38,8	-13,1	1,3	45,4
Croatia	-25,2	-8,6	-2,3	94,2
Macedonia	-18,7	1,1	0,6	34,1
Montenegro	-58,9	-36,2	7,4	45,0
Serbia	-19,1	-15,5	0,6	70,2
EU candidate and potential	-25,0	-11,7	-0,6	69,9
Bulgaria	-21,8	-21,4	-3,7	97,3
Greece	-13,0	-5,9	2,8	94,8
Romania	-15,6	-14,9	-2,6	28,7
Slovenia	-5,1	-4,9	-0,9	109,8
EU members	-13,7	-11,8	0,6	93,0
REGION	-15,7	-11,8	0,4	88,9

Source: BMI, Eurostat and World Bank

The data in Table 4 suggest that most of those countries are, or are entering in economic trouble soon.

Also, the economic condition of Kosovo would require consideration, although without valuable official data.

In addition, the economies in this Region are in economic trouble, too. The Economist, London – based magazine suggested as follows:

“Countries such as the ex-communist ones in eastern Europe are particularly at risk during periods of financial turmoil. First, because the counterpart of soaring foreign investment has been gaping current-account deficits (Latvia’s, for example, peaked at 26% of GDP in the third quarter of last year). Second, their central banks and governments are unlikely to be able to muster the financial firepower now being deployed in the big economies of the West. Already a couple of banks have toppled; stockmarkets have plunged, wiping out years of savings and hitting balance-sheets. The price of credit-default swaps – the market’s estimation of a borrower’s creditworthiness – ranges from the reassuring to the alarming (see map). As worries intensified, Hungary’s central bank on October 22nd raised interest rates from 8.5% to 11.5%.”³

³ The Economist, Eastern Europe, Who’s next?, Oct 23 2008, From The Economist print edition.



FIGURE 2. – CEE Countries Facing With Vulnerability⁴

Most of the EU's new members are in a stronger position, and should scarcely be put in the same category as the problematic countries. Poland, for example, has public debt of around 40% of GDP, while growth is nearly 6% and inflation at 4.5%. A strong economy has meant healthy tax revenues and kept budget deficits down. The zloty, like the Hungarian forint, has been wobbly, and a sharp slowdown in western Europe, the biggest

⁴ Ibid.

export market for all ex-communist countries, will affect Poland too. But life should be at worst a bit tougher, rather than downright nasty.⁵

5. CONCLUDING REMARKS

The Statement by G-7 Finance Ministers and Central Bank Governors⁶: was recently issued (October 27, 2008): We reaffirm our shared interest in a strong and stable international financial system. We are concerned about the recent excessive volatility in the exchange rate of the yen and its possible adverse implications for economic and financial stability. We continue to monitor markets closely, and cooperate as appropriate.

There is no doubt that the most advanced economies are entering in recession and economic conditions worldwide is dramatically worse.

However, when the global economy is entering into recession the worst affected would be open economies with a lower level of income like this Region countries.

Those countries are facing foreign debt, heavy private borrowing in foreign currencies, big current-account deficits, lax public-spending controls and wobbly governments, different in each country, but all potentially lethal in conditions of collapsing investor confidence.

More or less, each Region country needs its own programme capacity and certainly help for its economy, especially as follows:

- (i) Reduce current account deficit;
- (ii) Reduce trade deficit;
- (iii) Manage general government budget deficit; and
- (iv) Manage foreign debt.

The central feature of the programme would be reform of public finances and structural economy reform. But the room for manoeuvre is limited; hence, without help outside like the IMF and World Bank as well as coordinated way, any achievement would be very difficult.

⁵ Ibid.

⁶ http://www.mof.go.jp/english/if/g7_201027.htm

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SOUTH-EAST EUROPE – MIGRATION AND REMITTANCES

1. INTRODUCTION

Over the past years the West Balkan countries have moved closer to the EU. This reflects progress, albeit uneven, in reforms, economic development, meeting challenges of post-modern societies, and the partial fulfillment of the established criteria and conditions. I believe that it is worth for the EU and Europe as a whole, that this region goes ahead as quickly as possible with reconciliation amongst the people, and economic policy, which would speed up economic development of this region.

Of all the measures and policies required to achieve this objective in full, in this paper only two economic issues: emigration of the people from this region and economic implications of remittances (which are sent by the emigrants to their native countries) for the faster economic development are to be discussed. In order to have a comparison with the countries in the neighborhood, we are examining this situation in the countries in South-East Europe which are now full members of the EU and the others, categorised still as the West Balkan countries.

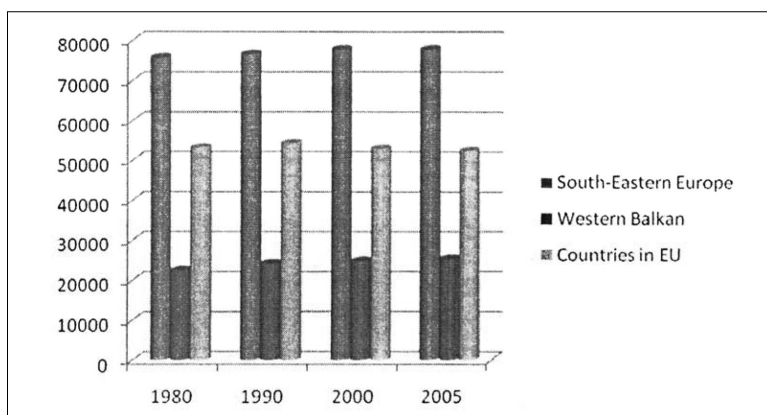
Namely, in December 2007, the European Council reaffirmed that “the future of the Western Balkans lies within the European Union”, declaring its willingness to move forward in the pre-accession process and to accelerate it. Such a statement was repeated by the European Council in February 2008, asking the Commission to use community instruments to promote economic and political development of the West Balkan countries.

This paper analyses only one possibility, for faster economic development of these countries – the impact of the emigration of the people from South-East Europe (in further text: SEE) and economic possibilities arising from that fact.

2. MIGRATORY MOVEMENT IN SOUTH-EAST EUROPE

The development of international migration is one of the main features of globalization: we accept the view of V. Trattini that migration could be called “The human face of globalization”! Therefore, migration is in-

creasingly coming on the top of the global policy agenda. Our analysis of migration shall start with the presentation of the population size in this region. Table 1 are presents the facts concerning the tendencies for the past 25 years, that is the period from 1980 to 2005. In the table, all countries in the region are divided into those which already are EU members (Bulgaria, Greece, Hungary, Romania and Slovenia) and those who are in various stages of EU accession (Western Balkans).



GRAPH 1. – Population in the target sub-regions of the South-East Europe, 1980–2005 (in thousands)

The territory of South-East Europe covers an area of 859,000 km², or 14.5 per cent of Europe (without Russia). In this territory there lived 77.8 millions of inhabitants (in 2005), or 13.4 per cent of the European population (without Russia). The growth of population is rather slow – in the last 25 years the registered increase was only 2.8 per cent (or 0.1 per cent yearly). It is evident that the increase occurred only in the West Balkan countries (12.7 per cent), while a decrease was observed in the countries of the region which already are EU members (-1.4 per cent).

This stagnation of the population is of a recent date. According to the official statistics, the growth of population in the period 1950–1980 used to be 0.89 per cent yearly for the whole region (1.09 per cent in the Western Balkans and 0.80 per cent for the countries, which already are EU member). For the period 1980–2005, the rate of growth dropped considerably: it was for SEE only 0.11, with the growth rate in the West Balkan countries being 0.46, while in the countries already in the EU was negative. There are many reasons for this huge drop in population growth: first, a decrease in fertility rate brought fewer children to the family. Another reason is net emigration with which the paper deals with.

TABLE 1.1. – Population in South-Eastern Europe, 1980–2005 (in thousands)

Region/Country	1980	1990	2000	2005	Index 1980–2005	Annual rate of growth 1980–2005
South–East Europe	75,654	76,498	77,778	77,775	102.8	0.11
Western Balkans	22,453	24,245	24,801	25,309	112.7	0.46
Albania	2,671	3,251	3,474	3,563	133.4	1.34
B&H	4,092	4,424	4,035	4,430	108.3	0.32
Croatia	4,383	4,778	4,427	4,442	101.3	0.005
Macedonia	1,792	1,861	2,015	2,045	114.1	0.53
Serbia and Montenegro	9,515	9,931	10,850	10,829	113.8	0.51
Countries in EU	5,3201	54,253	52,977	52,466	98.6	–0.05
Bulgaria	8,884	8,894	7,818	7,450	83.9	–0.7
Greece	9,643	10,130	10,559	10,668	110.6	0.41
Hungary	10,711	10,372	10,137	10,007	93.4	–0.26
Romania	22,130	22,866	22,452	22,330	100.9	0.03
Slovenia	1,833	1,991	2,011	2,011	109.7	0.37

Source: CROSTAT, 2007

On the other hand, the European Union is facing the challenge of requiring a more dynamic immigration policy to overcome labour shortage in the foreseeable future. In the coming decades the high number of ageing baby boomers will increase the number of people. In the EU-27 there are four persons of working age (15–64 years old) for every person aged 65 years or over, in 2060 the ratio is expected to be two to one (Eurostat, 2008). According to the Eurostat projection for the period 2008–2060, the annual number of births is projected to decrease while the annual number of deaths is projected to continue rising. It seems that positive net migration will be the only population growth factor. However, this poses the question of the ability to counterbalance the negative natural change in South-Eastern European countries, in the long run. In Table 1.2 we presented the data about the migratory balance of the South-East European countries.

Before analyzing those figures, let us consider their source. The primary source of migration data that has been used in this study was primarily the United Nations Population Division (UNPD), which has been covering the international migrant stock for more than forty years. The data are based on the censuses where the “foreign born statistics” (for 165 countries) are collected by the censuses and on “foreign nationality living in a given country” (in 50 countries). For thirteen countries migrant stock data are indirectly estimated, using various assumptions. The UNPD is using census data collected in a given country: the children of immigrants,

if they are born in a recipient country, are not regarded as emigrants. For that reason the number of immigrants by this concept is lower than those quite often used (described as “diaspora”).¹

UNPD statistics distinguish two types of migrations. *Long-term migrants* are persons who move to a country other than that of his or her usual residence for a period of at least a year. So, the country of destination becomes his or her new country of usual residence. *Short-term migrants* are persons who move to a country other than their usual residence for a period of at least three months, but less than a year. In Table 1.2., however, those two categories are presented together since the differences are quite often steaming out from different immigration policies.

If we are focusing on the world, there are 190.6 million registered immigrants in 2005 (2.9 per cent of the world population), according to UNPD statistics. It is paradoxical that the emigration is larger from developed countries (4.5%) than from the developing ones (2.6% of population).

UNPD statistics treat the territory of SEE as a strong emigration region. One eighth of the total population of this region emigrated. The Western Balkans is the main emigrating territory: almost a quarter (22.6 per cent) of the population emigrated during the past 25 years: from Bosnia and Herzegovina 33.2 per cent emigrated, from Albania 24.1 per cent, from Serbia and Montenegro 21.2 per cent. Slightly lower are the figures for Macedonia (18.1 per cent) and Croatia (16.3 per cent).

The populations of the countries of South-East Europe, which have already joined the EU, were far less inclined to emigrate. The emigration is there 7.6 per cent (Hungarians are least inclined to emigrate, only 4.7 per cent emigrated, and the Bulgarians are most frequent emigrants among those countries with 12.6 per cent of emigrants). Without any doubt we should conclude that the dissolution of Yugoslavia, with the civil war and its consequences, coupled with difficulties in transition policies, is the main reason for such huge exodus of population in a number of the West Balkan countries.

¹ The role of the diaspora in the development of the countries of origin: notion of the diaspora largely corresponds to migrant communities, but it is broader- it also includes descendants of migrants, even born in their country of residence, but who retain some sort of commitment to country of origin. Diaspora can play a useful role by sharing their skills and financial or “social” capital with countries of origin, or indirectly by fostering a change mentalities (on the basis of their experience in living in more developed, often more open societies). In this area, the EU would be ready to support the efforts of countries of origin.

TABLE 1.2. – Migratory movements in South-Eastern Europe, 2005 (in thousands)

Region/Country	Population (1)	Emigration (2)	Immigration (3)	Bal- ance (4)	% of emi- grated (2:1)
South-East Europe	77,775	9,731	2,512	7219	12.5
A) Western Balkan	25,309	5,727	818	4,909	22.6
Albania	3,563	860	83	777	24.1
B&H	4,430	1,472	41	1,431	33.2
Croatia	4,442	726	661	65	16.3
Macedonia	2,045	371	121	250	18.1
Serbia and Montenegro*	10,829	2,298	512	1,786	21.2
B) EU countries	52,466	4,004	1,694	2,310	7.6
Bulgaria	7,450	937	104	833	7.6
Greece	10,668	1,218	97	244	11.4
Hungary	10,007	471	316	155	4.7
Romania	22,330	1,244	133	1,111	5.6
Slovenia	2,011	134	167	-33	6.7

Source: United Nations Population Division (UNDP).

* Montenegro declared independence from Serbia and Montenegro on June 3, 2006.

What are the countries of destination of the world emigrants? Top 10 destination countries in the world are: the USA, Russia, Germany, Ukraine, France, Saudi Arabia, Canada, India, United Kingdom and Spain.

The total world stock of immigrants is 190.6 million, or 3 per cent of the world population. By far, the largest immigration country is the USA with 38.4 million. The total number of immigrants in top ten destination countries is 102.3 millions (or 53.7 per cent of the ali immigrants). However, in the USA this huge number of immigrants makes only 12.8 per cent of its population. On the other side, in Qatar and Andorra immigrants are making around 78 per cent of population, in Kuwait 62 per cent, in West Bank and Gaza 45 per cent, Singapore 43 per cent, Israel 40 per cent, Luxembourg 37 per cent, Saudi Arabia 26 per cent, Switzerland 23 per cent and Australia 20 per cent (World Bank, 2008).

Among ten countries with the largest immigration (volume-wise) only one – Germany – is amongst the top ten immigrant countries, for the people from SE Europe. So, where the people from SE Europe are migrating to? Table 1.3 gives the answer (in bracket is the place of a given country amongst the top ten immigrant country).

TABLE 1.3. – Countries with large immigration from South-East Europe, 2005

Country	Number of immigrants (in thousands)	Immigrants as % of population	Among the ten biggest immigration countries is:
Austria	1,234	15.1	Serbia (1), B&H (3), Croatia (8)
The Czech Republic	453	4.5	Romania (6), Hungary (9), Serbia (10)
Denmark	389	7.2	B&H (5), Serbia & Montenegro, (10)
Germany	10,144	12.3	Serbia & Montenegro, (2), Croatia (6)
Hungary	316	3.1	Serbia (3), Croatia (7)
Ireland	585	13.9	Romania (9)
Italy	2,519	4.3	Albania (2), Romania (3), Serbia & Montenegro (7)
Norway	344	7.4	Serbia (8), B&H (9)
Slovakia	125	2.3	Hungary (2), Romania (5), Serbia (7)
Sweden	1,117	12.4	Serbia (2), B&H (4)
Switzerland	1,660	22.9	Serbia (3), B&H (9), Macedonia (10)
Turkey	1,328	1.8	Bulgaria (1), Serbia (3), Greece (4), Macedonia (5), Romania (7)

Source: UNPD.

The main targets for emigrants from SE Europe are the countries of the European Union, especially Austria, Germany, Italy and the Scandinavian countries. Those countries are now recording a huge inflow of people and they have begun accepting well those coming from somewhere else in Europe or coming from the Asian and African countries. This immigration policy in some EU countries is resulting from huge pressure for immigration coming from the Asian and African economies.

Some authors are doubtful about the current immigration situation in Europe. There is a visible change between immigrations of the 1950s and nowadays, when Europeans immigrants have been replaced by the millions of new immigrants coming from Asia, the Middle East and Africa (see: Laquer, 2007). This author claims that many of 'guest workers' do not wish to integrate into the European societies; they are resistant to assimilation what has created the increasing social, political and cultural problems.

For most of the South-Eastern European countries remittances are, after foreign direct investment, the most important source of external finance.

3. REMITTANCES² TO THE COUNTRIES OF THE SOUTH-EAST EUROPE, 2000–2007.

Remittances, presented in this paper, are the figures which are officially reported by countries to the IMF. Reported figures do not indicate transfers through informal channels. According to the recent World Bank estimations, remittance flows doubled during the period 2001-2005 and recorded 249 billion in 2005, to which should add 100 billion more, which are transferred through one informal channels; so that they make a significant contribution to the poverty alleviation in a receiving country. The developing countries' share was USD 180 billion (World Bank, 2006). The true size of remittances, including unrecorded flows through formal and informal channels, is believed to be much larger than reported in any returns (for some countries like Romania it is particularly obvious).³

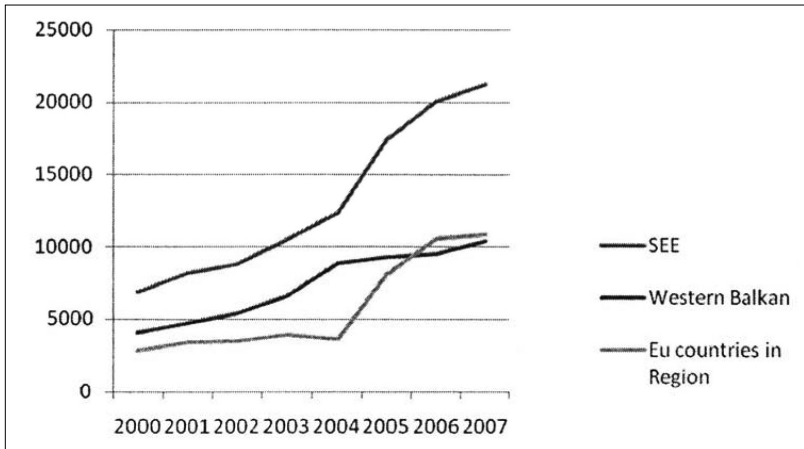
Migrant's remittances are defined, by official international methodology, as the sum of workers' remittances compensation of employees and migrants transfers. Workers' remittances, as defined in the IMF Balance of Payments Manual, are current private transfers from migrant workers, who are considered as residents of the host country to recipients in their country of origin. According to the existing rules, if the migrants live in the host country for less than a year, their entire income in the host country should be classified as "compensation" of employees. In practice, the split between those two categories is often arbitrary, depending on the country's preference, convenience, and tax laws or – data availability. For this reason in this paper, we do not subdivide the total sum of remittances regardless of the fact that in some cases such data exist. In the analysis one should distinguish inward remittances (received in a given country) and outward remittances (in many countries, namely with huge emigration, there is always the immigration of professionals which are sending their income to the countries of origin).⁴

² Remittances are the financial transfers which migrants send to their families or other people in the country of origin.

³ The best example is the case of Romania. Untie 2004, the Romanian authorities calculated that the remittances from about 1 million Romanian emigrants are bringing to the balance of payments of Romania between USD 96 and USD 132 million. After the careful examination of the flows through different channels, they have found that in 2005 the inward remittances were 4,733 millions and in the year 2006 (6,707 millions), that is – 50 times more!

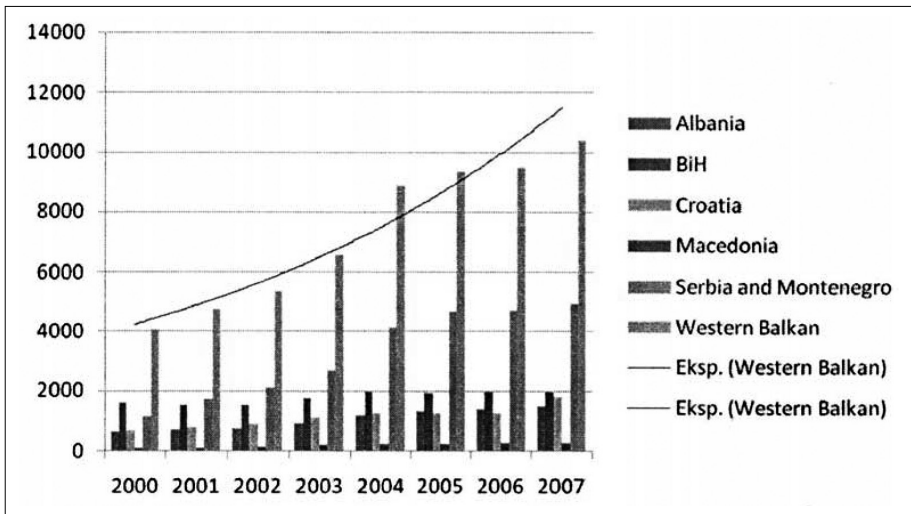
⁴ For example, in Greece the outward remittances flow in 2006 used to be USD 982 millions, compared to inward flows of USD 1,543 million in the same year.

Many countries do not report the data on remittances in the IMF Balance of Payments Statistics, even though it is known that emigration from those countries took place (World Bank, 2005). But, that is not the case with the countries of South-East Europe. For that reasons, the analysis of those facts is possible. Graph 2 presents the facts concerning inward remittances. The data show that during the analyzed period of eight years in South-Eastern Europe, inward remittances have increased three fold, from USD 6.9 billion to USD 21.2 billion (index was 308 in 2007, while the inflow was 100 in 2000). The remittances to the Western Balkans have more than doubled during the period from 2000 to 2007 (from USD 4.1 billion to USD 10.4 billion). However, it is slightly lower than in the countries of the region, which have already joined the EU (USD 10.9 billions); in spite of the fact that the population in the Western Balkan countries is only one third of the population in SEE.



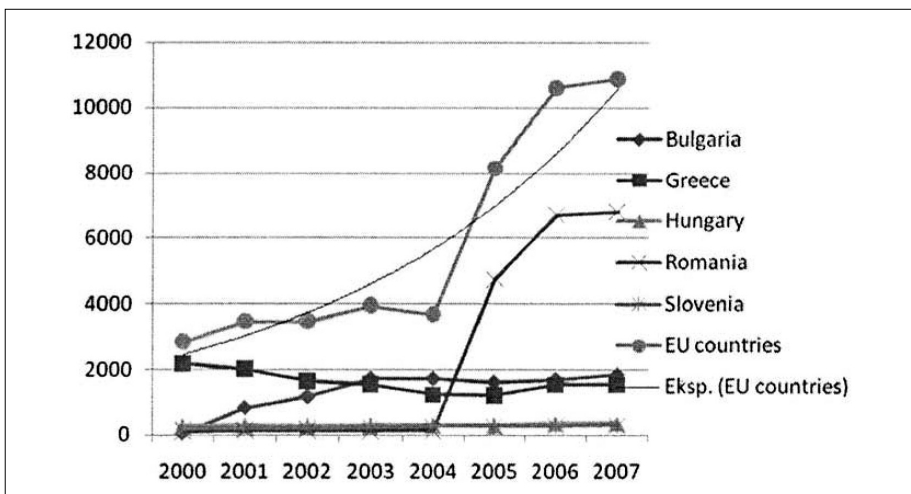
GRAPH 2. – Inward remittances of South-Eastern Europe per region, 2000–2007 (USD millions)

Graph 3 shows remittances by country in the Western Balkan region. In Serbia with Montenegro, remittances more than quadrupled in the period analyzed (from USD 1.1 billion to USD 4.9 billion), while Bosnia kept the same level from 2004 to 2007 (USD 1.9 billion). In Croatia, remittances more than tripled (from USD 0.6 billion to USD 1.8 billion) and Albania received USD 1.5 billion from remittances in 2007 alone. However, remittances could not be substitute for a policy of economic and social development.



GRAPH 3. – Remittances in the Western Balkans, 2000–2007 (US \$ millions)

In the analyzed period the highest inward flow of remittances amongst the SEE EU member countries was recorded in Romania, where remittances increased from USD 96 million in 2000 to USD 6.8 billion in 2007. Bulgaria showed a grate change, receiving only USD 58 million in the year 2000 and reaching USD 1.8 billion in the year 2007.



GRAPH 4. – Remittances in EU countries in the Region, 2000–2007 (millions of US \$)

Source: The World Bank, Migration and Remittances, Fact Book 2008.

However, as the absolute figures are the result of a relative size of the countries and emigration of their population, the importance of remittance in the country should be measured on the basis of an inward flow divided by number of emigrants, population in recipient country, the size of GDP in a given country and the export volume of the analyzed country. That has been done in the following table (2.2.)

TABLE 2.2. – Inward Remittances to SEE Countries in 2006 (in USD)

Region/Country	Per emigrant	Per inhabitant	As % of GDP (in the year 2006)	As % of Export in 2007
South-Eastern Europe	1,796	224	7.1	9.2
Western Balkan	1,672	368	13.2	34.5
Albania	1,500	362	14.9	187
BiH	1,312	436	17.2	46
Croatia	1,683	275	2.9	14
Macedonia	609	111	4.3	11
Serbia and Montenegro	2,023	429	13.8	55
EU countries	2,030	155	4.8	5.
Bulgaria	1,721	217	5.4	10
Greece	978	114	0.6	8
Hungary	637	30	0.3	0.5
Romania	3,805	212	5.5	17
Slovenia	1,970	131	0.8	1

Source: The World Bank, Migration and Remittances, Fact Book 2008; The World Bank, “The Little Data Book”, 2008.

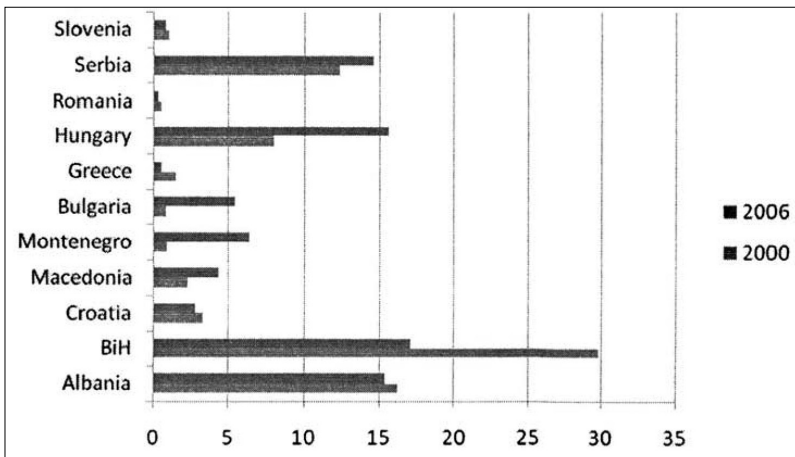
The average emigrant was sending approximately USD 1800 yearly. Since among them there are children and old people, the average remittance per active person is quite likely in the region of USD 3,500 per year.

The lowest remittance per emigre, according to the data by countries, is received in Macedonia, Hungary and Greece, while in other analyzed countries those flows are by far higher. Such huge differences are mainly the result of difficulties in measurement of the inflow, rather than real differences in the level of transfers.

The population of the analyzed countries is receiving around UD 250 per year. The data per population shows huge differences among the countries. Average Hungarian is receiving only USD 30 yearly, while inhabitants of Serbia with Montenegro and Bosnia and Herzegovina more than USD 430. Those enormous differences are results of differences in the number of emigrants, but also in coverage of receipts in a given country.

4. THE IMPACT OF REMITTANCES ON SOUTH-EAST EUROPEAN ECONOMIES

Compared to GDP of the countries of South-East Europe, remittances are adding approximately 7 per cent to the recorded GDP. Remittances play a key role in some West Balkan countries where they correspond to a large portion of their GDP (13.2 per cent above their GDP, see Graph 5) than in EU countries of the region (where remittances are adding only 3.8 per cent to the GDP). Remittances are the most important source of consumption in Bosnia and Herzegovina (17.2 per cent of GDP that is one sixth); very close to this high percentage are Albania (14.9 per cent of its GDP) and Serbia and Montenegro (13.8 per cent). Those percentages are placing these countries among the top remittance-receiving countries in the world. The developed countries in this region rely considerably less on remittances as a source of domestic consumption (Hungary 0.3 per cent, Greece 0.6 per cent, and Slovenia 0.9 per cent).



GRAPH 5. – Remittances as a Share of GDP in South-East European Countries

The World Bank, “The Little Data Book”, 2008; The World Bank, Migration and Remittances, Fact Book 2008.

Finally, in relation to the export of goods of those countries remittances are negligent in some countries (in Hungary 0.6 per cent and Slovenia 1.5 per cent); not so important in Greece (with 7.9 per cent), Macedonia (11.1 per cent), Bulgaria (13.7 per cent) and Croatia (13.9 per cent) and decisive in Bosnia and Herzegovina, and Albania – where the inward remittances are bringing to the countries more dollars than the export of goods and services (The World Bank, 2008).

This situation is even more emphasized by the fact that some countries are having rather large outward movements of remittances. Table 2.3 shows net FDI flows as well as remittance flows for the countries where such inward and outward flows are reported. South-East European countries are opening themselves to the free movement of goods and services, but also have guarantee for a freer entrance of foreigners and professional workers. In the 21st century, according to the available data, the increasing number of foreigners will be working in this region and accordingly, more and more outward remittances are registered in their balance of payments. Between the year 2000 and 2006, the total amount of outward remittances increased from USD 755 million to USD 1,779 million, which means an increase of 2.4 times (without Serbia and Montenegro). It is quite likely that foreign capital inflow will further increase the size of outward remittances. The figures, presented in Table 2.3, suggest that this process has started in the West Balkan countries, but it is still at a low level. Quite opposite is the case with the developed countries of this region, which is already in the EU. In Slovenia, Hungary and Greece outward remittances are already high, living only a small positive balance of remittances.

TABLE 2.3. – Foreign direct investment flows and remittances in South-East Europe, 2005–2007 (in USD Million)

Region/Country	FDI Flows Net			Remittances Net**		
	2005	2006	2007	2005	2006	2007
A) Western Balkan	3,439	9,237	9,177	9,194	9,132	9,994
Albania	-282	-56	-714	1,283	1,333	1,451
B&H	591	697	2,007	1,891	1,888	1,883
Croatia	1,551	3,200	4,650	1,160	959	1,503
The FYR of Macedonia	94	424	319	210	249	247
Serbia	1,011	4,387	2,196	4,650*	4,703*	4,910*
Montenegro	474	585	719			
B) EU Countries	14,662	22,383	15,768	6,917	9,186	9,403
Bulgaria	3,617	7,332	8,164	1,587	1,647	1,800
Greece	-845	1,197	-3,420	317	561	543
Hungary	5,504	3,168	1,455	145	173	165
Romania	6,453	10,943	9,712	4,699	6,651	6,735
Slovenia	-67	-257	-143	169	154	160
South-East Europe	18,101	31,620	24,945	16,111	18,318	19,397

Source: WIR 2008; The World Bank, Migration and Remittances, Fact Book 2008.

Notes:

* Serbia and Montenegro;

** Inward – Outward remittances.

Foreign direct investment (FDI) flows decreased in South-East European countries in 2007, compared as to the previous years, and reached USD 24.9 billion. In the same period, remittances to SEE rose from USD 16.1 billion to USD 19.4 billion. The EU countries in the region also show downward tendencies of FDI in the year 2007, recording 42 per cent less foreign direct investment compared to 2006. It is also visible that some countries like Greece and Slovenia became net investors abroad. However, remittances in the new EU countries, which are encompassed by this research, were increased for 40 per cent and reached USD 9.4 billion. Remittance flows are important source of external development finance for many Balkan countries. While FDI net flows into the Western Balkans increased from 3.4 billion in 2005 to USD 9.2 billion in 2007, remittance flows increased for 8 per cent and keep the stable level of around USD 10 billion (R. Jovančević and Ž. Šević, 2006).

We may also conclude that in SEE the recorded remittance flows have reached USD 17.9 billion yearly during 2005–07, what was equal to 72 per cent of FDI in the same period. The relative importance of private transfers is higher in the Western Balkan countries than in the EU countries, as the remittances are net higher than FDI inflows, for 29 per cent, which averaged USD 7.3 billion per annum.

There is also a link between remittances and the trade deficit. Namely, the remittances have the impact on a large trade deficit; while mainly finance the consumption of imports. Remittances are a relatively stable source of inflows and are mainly used to finance private consumption of poorer families. Significant and rising imbalances in the trade and current accounts and a rising external debt constitute potential risks to macroeconomic stability. In South East Europe, current account deficits continued to widen, financed mainly by increasing net capital inflows. Capital inflows have tended to take the form of foreign direct investment in the tradable goods sectors, with the resulting exports helping to keep current account deficits under control.

The South-East European countries presented in Table 2.4 are showing a high current account deficit, in terms of percentage of GDP, which is also true for all the EU countries in the region. The huge current deficit is due to deficit in trade of goods (with the exception of the Czech Republic). The results are improved by the positive balance in services in all analyzed countries.

TABLE 2.4. – Current account, balance by components, 2006 (% of GDP)

	Current account	Goods	Services	Income	Current transfers
EU countries in region					
Bulgaria	-15.7	-22.2	3.9	0.0	2.6
Greece	-9.6	-14.3	6.3	-2.9	1.4
Hungary	-6.6	-1.0	1.4	-7.4	0.4
Romania	-10.4	-12.2	0.0	-3.2	4.9
Slovenia	-2.8	-3.8	2.8	-1.3	-0.6
Other NMS of EU					
Czech Republic	-3-3	1.9	1.1	-5.7	-0-6
Estonia	-15.5	-17.7	6.1	-4.5	0.7
Latvia	-22.3	-25.4	3.3	-2.6	2.4
Lithuania	-10.8	-14.1	3.6	-2.8	2.4
Poland	-3.2	-2.0	0.6	-4.2	2.4
Slovakia	-8.3	-5.6	1.2	-3.8	-0.1
Western Balkan					
B&H	-8.4	-35.1	5.1	3.3	18.1
Croatia	-7.9	-24.4	16.7	2.6	4.8
Macedonia	-0.4	-20.7	0.4	-0.1	-0.7

Source: Eurostat; and IMF, International Financial Statistics, Sept. 2008.

5. THE EDUCATION LEVEL OF THE EMIGRANTS FROM SE EUROPE

There is no good statistical evidence of the structure of emigrants from SE Europe. There is a common opinion that the vast majority of those, leaving the region are young, bright and better educated, than those remaining in the region. This general belief is supported by the census figures from the countries of immigration, since the censuses are giving the qualifications of foreign born residents. Table 3.1 presents the figures supporting such claims. Almost one quarter – 22.5 per cent – of emigrants from the Western Balkan have tertiary education⁵ (the remaining population has only 9 per cent). There is also one additional feature: the poorer the country, the larger is the portion of tertiary educated people emigrating.

Some research for Eastern Europe has stressed that economic growth was slowed by skilled emigration during the 1990s (Barro and Martin, 1995). Some Balkans and EU countries are already facing the sever skilled-

⁵ Tertiary education refers to those who have more than high school or 13 or more years of education.

person shortage, with the adverse consequences onto their infrastructure services and productive capacity.

TABLE 3.1. – **Emigration of Skilled People from SE Europe, 2005**

Region/Country	Total emigration (in 000)	Emigration of tertiary educated (in 000)	Emigration of tertiary educated (in %)	Emigration of physicians (number)	Emigration of physicians (in %)
SE Europe	9,731	1,760	18.1	10,648	5.7
A. Western Balkan	5,727	1,288	22.5	3,024	10.7
Albania	860	172	20.0	61	1.4
B&H	1,472	420	28.6	821	12.7
Croatia	726	116	16.0	286	2.7
Macedonia	371	77	20.9	62	1.4
Serbia and Montenegro	371	77	20.9	62	1.4
B. Countries in EU	4,004	472	11.8	7,624	4.8
Bulgaria	937	54	5.8	647	2.3
Greece	1,218	171	14.0	2,819	5.6
Hungary	471	57	12.1	1,782	5.6
Romania	1,244	175	14.1	2,296	5.1
Slovenia	134	15	11.0	80	1.8

Source: The World Bank, Migration and Remittances, Fact Book 2008.

There is much more (28.6 per cent) of tertiary educated among emigrant born in Bosnia and Herzegovina than in Serbia and Montenegro (21.9 per cent) or Croatia (16 per cent). This tendency exists in the countries of SEE Europe, which already are EU members; those, which got until recently the difficulties with the visas (Bulgaria), are having a lower percentage of tertiary educated emigrants. More precise are the figures concerned with the medical brain drain, collected by the World Bank analysts (see: Docquier and Bhargava, 2006), as also presented in Table 3.1. According to this research, 10.7 per cent of all physicians trained in the Western Balkan countries, are permanently settled outside of their homeland. Conversely, the percentage is much lower in the SE European countries, which already are in the EU (4.8 per cent). Both two sets of those figures are presenting the huge brain drain from CEEs. Costly education, paid in part by parents and partly by the governments, is flowing outside of their countries, contributing to the growth of immigrant countries (mainly in the Western Europe). The main reason for the movements out of home country are better economic conditions offered to the immigrant

by host countries: higher wages, better working conditions, positions and respects for the qualities which embodied in them.

The South-East European countries have already faced a high increase in the number of students as part of the implementation of Bologna process adjustment and catching-up growth process; but on the other side this has not led for a proportional increase in the demand of the private sector for such educated personnel. The SEE countries are experienced a high unemployment among younger populations.

The emigration initially brings the loss to the country from where it does originate. The direct costs involved are raising and education of emigrants while the indirect costs are connected with the shortage of educated people for domestic industries, and the latter's implications for growth. However, after some time the workers' remittances⁶ are bringing benefits and partial compensation to their country. Besides that, sometimes emigrants with their saving and knowledge obtained in the recipient country would return in their homeland, usually as entrepreneur bringing to the country a stimulus to the growth. Return of emigres could come when conditions in the migrants' home countries such as the following exist: positive political, economic and social conditions. Appropriate incentive could enable migrants to use their newly acquired knowledge, skills, and technology use and management techniques and to utilise the savings and capital acquired while abroad for productive uses at home.

6. SOME RECOMMENDATIONS

The significant and noticeable emigration from SE Europe is bringing, in the recent years, a considerable increase in inward remittances to those countries. This flow is, according to ali investigations, considerably higher than registered – partly because of high transfers costs in some countries for remittances. Often, they are coming “illegally” what hampers development – oriented investment. Since remittances are private capital transfers, like foreign direct investment, they are not subject to any government development planning. However, they are many means by which the governments could stimulate investments from these inflows to the particular sectors of national economy (tourism is one of them). Taken together, the facilitation of transfer costs, inclusiveness of financial sectors

⁶ In the paper we have considered workers' remittances as the current transfers by migrants, who are considered as being resident in the destination country.

and provisions of investment opportunities can increase the macroeconomic gains from remittances to the recipient country.

Taken together, facilitation, reduction of transfer costs, inclusiveness of financial sectors and provisions of investment opportunities can increase the macroeconomic gains in the recipient countries.

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WESTERN BALKANS AND EURO-ATLANTIC INTEGRATION

As is well known, the newly coined term “Western Balkans” refers to the area of former Yugoslavia from which Slovenia was taken away and Albania added. In contrast to other parts of the Balkans and the South-Eastern Europe, the Western Balkans, with the exception of present day Croatia, is characterized by smaller ethno-confessional cohesion. The homogeneity in this area represents about two-thirds or even smaller majority of the biggest group, while on the other parts of Europe and its South East; it ranges from 80 per cent and above.

It is certain that the independence of Kosovo and Metohia would move decisively the rest of Serbia and Kosovo and Metohia from the group with the less homogenous population to that with the higher homogeneity. It is also certain that Serbia will not accept and recognize the unilateral secession of Kosovo and Metohia. It is clearly noticeable that the international community (or the Euro-Atlantic Alliance) had extended the privileges, from the very beginning of the disintegration of Yugoslavia, to the separatist determinations and, with the exception of Bosnia and Herzegovina, favored the separation of the ethno-confessional communities, giving its support to their separate life, next to each other, to a disadvantage of multi-ethnicity and multiculturalism, without being much considerate of such proclaimed principles and standards.

Everything is developing as if the countries failing to enter on time into the process of Euro-Atlantic integration inexorably get into the processes of disintegration. The question arises whether the crises with Kosovo and Metohia, which according to the latest analysis was an initiator of disintegration of Yugoslavia, is the termination or continuation of these disintegration processes?

It is difficult to imagine not only the solution, but also the rebuilding and termination of these processes outside Euro-Atlantic integration. But, it will be even more difficult to foresee the way and dynamics of these integrations. The fact that EU opted for individual, if not selective accession to EU, makes the insight into this kind of forecasting even more difficult. The insight of particular interest due to the change in relations between

the powers in the wider region, which can bring the new strains and to stray from the compromise solutions more favorable to all parties.

Therefore a regional plan for the solution of crises, including that with Kosovo and Metohia, which looks all the more difficult to resolve, could encompass the whole region of the Western Balkans, which would be of a special importance for the wider region as well.

While the countries of the Western Balkans are competing in approaching the EU market and democratic standards, their mutual approaching can only facilitate the transitional difficulties and speed up the preparations for Euro Atlantic integrations. Their cooperation in the area of economic and cultural exchange could be developed in the mutual multilateral relations, which could be stimulated by the appropriate facilities for the EU market area. The exchanges in the area of the culture and economy should be facilitated additionally by investments in communications, tourism, education and sports. In the course of the accession to EU, this multilateral cooperation of the Western Balkans countries should be open for Turkey to a greatest extent.

Developing this idea of creation of the market area of about more than 100 million consumers requires a comprehensive project which would necessitate a systematic and multidisciplinary approach and a good knowledge of the South East and Asia Minor area. This project could contribute in a decisive way to rebuilding of the knot of the Western Balkans and Asia Minor - the knot and a center which in the absence of beneficial initiatives could become the additional factors of instability in the near future and imperil the efforts made with great difficulty so far and the results achieved in this sensitive part of the Europe and the Middle East.

MILIVOJE BALETIĆ

AMBASSADOR, DIRECTOR OF THE DIPLOMATIC ACADEMY, PODGORICA,
MONTENEGRO

THE PRESENT AND FUTURE OF PEACE AND DEVELOPMENT IN THE BALKANS UNDER CONDITIONS OF EUROPEAN AND EURO- ATLANTIC INTEGRATION PROCESSES

I. INTRODUCTION

The need to create preconditions for the optimal development of the Balkan countries implies an organized approach to the solving of specific development and security problems, in accordance with the verified development and democratic standards of European and Euro-Atlantic integration processes, which form part of the overall globalization of relations within the international community.

The historical genesis of relations, current situation and the need to create optimal conditions for the preservation of peace and development in the Balkan countries have the specific characteristics, which imply a complex problem-solving approach, apart from the standard transition ones. The creation of optimal security and development conditions anticipates the organized inclusion of the Balkan countries in the unavoidable integration processes.

The specificity of the development and security problems of the Balkan countries calls for the recognition of the current difficulties and need for their overcoming, thus ensuring an optimal process for their increasingly intensive inclusion in European and Euro-Atlantic integration processes, in an organized way.

To achieve results in perceiving the objectively conditioned way of creating conditions for peace and development in the Balkan countries, while at the same time bearing in mind the nature of the issue, it is necessary to consider the relevant characteristics of the genesis and state of European and Euro-Atlantic integration processes, which provide preconditions for the unhindered and optimal development of these countries.

The mentioned approach to treating the mentioned issue should point to the relevant characteristics of the current and expected processes in building a successful future for the stability of peace and optimal development in the Balkans.

II. AN OVERVIEW OF THE GENESIS OF THE TRANSFORMATION OF THE EU AND NATO

The global process of confronting development interests and, thus, international relations in the post-World War II period contributed to the organized and functional treatment of the problems concerning peace and development within the international community. In that context, bipolar relations on the world scene, as the result of the existence of two different political systems (capitalism and socialism), provided a direct reason for the establishment and operation of numerous international organizations in which, considering the confrontation of interests, a special role was played by the formation of the NATO and Warsaw Pact. During the same period, the need for the reconstruction, development, preservation of peace and promotion of cooperation among the European countries resulted in the adoption and implementation of the Schuman Declaration (1950). Its aim was to create conditions for the togetherness of the European countries, which was meant to be a long but comprehensive process, motivated by the need to promote political understanding and economic cooperation.

The strategy and overall development of relations within European and Euro-Atlantic integration processes, through a long and complex transformation, enabled the stability of the processes, making them unavoidable in cooperation and the promotion of overall relations within the international community. We will now divert our attention to the relevant characteristics of these processes, pointing out their significance for peace and development in the Balkan countries.

1. EU – Relevant Transformation Characteristics

The adoption of the Schuman Declaration, as the vision and projection of developing relations among the European countries, marked the beginning of a complex European integration process. This process was defined and based on the contractual relations among the countries which initiated the European integration process or joined it over time. The development of integration relations enabled togetherness through the creation and functioning of joint institutions and the adoption of the relevant legislation. The adoption and implementation of this legislation resulted in the formation of the European legal system, which created a basis for the competences of institutions and the implementation of legal regulations, thus enabling the formation and implementation of supranational

European law, which has precedence over the national law of EU member countries.

Rounding off the integration process with the creation of the European Union /1992/ started with a complex process, involving primarily economic relations among member countries, whereby their development also included cooperation virtually in all fields of social and economic development.

The integration process evolved, both institutionally and according to its content, through the formation and functioning of the European Coal and Steel Community /ECSC 1951/, European Economic Community /EEC 1957/ and European Atomic Energy Community /EURATOM 1957/, and was rounded off with the formation of the European Union /1992/, combining the activities of all these organizations. Apart from economic cooperation, the formation of the European Union contributed to further European integration by adopting a Common Foreign and Security Policy and Cooperation in the Field of Judiciary and Internal Affairs. The European integration process continues, enriching itself thanks to the need for the more efficient and more comprehensive functioning of European institutions through the adoption and implementation of the European standards, defined by supranational legal norms, which imply their implementation by all EU members. With the progress of the integration process, the number of member countries increases. Membership began with only six countries, while the current EU membership is 27.

On its long and complex development path, the European integration process resulted in the formation of an internal market, thus ensuring the free mobility of goods, services, people and capital, coupled with a common economic and monetary policy, common foreign and security policy and cooperation in the field of judiciary and internal affairs.

In essence, a common foreign and security policy implies the strengthening of EU security, coupled with the preservation of peace, strengthening of international security and international cooperation in accordance with the United Nations Charter, while at the same time respecting democracy, the rule of law and verified and generally accepted international legal norms. The legal form of common policy is determined through a common strategy, directives and views of the European Council (heads of state or government) and the EU Council (ministers of member countries), as the result of the coordinated formulation and pursuance of foreign policy.

Cooperation in the field of judiciary and international affairs rounds off the functioning of the EU, based on the harmonization and implemen-

tation of the legal norms and forms of organized cooperation in the field of internal security among the competent European institutions and institutions of member countries, through the functioning of the European legal system (the unity of legal norms and factual behaviour).

The long-standing and complex process of European integration also resulted in the fact that there is virtually no field of social and economic cooperation among member countries which is not based on the European standards and which does not fall under the competence of the coordinating and functional role of EU institutions, not to mention the supremacy of European law over the national law of member countries.

As a strong and indispensable factor in the globalization of international relations in the fields of economic cooperation and development, preservation of peace and security, the EU and its integration process represent an objectively conditioned and, thus, unavoidable path toward peace and optimal development in the Balkan member countries and the countries on the way to becoming EU members.

Stabilization and Association Agreements (SAAs) provide a legal basis for the integration process of the countries aspiring to EU membership. On the path towards the gradual introduction and implementation of the European standards, this document creates a contractual relationship between those countries and the EU. The duration of a country's integration process depends on its success in adjusting to the organization and functioning of the EU. The method and time-related projection of integration are determined by the countries in the region under special national programmes, whose realization is monitored in an organized operative manner, about which they inform European institutions on a regular basis. In the context of the integration process of the Balkan countries there is a special integration criterion set under the European Integration Partnership for the Balkan region (Thessaloniki 2003), which refers to regional cooperation. It implies the implementation of the principles and standards of the Common Foreign and Security Policy of the EU in order to create necessary conditions for stable peace and development.

2. NATO – Relevant Transformation Characteristics

To ensure peace and security, the bipolar relations on the world political scene, as the result of the heterogeneous and mutually confronted political and economic systems (capitalism, socialism), brought about the formation of NATO (1949) and the Warsaw Pact (1955) which, in essence, were based on the need for collective defence and the preservation of peace. With the collapse of the bloc of the socialist countries, the reason for the

existence of the Warsaw Pact and, in real fact, the basic reason for the existence of NATO ceased to exist. The bipolar system of international relations vanished from the world scene, resulting in the reconsideration of the purpose and further existence of NATO or, in other words, its further role under changed conditions on the international scene.

As the main support and symbol of transatlantism, NATO was designed with a view to ensuring the complex linkages of the Western Hemisphere countries, involving not only military cooperation, but also political, economic, social and other forms of cooperation. The new situation in the constellation of relations on the international scene, after the collapse of socialism, led to the transformation of the role of NATO under conditions of different, primarily development and related political and security problems, which emerged as the result of the transition path taken by the former socialist European countries.

The transition path toward creating conditions for social and economic development, which radically changes relations on the internal political scene, caused marked instability, coupled with ethnic tensions and regional conflicts, violation of human rights and organized crime which, in the context of international relations, brought about the need for stopping such tendencies in an organized way both in the countries in transition and on the international plane.

In the context of such relations on the European and international scene, NATO was faced with the new security and developmental challenges, which required an organized and functionally recognizable approach, including the vision of security, democratic and optimal development. Such historical events and challenges resulted in NATO's openness for cooperation, under the Partnership for Peace (PfP), with the countries which are not NATO members (Copenhagen 1991). In addition, the heads of state or government of the NATO members also invited to such cooperation (Brussels 1994). Soon after the promotion of PfP, an invitation for cooperation was accepted by 30 or so countries.

PfP is dedicated to military cooperation with a view to preserving peace in Europe, based on transparency, democratic control, inclusion in EU operations and upgrading of military forces, coupled with offering assistance to the countries geared to the establishment of democracy, the rule of law, respect for human rights and the building of a modern market-based economy. With the implementation of the PfP programme, NATO, which was established by 12 countries, includes 28 countries after the latest enlargement (Strassbourg, Cologne 2009).

3. Objective Conditionality of a Functional Link Between the EU and NATO

The need to establish peace and cooperation among European countries resulted in the beginning of the integration process, which included the establishment and implementation of common standards virtually in all fields of socio-economic cooperation and development, reflected in the functioning of joint institutions, adoption of supranational laws and regulations and the functioning of the European legal system. With the creation of the European Union, the European integration process, which began with the promotion of economic cooperation, was rounded off by adopting a Common Foreign and Security Policy and Cooperation in the Field of Judiciary and Internal Affairs.

After the collapse of socialism, the transatlantic hemisphere countries faced the new challenges of global integration processes, which provided the motive for the promotion of transatlantic cooperation, in addition to European integration. The Transatlantic Declaration (1990) determined the permanent form of communication, while under the New Transatlantic Agenda (1995) the EU and the United States committed themselves to cooperate in the promotion of peace, stability, democracy and development in the world, overcoming of the global challenges, strengthening of economic relations, promotion of world trade and transatlantic linkages in the social sphere. Finally, the EU and NATO also concluded the Strategic Partnership in Crisis Settlement (2000).

Within global economic trends, the transatlantic relations are also dominated by economic cooperation. In fact, the United States and EU are the largest trading and investment partners. In that context, as the actors with the world's greatest economic potentials, they have an indispensable creative role in global economic trends, which is especially reflected in the functioning of the World Trade Organization (liberalization of world trade), International Monetary Fund and World Bank (spurring development through international financial flows).

As for the EU, its functioning and enlargement process, in particular, its support to the inclusion in the World Trade Organization and international financial organizations is indispensable. The complexity of the processes of European and Euro-Atlantic integration shows clearly that the problems relating to development, security and peace, which are coordinated and solved within NATO, as the core of a transatlantic security policy, are objectively interconnected and, thus, conditioned by those processes.

Under global and regional circumstances, process-related and objectively conditioned functional links of European and Euro-Atlantic integration processes, peace and optimal development in the Balkans actually depend on the results achieved by the Balkan countries on the plane of European and Euro-Atlantic integration.

III. PEACE AND DEVELOPMENT IN THE BALKAN COUNTRIES UNDER CONDITIONS OF A FUNCTIONAL LINK BETWEEN THE EU AND NATO

Transformation trends in the processes of European and Euro-Atlantic integration, as an integral part of the globalization of international relations, resulted in the fact that the functioning of the EU and NATO is based on the same democratic principles and values in all aspects of political, economic and security cooperation and the development of their relations. The integration processes of EU and NATO member countries as well as candidate countries for their membership are objectively compatible and complementary. In essence, the programmes of countries for NATO membership and EU membership programmes, with their specifics in an organizational and functional sense, cover the common political, economic, security and legal issues.

The collapse of socialism and, thus, the beginning of the process of transition toward building a new, progressive political and economic system, brought about a radical change in the relations within those countries on the internal political scene (the creation of conditions for democracy and the rule of law), as well as in international relations, producing hotbeds for potential and direct conflicts and endangering peace and democratic advancement. The Balkan region was characterized by the collapse of the former Yugoslavia, which was accompanied by ethnic conflicts, tense relations over the settlement of the Albanian question in Greece and Macedonia, coupled with the question of defining the name for the Macedonian state, as well as the problems relating to pronounced inter-ethnic tensions, confrontations and conflicts over Kosovo, which burdened the relations on a broader international plane, conditioning the realization of the Stability Pact for South Eastern Europe and NATO military intervention.

Due to the transition and security problems, which were directly endangering peace and development in the Balkans, the question that inevitably imposed itself was associated with development strategy and the promotion of good neighbourly relations among the Balkan countries.

Considering the significance of European and Euro-Atlantic integration on the global and regional plane and, thus, on the development prospects of each Balkan country, peace and development strategy has also anticipated, and still anticipates, the Euro-Atlantic path.

The process of European and Euro-Atlantic integration encompasses virtually all Balkan countries. The phases of this process differ from country to country, depending directly on their realization of integration programmes, based on the existing organization and functioning methods, in accordance with the verified EU and NATO standards. Under the European integration programme, the promotion of good neighbourly relations and development-related regional cooperation impose themselves as a special requirement for EU membership and Euro-Atlantic integration.

As for the promotion of good neighbourly relations and development cooperation in accordance with the democratic standards, cooperation among the Balkan countries is carried out in almost all aspects of development, which results from and encourages the processes of integration into the EU and NATO, such as the Central European Initiative (CEI) – stable democracy and market economy; South East European Cooperation Process (SEEC) – good neighbourly relations, stability, security and cooperation: Regional Cooperation Council (RCC) – conflict prevention and confidence building; Migration, Asylum and Refugees Regional Initiative (MARRI) – finding optimal solutions, coupled with integrated border management: Adriatic-Ionian Initiative (AII) – upgrading development and security strengthening: Mediterranean-Euro-Atlantic Partnership Union – in various fields of development and environmental protection; Central European Free Trade Agreement (CEFTA); Regional Centre for Combatting Trans-border Crime / SECI /; SEE Energy Community; SEE Health Network (SEE); Centre for Security Cooperation (RACVIAC); Council of Ministers of Culture of SEE; SEE Electronics; SEE Police Cooperation, etc. This short overview of the relevant forms of cooperation points to a complex approach in the orientation of the Balkan countries to cooperation within European and Euro-Atlantic integration processes.

To ensure the preservation of peace and optimal conditions for overall development, through functioning or inclusion in the processes of European and Euro-Atlantic integration in an organized way, based on the strengthening of democracy and the implementation of democratic standards, the Balkan countries – which are EU and NATO members, or are on the way to becoming their members – opt for the stable and successful present and prospects of a secure future, as well as for stable peace and optimal development without a logical alternative.

IV. CONCLUSION

The genesis of relations, current status and the need to promote good neighbourly cooperation and optimal development in the Balkan countries call for the recognition of the relevant characteristics of the current state of the global process of building and functioning of international relations, implying, in that context, the expected and realistic way of creating conditions for the sustainable and successful present and prospects for a secure future, as well as for stable peace and development in these countries.

The transition processes of European and Euro-Atlantic integration, as an inseparable part of the process of globalization of international relations, made the functioning of the EU and NATO be based on the same democratic values and principles, within complex political, economic and security relations and their development, due to which European and Euro-Atlantic integration processes are objectively compatible and complementary.

Proceeding from the significance and indispensable role of European and Euro-Atlantic integration on the global and regional plane and, thus, the development prospects of each Balkan country, the projection of peace and development strategy has anticipated and still anticipates the European and Euro-Atlantic path without any logical alternative.

The process of creating conditions for stable peace and optimal development within regional cooperation point to the recognizable results which, within the indispensable processes of European and Euro-Atlantic integration, also anticipate and encourage the increasingly intensive development of overall relations among the Balkan countries.

ESMERALDA URUÇI

PROFESSOR, UNIVERSITY "LUIGJ GURAKUQI" SHKODËR, ALBANIA,
FORMER MINISTER OF CULTURE, YOUTH AND SPORTS, ALBANIA

ECONOMIC AND CULTURAL INTEGRATION SUPPORTING PEACE AND SECURITY IN THE BALKANS

INTRODUCTION

It is very important that the Balkan people time after time return to history. The only reason is and will be that this people need to understand better that their history has been full of wars and continuous conflicts. Those who today speak of peace and tranquility in the Balkans speak right. It should be our motto for the future. However, many things commenced long time ago, a reason for which peoples should turn their heads back and learn lessons out of the past, so that the mean will not be repeated. The huge endeavors of the United States and Western Europe to tranquilize the Balkans and guide it to the relentless way of prosperity should be supported by the work and endeavors of the Balkan states themselves. In my opinion, few things have remained unsaid. What we are not doing well in the Balkans is implementing peace and stability indeed, growing and strengthening the economical and cultural relations, respect all rights the minorities are to relish who are part of all Balkan states without exception.

Peace is not simply the absence of war. Peace is possible in all relationships. A relationship of peace is one in which there is harmony, order, purpose and fulfillment and where all related entities experience value, joy and happiness. In effect, peace is the end state of the process whereby divided entities are brought into a state of harmony, cooperation and unification. (UPF, 2008)

150 years ago, one Albanian remarkable Mufti, Jusuf Effendi Uruçi – Podgorica, on the eve of a big religious and national conflict said: “God said that Muslims and Christians, Albanians and Montenegrins may live in these lands. That’s enough with wars. This message said a century and a half ago remains current even today. (Uruçi, 2007)

CULTURAL INTEGRATION

In this presentation, I will draw attention to some problems that are related to the need to increase the cultural exchanges among the countries of the peninsula. Now we are all of the same opinion that the cultural exchanges, the increase of common activities, the compilation of cultural and regional projects bring together countries and people. They give them the opportunity to think of peace and intercultural, inter-religious exchanges at a regional level.

I hold the opinion that “cultural development should be supported in the development of national cultures and based on that work should aim towards cultural integration. In the world today, many debates are focused to this issue. According to Huntington’s doctrine, the world of the new millennium, which has just started, will be confronted with the challenge of “the clash of civilizations”. In his books “Clash of Civilizations”, spring 1993, and “The West and the Rest”, 1999, Huntington predicts that in confrontation to this challenge many civilizations will disappear without leaving tracks. The small cultural spaces will be dissolved into seven most powerful cultures of the today’s world. In his doctrine Huntington states that the Balkans and Albania will be the most probable regions exposed such a challenge. (Uruçi, 2001)

It is nice to find such conclusions in the work of a famous study. The Balkans are a multiethnic, multiregional and multicultural region and as such should be the model of likening of cultures not of confrontation among them. With it being varicolours, our peninsula can be integrated in the whole European continent and even further. Even today, when we are speaking at this Conference, the exchange of cultures in the countries among the region is much behind. The common projects in the fields of culture, education and science are much less than they should be. More and more, we should see the artists of our countries in common senses, where each of them sings not only the songs and ballades of his country, but also sing the songs and ballads of other countries, read poetries of other peoples. So, will we more and more be next to each other opening new roads of cooperation in versatile aspects including economical amount the countries in the region.

Over the past years, I have been able to take part in scientific activities in Belgrade, Sarajevo, Ljubljana, Sofia, Bucharest, and Athens and give lecture at the University of Podgorica within joint projects. In the past, such a thing was impossible or very rare. How near we are and how far

we have been. I think that Albanian culture, in the process of its historical shaping, has embezzled the values of civilizations nearby and faraway, Western and Eastern, antique and modern. In this process of integration and convergence, it has, however, been able to preserve the independence of its type.

The worldwide tendencies towards globalization and towards global integration would be an utopia if national and Balkan integration and cultural convergence would not be encouraged at first. In order to illustrate these thoughts I will bring a statement of the famous Ghandi "I do not want my home to be moored with walls all around and the windows be protected by iron bars. I want all the cultures of the countries may blow easily throughout my home. But, I refuse these winds take me with them." (Rama L., 2001).

In order to allow the realization of all these important aspirations, the compilation of efficient and concrete cultural and political strategies should take place. Those strategies should be built on the basis of open visions for the actual and future of the region in general. All countries in the Balkans at some level have suffered from xenophobia. The communist doctrine has dominated in the majority of them, with some exceptions, for decades one after another. The democratic processes opened the borders allowing multilevel exchanges among peoples, evidencing during this period the tendency for the other extreme, that of cosmopolitanism. Finding the optimum between these two extremes is of major importance for the future of our national cultures, which I wish do not dissolve and do not show any more among the ruling planetary cultures.

In order to close this issue, I think that (at the same time) in small countries of the Penninsula we should be working towards conservation and strengthening of the cultural in heritage and our national history and, on the other side, towards using all opportunities for our multicultural collaboration and integration. Shaping, producing and delivering artistic values will immensely contribute towards this.

I intentionally started with some of our cultural problems because, as an economist, I am aware that culture is heading all our relations especially economic ones. It is impossible that at the conferences where I have been, during the breaks, having a coffee with friends and other intellectuals, it was not discussed about the economic level of our countries, about personal income and business income, which shows how important the economy is for the Balkan countries, which are still poor and with great desires for the future.

ECONOMIC INTEGRATION

The world economic situation is actually tending towards polarized development. On one hand, we have highly developed states in an economical and social sense but, on the other, we have states with great economic problems and extreme poverty. All these states as a whole, notwithstanding their economic level, are today confronted with the globalization phenomena, which makes up an impending phenomenon in the history of humanity. It is making the world increasingly smaller, throughout the extension of the exchanges of goods, services, information, knowledge and cultures among different countries. It represents also one of the most debated and criticized issues of the scientific research of the last decade. It is the main subject of many books and scientific research and the cause of many protests in the USA and Europe (World Bank, 2002). However, even though this term is used in general, the unique and final definition of globalism still does not exist. The reason is the term refers to a series of dimensions, such as political, economic, cultural, environmental etc.

I have chosen to stop at the phenomena of globalization, for the simple fact that all Balkan countries make up a small part of the world market. Each of Balkan country makes up even less of the world market. For them it is more difficult to be part of an economy where the breaks of such economies are in the hands of the most powerful countries of the globe.

Like many other countries on the path of economical development, the countries of the region will withstand the phenomena of globalism easier if they will grow and strengthen their economic relations and will enforce their legal framework in accordance with the comminatory demands and will create a climate more and more suitable for direct investments into the economy. Foreign investors who come from these countries cannot choose for their investment purposes territories where peace and stability is not established, and where there are problems of demarcation of the boundaries, problems with minorities, problems of respecting the human rights, etc. For this reason I am interested in the economic aspect of globalization, which represents the extension of economical activity among citizens, the state and private institutions, and businesses from two or more countries (World Bank, 2002, Wild et al, 2003).

In the last decades of the twentieth century many states started to step from their previous position towards an open economy giving this way the first sign of that phenomenon which later would be called *globalization of the economical activities*. In many sectors, competition has

passed the national limits and the continental limits and is embraced from geographical zones growing bigger each day. This tendency has got the name *globalization of economical activities* of the enterprises, where first of all I would like to mention the production and trading. Powerful enterprises have been distributing their production know-how to different countries ensuring advantages that are related to existing differences (from one country to the other) as regards the cost of labour, capital, area and other resources.

Actually, it is being talked more and more about the *globalization of markets*. The barriers among different countries are becoming less apparent about a growing number of products. Different factors have been contributing in that such as the progress of the transportation means and communication means, economic integration and a long period of peace (Pelliceli, 2005), which has given a big chance to progress. As a consequence, there is preferential convergence among consumers in different countries about the same products. Derivation of similar segments of the market has been possible in many sectors such as wholesaling, fast-food, sports dresses, hostelry etc.

The supporters of globalization also do emphasize that those countries which have been opening their economies towards the global one have evidently been reducing their poverty indicators. Except the international tragedy, direct foreign investments also make up the main source of profit for many countries, especially the developed ones. According to Agosin and Machado (2005), direct foreign investment is very important, because it ensures various means that normally are missing or are insufficient in these countries. The multinational companies bring with themselves, not only capital, but also know-how, managerial capacity, channels for the distribution of products out of the country, new product projects, brand names, etc. (Uruçi and Begani, 2008)

In this regard, we, the Balkan countries, are interested to create the conditions and facilities for all to come to us, because from these investments we are going to have multifaceted benefits.

REGIONAL AND MULTIRATERAL TRADE INTEGRATION OF ALBANIA

The regional and multilateral trade integration of the countries in the region has turned to be the necessity in the current worldwide economic developments, as the only possibility to compete in a modest way on the European Union market.

Albania is confronting the new challenge of increasing its competitive competencies on the international market aiming at EU integration. The economic globalization and the objective of Albania to move towards European integration are factors which bring it to an open market and which reduce or overturn the barriers (Qeraxhiu, 2003). Since the year 2000, Albania has entered the World Trade Organization (WTO), and has signed the Association Stabilization Agreement with the European Union, which entered into force on 1 December 2006. The liberalization of tariffs on imports from the EU will be completed by the end of 2011. On the other hand, almost all products exported to the EU countries have zero tariffs, except a limited category of agricultural and industrial products.

Albania, also signed eight Free Trade Agreements (FTAs) where we highlight Macedonia, Kosovo, Croatia, Romania, Bosnia and Herzegovina, Bulgaria, Serbia, Montenegro, Moldavia, and Turkey. In addition to, the CEFTA Agreement of 2006 (entered into force in July 2007), which is the consolidation of the network of 32 bilateral agreements on free trade in South Eastern Europe with the objective to open the way for free trade in the region, a process which should be fulfilled in 2011.

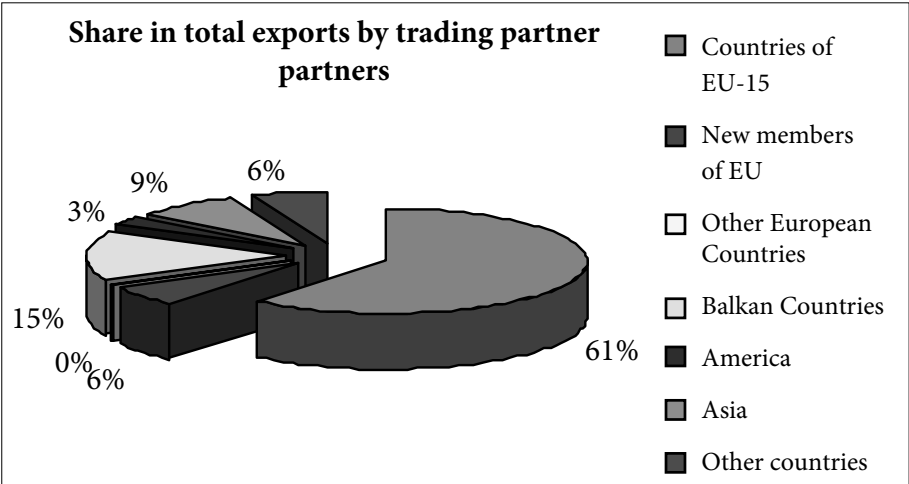
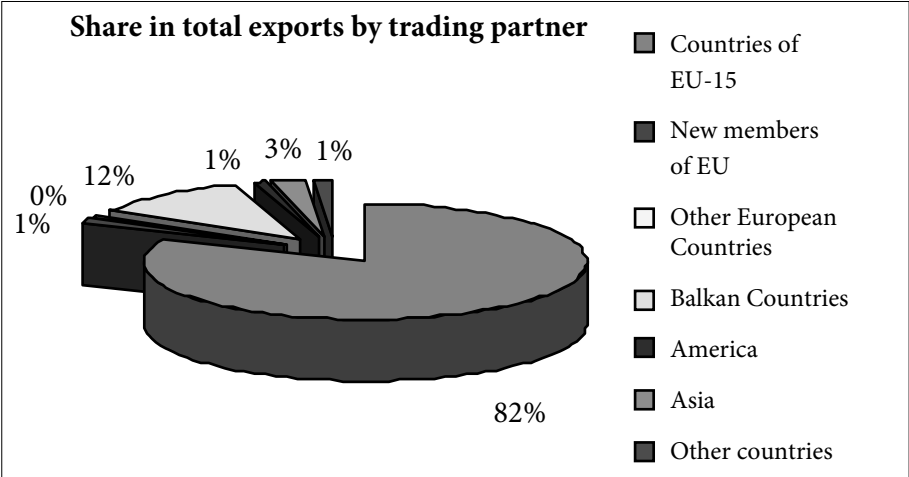
I would mention foreign trade as one of the pillars towards regional and multilateral integration. It will remain a very important factor with an impact in economical growth and towards the competitive capabilities of one country. In 2007, Albania registered the highest level of goods trading, of 3.8 milliard euros, which is 26% higher than in the previous year. Goods exports that same year amounted to 786.3 million euros, were higher by 28% as compared to 2006. The relative indicator of exports towards the GNP was evaluated to be 6%, which shows the growth of 2%, as compared to the previous year (Bank of Albania, 2007).

The contribution of goods trade in the current account remains at a high level, with 44% of all current transactions throughout the year. The intensification of trade activity was, among others, a reflection of various factors including a general price increase, fluctuations in the exchange rates, and gradual decrease in customs tariffs, which are part of the trade liberalization process (Bank of Albania, 2007).

The signed free trade agreements are only the start of the integration process. In fact, they are "agreements of trade without customs tariffs" or with customs tariffs being reduced (Bundo & Ceceri, 2003). Free trade, in the full sense of the concept, used by Adam Smith, cannot be exercised between two countries under the conditions, especially in the Balkans, where among different customs barriers there are also many other types of barriers, such as: administrative, legal, boundary, as well as those to

the free mobility of people. The citizens of the region do not yet enjoy the opportunity to move freely among their countries, let alone to perform unlimited economic activity or free trade.

The expansion of the size of the Albanian market, throughout the reduction and complete dumping of the customs tariffs after 2008, will make a big advantage, yet only potential. Free trade is a feature of relatively developed countries, the economies of which exchange with each other reciprocally and freely the same as the fluids pass freely in the communication vascular means (Bundo & Ceceri, 2003). In this context, imports and exports among the countries are becoming less controlled by the government and the environment is prepared for a high level of free competition among the producers of goods and services. In the path of prosper-



ous development, also the Balkan countries have things to produce, to exchange, and to communicate with each other. Today, it is the time of powerful enhancement of initiative and investment in those branches and sectors of the economy, which are leading the growth and development of the regional economy. Even inside the European Community, common trade was expanding its limits simultaneously with a reduction in political barriers and with economic growth of member countries.

The unification of trade relationships with the countries in the region had an immediate impact on trading; making these countries show the highest growth rates. This was especially evident on the export side, which were 71% higher than one year before. The Kosova trade seems to take up the major part of the Albanian exports as compared to the Region, being the only country with which we have a trade surplus. (Bank of Albania, 2007)

TABLE 1. – Exports by Trading Partner

Export	Share in total exports			(2007/2006) in %
	2005	2006	2007	%
Countries of EU-15, out of which:	88.0	87.8	81.8	16.1
Germany	3.3	3.2	2.4	(3.6)
Greece	10.5	9.6	8.3	7.2
Italy	72.4	72.6	68.0	16.8
New members of EU, out of which:	1.4	0.8	1.3	90.6
Bulgaria	0.6	0.4	0.7	105.8
Czechoslovakia	0.1	0.1	0.0	(46.2)
Romania	0.2	0.1	0.3	355.2
Other European Countries out of which:	0.1	0.1	0.3	200.5
Russia	0.1	0.1	0.3	485.1
Ukraine	0.0	0.0	0.0	115.6
Balkan Countries	8.5	8.8	12.1	70.9
Bosnia & Herzegovina	0.2	0.5	0.4	(8.3)
Kosova	4.1	3.8	4.8	58.7
Croatia	0.0	0.3	0.1	(59.0)
Macedonia	1.6	1.6	2.4	83.7
Serbia – Monte Negro	0.8	1.4	2.2	106.2
Turkey	1.7	1.3	2.2	116.3
America	1.1	0.5	0.7	63.3
Asia, out of which:	0.5	1.6	2.6	98.0
China	0.5	1.1	2.6	180.4
Other countries	0.3	0.4	1.3	370.0
Total	100	100	100	24.7

Source: Bank of Albania, 2007.

The beginning of 2007 coincided with a reduction in customs tariffs on a series of products, as part of the Free Trade Agreement with the European Union. Through this liberalization, the increasing of diversification in distributing trade activity by country has been made possible, lowering the classic domination of Italy and Greece. (Bank of Albania, 2007)

TABLE 2. – **Import according to trade partners**

Import	Share in total of imports			(2007/2006) in %
	2005	2006	2007	%
Countries of EU-15, out of which:	60.4	57.5	54.1	18.9
Germany	5.4	5.6	5.5	22.5
Greece	16.6	15.8	14.6	16.7
Italy	29.3	28.1	27.2	22.0
New members of EU, out of which:	6.9	8.1	5.7	(11.0)
Bulgaria	2.8	2.7	1.8	(18.1)
Czechoslovakia	1.0	1.1	0.8	(8.1)
Romania	0.7	1.7	0.4	(68.8)
Other European countries, out of which:	8.0	9.1	11.6	61.3
Russia	4.1	4.1	4.1	25.9
Ukraine	2.9	3.9	2.6	(14.5)
Balkan Countries:	11.0	12.3	13.2	35.8
Bosnia & Herzegovina	0.1	0.3	0.3	40.3
Kosovo	0.4	0.5	0.6	53.2
Croatia	1.2	1.4	0.9	(20.1)
Macedonia	1.2	1.6	1.9	52.0
Serbia & Monte Negro	0.6	0.9	2.2	207.2
Turkey	7.5	7.6	7.3	21.3
America	2.1	2.0	2.5	60.8
Asia, out of which:	7.5	6.7	7.6	44.2
China	6.7	6.0	6.7	40.5
Other Countries	4.2	4.5	5.3	47.7
Total	100	100	100	26.2

Source: Bank of Albania, 2007.

I will close my presentation with a small imploration for you. Think in this moment of an intellectual person, a trader or an investor from any of our countries who, in addition to capital needs, to start his/her work by knocking on the doors of the embassies in order to obtain a visa, each time he/she enters or leaves one country, and is exposed to the same control and the same procedures, many hours or even days of waiting at border crossings with neighbors, where infrastructure and logistics leave

enough space to improvement. These artificial barriers, not at all useful, should come to an end as soon as possible in the boundary countries or those of the Balkan Peninsula, where there are many opportunities for goods circulation, trade, investments and tourism. We will then call this an auspicious beginning and a real model for the countries of Community Europe. Looking at an integrated Balkans, they will more easily accept us in the heart of their development and democracy.

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A PROPOSAL FOR ESTABLISHING THE SOUTH EAST EUROPE DEVELOPMENT BANK

BACKGROUND

Besides the World Bank, the global development bank, which was established in 1944, there are regional, sub-regional and national development banks.

The number of regional, sub-regional and national development banks has been increasing since the 1950s, coming to about 800 in total, or about four per country on the average.

The large regional development banks include the Inter-American Development Bank, established in 1959; the Asian Development Bank, which began operations in 1966; and the African Development Bank, established in 1964. The European Bank for Reconstruction and Development (EBRD) was established in 1991 to support a new private sector in the region of East Europe and ex-soviet countries. Today the EBRD uses the tools of investment to help build market economies in the countries from central Europe to central Asia.

The oldest sub-regional development bank, Central American Bank for Economic Integration (Spanish: *Banco Centroamericano de Integración Económica, BCIE*) was established in 1960. Then The Corporación Andina de Fomento (CAF), was established in 1970, in Caracas, Venezuela. The Caribbean Development Bank was created in 1969 in Kingston, Jamaica.

The East African Development Bank (EADB) was originally established in 1967 under the Treaty for East African Cooperation. Afterwards, the EADB was established under its own charter in 1980 following the breakup of the community in 1977.

The West African Development Bank (WADB) (fr. Banque Ouest Africaine de Développement – BOAD) was established in 1973 in Lomé, Togo by member states of the West African Monetary Union (WAMU). In 1994, it became the development arm of the West African Economic and Monetary Union (WAEMU/UEMOA).

The youngest sub-regional development bank, the Black Sea Trade and Development Bank (BSTDB) was established in 1997.

In addition to the aforementioned development banks, there are several multilateral financial institutions (MFIs). MFIs are similar to MDBs but they are sometimes separated since they have more limited memberships and often focus on financing certain types of projects. Among others, they include:

- Islamic Development Bank (IDB)
- Nordic Investment Bank (NIB)
- Nederlandse Financieringsmaatschappij voor Ontwikkelingslanden NV (FMO)

Some of these financial institutions have the highest rating. For example, in 2004 Standard & Poor's gave the Caribbean Development Bank (CDB) a rating of (AAA) Triple A, the firm's highest rating. According to the Standard and Poor, if the Caribbean Development bank "continues its prudent financial policies of the past, its rating should remain stable over the medium term."

The transition countries are more or less active in establishing sub-regional banks. The ex-Soviet countries are mainly members of the Black Sea Trade and Development (Armenia, Azerbaijan, Bulgaria, Georgia, Moldova, Romania, Russia, and Ukraine; in addition to Albania, Greece and Turkey). The Baltic transition countries (Estonia, Latvia and Lithuania) became the members of the Nordic Investment Bank (NIB) in addition to the five Nordic countries (Denmark, Finland, Iceland, Norway and Sweden, which established the Bank in the mid-1970s).

The only European transition countries not being members of sub-regional development banks or financial institutions are the countries of the Central Europe region and the ex-Yugoslav republics (Slovenia, Croatia, Serbia, B&H, Montenegro and Macedonia). It seems that even communist Yugoslavia was more active in this field than its successors. The consortium of Yugoslav institutions was a non-region member and shareholder of the East African Development Bank (EADB) together with FMO (Netherlands), DEG, (Germany), Nordea Bank Sweden AB, Standard Chartered Bank (London, UK) and Barclays Bank International (UK).

The sub-regional development banks typically make loans for specific national or regional projects to private or public organisations or operate in conjunction with other financial institutions. One of their main activities has been the recognition and promotion of private investment opportunities.

The aim of this paper is to explain how and with which purpose a sub-regional development bank for the region of South East Europe could be established.

INTRODUCTION

The quest for compositeness is at the heart of the challenges facing the South East European Countries (hereafter: the Region) in many years to come. If they are to be admitted to the EU, they should have – according to the Copenhagen criteria – the competitive economy. How the criterion is fulfilled it can be seen from the World Economic Forum's 2008-9 Global Competitiveness Report or from the Forum Magazine's Globalisation Index. On the other hand, the EU's aim is to become the most competitive, knowledge based place in the world by 2010.

Over the period of 2009–2011, with a futuristic outlook, the Region could constitute the South East Europe Development Bank (SEEDB), with the purpose to assist the Region in becoming more competitive and ecologically more sustainable.

The SEEDB could be founded by persons of great vision focused on the promotion of integration and economic development in the Region.

The SEEDB could become one of the largest financial institutions in the Region. Currently, the share capital of all banks in the Region taken together is about EUR 60 billion, the size of a medium-sized European bank. In addition, the total turnover of the Stock Exchanges in the Region equals 4-5 % of the Vienna stock exchange, which is by the way a small stock exchange. Accordingly, the banking systems and capital markets in particular in the Region are not developed. That is a big obstacle for the developments of the private sectors in the Region – they are small and fragmented even in comparison to the region of Central Europe.

Its strategic axis should be based on regional integration and the competitive insertion of the Region in the European and global economy.

Other countries outside of the Region may support the dream of transforming the Region into a strong and prosperous region to pursue the vision of its founders by joining the SEEDB as non-region members.

DEFINITION

The SEEDB could be defined as a financial institution set up to foster sustainable economic development at the regional level, taking into account objectives of regional integration, mainly by providing long-term capital finance to projects underfinanced by private or public creditors.

This definition is coherent with empirical observations of statutes, history and current activity of entities such are the sub-regional development banks and sub-regional financial institutions.

MISSION

The mission of the SEEDB may be stated as providing affordable long-term financing to areas and sectors not adequately serviced by the public or private sector in order to promote sustainable growth of its member countries by providing long-term complementary financing, based on the sound banking principles, to projects that strengthen competitiveness and enhance the environment.

STRATEGY

The SEEDB promotes competitiveness and supports the environment by providing financing in the form of loans and guarantees for activities in which SEEDB can add value and complement other financing sources.

The SEEDB will be flexible in terms of supporting different areas of the economy but will put particular emphasis on projects involving:

- investments in infrastructure;
- investments improving the environment;
- large investments by the corporate sector; and
- small and medium-sized innovative enterprises, targeted in cooperation with financial intermediaries.

MEMBERS

Sub-regional development banks have regional member countries and non-regional member countries. In addition, members are typically multilateral development institutions and private banks.

In the case of the SEEDB, it could be funded by member states and foreign governments. International organisations should be welcomed and allowed to become members of the Bank, adding funding and sitting on the board.

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THE UNION FOR THE MEDITERRANEAN: A CHALLENGE OF STABILITY FOR THE WESTERN BALKANS

To promote peace, cooperation and development in the Mediterranean, a conference was held in Barcelona in November 1995. Fifteen members of the European Union and 10 countries of the Southern shore planned to extend the benefits of an economic integrated Europe to the Mediterranean region in order to prevent conflicts, secure peace, political stability and democracy through social and economic development, and find new ways for the settlement of the long lasting Palestinian crisis. In spite of several efforts to attain some concrete results (7 conferences of ministers of foreign affairs and the Euro-Mediterranean conference of Marrakech in March 2006), the so called Barcelona process did not bring until now any valuable issue and the goal of a Mediterranean free trade area to reach in 2010 is still very far. The reasons for this failure can be sought in the permanent controversies between some states of the African shore, in the different political regimes, religious antagonisms, and uncomplimentary of national economies. Apart from all divergences, the instability and hostility dominating the relations between Israel and Palestinians hindered any positive development of the project. Considering such political uncertainty most South Mediterranean countries rely more on bilateral agreements of association with the European Commission or EU member States.

The idea of the revival of Mediterranean interdependence and cooperation came to Sarkozy before his election to the French Presidency. In the first draft, the Barcelona process formed only by Mediterranean countries, connected to a certain extent to the European Union. The opposition of non-Mediterranean governments of the Union, led by Germany, resulted in the project of a larger association, approved by the European Council of March 13, as a follow-up on the Barcelona Conference aimed at improving, with institutional and stable guidelines, the multilateral relations between the European Union and the South and East Mediterranean countries.

On July 13, in the solemn opening of the French EU presidency, 44 heads of State and government met in Paris, under the joint chairmanship of Sarkozy and the Egyptian president Mubarak. With the new

denomination of “Barcelona process: Union for the Mediterranean” the conference had no formal agenda and debated in general terms on human rights, prevention of terrorism and issues related to economical and social development. The final Declaration formulated by the meeting is based on the mutual commitment to forbid nuclear, chemical or biological weapons in the Middle East, to condemn terrorism and its religious components, to reach a peaceful solution of conflicts, to end occupation of territories, to fight against oppression and poverty, to promote a dialogue between different cultures as well as the respect of religions. The protocol annexed to the Declaration mentions six groups of initiatives to implement in the fields of prevention of sea pollution, maritime and road transportation, regional civil protection, alternative sources of energy, instruction at university level, planning of an increase of foreign exchanges. On the institutional ground it was agreed that the Union will have a double presidency: the nomination of the president representing the countries of the Northern shore will be compatible with the EU procedures, while the other co-president will be appointed by consensus of the governments of the other side. A permanent Secretariat will be created at a meeting of foreign ministers to be held in November.

It certainly is too early to foresee the concrete impact of this new initiative to secure political stability and economical development in the whole Mediterranean area by promoting a wide partnership similar in some respect to a geopolitical enlargement of the European Union. Though the same difficulties still exist to overcome the obstacles which the Barcelona process has to face, this institutional attempt to stabilize the southern border of the EU also underlines the willingness of the North African and Near East countries to improve their relations with the European Union and to explore the new ways of solving their regional conflicts.

Whatever the effective outcome of this initiative, it undoubtedly represents a valuable challenge for the Western Balkans in their long and slow approach to EU membership. Even if only three of them have the geographical access to the Mediterranean, the whole area could progressively find a concrete advantage in a growing atmosphere of peace, stability and increased economical cooperation. Moreover, a successful Mediterranean Union would help the West Balkans to get out from their international isolation by associating them to a group of countries sharing the same goals and aspirations. The consolidation of the programmes promoted by the EU and the Union for the Mediterranean could also offer to the West Balkans a double frame of multilateral cooperation in some strategical fields outlined in the protocol annexed to the Paris Declaration. Involvement

ment in common projects concerning, among others, the improvement of regional transportation networks, energy resourcing, promotion of international trade, high level of instruction would positively insert all the Western Balkan countries in a large area committed in initiatives of development aimed to political stability through social prosperity, cultural cooperation, prevention of terrorism and intolerance. It is therefore evident that many opportunities would result in a full contribution of the Western Balkans to the programmes of an increased Mediterranean cooperation profitable to development and security of the whole Balkans.

III

RECONCILIATION, HUMAN
SECURITY AND PEACE
BUILDING

THE BALKANS BETWEEN WAR AND PEACE

AN ODD PEACE

The series of bloody military conflicts known as the Balkans war of the 1990s ended nearly ten years ago. Everything seems to have been quiet since then, except for occasional minor skirmishes here and there. Yet the region still does not enjoy real peace.

What strikes an outside observer is that no overall peace treaty binding all former belligerents was signed after the war. No agreed rules of behavior were established. Territorial disputes, with a few exceptions, have not been settled. Frontiers acceptable to all do not exist. Very little, if anything, has been done as regards the restitution of property seized during the war. No compensation has been paid to the hundreds of refugees who fled from the hostile environment. Financial and business claims resulting from pre-war economic contracts still await settlement. Trans-border trade and economic cooperation, severed during the war, has not been restored. There are no significant inter-regional capital flows. Countries that had a single convertible currency long before the emergence of the euro – the Yugoslav dinar – are using instead non convertible national currencies, except in Slovenia and Montenegro. They both chose the euro, Slovenia as a member of the EU, Montenegro in anticipation of future membership.

Travelling around the region and, particularly, crossing the national borders in the Balkans is an exercise in endurance rather than a normal travel experience. It leaves a traveller with a mountain of unconvertible monies which are not accepted anywhere, except in the country that issued the currency. One can imagine the impact this extravagant diversity of the means of payment has had on intra-regional trade. But nobody seems to bother about it and there seem no prospects of forming a payments union which would restore trade flows and promote trans-border investment. Naturally enough, nothing remotely resembling a free trade area exists in the region.

For all these reasons the industrial and agricultural production in most countries is far below the pre-war level. Few locally made products, if any, are competitive on the world markets. Sources of foreign exchange are scarce. People, with a few exceptions, are worse off than before the war. Unemployment is running high. The skills gaps are felt in all countries without exception. Poverty in rural area reaches alarming proportions. The total foreign debt of the Balkans was estimated before the world financial crisis of October 2008 at \$240 billion, i.e. 90% of total GDP, with annual payments of interests running at \$16 billion.

Political relations between most Balkans countries are anything but normal. There are no contacts between the heads of state and government. One is tempted to say that “they are not on speaking terms”, but the divisions go much deeper than that. Political tension runs high everywhere in the region, particularly in Bosnia and Kosovo after the latter’s unilateral declaration of independence. The gravest and most worrying feature of all is that the feelings of animosity and barely concealed mutual hatred seem to be deeply embedded in the minds of the younger generation. These young men and women in their twenties did not take part in the war but it is on them that the peace and the future of the region depend. If such regrettable and dangerous attitudes are not attended to, the Balkans may again run into trouble – perhaps much sooner than anyone expects.

If this is “peace”, it is an odd kind of peace. For in fact, the Balkans region is now going through a period comparable to the mid-1950s in post-war Europe. Yet the difference between the two situations cannot be greater. In 1951 France and Germany established the European Coal and Steel Community (ECCS) which by the mid-decade had already been in operation for four years. Nothing of the sort exists or is planned in the Balkans. The ECCS encompassed six member-states, i.e. as many states as there are today in the post-Yugoslavia geopolitical area. But again the parallel stops there. The common coal and steel market in Western Europe was the embryo of the future Common Market that came into being in 1957 with the signing of the Treaty of Rome. The Common Market soon became the European Economic Community, to which was added later the Monetary Union. This paved the way to the today’s European Union of 27 countries. Nothing remotely similar is taking place in the Balkans.

In this context it is useful to remember that the objective of the European integration was twofold. Firstly, it aimed to secure peace and prevent a new war in Europe, a continent devastated by the two bloody cataclysms of the 20th century that cost the lives of over 100 million people, killed, mutilated or vanished in the camps. Secondly, it aimed to overcome the

economic weakness of Europe where even the great powers, such as Great Britain, France, Germany or Italy, were not competitive or economically viable in the new world that emerged immediately after the second World War. The need to solve these two issues in the Balkans is even more urgent than it was in Western Europe. Firstly, because the danger of a new conflict in the region can by no means be excluded. Secondly, because the economic size of the Balkan nations is well below the Western European average. Serbia, the biggest state, had 10 million inhabitants before the amputation of Kosovo province (1.8 million people), Croatia has 4.4 million, Bosnia-and-Herzegovina 3.8 million, Macedonia 2.0 million, and Montenegro about 600,000. The case for economic cooperation between these countries, pending their entry into the EU, is overwhelming. Yet, nothing happens in the Balkans. Each country conducts a policy of its own, each is inefficient, but none of them wants to help its neighbors and by the same token to help itself. Thus the Balkans remains stuck, half way from war to peace.

THE ROLE OF THE EU

How did this peculiar situation come about? Who is to blame, the old Communist leaders responsible for the break-up of the Yugoslav Federation or the new leaders that took over from them? There is no simple answer to this question. Probably both are responsible. But if one had to single out just one external cause of the “odd peace” phenomenon, the blunt answer is: the European Union. Not as an institution which, on the contrary, has been the most daring project of the past 100 years, but because of the policies of the key European countries – Great Britain, France, Germany and Italy. During the past twenty years they committed collectively and individually a series of political mistakes, some more serious than others, which did much to produce the present situation in the Balkans. Without recognising this bitter truth it is impossible to understand the present political situation, to say nothing of building a better future. The most important mistakes made by the European great powers and the USA were as follows:

- a. The policy of non-intervention at a time when the war that broke in 1991 could still have been prevented at relatively low cost;
- b. Inadequate action to stop the war once the decision to intervene has been taken, which was itself far too late. This was a flagrant breach of the solemnly proclaimed aim of the EU – to preserve

peace and prevent war in Europe. This raises a legitimate question: how could a bloody war in the heart of Europe happen more than 30 years after the creation of the European Union that proclaimed on its banner “No more wars in Europe”? Was it because leaders of the EU in the late 1980s were nervous of admitting one day the 24 million strong Yugoslav Federation, a country with dubious political credentials of national communism and socialism? Why did they rush to recognise the independence of the former Yugoslav republics on the next day after they were proclaimed? Did they forget the lesson and the reason why the Federation of Southern Slavs was established amid the wreckage of the Austro-Hungarian and the Ottoman empires after World War-I? It is a riddle historians may want to elucidate. What is clear is that there was not much the European powers could do after the excesses of the military on the ground reached the point of no return. Whatever the European powers did later was obviously too little and too late;

- c. Participation along with the USA in what was termed at the time NATO’s “humanitarian operation” allegedly to stop ethnic cleansing in Kosovo. This was another great mistake of the West. Bombing Serbia and destroying its infrastructure and industrial capacity with “collateral damage” of two thousand casualties among the civilian population was by any standard an inadequate and disproportionate reaction. Milosevic may have been a dictator guilty of repression and violation of human rights, just as Tadjman or Izetbegovic were. He may bear primary responsibility for resorting to force when trying to prevent the break-up of Yugoslavia, as well as for withdrawing the autonomy of the Kosovo province at a time of the general rebirth of the Balkan nationalisms. He took the shameful decision to chase the Kosovo Albanians from their homes as retaliation for the harassment of the Serbian community in Kosovo by the so called “liberation army” UCK, supported, as was later discovered by the Al-Qaeda. All these were undeniable facts. But that was no excuse for treating Serbia as a nation of criminals that had to be taught a lesson of civilised behaviour. If Milosevic’s actions could be described as “barbaric”, then what the United States and the major European powers did to Serbia in 1999 was “eliminating barbarity by barbaric methods”. NATO’s “humanitarian operation” pushed Serbia back economically by at least a decade. Were the Europe-

- an leaders convinced that inflicting great suffering on 10 million innocent fellow Europeans was an acceptable cost for helping the Americans achieve their geopolitical goal of ousting Russia from the Balkans? Whatever the answer, the action that the Western powers took then was a totally disproportionate reaction;
- d. An attempt to create an artificial multi-ethnic state construction named Bosnia-Herzegovina was another controversial decision. Much good could be said about the intentions of its authors but much less about the achievements of the multi-billion dollar UN protectorate in Bosnia-Herzegovina. The hard fact is that this exercise in artificial “nation building” was attempted in the face of the opposition of at least two out of the three major ethnic communities residing on this territory – the Serbs and the Croats. That is why the quasi-federation of Bosnia-Herzegovina is the weakest link in the Balkans chain – a link which may break one day under the weight of its internal contradictions;
 - e. The last but not least mistake of the Western powers was encouraging, financing and assisting Albanian separatists to break-away from Serbia and set up an independent state. That was the first successful bid to redraw state frontiers in Europe by force since the end of the WW-2, made in violation of international law and with apparently no account taken of possible consequences. Serbia’s sovereignty, as defined by the UN Charter, was scorned, the UN Security Council’s prerogatives bypassed, the Helsinki 1975 Treaty securing the inviolability of the post-war frontiers in Europe totally disregarded. Nobody has yet fully grasped the implications of violating international law by Western powers for the future political developments in Europe. The precedent was created. Now everything is possible – moving back and forth Silesia and Danzig, German land and Konigsberg, even the destiny of the Hungarian minority in Romania. The far-reaching consequences of this error will come to haunt Europe for decades to come.

THE ROLE OF RUSSIA

This brings us to the role of Russia in the Balkan drama of the 1990s and its aftermath. Some tend to reduce this role to a vehement opposition to Kosovo’s independence in 2005–2008. That is not so. Russia became a player in the Balkans soon after Stalin’s death in 1953, when Krushev’s

thaw at home was accompanied by the normalisation of relations between Moscow and Belgrade and steady improvement of economic and political relations between the two countries. The growth of trade was particularly impressive. In the 1960s and 1970s Yugoslavia became the first supplier to Russia of foodstuffs and pharmaceuticals. Moscow carefully watched the developments in Yugoslavia after Tito's death, particularly the rise of tension between the Yugoslav republics since 1986, when the notorious pamphlet of hard line extreme nationalists in the Serbian Academy of Sciences became a source of inspiration to Slobodan Milosevic and his team. That was a time when the fate of the USSR was also at stake. President Gorbachev considered the reform of the pseudo-federative structure of the Union as a first priority on the agenda for late 1980s and a condition *sine qua non* of a democratic renovation of the old structure of the USSR.

When the events in Yugoslavia took a dangerous turn, president Mikhail Gorbachev tried to use his political clout to prevent further escalation of the confrontation between Serbia and Croatia which threatened to outgrow in a full fledged war. In 1991 he invited to the Kremlin the leaders of both Republics, Slobodan Milosevic and Franjo Tudjman, and tried, by referring to a draft new Treaty of the Soviet Union, to convince them that a compromise was better than a break-up and that a negotiation proved to be more efficient than the use of force. At that time relations between the two Yugoslav leaders were strained. They did not speak to each other anymore and did not want to see each other again. So, the Russians had to conduct them to the negotiation with President Gorbachev separately by two different itineraries using different gates of the Kremlin. After the meeting all three participated in a press conference and both Yugoslav leaders promised to do their utmost to reach a compromise. That was their last meeting in public. Shortly after, the hostilities on the ground flared with ever greater force. In the meantime President Gorbachev was forced to resign, and Boris Yeltsin took office at the Kremlin.

Former provincial party apparatchik, Yeltsin was a weak president. He dismantled the State, entrusted the economic reform to Yegor Gaidar and other newly baked liberals and conducted a foreign policy to the detriment of national interest. Russia made concession after concession to the West without receiving anything in return. The Kremlin did not dare to resist the American pressure. The only exception was Evgeniy M. Primakov, first the Minister for Foreign Affairs and later the Prime Minister, who took a firm stand in foreign policy. When he was on the way to a meeting with the US Vice-President Al Gore over the Atlantic and learned about the American decision to start the bombardment of Yugoslavia, Primakov

turned his plane back and returned to Moscow. That was a clear signal of Russia's outrage and indignation with the NATO planned operation. But the "Tsar Boris" was reluctant to challenge president Bill Clinton. He made his former Prime Minister Victor Chernomyrdin and Ambassador at large and instructed him to persuade Slobodan Milosevic to stop the resistance against guaranties of safe conduct. The well armed Serbian army capitulated, despite the determination of the military to fight to death and despite the fear of NATO to launch an operation on the ground.

In contrast to Boris Yeltsin, Vladimir Putin took a firm stand on the Kosovo issue fully conformed to the international law. He emphasized, in particular, the territorial integrity of Serbia recognized by the UN Charter and the intangibility of the frontiers in Europe as stated in the 1975 Helsinki Treaty. He demonstrated that there was no reason to meet the demands of Albanian separatists. Russia's firm position on these issues prevented the US and the European powers to obtain the approval of the unilaterally declared independence by the UN Security Council. President Putin more than once warned Western leaders about the far reaching geopolitical consequences of Kosovo's independence. But these warnings were ignored. In setting a precedent by the recognition of Kosovo's independence in June 2008, the West lost any moral ground for blaming Russia for its recognition of South Ossetia's and Abkhazia's independence in September 2008. International politics cannot be based on the principle: "What is allowed to me is not allowed to you". In the Caucasus the West was at the receiving end of the same treatment that it handed out in the Balkans. It is absolutely clear to any impartial observer of the Balkans that the Kosovo issue is by no means settled. There will be either a peaceful partition of the Kosovo with the subsequent reunification of Serbian populated enclaves with Serbia mainland or a new outbreak of violence with unpredictable consequences.

There are two more aspects of the EU's policy in the Balkans that merit discussion. One is the principle of individual admittance of the former Yugoslav republics in the EU along with the total neglect of the current needs of the peoples, as if real life for them will be deemed to start only when they step over the threshold of the EU. Why such negligence of current needs? Why not encourage intra-regional economic cooperation now? Why not help the Balkan countries to construct a few key infrastructural projects, such as improving obsolete railroads or increasing electric power supply to ease all-too-frequent blackouts or providing on a regional scale badly needed fresh water supply, heat and waste disposal? Such projects would require daily joint action on the ground by people

belonging to different ethnic communities. That would do more to bring people together than all pious appeals to mutual respect and love.

The second aspect is the emphasis on annual remembrances of the war massacres and crimes and unduly reliance on trials in the Hague International Crimes Tribunal. Neither of the two would be the key to peace in the Balkans. People will always mourn their family members who perished during the war. But if such events become public rituals publicized by the media, they lose intimacy and become collective expressions of indignation and vengeance. Such policies can only perpetuate mutual grievances and old hatreds rather than teach civility. Whether the organisers of these public manifestations want it or not, such policies perpetuate feelings of animosity, prevent ethnic reconciliation and the growth of religious tolerance rather than promoting the feelings of trust and compassion.

To conclude an overview of the political situation in the Balkans at the close of 2008 one more point should be considered. It concerns Macedonia, or to be more accurate, “The former Yugoslav Republic of Macedonia”. Is there any difference between the two, apart from semantics? No, there isn’t. So, why mix up linguistics and politics? For the very simple reason that there are three times as many Macedonians in Greece, Bulgaria and Serbia, than there are in Macedonia where their number is 2 million. That is potentially an explosive situation. Pretending that it is not by simply concealing the fact and changing the signboard does not make the situation less explosive. What will happen if Macedonian nationalists decided one day to end the historic anomaly and form an ethnically homogeneous state? The EU has no answer to this dilemma, apart from the belief that admitting Macedonia one day to the Union would remove any such threat. Will it really? That is a matter for reflection. But after the recent forceful redrawing of Serbia’s borders, the temptation to change frontiers in the Balkans has received a new impetus and encouragement. The specter of “balkanization”, i.e. partition of the Balkans territory into ever smaller states, has never completely left the region – often called the “powder keg” of Europe. When the ethnic Serbs living in Kosovo put forward a formal demand to join the motherland, -and this can be only a matter of time – the new stage of “balkanization” started by the USA and the European powers will move a step further. The next step would be the reunification of the “Serb Republic”, an autonomous region of Bosnia-Herzegovina, with Serbia. There is no immediate danger of such a development, and nobody would contend that Kosovo and Albania, two ethnically identical states, speaking the same language, having the same culture and even the same flag, will proceed to reunification tomorrow. But the

probability of such a development, which may involve other Albanian enclaves scattered around the region, is too great to be dismissed. All this makes political stability of the region in the years to come anything but certain.

ACTION TO BE TAKEN

All that has been said so far could be condensed into one point: the present economic and political situation in the Balkans is unsatisfactory. Action must be taken at different levels and in different directions so as to create conditions for peaceful and constructive development of the region. It is also imperative to soften, if not to get rid of the traditional Balkans culture of forceful and violent solution of conflicts. Specific steps must be taken in at least three areas to improve the current situation.

The first step, by far the most important and more difficult than the two others, is to elaborate a conceptual basis for bringing together different communities that for centuries fought each other. There is only one scientific theory that would allow to build such a conceptual basis. Its author, Valery Alexandrovich Tishkov, a Russian scholar and politician, Director of the Institute of Anthropology, RAN, and the Minister for national development of Russia in the 1990s, made a breakthrough in this complex and confused area. His recent works in social anthropology and political science have paved the way for understanding a distinction between Russian people and Russian nation. According to Tishkov, these distinctions do not prevent the existence of a multi-ethnic, multi-cultural and multi-confessional Russian nation.

This approach could serve as a basis for the understanding of a complex phenomenon that exist in the Balkans region where different ethnic communities have been slowly merging into a larger multi-ethnic, multi-cultural, multi-confessional entity with a common historical destiny, common culture and two basic languages. The traditional anthropological analysis of individual Balkans nations must move further to the analysis of the Balkan region with all its nations and ethnic communities within a single Balkans nation, the nation that is slowly emerging from the conflicts and religious wars of the past. This is a new reality requiring further analysis and research to avoid a situation in which one may respond to an often raised question: "How many ethnic and cultural communities live in the Balkans?" by another question: "How many do you want?" The reply will depend on the definition one gives to the communities, as well as on

what use one wants to make of these data. Given the intrinsic complexity of the issue, this work may be successfully done only under the guidance of the Academician Valery Tishkov with the assistance of research teams from the region. The progress in this field will largely depend on the acceptance of a new vision of national realities in the Balkans by the regional political elite. That would require time and considerable educational effort.

The second step would be to clean the Augean stables of Balkan politics. The political relations between countries of the region must be improved in the interest of all peoples and ethnic communities of the region. The leaders of the region must start talking to each other, as General de Gaulle and Conrad Adenauer did in the post World War II Europe bringing together the two nations that fought each other three times in less than a century. Nothing is simpler than arranging regular political contacts at the highest level. Leaders need not necessarily agree but nothing prevents them from discussing questions of common interest or disagreement. The regional summits must become routine events in the Balkans. The agenda for such meetings should be flexible enough to accommodate the newly emerging issues for discussion. There are many problems that could jointly be tackled at such meetings with great benefit for all concerned. The alternative to such contacts is the present go-it-alone policy conducted individually to the detriment of all. The University and academic communities in the Balkans must take the initiative and prepare a memorandum on the subject for the attention of all heads of state and the government in the Balkans republics. A small working group must be set up to start this work without delay.

The third step concerns economic projects of regional importance that would improve the state of the economy, the well being of the people and the efficiency of businesses. Such projects should first of all focus on the renovation and building of modern infrastructure as the key to international investment and economic development. They should also include a common electrical grid for the region, a regional system of fresh water supply and heat, as well as waste disposal. This should not be a shopping list of dozens of projects but a careful selection of really vital ones with a rough estimate of the cost involved, specifying the mechanism of financing and the specific organizations that would do the job. This is a long-term project but it must not be postponed too long. Needless to say this work must be done by the cooperative efforts of specialists coming from all republics of the region. They know better than anybody the urgent needs of the Balkans and the best ways to go about getting decisions taken

and then implementing the projects. The question of financing, domestic and external, must be carefully considered and at some point the European Union, the European Bank and the World Bank must be associated with this work to finalize the projects.

The countries of the region must not sit and wait until they are considered fit to join the EU after fulfilling the necessary requirements. The EU is not a paradise on earth and the entry in the Union cannot solve by itself the earthy sins of the new entrants as if by a magic wand. The Union creates a favorable environment, but the Balkans countries must try to do whatever possible before admission to the Union and do it jointly, not separately. That would be their best input into the future.

INSTITUTIONAL ORGANIZATION OF THE RECONCILIATION: PRELIMINARY CONCEPT OF A PROJECT

INTRODUCTION

Any fool can start a war. And our fools did just that. By abusing their nationalistic memory, turned into vengefulness, they organized an undeclared civil war. Normally, scientifically based historical memory could never be a motive for war among the peoples of the former Yugoslavia. On the contrary, there were so many lessons from the past that it would have been normal that all peoples had developed versatile mutual cooperation and had sought civilized ways to achieve the further affirmation and acknowledgement of their identity in the region. Therefore, any reference to the alleged historical roots of the most recent wars among the Yugoslav peoples is a blatant concoction by evil nationalistic leaders, who abused their nationalistic memory and, turning it to vengefulness, started a war. Their peoples had no interest in a war, nor could they derive any benefit from it. They were forced into it by their mobilization along nationalistic lines. The tragedy: the peoples suffered from their “elites”. The pretext was the wrong distribution by ethnicity and plundering. Thus, the war of “blood and soil” started with the euphemism “resettlement of the peoples” and was characterized by all forms of ethno-banditry, genocidal acts and Asiatic torture. The tyranny of the stronger triumphed and this especially refers to plundering as the immanent companion of every war. Since it was, in essence, the question of a civil war where there is no victor, we all were defeated so severely that the international community, which was not innocent in this respect, had to establish the International War Crimes Tribunal. It also imposed a truce which resembles an unfinished war, while reconciliation is carried out too slow, because yesterday’s dogs of war cannot become the gods of peace. Reconciliation must be institutionally organized, because the newly established states stand behind the crimes and criminals, shamelessly hiding them, protecting them, glorifying them or financing their defence. The return of refugees and the restitution of property are not adequately progressing either. Consequently, because there is no government action toward reconciliation in the newly

established states, we must force them to take it by using their institutions, norms and laws. Thus, this society is being impoverished and becoming corrupted. Namely, there is insistence on historical hatred for which there are no grounds. The only way out is through normalization and the renewal of the role of institutions. I point out specifically that ethnicities do not hate each other as much as the stolen property is loved. When it is insufficient, the property of one's own ethnicity will be seized. To tell the truth, the peoples did not wage war against each other. They were forced to wage war by being drafted into the disaster and due to repression. All plundered goods were not dispensed to the people so as to satisfy their needs; instead, they went to the well-established elite, which can keep it only through the further instrumentalization of institutions.

I remind you that on the eve of the war, after the historical scientific assertion of Schliemann's discovery, Troy was discovered in Herzegovina and the Virgin Mary appeared in Medjugorje. Only few of them raised their voice. This was a clear sign that we were stumbling under the weight of unprecedented forgeries, coupled with the suppression of the facts by scientists and scientific institutions. The cultural circles have been broken up and almost destroyed. What we still have in common are the victims, smoldering hatred, crimes and criminals. And we also trade a little among ourselves. And there is a biblical account of how money changers were expelled from the temple.

We lived in a common state for 70 or so years. Our language is almost the same. We have the same history, common law, customs and mentality. We belong to monotheistic religions, whereby Christian ones are dominant. Let me paraphrase the scholar and poet Mija Mirković that these regions and peoples are not linked by religion, or the state, or the laws so much as by the same living conditions (the anthropogenic origin of land). Consequently, the joint conquest of the plot. But, we are tardy people and I must remind you that we have not yet shifted to the metric system of land measurement. We still have twenty units of measurement: acre, ral, day's plowing, dunum, motika, etc. We do not have any written agricultural history.

There is one interesting example from Croatia. The greatest crimes were committed in Islam Grčki where the least ethnic distance was minimal. Even the historical buildings and the great poet were attacked. Or, another example – Vukovar. Out of 10,000 marriages, about 7,000 were mixed. Here the crime triumphed. The propagandists even undertook to prove that mixed families were defective, that they had one chromosome

less. We started the war with 8,000 mixed families, which had more than 7 million descendants and there were as many in-laws (collateral kin). Nevertheless, we were killing each other like the tribes of Tutsi and Hutu. The International Tribunal, which we are persistently obstructing, was rightfully established. This unambiguously proves that the war was induced so deeply that it can still last. And whoever was not engaged in ethnic cleansing was stigmatized. In this way the state began to destroy its own society. This went so far that even the churches were straying away from their mission, from God and the Holy Gospels, from the altar, and were approaching the ideology of hatred, the fathers of war and the authorities so as to have their share of the plunder. So, one church prelate said for the usurped property: "I will rather kill a Serb than give him the house back!" And the archbishop, his superior, did not degrade him either under common or canonic law.

I point out that ethnic cleansing was not only the means to obtain the national state. It was the strategic aim. That is why it became the crime of the century.

Our wars were interwoven with the quisling Chetnik-Ustasha syndrome, which still survives and is even peeping from churchyards. By using it as well as various institutional means, the states and church institutions are recycling the war. They even confront the victims, the same war matrices. Especially by prevalently applying usurpative law. Contrary to the constitutional provisions and related regulations, usurpative law is triumphing. The civil sector of non-governmental organizations is weak, small, financially depends on states and poorly interlinked. Our civil sector has also been nationalized, since it depends on state sinecures. It has been proscribed, because "it is betraying our cause". At the same time, countries are finding a way out by setting up parastatal institutions (national minority councils) of the civil sector, without funds and influence, so that they can govern in an undemocratic way, based on false models of false democracy and false tolerancy. They are doing this especially before the arbitrators of the international community. Consequently, the hypocritical states manipulate with "reconciliation that has no alternative", while at the same time undermining it both politically and morally by legal means. For there is no repatriation or restitution of property according to the needs and possibilities. It is a fact that none of the newly established states even tried to condemn the nature of the war, its instigators, intellectual criminals and the like. Moreover, there is no public condemnation of war mongers, intellectual criminals.

INSTITUTIONAL RECONCILIATION

I know from experience that our reconciliation methodology is not correct. This was a classic civil war with the tyranny of the stronger. It was waged under the aegis of the unvanquished Ustashe-Chetnik syndromes. Therefore, that was a classic agreed war for plundering and the redistribution of influence. My numerous studies have shown that the ethnicities do not hate each other so much as they like each other's seized property. The power elites started this war, directed it and still do not allow it to come to an end. They introduced the anti-biological categories and presented others as being barbarous and genocidal in order to justify their genocidal acts and Asiatic torture. They wanted to stir up historical hatred at all cost, although there were no historical grounds for it. They broke up the cultural circle, initiated the processes of homogenization of the ethnicities and are now insisting on all that in their unfinished war. What a shame – they stand behind crimes and criminals as the crippled states.

Therefore, we must institutionalize reconciliation through civil society institutions. Like in the past, everyone needs to put his own house in order first. Thus, we must identify our intellectual proponents of war – leaders and ideologists, because each crime had its intellectual support, that is, propaganda. That is the greatest intellectual treason.

Professional killers, criminals, legionnaires, heads of death squads and others walk calmly among us. And we are getting used to them. Since many of them have assumed high positions, entered institutions and imposed laws, including those for hushing up the crimes, which is the greatest crime – the so-called “legalization of crime” – we need institutions that will study the nature of the war from all aspects and will perceive its essence. Second, we would need an institution such as the Wiesenthal Centre. We must point to the criminals in our midst. While searching for those phenomena, analyzing their contents and following the documentation of the victims and listening to their laments and testimonials, I have realized that forgiving the crimes is the greatest revenge attack against the victims. It is the greatest obstacle to reconciliation. It provides a potential basis for terrorism, according to that “our graves will also fight against you”.

In short, I wish to present my findings on the proportions and contents of the crimes and the possibilities for their institutional persecution as an assumption for reconciliation. In the opposite, everything seems like killing time. Reconciliation is all the more difficult, because it is not the question of reconciling two individuals, but plenty of them. The dogs of

war have occupied the institutions through the mass media, recycling it and maintaining it with the assistance of “shoguns”.

In the course of the reconciliation many things must be valorized and according to my opinion, minimum is the following:

1. We need a joint multidisciplinary research institute that will deal with the nature of the war so as to avoid political manipulation with the war and its consequences. Let me give you an example – what did Serbia get with the slogan “All Serbs in one state!” and what happened to the Serbs in the crippled states? Serbia also destroyed a part of its own state. What did Croatia achieve with its national state, “One’s wallet in one’s own pocket!” for which it paid an enormous price, with the casualties and museum of crime for millennium-long remembrance on one-third of the territory which was ethnically cleansed from the Serbs. Today, Croatia has no bank in its ownership, no larger hotel complex, no more propulsive industry; it has got nothing from sovereignty. It has become a subcolony. This must be scientifically verified so as to prevent the fetishization of the state and its raising beyond the life and death of its citizens.

When I said in public that it was a civil war, that it was started by civilians and that they were both the victims and criminals even when they wore uniforms, it almost cost me my life. For the state has its Declaration of the Patriotic War. That sacred cow falsifies its own history. So, it states that Croatia did not attack Bosnia, although the graves point to the contrary. If we fail to elucidate the nature of the war, our history will be written by others.

I am convinced that only science, which is neither national nor anational, but represents man’s most important and most powerful objective lever, can help us now to overcome the brutal consequences of a civil war.

2. All states must enact the denazification laws, so that “the word is not retracted”. After all, Germany was able to get rid of nationalist plague only in that way.
3. Non-governmental organizations of the civil sector, Helsinki Committee, Amnesty International and human rights associations must be the moderators of all civil associations within the non-governmental sector, because they have experience with civilized conduct. They are tied institutionally to the territory but, due to their essence, they are not governmental institutions but

civil ones. They have made the greatest progress in perceiving the common good, because they are not inhibited by religion, nation, race, territory or strict local interest, by the greatest human values. After all, we have a common ancestor. However, within our non-governmental sector there is no true coordination for true reconciliation in the whole territory. It is segmented and reduced to “our problems”. And the problems we have are common.

4. Cultural and Professional Associations:

- a. Our academies (Serbian and Croatian), traditional and important institutions, have proved to be the most conservative. Over the decades they had joint members and yet they were ready for the war of our or your extermination. They negated each other in every respect. They have brilliant members, but they do nothing with respect to institutional reconciliation. Practically, they do not communicate with each other.
- b. The situation is similar with respect to Matica srpska and Matica hrvatska, which did so much for this region but, unfortunately, they plunged deep into civil collision. They believe that the neighbor can be chosen and not used and respected and that he cannot be conjured up. Ominous recyclers and manipulation with victims come just from there. And victims are victims only because they could not defend themselves and, thus, have no nationality. We must get these institutions to work on reconciliation and the condemnation of crimes. Therefore, I insist on setting up a research institute like the Wiesenthal one, like an *amicus curiae*, so that each of us condemns and prosecutes one's own criminals.
- c. As scientific and educational centres, that is, the centres for upbringing and education *ex profeso*, The universities are obliged to organize the process of reconciliation, since they are dependable and knowledgeable. They know the methodology and this especially applies to those having courses in social sciences. They know each other and managed, in the past, to surmount the same or similar problems. Unfortunately, there is no true cooperation, let alone the logic of reconciliation.

Consequently, should the faculty departments and research institutes begin to follow the logic of reconciliation as the only alternative in this region, it would be possible to create a huge circle of experts who would know how to achieve reconciliation.

By using the same logic, other non-governmental organizations (general, special, individual) and professional and trade associations could embrace the whole society in a network and reconciliation would take root as the essential need of the culture of life. This would also lead to the normalization of the situation in the region.

When looking at the register of autonomous professional associations in the newly established states. I am surprised at their number and that none of them is actually working on reconciliation (there are 15-20,000 of them in Croatia and Serbia). When we add church and religious institutions to them, then the number of the institutions that can be involved in reconciliation is still greater. In this connection, the Helsinki Committee, Amnesty International and civic associations as moderators could practically play a messianic role.

Let me give you an example – for 10 consecutive years I have been attending the International Rural Sociological Symposium at Vlasotinci (southern Serbia). A special international rural sociological school has also been founded there. Scientists come from all parts of the world, but none of them from the countries of the former Yugoslavia. The West saw the end of peasantry, but here its traditional forms still survive. However, our scientists, who were on friendly terms with each other and conducted joint research until recently, are not interested in such locality any more. Isn't that absurd?

I must emphasize that our former common state had more than 200 research institutions, more than 60,000 doctors of science and medicine, and 500,000 students; the engineers and technicians society had 1,700,000 members; there were even 106 rural agricultural newspapers, journals and other publications. Don't they have huge human and intellectual potentialities which are needed so much for reconciliation? Nevertheless, it seems that all of them have failed. I could list all necessary institutions, which already used to get involved in that before: theatres, moviemakers, publishers, journalists, as well as mass media in general and professional associations of historians, jurists, sociologists, political scientists, economists, ethnographers, ethnologists, anthropologists, philosophers, etc. We had joint institutions, journals, editorial staff, symposia, etc. All this does not exist any more. Consequently, we must encourage these institutions to participate in their own interest and for their own benefit if we wish to achieve genuine reconciliation. To put it simply – all institutions must be involved, from the societies of pigeon breeders to the societies of song-bird lovers, in order to normalize the situation and deny the right to the unqualified politicians and governments to manipulate the war and its

implications. This can be achieved only by means of science and if truth becomes its own judge in this region, too.

“Schools, schools, my dear brothers” must deal with the problem of reconciliation and not politics. That Jew who visits German schools and speaks about the Holocaust, performs the mission of sobering up the Germans. For sobering up the people only in Bosnia and Herzegovina we need as many of them as there are schools in it.

The mass media, journalists, TV commentators and other public figures of this profile must simply repent their participation in forging the war by forging genuine reconciliation. They must stick to the motto “Repent, forgive, experience catharsis and you will be forgiven”. It is biblical!

The motto of my book “Ethnic Cleansing – The Legalized Crime of the Century (Euroknjiga, Zagreb, 2006) is: “As for the collapse of the state, let it collapse when it could not survive, but our greatest moral defeat is that so many people were ruined!”

We can and should overcome this defeat only through a true dialogue. We must offer reconciliation through true repentance, research on the nature of war and the realization of the catharsis by condemning the crimes and their perpetrators. This can be done only through modern institutions.

When I presented this conception of institutional reconciliation at one international meeting, many participants approached me and congratulated me as if it was an “innovation”. The well-known integrator Aggassi also wished to congratulate me for the “innovation” and I told him: “Every innovation must have those who will disseminate it, its promoters and organizers.”

Therefore, this conception requires the viable reconciliation project that will treat each necessary institution separately and provide guidance to it. This can be done only by interdisciplinary experts. I am ready to participate in it to the extent I know the people, institutions and their role as well as the possibility to work on genuine reconciliation. Everything else is just idle talk.

However, since nothing historically significant has ever happened here without a third party, it is necessary to have a strong sponsor for this project and a supervisor over its realization. But, we must control the destiny of reconciliation, since that is not the stereotype of “European integration”, which is somnabulistically mentioned by politicians without explaining what it means and without presenting the arguments pro and contra. Thus, everything is carried out “under force”.

In addressing the reconciliation problems, we must be in control of ourselves and realize that our common blood, efforts, tears and historical crimes whose perpetrators we are, oblige us to overcome the “banality of evil” and “other wordly hatred” with true penitence, because of the fatal consequences of the historical crime. At a certain moment, the greater part of the Bosnian population was outside its homeland. In that sense, the reconciliation project must indicate to each institution what its task should be, so that reconciliation becomes a reality in this region.

Consequently, only a scientific approach can provide a real basis that Brussels is not closer than the neighbouring village and that Yale University, Oxford and the Sorbonne are not closer than our new borders, where we can call each other almost without using any technological device. We cannot choose our neighbours just as we could not choose our ethnic origin, gender, time and place of birth. It is high time that we do something concretely in order to be able to greet each other with “peace be with you” and “peace be with us”. We must perceive the truth about us in a genuine way, through a dialogue. Without a functional dialogue there is no reconciliation.

I am disgusted by the fact that the oldest philosopher has been persecuted for four years already, because he has been condemning the culturocide, libricide... Or that forty scientists, who have pointed to the erasing of anti-fascist memory and the burning of hundreds of thousands of books, have not yet received any answer from the public prosecutor, minister of science, minister of culture or minister of justice. Why an individual has to bring charges against the general who had ordered the destruction of Hajrudin's bridge? Or the destruction of the monument to Vojin Bakić, or the blowing up of Ferhadija Mosque? The state which does not protect the world heritage does not deserve to be called like that and this fact must be emphasized. In such cases we ask ourselves what has happened to art historians, historians and poets as the conscience of the people or scholars when even Nikola Tesla has no right to a museum in his place of birth and he was accidentally an ethnic Serb. What an absurd and contemptuous behaviour of civilization builders!

Unfortunately, when reconciliation was imposed, the chetnik-ustasha syndrome survived, so that the states legalize reconciliation between partisans, liberators, and quislings, racists, unpunished. Where are research institutions to which historical distance and great knowledge prove that there is no excuse for criminals. And that quisling syndrome in this war not only held us back, but also disgraced us in the eyes of the world.

THE RECONCILIATION PROJECT (MAIN POINTS)

An analysis of the “forgers of war” has shown that the war had been prepared by many of them, in addition to some institutions. However, reconciliation is not carried out in an organized way. Namely, everything has been left to irresponsible politics and non-trustworthy politicians, maintaining the state of incomplete reconciliation.

1. Just for that reason, the reconciliation project must have a strong sponsor and responsible and authoritative coordinator.
 - a. This can be a UN or EU international team;
 - b. Our inter-state consortium; or
 - c. A team of inter-institutional representatives.
2. Each institution, depending on its activity, must have an elaborate programme for its reconciliation dialogue, method of communication and communicators.
3. The communication methods must ensure the efficiency of dialogical relations (oral, written, documentary, etc.)
For example: research institutions, academies, universities, institutions and the like.
 - a. Their professional associations can organize:
 - b. Scientific meetings (symposia)
 - c. Thematic debates
 - d. Lectures
 - e. Exhibitions
 - f. Exchange of students and scientists
 - g. Round table discussions, etc.
4. Other associations, depending on their topic can organize:
 - a. Exchange of experiences
 - b. Solidary visits
 - c. Various joint events.
5. Special significance should be attached to scientific institutions because, by their nature, they should find the methods, channels and forms of dialogical communication.
6. At first, emphasis should be placed on local communities in the border areas of the cadastral municipalities, since it sounds absurd that all border disputes must be settled by international arbitration.

7. The methodology of a dialogue between the relevant institutions must be adjusted to the nature of their activities. This is especially important for the widely varied non-governmental sector of social institutions.
8. Since it is the question of a genuine peace movement at the inter-state level, the problem is all the more complex and more expensive.
9. The financing of the project must be defined as being in the common interest of all societies. Otherwise, should reconciliation be left to spontaneous actions, administration, politicians and diplomats, the current generations will not live long enough to see it, since there are numerous institutions and individuals who recycle the war logic of confrontations. Accordingly, if reconciliation has no alternative, then nothing is too expensive for its achievement.

BYZANTIUM – THE BALKANS – EUROPE FROM UNIVERSAL TO NATIONAL – FROM NATIONAL TO SUPRANATIONAL EUROPE

As a thousand-year empire (324–1453)¹, the universal state that was disparagingly called Byzantium² by new-age historians, was the Christian and medieval continuation of the Roman Empire whose inhabitants called themselves *Romaioi* – Romans³. Christianity as the state religion and Constantinople as the capital represent the major differences between this medieval Roman (or, in scientific jargon, Byzantine) Empire and the former, antique one⁴. Its major specificity consisted in reducing Roman law, Greek culture and Christianity into an until then unknown unparalleled synthesis for the whole Mediterranean basin⁵. With its unique legal system, faith, ideology, culture and identity, Byzantium was an unrenovable synthesis across three continents, a bringing together of the temporal and spatial quantum without parallel in history.

It is especially important not to lose sight of the economic cohesion of the Christian empire of the *Romaioi*⁶. It was the only continuation of

¹ B. BOJOVIĆ, *Le millénaire byzantin (324–1453)*, “Ellipses”, Paris 2008 (277 pp.).

² The great exhibition devoted to Byzantium, which is currently being held in London (Royal Academy of Arts, *BYZANTIUM 330–1453*, 25 October 2008 – 22 March 2009), aspires to some kind of “rehabilitation” of this empire, which was depicted in the worst light by Western historians like Gibbon (for example E. GIBBON, *History of the Decline and Fall of the Roman Empire*, éd. Random House, New York). The study of Byzantine history dispels the old stereotypes created due to the lack of knowledge and confessional prejudice. Thus, it can be stated that the so-called rehabilitation of Byzantium is the result of scientific knowledge (which also improves the understanding of the causes of its vanishing) as well as the abandonment of religious and cultural prejudice. It is also the result of the further expansion of the EU to the area of the Byzantine civilization region.

³ N. OIKONOMIDES, “Emperor of the Romans – Emperor of the Romania”, *Byzantium and Serbia in the 14th century*, Athens 1996, p. 127–129; P. VEYNE, *L’empire gréco-romain*, Paris 2005.

⁴ Evelyne PATLAGEAN, *Un Moyen Age grec. Byzance IXe–XVe siècle*, Paris 2007, p. 57–60.

⁵ G. OSTROGORSKY, *Histoire de l’Etat byzantin*, Paris 1956 (rééd. 1983); A. GUILLOU, *La civilisation byzantine*, Paris, 1974, 620 pp.; S. RUNCIMAN, *Byzantine Civilization*, Plume, 1974, 112 pp.

⁶ *The Economic History of Byzantium: From the Seventh through the Fifteenth Century*, Angeliki E. LAIOU, Editor-in-Chief, Scholarly Committee, Charalambos BOURAS, Cécile MORRISON, Nicolas OIKONOMIDES†, Constantine PITSAKIS, Published by Dumbarton Oaks Research Library and Collection, Washington, D.C., in three volumes as number 39 in the series,

the antique urban civilization and its monetary economy at a time when the subsistence economy and the primitive exchange of goods were prevalent in other parts of Europe. The stability and universality of Byzantine coinage are one of the most reliable indicators of the superiority of its civilization in a much larger area, extending over three continents and gravitating toward the Mediterranean basin as the cradle of the most advanced civilization in that period. The fact that from the time of Constantine the Great until the time of Alexius Comnenus, from the **4th to the 11th** century or, in other words, for seven and a half centuries, the *nomisma* (*solidus* in Latin) had the same market value, in terms of weight and gold purity⁷, best illustrates the inviolability and hegemony of the Byzantine monetary, economic and civilizational standards.

The vanishing of the monetary hegemony which, in the late Middle Ages, from the time of the Crusades, was mostly taken over by Venice (and virtually preserved until the discovery of the New World) marked the beginning of the end of the thousand-year empire with the gradual loss of its universal character and its transformation into a monoethnic or, stated conditionally, “nation” state⁸.

The civilizational shift at the beginning of the second millennium was reflected in the inexorable economic growth of the European continent and, in particular, Western Europe (which tended to be exponential)⁹. The Crusades were primarily the reflection and result of that economic and population growth which was to take Europe into the very centre of the history of mankind in the late Middle Ages, because the discovery of the New World marked the beginning of the global expansion and hegemony of the European civilization model, whose end could be being announced by the current global financial crisis.

Dumbarton Oaks Studies, 2002 Dumbarton Oaks Trustees for Harvard University Washington, D.C.

⁷ M. F. HENDY, *Studies in the Byzantine Monetary Economy, c. 300–1453*, Cambridge University Press 1985; Cécile MORRISSON, *Monnaie et finances à Byzance: analyses, techniques*, Aldershot 1994, M. KAPLAN, *Tout l'or de Byzance*, Gallimard, Paris 2005; Id., *Byzance*, Les Belles Lettres, Paris 2007, p. 128–132.

⁸ Elen ARVELER, *Politička ideologija vizantijskog carstva*, (introd: Prof. dr Ljubomir Maksimović, trans: B. Bojović, éd: „Filip Višnjić” – Beograd, „Retrospektive”, ed: B. Bojović, Beograd 1988); original title: Hélène AHRWEILER, *L'idéologie politique de l'empire byzantin*, éd. Presses Universitaires de France, Paris 1975.

⁹ B. BOJOVIĆ, “Entre Venise et l'Empire ottoman, les métaux précieux des Balkans (XVe–XVIe s.)”, *Annales: Histoire, Sciences Sociales*, novembre-décembre 2005, n° 6, p. 1277–1297 (with bibliography).

While the Byzantine civilization was inexorably sliding from the universal toward the particular over the centuries, the globalizing and hegemonic role was taken over by Western Europe. There are two factors behind that adverse evolution – the economic and the ideological (including the religious and church component as its mainstay).

In the field of economics, the West introduced the new, so-called “argerial” type of commodity money trade – the “long-distance” one, thus abandoning the old “capillary” (according to Braudel) type of trade¹⁰, which was practiced both in Byzantium and in other parts of the world until then. Economic autarchy became anachronous and lost pace with the new model of a globalizing economy¹¹. The transfer of the focus of trade to the vast expanses of the oceans and new worlds gave grounds for Adam Smith’s “invisible hand” as a self-regulatory factor of the ideology of liberalism. At the same time, it was disregarded that the notion of self-regulation, which was symbolically expressed by the syntagma “invisible hand”, could be mathematically valid only if the market area were really unlimited. If that vast expanse could seem almost boundless at the time of the discovery of the new continents, this cannot be the case any more, the process of globalization being well underway. The unprecedented global crisis with unforeseeable implications is here to remind us of the spatial and temporal boundaries that cannot be surmounted.

On a religious-conceptual and ideological plane, a disparity between regression and growth had a similar logical sequence. The late antique and early medieval Pentarchy had the character of administrative church regions, but their nature was purely territorial, notwithstanding their cultural and historical background. In the late medieval times within the territory of the Byzantine Empire, there emerged the “national” or, more exactly, state autocephalous Churches – Bulgarian, Serbian and (later on) Russian and others. By the nature of things and following the logic of imperial autocracy, the Church was always subordinated to the empire¹², although it enjoyed considerable autonomy, which was reflected in canon

¹⁰ F. BRAUDEL, “Monnaies et civilisations. De l’or du Soudan à l’argent d’Amérique. Un drame méditerranéen”, *Annales*, janvier-mars 1946, p. 9 sq.; Id., *Civilisation matérielle, économie et capitalisme, XVe-XVIIIe siècle*, t. 1. Les structures du quotidien: le possible et l’impossible, Paris 1979, p. 394–396, 403.

¹¹ F. BRAUDEL, *La dynamique du capitalisme*, Paris 1985, p. 28–29, 47. On the expansion of the urban economy in the West from the late Middle Ages. cf. A. TENENTI, *La formazione del mondo moderno, XIV-XVII secolo*, Bologna 1980, p. 58–65, 126–129.

¹² J. MAYENDORFF, *L’unité de l’Empire et divisions des Chrétiens. L’Eglise de 450 à 680*, Paris 1993, p. 11sqq; P. VEYNE, *Quand notre monde est devenu chrétien (312–394)*, Paris 2007.

and, in particular, matrimonial law¹³. As Rome and Italy slipped away from the imperial power of Constantinople over time, the universalist aspirations of the Roman Curia decreased. It thus became the most important supranational institution and arbitrator in both the external and internal relations of the social and political factors in the West. By most frequently taking the side of the nobility against an autocratic ruler, the Roman Catholic Church became an important factor in maintaining the balance of power between the state and society (personified by the feudal class in the Middle Ages). In the role of the regulator and moderator, it also made a very important contribution to the rise of Western civilization. The Reform and Protestantism made a further contribution to this rise, with even greater dynamics based on the developed Protestant ethics¹⁴, all this being in favour of the exponential rise of capitalism. In that process – regardless of its contribution to the rise of civilization – Catholicism probably drifted away from the original ideal of Christianity, which Khomyakov formulated as “unity in freedom”. While Rome, becoming a state entity, accordingly sacrificed freedom to unity much the same as to determinism, the Reformation not less consistently was sacrificing unity to freedom. Therefore, despite its weaknesses and deviations, ideologization and increasing spiritual crisis in general, Orthodoxy still has a unique potentiality with respect to the original spiritual legacy, sacerdotal charisma and liturgical continuity, world conception as well as resocialization.

The rise and fall of great civilizations is a complex historical process, which extends over long periods and may last several centuries. The thousand-year empire, which lasted from the foundation of Constantinople until its fall under Ottoman rule, succumbed to the dual tide of the conflicting and irreconcilable universalisms of the East and West, thus contributing to the vanishing of the medieval synthesis of the Mediterranean region¹⁵. The end of the Middle Ages and the beginning of the New Age passed in the sign of the military supremacy of the Eastern monotheistic empire, aspiring to round off the Mediterranean basin and restore the

¹³ Angélique LAIOU, *Mariage, amour et parenté à Byzance aux XIe-XIIIe siècles*, Paris 1992.

¹⁴ M. WEBER, *Die protestantische Ethik und der Geist des Kapitalismus*, Bodenheim, Athenäum Hain Hansein, 1993; en fr. Id., *L'Éthique protestante et l'esprit du capitalisme*, Paris 1964 (1905); Id., *Histoire économique. Esquisse d'une histoire universelle de l'économie de la société*, Paris 1992; Id., *Sociologie des Religions*, éd. Gallimard, Paris 1996, 545 pp.

¹⁵ B. VOJOVIĆ, “Синдром троугла на раскршћу светова (Срби на правцима европских подела)” (The Syndrome of Triangle at the Boundary Between the Worlds. The Serbs along European Divides), in *Europe and the Serbs*, ed. Historical Institute of Serbian Academy of Sciences and Arts, Belgrade 1996, p. 413–425 (Summary in English, p. 426-429).

territorial hegemony of the former Roman and Byzantine Empires¹⁶. The supremacy of the Western market economy and the lagging of the Ottoman state economy¹⁷ resolved that conflict in favour of the West. In the late 16th century, the collapse of the financial system of the huge Ottoman Empire, which was still at the height of its might, marked a turning point in that process¹⁸. The decline and agony of the powerful empire lasted three centuries, until Kemal Ataturk created a strong nation state on the ruins of the dying multinational one.

The outcome of the First World War was the creation of strong nation states, which replaced the multinational Ottoman, Austro-Hungarian, German and Russian empires. The restoration of a strong state was a more important and more lasting result of the Bolshevik revolution than an inefficient state-run economy under the communist model. The situation resembled the creation of the strong Jacobinian state, which replaced the sclerotic French *Ancien Régime*. That model of the nation state (*État-nation*) became prevalent in Europe in the 20th century. The model of a multinational monarchy, prevalent in the 19th century, became worn-out, but one must not lose sight of the fact that it gave to Europe both stability and peace, without continental-scale wars, throughout the 19th century – from the Congress of Vienna to the Sarajevo assassination¹⁹. During that

¹⁶ F. BRAUDEL, *La Méditerranée et le monde méditerranéen à l'époque de Philippe II*, t. I–II, Paris 1982 (première édition, Paris 1949); H. INALCIK, *The Ottoman Empire. The Classical Age (1300–1600)*, Londres 1973; R. MANTRAN (ed. R. Mantrana), *Histoire de l'Empire ottoman*, Paris 1989.

¹⁷ H. SAHILLIOGLU, “The role of international monetary and metal movements in Ottoman monetary history 1300–1750, in *Precious Metals in the Later Medieval and Early Modern Worlds*, Edited by J.-F. Richards, Carolina Academic Press, Durham, North Carolina, 1983, p. 270; G. VEINSTEIN, “L'Empire dans sa grandeur (XVe siècle)”, in *Histoire de l'Empire ottoman*, Paris 1989, p. 223–224; B. BOJOVIĆ, “Entre économie Monde et économie d'Etat – l'argent des Balkans (XVe–XVIe siècles)”, *Glas SANU LCIV*, 13, p. 183–195.

¹⁸ N. BELDICEANU, “La crise monétaire ottomane au XVIe siècle et son influence sur les principautés roumaines”, *Südost-Forschungen XVI* (1957), p. 70–86; P. SEVKET, “The Disintegration of the Ottoman Monetary System during the Seventeenth Century”, dans *Metals and Monies in a Global Economy*, edited by Dennis O. Flynn and Arturo Giráldez, Variorum 1997, *An Expanding World. The European Impact on World History 1450–1800*, Vol. 14, Princeton Papers in Near Eastern Studies, p. 72.

¹⁹ V. DEDIJER, *The Road to Sarajevo*, MacGibbon & Key, London 1967; ID., “Sarajevo Fifty Years After”, *Foreign Affairs* 42 (1964), p. 569–584; B. BOJOVIĆ, “L'attentat de Sarajevo 1914. La ‘Jeune Bosnie’ et la ‘Main noire’”, *Histoire de guerre*, N° 7, *Un siècle de terrorisme*, septembre-octobre-novembre 2002, p. 14–25; M. EKMEČIĆ, *Дуго кретање између клања и орања. Историја Срба у Новом веку (1492–1992)*, (The long walk between killings and toil. Modern History of the Serbs 1492–1992), Belgrade 2007, p. 340=342.

period, Europe was by far the most developed part of the world; the colonial empires were the cause and effect of the globalization of its hegemony, as well as the price and means of the globalization of its civilization.

The prevalence of the Jacobinian model of the nation-state marked the culmination of Europe as the factor and model across all continents and all parts of the world, while at the same time causing the radical regression of its model and the sunset of European hegemony²⁰. The world wars turned Europe from the major factor of world history into a second-rate political, military and economic factor. The leading role in international relations was assumed by the two superpowers – the United States and the Soviet Union. The power of the national egocentrisms of the Jacobinian states in Europe was too great to permit the prevalence of the economic and civilizational imperatives which would enable its further rise.

The world wars brought mankind, primarily Europe, into the deepest abysses of the negation of most civilizational achievements and the most important human values, coupled with the lowest price and value for human life, the industrial production of death and the attempted extinction of whole races and peoples, as well as the negation of human dignity, ethics and common sense. The collectivist Marxist and National Socialist ideologies were the main causes of that regression, where the collectivity was dominant and man as an individual was only the impersonal means of the state. The consequence of that madness was the division of the European territory into the zones of influence of the superpowers and their military alliances.

The formation of the European Economic Community, as a common market that would transcend the opposing state egoisms, rival interests and national extremism, began after the Second World War with a view to preventing such madness in the future. One of the first recommendations of its founders, at the time of the formation of the Coal and Steel Community which preceded the EEC, was that special attention should be devoted to overcoming the differences in the historiographical interpretations of the more recent and very distant past in national histories.

This is how the European Community/Union began to be built as the supranational institution of the European countries which joined together in a common interest and of their free will. Thus, consensuses, synergies and complementarities replaced the logic of conflicts, rivalries

²⁰ M. S. ALEXANDER, *The Republic in Danger: General Maurice Gamelin and the Politics of French Defense (1933–1940)*, Cambridge University Press, Cambridge; *Anglo-french defence relations between the wars*, ed. M. S. Alexander, W. J. Philpott, 2002, SHM, 2004; A. MITROVIĆ, *Време нејиррељивих* (The era of irreducible), CK3, Belgrade 1971.

and a rough balance of power. The one-time irreconcilable animosity and confrontation between France and Germany have turned into synergy which constitutes the EU axis. Almost two centuries after the formation of a modern nation state, born at the time of the French Revolution, this type of statehood finished both its best and worst historical role. In the second half of the 20th century, Europe was persistently building a new community of states and nations. The collapse of the communist model of state and society also marked the dissolution of multinational communities which existed under such a model.²¹ The Soviet Union and Czechoslovakia disintegrated in a peaceful and amicable way. It is shown that nation states have precedence in European integration processes over multinational ones, like former Yugoslavia²².

²¹ During the 1990s, the West missed the opportunity to win over Russia and, thus, encourage and accelerate its democratization much more efficiently. The selfish US policy demonstrated once again that wisdom did not lie in victory. What would happen to the United States should the rapprochement between the EU and Russia be facilitated, should Russia adjust itself to the European standards at an accelerated rate and should a single market area stretch from the Atlantic to the Western Pacific. Instead, Russia is rearming itself at an accelerated pace. The EU will not be able to serve (Brzezinski dixit) as a “logistic base for a further tightening of the noose around Russia” for a long time. The more Central Asia is in the Russian orbit, the sooner it will be lost for the United States. Turkey is increasingly in a fissure between EU integration and increasing internal polarization that may also lead to its disintegration. The West (led by the United States) is repeating its fatal historical error made in the first half of the second millennium when, in an attempt to discipline it, it pushed Byzantium into lesser exclusivism, thus leaving the whole south-eastern part of Europe and the greater part of the Mediterranean to the powerful and irreconcilable Ottoman rival. The clash of civilizations, which was allowed in the Balkans during the 1990s, may return as a boomerang to those who supported it. The failure of the protectorate over Bosnia and Herzegovina, which is now admitted by its Western protectors, is only one indicator of the obsolescence of such hegemony. The impasse in the Middle East points out that the bounds of militarist adventurism have been exceeded. The financial collapse and economic depression point to the general crisis of the Western model. Its initial prerequisite was the collapse of the communist-Soviet “alter ego”. The worn-out confrontation between thesis and antithesis is bringing Western and Eastern Europe into the situation resembling that in antique Greece, which never recovered after the Peloponnesian wars. However, the Greek culture outlived its civilization. Do the Euro-Asian East and West, as the distant successors of its legacy, have enough strength and sobriety for a new synthesis, or are we witnessing the beginning of their decline? All the more so, because it appears that the developmental dynamics of the Western model can be very successfully followed under quite different conditions. Should Russia establish a real democratic system, it would be proved that it actually won the Cold War and its aftermath.

²² Lj. DIMIĆ, *Срђи у Југославију* (The Serbs in Yugoslavia), Belgrade 1998, 191 pp.; D. POPOVIĆ, “Le fédéralisme de l’ancienne Yougoslavie revisité, Qu’est-ce qui n’a pas fonctionné ?”, *Revue internationale de la Politique Comparée* 10, n° 1, Edition: De Boeck Université, Paris 2003, p. 43–45.

What was the specificity of former Yugoslavia, which extended over the greater part of the Balkans and belonged more to South-Eastern Europe than to Central Europe? The region where the degree of ethno-confessional homogeneity was considerably lower than in other parts of Europe and where the three great monotheistic religions or confessions – which do not represent a model of tolerance and dialogue according to their nature and historical heritage – encounter each other and overlap. The fact that in this region two-thirds of the population belong to the Orthodox Church and that the remaining one-third consists of Catholics and Muslims in an almost equal proportion, in addition to significant disparities in population growth among those three groups, determines the degree of stability in the Balkans, the region where the oldest states are considerably younger than most European ones and where new states and new nations emerge as the outcome of the world and local wars. As early as the 19th century, this part of the continent posed one of the greatest challenges to Europe's stability at the time of its greatest progress. During the greater part of this European golden century, its great powers had to cope with the Ottoman legacy of the Balkan region, bearing the high-sounding name "Eastern Question", the epilogue of which was the Sarajevo spark that precipitated the World War and the establishment of the new European and world order as its direct outcome.

However, the heterogeneity of the Balkan region is not the same in all countries of South Eastern Europe. In Romania, Bulgaria and, in particular, Greece and Turkey, one ethno-confessional group constitutes over two thirds of the population. This is not so in the countries that once made up Yugoslavia (with the exception of homogenized Croatia and, even more so, Slovenia). While Macedonia and Serbia (even without Kosovo) have large ethnic minority groups, in Bosnia and Montenegro even the largest population group does not have an absolute majority²³. It seems that the situation in Albania is similar (if one takes into account a significant percentage of the population of Bektashi faith): hardly one half of the population is Muslim (a more precise conclusion cannot be made due to the lack of the religious and ethnic indicators in the country's popula-

²³ E. ARNAKIS, "The role of religion in the development of Balkan nationalism", in Charles et Barbara Jelavich, *The Balkans in transition: Essays on the development of Balkan life and politics since the eighteenth century*, University of California Press, 1963, p. 115; G. DUIJZINGS, *Religion and the Politics of Identity in Kosovo*, London 2000, p. 211–243; "Religion and the politics of 'Albanianism'. Naim Frashëri's Bektashi writings". In: Stephanie SCHWANDNER-SIEVERS & B. J. FISCHER (eds.), *Albanian Identities: Myths, Narratives and Politics*. London 2002, p. 60–69.

tion censuses). It is interesting to note that the so-called Western Balkans region, with the exception of Croatia after the expulsion of the Serbian population, is characterized by a proportionately high rate of heterogeneity (which is higher than in other parts of the Balkans), since the minority population groups constitute 25% or more of the population²⁴. That is one of more important reasons why the integration of this part of South Eastern Europe poses such a great challenge to the further expansion of the European Union in that part of the continent. There is no doubt that the question of Turkey's integration, to which the remaining, non-integrated eastern part of the Balkans belongs, poses an even greater challenge to the future of the European Union.

Apart from these complex structural issues, there are ideological, cultural and subjective reasons which still stand in the way of those integration processes. It must not be forgotten that the interaction between the social and mental structures (G. Dimeziles) is crucial to understanding social and historical processes²⁵. It is an axiom without which it is even much more difficult to understand the specifics of the region, the dramatic collapse of Yugoslavia, Serbia's lagging behind in the transition process and its long-term discrepancy relative to the contemporary historical process, which made the collapse of Yugoslavia²⁶, that is, the way it collapsed, chronic and irreversible, and still poses a threat.

The political, institutional, ideological and psychological trap into which Serbia and the Serbian people have fallen, manifests itself as a double noose, or a double encirclement from which – after the significant post-October 2000 political change – there is still no way out. The Eu-

²⁴ According to the census of 1981, Yugoslavia was one country with a rate of ethno-confessionelle consistency among the lowest in Europe, below 50%. The Serbs were represented in the order of the 36, 3%, Croats, 19,7%, Muslims, 8,9%, Slovenes, 7,8%, Macedonians, 5,9%, the Montenegrins, 2,5%. What is stated as Yugoslavs were 5,4%, were mostly Serbs outside Serbia, Dragana LAKOVIĆ, *L'héritage juridique de l'ex-Yougoslavie*, le TPI et les processus d'intégrations euro-atlantiques, Pariz 2006, Master 2, EHES, p. 4–7.

²⁵ G. DUMEZIL, *L'idéologie tripartite des Indo-Européens*, 1958 Bruxelles, 122 p.; ID., *Mythe et Épopée*, I–III, Gallimard, Paris 1968, 1971, 1973; M. MESLIN, "De la mythologie comparée à l'histoire des structures de la pensée: l'œuvre de Georges Dumézil", *Revue Historique*, 503 (1972); *Georges Dumézil*, numéro spécial des *Cahiers pour un temps*, Centre Georges Pompidou, Pandora Editions, Paris, 1982, 350 pp.

²⁶ R. LUKIĆ, *L'Agonie yougoslave (1986–2003)*, les *Etats-Unis et l'Europe face aux guerres balkaniques*, Les Presses de l'Université Laval, Québec 2003, p. 213–218; Jelena GUSKOVA, *Istorija jugoslovenske krize (1990–2000)*, I–II, Izdavački grafički atelje "M", Beograd 2003; M. EKMEČIĆ, *Дујо крепање између клања и орања. Историја Срба у Новом веку (1492–1992)*, Завод за уџбенике, Belgrade 2007, p. 501–548.

ropean Union and the international community made a number of mistakes, wrong judgments and steps in dealing with the dramatic collapse of Yugoslavia, while the leaders of the Yugoslav “natiocracies” successfully followed the regressive populist political patterns. While others were tacitly or explicitly supported by the international community, the Serbs were punished and incriminated both when it was and was not justified, a double standard being applied.

Yugoslavia was probably the country which derived the greatest profit from the Cold War. However, after the fall of the Berlin Wall, it was led by those who seemed not to wish to know that a new age had arrived. The problem posed by the already mentioned specific symmetry is even greater. It seems as if the international community hardly waited to simulate the continuation of the bloc division and Cold War in the traditionally unstable region – the simulation threatening to revive the demons of the more recent or the very distant past. The Balkan region has always been an object of the division into zones of interest and a proving ground for the regional and global balance of power²⁷. Such processes were, and still are, taking place to some extent, so that the international community can easily find an alibi and justification for its political bias²⁸ in the autistic anachronism of the Serbian political elite. At the same time, the Serbian ruling elite is given the strongest argument and alibi for its autarchic populism. Given such an inexorable dual fissure, even much bigger countries and more vital nations would hardly find a way out.

No conspiracy theory can really contribute to understanding and, even less, finding a way out of the current situation in Serbia, whose further destiny also determines, to a greater or lesser degree, the further progress of the region, which is mostly comprised of even smaller and more static states. Therefore, only a structural analysis can contribute to rationalization and demystification²⁹ as a prerequisite for the response to the current and future challenges in the Balkans.

²⁷ B. BOJOVIĆ, “Les Balkans entre convergences et disparités (XIXe-XXe siècles). La Question d’Orient: les Balkaniques entre ingérences et leur responsabilité propre”, in *Structures fédérales et coopération interrégionale dans l’espace balkanique. Rapports et documents*, actes du *Symposium International*, Gex, 12–14 septembre 1996, sous le patronage du Secrétaire Général du Conseil de l’Europe, Daniel Tarschys, du Président de l’Organisation pour la sécurité et la coopération en Europe, Flavio Cotti et sous les auspices du Centre de politique de sécurité, Genève 1997, p. 63–75.

²⁸ Chantal DELSOL, *La grande méprise*, Paris 2004; Gabrielle VARRO, *Regards croisés sur l’ex Yougoslavie*, Paris 2005.

²⁹ Lj. DIMIĆ, „Kuda i kako – Mitovi i znanja o istoriji Jugoslavije“ (Where and how. Myths and

It is the question of the specificity of state institutions, the state as such and, in particular, the relationship between the state and society, whose deficit dynamics represent the anachronous characteristics of that type of statehood or, more exactly, the state pattern and civilization legacy of the Byzantine cultural and historical area, whose socio-political pattern was defined as an “Eastern despotism” by Marx and Engels³⁰ in the spirit of the Eurocentric 19th century, and which poses a key challenge to the question of the boundaries of the so-called Judeo-Christian civilization to a greater or lesser extent.

The criteria for setting those boundaries are not exclusively one-sided. They are based on historical processes and objective structural differences. The countries of South Eastern Europe and Turkey, as well as Russia, in a different way, inherited a similar type of statehood from Byzantium. The last Roman Empire which, at one time, represented the most advanced civilization model, used up its developmental potentialities and vanished from the historical scene under a forceful external impact and, probably even more, under the impact of its increasing internal contradictions, through a natural process, like natural death like many other great civilizations. Statehood, which was the most powerful factor of Byzantium over the centuries, became the gravedigger of its civilization over time. That omnipotent, rigid and utterly normative, universalist statehood became anachronous, ruling out any further development. The late Byzantine state was not able to accept a synthesis with its closest, Orthodox neighbours, who could have prolonged its life.³¹ Led by the imperative to remain equal only to itself at all cost, it was incapable of forming an alliance even with its neighbouring countries, thus offering a less efficient resistance to the invaders. Despite its universal aspirations, the Patriarchate in Constantinople acted one-dimensionally in relation to other, especially later, Orthodox

knowledge about the history of Yugoslavia), in *The Shared History. Myths and Stereotypes of the Nationalism and Communism in Ex Yugoslavia. Mitovi I stereotipi nacionalizma i komunizma na prostoru bivše Jugoslavije*, Institute for Historical Justice and Reconciliation – Salzburg, Centar za istoriju, Demokratiju i pomirenje – Novi Sad, Grafo marketing – Novi Sad, Novi Sad 2008, p. 9–22.

³⁰ S. SFETAS, “The Anti-Russian Syndrome in the Views of Marx and Engels on the Eastern Question”, in *Europe and the Eastern Question (1878–1923). Political and Civilisational changes*, Beograd 2001, p. 290–294.

³¹ While the West was led by the imperative to discipline the Byzantines at all cost, Ottoman Islam was more tolerant of religious differences, which was one of the decisive factors in taking over the Byzantine legacy. Cf. B. BOJOVIĆ, Vassa CONTICELLO, G. JEHÉL, *Le monde byzantin (VIIIe–XIIIe siècle). Economie et société*, Editions du Temps, Paris 2006, p. 56–62.

Churches and states. This is also confirmed by the fact that in the calendar and liturgical practice of the Byzantine Church there was no place for the saints of other Orthodox countries³². Egotism, inherited from ancient Greek linguistic and cultural ethnocentrism, doomed Byzantium to tautological and autarchic self-isolation. In the first half of the 16th century, Sinadinos, a Greek priest from Serres, wrote that the main cause of the fall of Byzantium was its religious and cultural ethnocentrism³³.

The state which is an end in itself, the state which is more important than society, in which genuine interaction between society and the state as an institution does not exist and everything is subordinated to state institutions, the state in which the Church is at the service of the religion of autocracy cannot have a long-term development perspective. This type of statehood is characterized by a systematic conflict of interests between the state and society, chronic lack of investment, lack of any development strategy, static social processes and the lack of dynamics among social groups. Byzantium had no nobility; it had only the official aristocracy which was in a systematic conflict of interests as between the state function and state interest, between the state and society, to the detriment of both the state and society. At that time, Serbia had its statehood, which was designated by the great Serbian medievalist Nikola Radojčić as a “privilegial type of state”³⁴.

It is symptomatic that the mentioned phenomena are now characteristic of most countries belonging to the Byzantine cultural and historical legacy³⁵. In our time, those are the countries with a chronic lack of investment³⁶, from which capital is repatriated rather than reinvested or brought in and in which there is a systematic conflict of interests between the state function and state interest, between the state and society. Those are the countries whose society is an amorphous mass, without an initiative or profile, unable to protect itself from abuse involving the state function

³² I. DUJČEV, “La littérature des Slaves méridionaux au XIIIe siècle”, in Id., *Medievo bizantino-slavo*, vol. III, Rome, 1971, p. 232–234, 240–241.

³³ P. ODORICO, *ANAMNHΣEΙΣ KAI ΣYMBOYΛEΣ TOY ΣYNAΔINOY, IEPEA ΣEPPΩN ΣTH MAKEΔONIA (17oς αΙωvας)*, éd. “Pierre Belon”, Paris 1996, p. 162–165; B. BOJOVIĆ, „Нешто ново о Светој Петки” (New on the Holy Parascève), *Политика*, 25 oktobar 1999.

³⁴ N. RADOJČIĆ, *Srpski državni sabori u srednjem veku* (Serbian State Assemblies in the Middle Ages), Belgrade 1940, p. 33.

³⁵ N. IORGA, *Byzance après Byzance*, Balland, Paris 1992, p. 253–275 (Épilogue B. Кндеа).

³⁶ M. KAPLAN, *Les hommes et la terre à Byzance du VIe au XIe siècle, propriété et exploitation du sol*, Paris 1992, p. 499–500, 578, 580–581.

and utterly conditioned by state institutions. Those are the countries in which the communist system almost completely neutralized the civil sector and dissolved the little that was left of a weak civil society and democratic institutions, in which politics always took precedence over economics, demagoguery over responsibility, populism over culture, mythical consciousness over rationality, primitive infantilism over conscience and self-rectification. Those are the countries in which the state function in itself eliminates any legal regulations and responsibility, unless they are exclusively politically motivated. Those are the states which protect the interests of their thin ruling class layer and not the interests and property of their citizens. Those are the countries in which privatization is carried out by selling nationalized property, while the proceeds of such sales are not channelled into development investments, production and job creation, but exclusively into the preservation of the self-sufficient state function.

Those are the countries in which the systematic usurpation of the state, social, private and legal is based on the party and police criteria. In these countries monopolistic nepotism and negative selection prevail over free, competitive and quality-based selection, transparency is undesirable and autism and self-justification are dominant in public and political life. In such countries a leading tycoon can be a decisive political factor and, for example, the chairman of the anti-corruption committee. Such states do not serve their societies and the common interest, but act to the detriment of both, while the state institutions work against the citizens and society, since they undermine their own foundations. In such countries it is impossible to have an open society. Those are the closed systems of “democratorship” which can easily be identified. Such states cannot be nation or civil states; they can only be systemic and privilegial, autarchic and regressive.

What is the real perspective of the West Balkan countries³⁷ in relation to the development of the European integration processes? The end of the

³⁷ As it is well known, the newly coined term “Western Balkans” refers to the area of former Yugoslavia from which Slovenia was taken away and Albania added. In contrast to other parts of the Balkans and the South-Eastern Europe, the Western Balkans, with the exception of the present Croatia, is characterized by a smaller ethno-confessional cohesion (Dragana LAKOVIĆ, *L'héritage juridique de l'ex-Yougoslavie, le TPI et les processus d'intégrations euro-atlantiques*, Pariz 2006, Master 2). The homogeneity in this area represents about two thirds or even smaller majority of the biggest group, while on the other parts of Europe and its South East, it ranges from 80 per cent and above. It is certain that the independence of Kosovo and Metohia would move decisively the rest of Serbia and Kosovo and Metohia from the group with the less homogenous population to that with the higher homogeneity. It is also, certain

20th century and the beginning of the 21st have shown that the countries lagging behind in the process of Euro-Atlantic integration can be prone to disintegration. Yugoslavia had two chances to accede to the EEC using a shortened procedure. The first offer (1974) was declined by Tito and the second (1990) by Milošević and Tudjman. If the reasons for the rejection of that offer by Tito (ideological and geopolitical reasons in the Cold War period) and Tudjman (the creation of the Croatian nation state) can still be understood, it is difficult to understand the reason that was allegedly given by Milošević – the creation of a “strong federation”³⁸. It is hard to

that Serbia will not accept and recognize the unilateral secession of Kosovo and Metohia. It is clearly noticeable that the international community (or the Euro-Atlantic Alliance) had extended the privileges, from the very beginning of the disintegration of Yugoslavia, to the separatist determinations and, with the exception of Bosnia and Herzegovina, favored the separation of the ethno-confessional communities, giving its support to their separate life, next to each other, to a disadvantage of multi-ethnicity and multiculturalism, without being much considerate of such proclaimed principles and standards. Everything is developing as if the countries failing to enter on time into the process of Euro-Atlantic integrations inexorably get into the processes of disintegration. The question arises whether the crises with Kosovo and Metohia, which according to the latest analysis was an initiator of disintegration of Yugoslavia, is the termination or continuation of these disintegration processes? It is difficult to imagine not only the solution, but also the rebuilding and termination of these processes outside the Euro-Atlantic integration. But, it will be even more difficult to foresee the way and dynamics of these integrations. The fact that EU opted for individual, if not selective accessions to EU, makes the insight into this kind of forecasting even more difficult. The insight of particular interest due to the change in relations between the powers in the wider region, which can bring the new strains and to stray from the compromise solutions more favorable to all parties. Therefore a regional plan for the solution of crises, including that with Kosovo and Metohia, which looks all the more difficult to resolve, could encompass the whole region of the Western Balkans, which would be of a special importance for the wider region as well. While the countries of the Western Balkans are competing in approaching the EU market and democratic standards, their mutual approaching can only facilitate the transitional difficulties and speed up the preparations for Euro Atlantic integrations. Their cooperation in the area of economic and cultural exchange could be developed in the mutual multilateral relations which could be stimulated by the appropriate facilities for the EU market area. The exchanges in the area of the culture and economy should be facilitated additionally by investments in communications, tourism, education and sports. In the course of the accession to EU, this multilateral cooperation of the Western Balkans countries should be open for Turkey to a greatest extent. Developing this idea of creation of the market area of about more than 100 million consumers requires a comprehensive project which would necessitate a systematic and multidisciplinary approach and a good knowledge of the South East and Asia Minor area. This project could contribute in a decisive way to rebuilding of the knot of the Western Balkans and Asia Minor – the knot and a center which in the absence of beneficial initiatives could become the additional factors of instability in the near future and imperil the efforts made with great difficulty so far and the results achieved in this sensitive part of the Europe and the Middle East.

³⁸ Z. PETROVIĆ, *Anatomie d'une auto-décomposition. L'ascension de Milošević au pouvoir en Serbie, 1982–1992*, докторска теза, Е.Н.Е.С.С., Париз 2008, р. 56–57, 112–117, 469–471; Z.

believe that at the time of the disintegration of the Soviet Union and Yugoslavia an experienced banker and pragmatic politician, who had spent a lot of time in the United States, could still harbour an illusion about the creation of any federation, let alone a strong one. As a pro-Soviet politician, he most likely believed, like Gorbachev, in the preservation of the communist system, albeit at the cost of the disintegration of the federation and implementation of a number of cosmetic reforms through the establishment of some kind of state capitalism. With Milošević's political demise, this phenomenon was not sufficiently refuted – the DOS regime has so far displayed much more continuity with the previous regime than discontinuity. The situation is similar in most countries of the former Yugoslavia.

We have experienced the high cost of that far-reaching and confounding continuity, to which one can attribute not only the bloody disintegration of the federation, but also the forceful secession of one part of Serbia, which is still undergoing an unparalleled economic, institutional, political and social regression in modern European history – regression and decomposition whose end still cannot be perceived, a regressive process that is diametrically opposite to European integration.

The collapse of the communist system, the vanishing of a bipolar power structure in which Yugoslavia had a specific and privileged role³⁹, the globalization of the Western model and the hegemony of Euro-Atlantic integration had disastrous consequences for most countries of the former Yugoslavia. Although it proved to be the most compatible with those changes, Slovenia also lagged behind to some extent and experienced a relative regression as compared to its status in the former Yugoslavia, which was the only European country that applied certain market economy elements within a single-party, communist system.

MLYNAR, Nightfrost in Prague: The End of Humane Socialism, Karz Publishers, New York 1980.

³⁹ Starting with the fact Yugoslavia was, as a member of the Balkan Pact (with Greece and Turkey), during the fifties, even if informally, in fact a member of the South East wing of the NATO, G. TROUDE, *Conflicts identitaires dans la Yougoslavie de Tito 1960–1980*, Association Pierre Belon, Paris 2007; M. ЕКМЕЋИЋ, *Дуго кретање између клања и орања. Историја Срба у Новом веку (1492–1992)*, Belgrade 2007, p. 547–548. Concluded in October 1951, the military assistance agreement between the USA and Yugoslavia (MDAP), lasted until 1957, grants worth \$ 15 billion were paid to Yugoslavia during this period, P. SIMIĆ, *Тито и НАТО. Ускон и њаг гроте Југославије* (Tito and NATO. Rise and fall of the second Yugoslavia), Belgrade 2008, p. 75.

Instead of becoming a link between the two systems and an example of accelerated and successful transition, the former Yugoslavia became mostly a weight on the expansion of the European Union to South-Eastern Europe. It seems as if the ghost of the accursed Eastern Question is again hovering over the destiny of New Europe and the successful expansion of its model⁴⁰. By imposing the question of its normative and conceptual framework, the Western Balkans and Turkey, each in its own way, now pose the greatest challenge to the European Union, since in that region the European Union is most directly faced with the legacy of the alternative antecedents, the Yugoslav, Turkish and Byzantine supranational models.

By a concurrence of circumstances, the Serbs represent a significant regional factor in that legacy, if not the decisive one. Their geographical location, on the axes of the Euro-Asian and Euro-Balkan transversals, as the European history of the last centuries has shown, does not allow that people to have a marginal role at the regional or European level. The very marginalization of that Balkan and Central European people, as was dictated, and is still dictated by the leading powers in the post-bloc period, has created considerable precedents in contemporary European history⁴¹. The NATO involvement in putting an end to the bloody disintegration of Yugoslavia is the best indicator that not all is at its best in the most perfect of all possible worlds, as it seemed in the selfish mirror of victorious neoliberalism until the current financial collapse and global economic recession. As the decisive argument in favour of preserving NATO, the Yugoslav crisis will not always blur the contradictory challenges of the post-bloc reality and multipolar future. If the European integration of the Western Balkans and, in all probability, Turkey is not achieved within a shorter period, the Euro-Atlantic alliance will lose its historical chance to stabilize and Europeanize the most sensitive part of the European continent, which is so important and sensitive that over a medium term, if not a short one, it can easily be proved, like many times before, that Europe will either fall or survive in the Balkans. Born in Niš, Constantine the Great knew that quite well, so that he founded his thousand-year empire

⁴⁰ D. POULAKOS, "Some parameters of the Eastern Question", in *Europe and the Eastern Question (1878–1923). Political and Civilisational changes*, Beograd 2001, p. 393–398.

⁴¹ G.-M. CHENU, "Les limites des interventions européennes", Ed. Marie-Françoise ALLAIN, François CALORI, Olivia CUSTER, *Lex Yougoslavie en Europe, de la faillite des démocraties au processus de paix*, Paris 1997, p. 60–69; P. de BOIS, "L'Union européenne et le naufrage de la Yougoslavie (1991–1995)", *Relation internationale* 104, Genève 2000, p. 477–480; Y. BROSSARD, J. VIDAL, *L'éclatement de la Yougoslavie de Tito (1980–1995), Désintégration d'une fédération et guerres interethniques*, Paris 2001, p. 43–50.

on the south-eastern tip of the Balkans. In fact, the global clash of civilizations began with the vanishing of that great Greek-Latin and Mediterranean synthesis. The current financial and economic depression points to the beginning of the end of the hegemony of one part of mankind, if not of one model, since an alternative model does not exist any more. The global crisis, which cannot be bypassed by any part of mankind, can only accelerate the resolving of a dilemma as to the further development of global relations. The answer to the decisive challenge of the European future – the question of a choice between deepening the clash of civilizations and taking the path to a new and far-reaching synthesis – should be sought on the symbolic Belgrade-Istanbul-Ankara axis.

CONTRIBUTION OF CIVIL SOCIETY AND INTERNATIONAL ORGANISATIONS TO HUMAN SECURITY AND DEVELOPMENT IN BOSNIA AND HERZEGOVINA

The understanding of threats to security has been extended from a pure focus on states and inter-state conflicts to a broader view of contributors on insecurity. Human security thus is a lesson learned from the change in conflict patterns, and is taking into consideration that regional or global security is depending on more than just the stability of borders and exclusive state interests. Major threats to human security can be poverty, unemployment, corruption, drug- and weapon-trafficking, weakness and frailty in governance, citizens disempowerment and lack of social cohesion as these factors contribute to the exclusion of individuals from their basic human rights.

The importance of civil society organisations and international actors in the shaping of human security and development policy in South East Europe lies mainly in their contribution to strengthening the local capacity to deal with such problems which constitute a threat to human security, as well as citizens' participation. In the years since the Dayton Agreement, international assistance projects have often been poorly targeted, while recipient governments in the Balkans continue to lack the capacity or resources to support growth, to maintain public assets and consequently to formulate and exercise efficient social policy. The legitimacy and effectiveness of public institutions has thus been further eroded. The question arises as to whether international actors actually empowered the Western Balkan countries to produce and own human security and development policy making consistent with future European membership. This paper focuses on the particular case of the implementation of international and local civil society programmes in Bosnia Herzegovina on the ground, and the way they interrelate with necessities of everyday life and the development of a viable social provisions system locally.

Bosnia and Herzegovina has an immensely complex internal administrative structure – there are two entities (the Federation of Bosnia and Herzegovina and the Republic of Srpska) with given wide powers, and one district/condominium (Brcko district) directly under the jurisdiction of

the state. While one entity (Republic of Srpska) has a strongly centralised system, the other entity is comprised of 10 cantons with wide autonomy. Several crucial sectors are given either to the entities or even cantons such as: education, social policy, culture, environment, etc. Therefore, in such a complex environment non-state actors (NSA) have difficulties in advocating reforms in the above mentioned areas.

According to the latest data obtained from the State and Federation of B&H ministries of justice and Basic Court of Republic of Srpska there are more than 8,000 organisations that can be considered as civil society non profit organisations. Given the huge number of registered NGOs and the lack of a central source of information (also in view of security needs) an initiative to establish a central register has been launched. In 2004, State, District Brcko and Entity Governments signed a Memorandum of Understanding (MoU) for the Establishment of a Joint Registry for Associations and Foundations in B&H. This MoU was also signed for the purpose of “increasing freedom of movement of associations and foundations and for establishing a system of fast access to information on all foundations and associations”. The rulebook to implement this MoU is being drafted by a working group including three competent ministries and the United States Agency for International Development (USAID) funded the International Criminal Investigative Training Assistance Programme. The WG will address also the necessary legislative amendments to ensure that all the information that is to be put in the central register will be requested by each of the applicable laws. At the Federal and State level, the Ministries of Justice are responsible for registration and for keeping the Registry Books for Associations and Foundations. According to the RS Law on Associations and Foundations, associations and foundations register at the Basic Court in the seat of the District Court in the area in which they have their seat.

As the country distances itself from the war, it turns its attention from reconstruction to the more quotidian problems of economic development and integration with the larger European community. Bosnians often say that they simply desire a “normal” life for themselves and their country. Creating sustainable local governments capable of delivering basic services to citizens is the first step on the path to normalcy. Governments around the world have invested approximately six billion dollars in the reconstruction of Bosnia¹ from the end of the war to 2004 alone. As the

¹ Bosnia will be used in place of Bosnia and Herzegovina.

international actors decrease their involvement and financial assistance, Bosnian institutions will be required to take on larger responsibilities with fewer resources. The current domestic structures are probably not capable of surviving without international aid. The looming fear of many is that diminishing aid and foreign involvement will slowly let simmering ethnic tensions flare up into renewed fighting. Such a scenario can most effectively be avoided by concentrating efforts on local capacity building, to ensure that the basic needs of citizens are met in the most efficient way. Strengthened municipalities can provide stability in everyday life, even as higher levels of government continue the conflict-prone process of development and consolidation after much the international donor community departs. It is hoped that citizens who are satisfied with the state social policy and the services provided locally by their government will be less likely to support those who would undermine stability.

A unique set of challenges complicates efforts. First, as with many of the countries of Central and Eastern Europe, Bosnian political and social culture is still strongly influenced by the transition legacy, creating significant barriers to more open, democratic political life. The challenge of transition is compounded by the effects of ethnic conflict. All reform efforts are hampered by the political necessity to balance the interests of Bosnia's main ethnic groups. As if these challenges were not sufficient, reform in Bosnia is also bounded by the Washington and Dayton Peace Agreements (DPA) and the institutions they imposed on the country. Political compromises reflected in the Agreements created awkward structures and serious challenges for effective governance. While these agreements are not immutable, any significant change to Bosnian governance will require significant political commitments on the part of major public figures in Bosnia, as well as the international actors.

INTERNATIONAL ACTORS FROM DAYTON TO 2004

Several internationally funded projects in Bosnia targeted social policy reform, as well as capacity building. The focus here is on the way projects are implemented locally at present, as this is the testing ground of the international actors' contribution cost effectiveness and agenda. The material below is based on interviews conducted with programmes staff, programme materials, and organisations websites.

THE EUROPEAN COMMISSION

European Commission (EC) projects in Bosnia were part of a larger regional development programme for European Union (EU) pre-accession countries. The European Commission's strategy for economic revitalisation was also designed to strengthen Bosnia's economy and private sector. In line with the Peace Implementation Council's Economic Reform Agenda, the EC² economic development support programme focused in four areas:

- Creating a Single Economic Space in line with EU Standards and structures leading to greater inter-Entity and regional trade and investment;
- Supporting structural reforms to facilitate a transition to a market economy such as privatisation of enterprises/banks and modernising the banking system;
- Stimulating the development of the private sector through creating and enabling the business environment, attracting foreign investment, revitalising medium size companies, and supporting the growth and development of small and medium enterprises (SMEs);
- Contributing to sustainable local economic development and the economic sustainability of refugee return via public private partnerships, job creation and strengthening local service providers.

In the area of local economic development and job creation, the EC had two initiatives that impact municipalities directly: 1. Regional Development Agencies (RDA) and Quick Impact Facilities (QIF). RDAs' were designed to create economic links between different ethnic communities, encourage the returns process through the creation of new jobs, and make municipalities friendly to business. The EC established six Regional Development Agencies (RDA) in Brcko, Mostar city and municipalities, 18 Northwestern municipalities, Sarajevo, Upper Drina and Eastern Bosnia, Tuzla and Northeast Bosnia, and Zenica-Doboj (Canton 6). Each RDA initiated a focused development process involving local stakeholders, including representatives from governmental departments and institutions, municipal leaders, business groups, and various groups of developmental

² This is the European Commission's description of its strategy for Economic Revitalization as outlined in "Regional Economic Development: An EU model for creating sustainable development in B&H".

experts. The QIF³ project supported the return of refugees and displaced people. The QIF combined grant funds and technical assistance to create jobs and strengthen business service providers in return areas and to support local governments to improve the business environment for enterprises. The EC estimated that QIF has generated 2000 new jobs. A total of 24 small and medium enterprises, seven NGOs and four municipalities have benefited from QIF support.

THE ORGANIZATION FOR SECURITY AND COOPERATION IN EUROPE

The OSCE launched its Municipal Infrastructure Finance and Implementation (MIFI) Project in 1998 in response to the multiple areas in which municipal governments lacked capacity to carry out their responsibilities. The project provided technical assistance to 45 municipalities and aims to work with 65–70 municipalities by 2004. The MIFI⁴ project's best practices training and assistance program sought to:

- Increase transparency and accountability in government operations;
- Promote efficient and effective public and financial administration practices;
- Ensure municipal compliance with budget and accounting laws;
- Increase the administrations' responsiveness to citizen needs;
- Create space for increased participation in decision-making;
- Promote inter-municipal co-operation across regions.

To achieve these objectives, the programme combined training seminars with on-site assistance. The OSCE had a significant field presence with 24 regional offices and 13 political resource centers throughout Bosnia providing training and assistance for Public Information and Citizen Outreach; Intermunicipal Coordination and Use of Information. The municipalities received training and assistance in Financial Management and Public Budgeting; Community-Based local Development Planning and Investment Prioritisation; Roles and Responsibilities of Municipal Officers and Legislators; Technologies to Improve Efficiency and Transparency in

³ This is the European Commission's description of the QIF project, http://europa.eu.int/comm/external_relations/see/bosnie_herze/csp/index.htm, 2004

⁴ MIFI Brochure

Government Operations.⁵ Parallel to MIFI, the OSCE aimed at improving governance at the Cantonal level through the Cantonal Administration Project (CAP). CAP sought to promote the development of democratic institutions, encourage responsive, efficient and effective leadership and foster a result-oriented and transparent administrative environment.

UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT

USAID's democratization programmes had several aims, only one of which was strengthening local government capacity. In 2002, USAID managed programmes worth \$48.6 million in Bosnia. These funds had three primary purposes:

- to aid economic restructuring at the national level (\$11.8 million);
- to support sustainable minority returns (\$18.3 million);
- to encourage democratisation by strengthening democratic institutions (\$16.7 million)⁶

THE WORLD BANK

In 2001, for the first time since the war (1991–1995) and the establishment of B&H as an independent state (March 1992), the Bosnian authorities at both the state and federal levels joined forces to produce an Economic Development Strategy (EDS) and an Interim Poverty Reduction Strategy Program (I-PRSP), yielding in 2003 a Poverty Reduction Strategy Program (PRSP) and paper serving as the basis for internal development policy and spending decisions, as well as a framework to guide external assistance.

The World Bank had two projects in Bosnia directed at strengthening the capacity of municipal governments and the banks that lend to them. These projects were the Local Development Pilot Project (LDP⁷) and the Community Development Project (CDP⁸). The LDP operated in 20 Fed-

⁵ <http://www.osceB&H.org/>, 2003

⁶ http://www.usaid.gov/regions/europe_eurasia/countries/ba/bos.html, 2004

⁷ This is the World Bank's description of the LDP, <http://www4.worldbank.org/sprojects/Pr>, 2004

⁸ This is the World Bank's description of the CDP, <http://www4.worldbank.org/sprojects/Project.asp?pid=P070995>, 2004.

eration and 11 RS municipalities. The Bank provided funds to commercial banks that make short-term technical assistance loans to municipalities. Municipalities applied directly to the commercial banks, which conduct credit worthy assessments of municipalities and determine the terms of the loan. The objectives of the LDP were to strengthen the institutional and financial capacity of local governments and develop, on a pilot basis, a municipal credit market. The World Bank through the International Development Association provided 15 million dollars for this project. The project had four components:

- local government capacity building-technical financial management assistance and training for municipal governments;
- banking sector capacity building-technical assistance and training for local private commercial banks to improve their municipal credit analysis and project appraisal skills;
- local development fund-establishing a loan fund to on-lend funds to private commercial banks for on-lending to municipalities and/or their utilities; and
- local development fund management support.

The second Bank project for municipalities promoted their overall economic development. Through the Community Development Project (CDP), municipalities applied directly to the Bank for social or capital infrastructure grant financing for projects the municipalities execute themselves. Until 2004 57 municipalities (37 in the Federation and 20 in the RS) have received grant financing. The objectives of the CDP were to improve basic services and facilities for low-income communities in underserved municipalities. It should have improved the capacity of local governments to delivery services through better investment identification and partnership decisions. The World Bank through the International Development Association provided 15 million dollars for this project. The three components included:

- Revenue generating investments to low-income municipalities, and their poor communities in order to improve service delivery, cost recovery, financial management capacity of local governments, and public accountability/community participation;
- Institutional capacity building support, through increased partnerships with communities in identifying, implementing, and maintaining non-revenue generating investments;
- Responsibility for project implementation, between the project implementation units, municipalities, citizen associations, and non-governmental organizations.

The World Bank's ambitious reconstruction programme in Bosnia and Herzegovina required a stronger field presence than other Bank offices around the world. In order to allow grants and loans to be transferred as rapidly as possible, the Bank assisted the Entities in establishing Project Implementation Units (PIUs). All Bank grants and loans are passed through these bodies, including funds for the Bank's two projects that benefit municipal governments.

World Bank Partners in Bosnia and Herzegovina⁹

SECTOR	LEAD NATIONAL AGENCY	PARTNERS
Agriculture, Fishing & Forestry	Ministry of Agriculture, Water Management and Forestry (FBH) Ministry of Agriculture Forestry and Water Resources (RS)	Local: FBH Government Foreign: EC, IFAD, Germany, Netherlands, Saudi Arabia, Italy, Norway, International NGOs
Education	Ministry of Education, Science, Culture and Sport (FBH) Ministry of Education (RS)	Local: Governments of BH Foreign: EC, ECHO, UNDP, UNHCR, Japan, Italy, Germany, Greece, Islamic Fund, Netherlands, Norway, Sweden, Soros Foundation, USA
Electric Power and Other Energy	Ministry of Energy, Mining and Industry (FBH), Elektroprivreda BH, Elektroprivreda HZHB, Elektroprivreda RS, District Heating companies (FBH & RS)	Local: Various Counterparts Foreign: EC, EBRD, Agency for International Development, British Department for International Development, EIB, KfW, NORAD, SDC, Denmark, Finland, Netherlands, Austria, Belgium, Czech Republic, France, Germany, Ireland, Japan, Norway, Switzerland, UK, USA, Canada, Netherlands, Spain
Environment	Ministry of Urban Planning and Environment (FBH)	Local: Government of BH
Finance	Ministry of Finance (FBH) Ministry of Finance (RS)	Local: Governments of BH, Foundation for Sustainable Development (Federation), Development and Employment Foundation (RS) Foreign: Netherlands, Austria, Germany, Sweden, UK, USA
Health, Nutrition & Population	Ministry of Health (FBH) Ministry of Health and Social Welfare (RS)	Local: Governments of BH Foreign: UNDP, WHO, ECHO, CoE, Canda, Iceland, Italy, Greece, Netherlands, UK

⁹ <http://lnweb18.worldbank.org/eca/>, 2004

SECTOR	LEAD NATIONAL AGENCY	PARTNERS
Industry	Ministry of Finance (RS)	Local: Governments of BH, Banks, Enterprises, Development and Employment Foundation (RS) Foreign: Bilateral Agencies (Unidentified)
Law & Justice & Public Administration	Ministry of Foreign Trade and Economic Relations, Ministry of Finance (FBH), Ministry of Finance (RS)	Foreign: Netherlands, Switzerland
Oil & Gas	Sarajevo Gas Company (FBH)	Local: Sarajevo Canton, Sarajevo Gas Foreign: EC, Qatar Relief Fund, Saudi Arabia /IRC, USAID / IRC, IIHO, MDD Merhamet, UK, Netherlands
Private Sector Development	Ministry of Transport and Communications (FBH), Ministry of Traffic and Telecommunications (RS), Ministry of Finance (FBH), Ministry of Finance (RS), Ministry of Energy, Mining and Industry (FBH), Ministry of Industry and Technology (RS), Communications Regulatory Agency (BH State Level)	Local: Privatization Agency (FBH), Directorate for Privatization (RS), Various Counterparts, Investment Guarantee Agency (FBH & RS) Foreign: EBRD, OHR, IMF, Private Sector Insurers, Japan, Netherlands, Sweden, Switzerland
Social Protection	Ministry of Foreign Trade and Economic Relations, Ministry of Finance (FBH), Ministry of Finance (RS)	Local: Governments of BH, Foundation for Sustainable Development (FBH), Development and Employment Foundation (RS), Local Initiatives Department (FBH), Employment and Training Foundation (FBH & RS) Foreign: UK / DFID, UNHCR, UNDP, Netherlands, Norway, Austria, Italy, Japan, Switzerland, Sweden
Transportation	Ministry of Foreign Trade and Economic Relations, Ministry of Transport and Communications (FBH), Ministry of Traffic and Telecommunications (RS)	Local: Governments of BH, Road Directorate (FBH & RS), Customs Administration (FBH & RS), National Demining Commission Foreign: EC, EBRD, EIB, USA, UN, Austria, Czech Republic, Germany, Italy, Japan, Malaysia, Netherlands, Sweden, UK, Canada, France, Saudi Arabia

SECTOR	LEAD NATIONAL AGENCY	PARTNERS
Urban Development	City of Mostar, Ministry of Finance (RS), Ministry of Urban Planning and Environment (FBH)	Local: City of Mostar, International Stari Most Foundation, Foundation for Sustainable Development (FBH), Development and Employment Foundation (RS) Foreign: UNESCO, UNHCR, EC, IFAD, CoE, The Aga Khan Trust Fund, Austria, Japan, Croatia, Italy, Netherlands, Turkey, Norway, UK, Germany, Saudi Arabia
Water, Sanitation & Flood Protection	Mostar Water Supply and Sewerage Utility (FBH), Vodoprivreda BH	Local: Water Utility Foreign: EC, USAID, Austria, France, Italy, Kuwait, Netherlands, Saudi Arabia, Switzerland

SHORTCOMINGS IN IMPLEMENTATION

The international actors have primarily allocated assistance to Bosnia for post-war reconstruction and refugee returns. Only recently attention has been given to questions of local governance. Assistance to local governments is by its nature very decentralized and dispersed, requiring intense contact in many places, potentially in 148 municipalities. The large number and diversity of municipalities has magnified the problems that the international actors have faced in its attempts to coordinate its aid policies, of which some were the lack of information sharing, the lack of policy coordination and the limited efforts at donor information sharing.

Despite the increasing numbers of international donors interested in social services and local governance projects, there was little exchange of best practices or even general information about aid programs. Donor agencies were often unaware of similar municipal capacity or regional development agency programs operating in the same municipalities as their programs. Cooperation where it occurred was *ad hoc* and due to personal ties, rather than to systematic efforts at coordination. More troublesome than the lack of information sharing about programs was the absence of policy coordination. Members of the international community occasionally implemented policies that undermine one another. While donors almost uniformly recognized the need for information sharing, attempts to do so have thus far met with limited success. The EC chaired a coordination meeting for donors working on local governance issues. Nonetheless, this system was a weak mechanism for exchanging information because of its relative infrequency and because some important organizations such

as the IMF or influential actors from key organizations did not attend these meetings. In addition to the missed opportunities and contradictory policies, the lack of international donor coordination was dangerous for Bosnia because it led to uneven aid dispersal and reinforced perceptions that the international community had a biased aid agenda.

The responsibility of coordinating donors fell within OHR's mandate, as set out by the Peace Implementation Council (PIC). While the international actors could have increased efforts to work together, local coordination could not necessarily ensure harmonized aid policies. Decisions about aid programs and approaches were often made in Washington, Brussels, or other national capitals. On the ground international actors often ignored the local realities, perpetuating a cycle of dependency and confusion. There were three main areas in which international actors could potentially play a significant role in contributing to strengthening local governance, and therefore the provision of social services, yet many programmes lacked attention to building the following:

Clarity, as Bosnia's many constitutions did not effectively delineate responsibilities between different levels of government;

Capacity, as Bosnia's municipalities often lacked the financial means and technical capacity to carry out their responsibilities; and

Communication, as there was poor coordination of policy between levels of government and municipalities had few channels to influence higher levels of government. Similarly, citizens had little ability to hold their municipalities accountable for their activities.

CURRENT STATE OF AFFAIRS IN THE CIVIL SOCIETY SECTOR

Bosnia and Herzegovina has a limited history of civil society development. Before the war, there was a range of public organizations with activities mainly in the areas of culture and sport. After the war there was an explosion of NGOs. At present, there are nearly 8,000 organizations registered in B&H. Estimates of active NGOs, however, range anywhere from 500 to 1500. Of these, a significantly smaller number could be described as professional organizations. Stakeholders routinely reminded the assessment team that civil society in B&H is quite diverse in terms of the level of organizational capacity. Nonetheless, a critical mass of professional NGOs is perceived to exist. Many of these have been operational for some time, tend to be based in urban centers, and have benefited from investments

in capacity building. Various stakeholders perceive these organizations as having reached a higher stage of development relative to newer organizations, those based in rural and remote communities, and/or informal groups.

B&H does not have a strategy for cooperation of the Government with civil society, neither its Entities. There is no institutional body in charge of relations with civil society. However, there are few partial exceptions, but the institutional mechanisms involving civil society organisations clearly do not stem from a unified vision but rather from the intervention of external factors. Although Bosnia and Herzegovina does not have a strategy how to involve civil society actors in reform and programming processes, as a result of previous support of the European Commission but also other donors such as USAID, there are many well developed CS organisations who could provide valuable contribution to both reforms in various fields but also in programming activities for other donors' contributions. In general, the relationship between government and the third sector in B&H is neither well defined nor structured. Particularly at higher levels of government, there is an evident lack of policies that outline the respective roles and responsibilities of government and civil society, define mechanisms and processes for interaction, and provide for greater transparency and accountability.

However, there is example of attempt to establish partnership with the State government. Namely, significant number of NGOs gathered in coalition "To work and succeed together" has approached the Council of Ministers of Bosnia and Herzegovina with a clear proposal document to establish a framework for future cooperation. Finally, the Agreement on Cooperation, between the Council of Ministers and civil society sector, was signed on May 7, 2007. This agreement defines the rights and obligations of both sides in the future process of cooperation. However, the implementation of this agreement has not moved forward so far. The registration procedure is also complicated and varies among different layers of government. Currently the Ministries of Justice do not perform activities or interact with the NGO sector directly. The State Ministry of Justice claims it would be ready to establish a more direct cooperation with the NGO sector next year. One idea is to issue brochures in order to simplify the registration procedures for potential organisations. The Federation of B&H Ministry of Justice does not have such plans. The RS Ministry has much looser contacts with NGOs since it is the courts which deal with the registration process, the Ministry merely keeps the registry. However, the

recent amendments to the law mentioned above were drafted and submitted by the Ministry upon solicitation from the NGO sector.

As stipulated in the Thessaloniki Agenda for the Western Balkans¹⁰ efforts to further consolidate peace and promote stability and democratic development should continue. However, consolidation of peace, stability and democratic development cannot be achieved without thorough involvement of B&H stakeholders. As described in the “Guidelines on Principles and Good Practices for the Participation of Non-State Actors in the development dialogues and consultations paper”¹¹ “Strengthening the capacity of civil society in partner countries should be given a priority. Capacity building support in critical areas has to be provided to and financial should be made available for the NSAs when drawing up a programme of financial support.”¹²

NGO coalitions in Bosnia and Herzegovina:

- The *Reference Group Tuzla (RGT)* was established at the end of 1996 as an informal network. Since that time it has become undoubtedly the most successful network in B&H and as a result even organisations outside its original area – Tuzla Canton – have asked to be affiliated. It includes now 69 organisations divided into six WGs: psycho-social support, media and networking, problems of disabled people, youth, economic sustainable development and legal issues. The thematic WGs meet at least every two months. All *RGT* members are extremely satisfied with the quantity and quality of the information they receive (mainly by e-mail) on issues such as possible sources of funding, tenders, training opportunities, policy discussions, etc. Through its working groups, the *RGT* has participated in a number of public advocacy campaigns (for the Law on Domestic Violence, the implementation of the B&H Gender Equality Law). It has also contributed to a number of strategic documents (the MTDS, the strategic development plan for Tuzla Canton, the strategic development plan of West Bosnia with the local Regional Development Agency ARD NW).

¹⁰ More information on Thessaloniki Agenda for the Western Balkans available at: <http://europa.eu.int/comm/enlargement/see/gacthess.htm>, 2008

¹¹ Available at: http://europa.eu.int/comm/development/body/organisation/docs/guidelines_principles_good_practices_en.pdf, 2008

¹² Ibid; page 5

- CPCS has been heavily involved in the coordination of the project which led to the establishment of the *Coalition to work and Succeed Together (Koalicija Raditi i Uspijeti Zajedno – KRUZ)*. The first steps of the project date back to February 2001, when representatives of different NGOs were invited by the CPCS to a conference titled “Towards a better understanding of the civil society”. The process which was then initiated led to discussions by an increasing number of NGO representatives about a Development Strategy of the non-profit sector of B&H. While such a strategy document has yet to be completed (only its main points have been sketched) the clear direction taken was to create a network of organisations that would abide by a Code of Conduct for the non-government sector in B&H. Such a network (which eventually became the KRUZ) would be to draft and propose for signature an Agreement on relations between the CoM of B&H and the non-governmental sector in B&H which would have as annex a document on Service quality standards between the CoM and the non-governmental sector in B&H. Such documents have in fact been drafted with the contributions of a number of NGOs, and are now waiting for an answer from the CoM about the proposal to sign them jointly. Appreciating the value of the Tuzla experience, it was decided to develop 14 more Reference Groups all over the rest of B&H. KRUZ now includes more than 300 organisations divided into 15 Reference Groups (including the RGT). The area covered by each reference group has been established following geographical criteria rather than the political administrative boundaries within B&H. The RGT trained all the other new groups in order to pass on its experience of successful networking, flow of information, creating initiatives and respect of difference among members. At this stage, the Reference Groups are in the process of registering as associations (each chooses the administrative level at which they prefer to register); when this process is concluded all of them will be able to formally constitute the *Coalition KRUZ* which then should be registered at the State level. Some of the Reference Groups are aiming at initiating activities in the future. According to the Team’s findings, the amount of information shared by each Reference Group with its members is not uniform, nor is the frequency of the meetings.
- The *NGO Council* affiliates currently 29 international NGOs and 16 local NGOs, all but one (Žene B&H Mostar) based in Sarajevo.

It holds monthly meetings and disseminates information to its members. In 2005 a total of ten multi-lateral international agencies and donor representatives attended the meetings as observers. The Council elects an Executive Committee (ExComm) in charge of planning and developing policies. ICVA as a secretariat provides the technical support for the meetings. Thanks to ICVA's visibility in the donor community, the Council receives requests and information. The distinctive characteristic of this informal network is the mix of international and local NGOs in the membership (some NGOs interviewed by the Team saw it mainly as an opportunity to make them known to potential funders). After the facilitation of the CSO participation into the MTDS drafting initiated by its ExComm in 2001, the Council has not taken any public initiatives. It appears that the new managing board elected last March for a one year term will take a more active role in proposing actions related to the change of the taxes provisions affecting NGOs laws. As a network it has not yet contributed to any policy discussions, nor have its members seem to have taken such decisions.

- The *Union of Telecottages (Savez Teledomova)* is another network whose goal is to strengthen and provide support to its member NGOs. Telecottages were established by DemNet (Foundation for Development of Democratic Rights) USAID funded project in the whole territory of B&H, mostly in rural areas or in minor towns. Their aim is to improve the standard of living in their communities and provide a range of services to the citizens, as well as to promote local development and employment. All the current 24 members have been funded in the past by the USAID DemNet Programme and have a shared background of joint training; some of them were already existing NGOs and have kept a range of other activities (like the *CIPP Zvornik*), some were created as telecottages and developed further (*Luna, Rudo*), some continue to be only telecottages (*Višegrad, Kozara*). The network as such is not yet interested in taking part in policy/strategy discussions and is now in the delicate phase following the end of the programme which led to its establishment.
- *DOSTA!* is an activist movement of the citizens of Bosnia and Herzegovina. The movement aims to create an active and aware civic opposition in the country, through public expression of civic dissatisfaction, active and direct participation of as many citizens as possible, and achieve direct impact on social and political processes.

- Local informal networks of CSOs were reported to exist at municipal level or – in areas with a scarce presence of CSOs – within two or three neighbouring municipalities which is still a scale smaller than the one covered by the Reference Groups. Advocacy for the establishment of municipal mechanisms for cooperation with the NGO sector tends to naturally lead to such gatherings.

INTERNATIONAL PROGRAMMES AND DONOR ACTIVITIES SUPPORTING NGOS

Canadian International Development Agency (CIDA)

The Canadian approach to development assistance in the Balkans has been recently redefined and now reflects the priority needs addressed in the MTDS with focus in the sectors of rule of law, health and education. The Peacebuilding Response Programme within the rule of law sector is a small grants quick-response scheme that supports initiatives from local partners to implement projects in various areas, such as education, environment, human rights and good governance, focusing on capacity development of local institutions and organisations. The health programme deals with issues such as improving the practice of family medicine and supporting disabled, war victims and youth. HIV/AIDS prevention is also an important focus in cooperation with the United Nations Children's Fund (UNICEF). In conjunction with the World Bank's Global Distance Learning Network, CIDA contributes to a learning programme aimed at developing public and private sector management.

Denmark

The Danish development programme aims to support beneficiary countries through long-term programmes which take into account national strategies by channelling assistance through sector programmes which support national initiatives within health, education, etc. Since 1999 the Danish government has supported a regional civil society programme covering the former Yugoslavia, Albania, Bulgaria and Romania, consisting of six networks in the fields of media, human rights, refugee assistance and youth¹³. The focus of the programme is strengthening of civil society, democratisation and reconciliation with an increased focus on advocacy and partnership with authorities. From the very beginning the

¹³ See www.fresta.org, 2008

programme took a participatory approach giving high priority to the development of the networks own decision-making structure, funding mechanisms and ownership. Until this year, the programme has been implemented by a Danish organisation. Now the plan is to transfer responsibility to local partners. The secretariats of the above-mentioned networks are in the process of registering as local organisations and will take over the responsibility of the contracts. The administrative capacity building programme focuses on return issues, economic development, administrative capacities, education and cooperation with civil society and citizens' participation. In particular the municipality capacity building programme has involved the participation of civil society organisations and has been very successful. Administrative capacity building is to be integrated into the economic development programme.

UK Department for International Development (DFID)

Following the closure of the Small Grants Scheme which was addressed to NSAs, DFID's future strategy to increase the role of civil society is through its contribution to the Project

Implementation and Monitoring Office (PIMU) within the Mid-Term Development Strategy B&H (MTDS). The Foreign and Commonwealth Office does have funding opportunities through various foundations for civil society projects, but they are managed from London and do not involve DFID. DFID believes that it is time for local ownership reform, but this requires accountability and transparency. It sees the MTDS process as a positive step for the involvement of NGOs and CSOs, but more indicators are required to show its progress. However, as mentioned in the previous paragraph, DFID has allocated funding for technical assistance to PIMU. The initial stage is to select five consulting companies who will provide the technical assistance. The selection should take place in London in July with, if plans go ahead, the direct participation of senior figures from PIMU and Economic Policy Planning Unit (EPPU). The civil society component of the assistance is capacity building of local organisations – training and MTDS monitoring. The criteria are still to be identified, that will be one of the tasks of the consulting companies.

Embassy of the Kingdom of the Netherlands

Since the end of the war, the bulk of Dutch funding was allocated to reconstruction projects. For the past 4 to 5 years, a concise programme has been implemented and continues to be implemented for the development

of good governance whereby funding has been provided to both institutions to strengthen local public administration and capacity building at state and municipal levels and to CSOs for the development of civil society and good governance.

Swiss Agency for Development and Cooperation (SDC)

SDC continues to focus its social sector programmes on financial support to and institutional empowerment of NGOs which are engaged primarily in youth work, care of the elderly and mental health to strengthen their professional and organisational capacities. A key challenge for past programmes supporting NGOs has been ensuring their sustainability and integration at the local level as well as supporting them to contribute to social development and social and political change. This type of capacity building will also continue to be an important part of the social sector programmes. Support and expertise will be provided to support the MTDS with emphasis on increasing inputs in policy dialogue and active participation of Non-State Actors (NSAs) through working groups and steering committees.

Swedish International Development Cooperation Agency (SIDA)

Swedish development assistance in B&H aims to integrate the county into European structures. Since European integration is becoming an important focus of development cooperation, SIDA actively supports the MTDS process which is recognised as a key policy document on economic and social issues. The current strategy which runs until 2006 concentrates on a number of sectors: human rights and democracy, social sector and culture, refugee return, private sector and public services. Support to civil society has been extensive within the sector of human rights and democracy, in particular in areas of the independent media, women and gender equality, youth and democracy trainings. Swedish organisations are still active in B&H working with local partners such as Kvinna till Kvinna which provides supports to womens' organisations and the Olof Palme International Centre.

United States Agency for International Development (USAID)

The programmes of the aid agency of the US Government aimed at civil society strengthening are the results of a comprehensive strategic view, created and reviewed on the basis of the USAID civil society assessment reports that were issued in 2000 and 2004 and are publicly available. Such

reports were drafted following interviews and focus groups which involved members of 43 domestic NSAs. Therefore, USAID can be considered as the first donor in B&H which began to involve NSAs in its strategy making process. USAID has also been the first donor to assign the management of financially relevant and complex projects directly to domestic NGOs without the mediation of an international partner. The Urban Institute runs a multi-year programme involving policy making training for several institutional actors along with NSAs and in particular think-tanks.

USAID programmes include support to Trade Unions development, independent media and a grant to the International Centre for non-profit law based in Budapest to provide technical support to the process of revision of the legislative framework. The focus of the programming in the current planning period is continued minority returns, deepening economic return and strengthening democracy through an emphasis on local development and strengthening of state institutions. In terms of NGO sector programming, ongoing support aims to strengthen internal capacity of NGOs so they can effectively represent the interests of their constituents at government level, by increasing organisational capacity, developing personnel and management systems, bolstering governance structures and improving fund raising methods. Programmes also help local NGOs increase community and grassroots participation, and effectively use the media.

Office of the High Representative (OHR)

Although not a donor, it should be noted that OHR has recently expressed its intentions to provide more political support to civil society forces and issues by assisting the IC which is already heavily involved in this area.

RECOMMENDATIONS

The aim is to strengthen the civil society sector in order to enable the civil society to become a better partner to the Government in different reform processes, but also in Government's better understanding the citizens' needs. In addition, the aim is to strengthen civil society so it becomes an effective 'watchdog' of the Government. None of the following can be achieved unless Civil Society organizations establish better cooperation and coordination among themselves so they speak with more unified voice, the Government establishes more organized and more efficient cooperation with the civil society in mutual interest. As a direct consequence of the above future reforms in many areas will be result of

involvement of civil society and cooperation between CS and the Government, thus the Government has to become more responsive to particular citizens' needs, while greater social cohesion and improved community relations are achieved in B&H.

- Reinforce the capacity of civil society to engage in policy dialogue
 - a. Foster more informed participation by civil society by supporting efforts to increase access to information, developing skills in policy analysis and formulation, and linking policy research organizations and action-oriented networks,
 - b. Strengthen NGO networks defined by common issues and interest groups, particularly in sub-sectors where engagement has been lacking,
 - c. Facilitate the consolidation and movement of issue-based initiatives or coalitions working at lower levels to a national forum,
 - d. Link capacity building measures to systems and processes that allow for immediate application of skills and experience based learning,
 - e. Ensure that support of issue-based advocacy by coalitions adequately provides for knowledge and skills transfer from stronger to weaker organizations,
 - f. Encourage NGO approaches to advocacy that support institutional development, e.g. government bodies and political parties, and that seek to create mechanisms for public-private partnership, and
 - g. Assist watchdog activities by NGO networks as a means of improving implementation of reform oriented policies and laws.
- Further develop and strengthen the legal and policy framework for civil society development through partnership with the State government.
 - a. Support indigenous movement toward the adoption of a state government policy on cooperation with NGOs.
 - b. Build the capacity of institutional mechanisms for government cooperation with NGOs.
 - c. Provide for timely, proper, and consistent implementation of new laws and policies through training for civil servants, education of NGOs, and watchdog activities.

There is an urgent need to Clarify Constitutional and legal structures. Bosnia has too much government for a country with a population

of fewer than four million people, which cannot be sustained in the long term. Its many layers of government are not efficient. There is significant overlap between the functions and responsibilities exercised by the municipalities and those exercised by other levels of government. This overlap leads to duplication and waste. The government of Bosnia is unique in its complexity and high degree of decentralization. Bosnia has a weak state government, two Entity governments, ten Cantons in the Federation, and 148 municipalities. These arrangements resulted from the need to end the war and institutionalized many government structures that are not viable if Bosnia is to become self-sufficient.

The 1994 Washington Peace Agreement and the 1995 Dayton Peace Agreement created the framework for Bosnia's complex governmental structures. The Washington Peace Agreement between the Bosnian Government and the Bosnian Croats established a Federation in the areas of Bosnia with a majority of Bosniacs and Croats. The Agreement created ten Cantons, five with a Bosniac majority, three Croat, and two with mixed ethnicities. This ensured Bosnians and Croats a degree of self-government within the larger Bosnian State. Because Croats are Bosnia's smallest ethnic group, they demanded institutionalized reassurances that their interests would be protected in the Federation. Consequently, most government responsibilities were allocated to the Cantons, with the exception of activities essential to State sovereignty such as foreign affairs, national defense, and citizenship.

The DPA established the State of Bosnia and Herzegovina; two Entities, the Republic of Srpska and the Federation; the autonomous district of Brcko was created subsequently by the Final Award in 1999. As with the Washington Agreement, the DPA was intentionally a balance between the State and strong Entity governments. Matters essential to Bosnian sovereignty, such as foreign policy, trade and customs policy, immigration, and other responsibilities agreed to by the Entities, were left to the state. Increased state responsibility, envisioned in the Dayton Constitution, has not been sufficiently explored. As a result, the state government created by the DPA is as weak in practice as the minimalist interpretation Dayton allowed for.

As a result of the complexity of Bosnia's governance structures, municipalities in Bosnia often have difficulty determining which level of government has responsibility for the provision of basic services. The constitutional allocation of responsibilities between various levels of government is often unclear and frequently overlaps. The large number of government bodies means that considerable funds must be devoted to maintaining

the government itself, draining financial resources and further impeding service delivery to the population. Finally, the structure of municipalities in Bosnia's two Entities are beginning to diverge, undermining the potential for inter-Entity cooperation.

An example of the complexity of the situation in the Federation is the following:

TABLE 1. – **Division of Responsibilities between Cantons and Municipalities**

Responsibility	Cantons	Municipalities
Police	Shared with the Federation	
Education	Policy Teachers' wages Universities Secondary schools* Primary schools*	Secondary schools* (maintenance) Primary schools* (maintenance) Pre-schools School transportation
Health	Primary healthcare* Hospitals	Primary healthcare* Ambulances
Social welfare	Social welfare payments*	Social welfare payments*
Local land regulation	Housing policy	Local planning
Utilities and sanitation	Electricity	Water Sewerage Garbage collection
Roads and transportation	Transport within Cantons Local roads	School transportation

* Shared or overlapping responsibilities.

The World Bank calculated that government spending in Bosnia amounted to 62% of GDP in 2000, whereas the structural parameters of the Bosnia economy justified a public sector of 46%, a disparity it characterized as excessive¹⁴. The Bank also found that public sector spending on wages and salaries in Bosnia is disproportionately high, being twice that for comparable Central and Eastern European countries. This was because Bosnia has one of the largest shares of public sector employment in total employment compared to more developed economies with the Federation's ratio being particularly disproportionate¹⁵. Some analysts believe that high spending on wages and salaries results in part from a substitution effect created by large international assistance programs. Because international donors were financing reconstruction and infrastructure efforts, Bosnians were allocating a disproportionate amount of government spending to wages and salaries.

¹⁴ World Bank, "From Aid Dependency", p. iii

¹⁵ Ibid, p. 3

There is also a need to Improve municipal financing procedures. Effective social services delivery is not possible without giving municipalities the financial means to fulfil their mandates. Expenditure responsibilities must be matched with revenue sources to finance them. Municipalities do not receive funding equal to their responsibilities. Inadequate funding for municipal responsibilities results from insufficient revenue mobilization and lack of transfers from the Canton and Entity.

Additionally, there is a need to Increase Communication and enhance accountability. Effective communication between different levels of government is an essential part of the rebuilding process. Despite significant ethnic and economic diversity, all Bosnian municipalities confront many of the same problems. If governments can identify shared interests related to the challenges of providing services, they can improve citizens' quality of life and ameliorate some ethnic tension through professional cooperation. In an atmosphere with very low levels of trust, public administrators must build a new government that can serve its citizens effectively. Information flows are largely controlled from the top down. International involvement could assist in improving communication horizontally, among municipalities, and vertically, between municipalities and Cantons, Entities, the state and citizens of Bosnia.

Bosnian local governments are weakly accountable for several reasons. First, the legacy of war and ethnic suspicion causes some local leaders to advocate policies that discriminate on the basis of ethnicity, undermining the notion that local governments should equally serve and be responsible to all citizens. In addition, public officials are often strongly influenced by party patronage systems and cronyism, which are used to maintain ethnic allegiances. The lack of clear responsibilities also means that oversight from other levels of government is poor. Enhancing accountability means addressing these structural challenges while also empowering citizens and other public interest groups to make demands more effectively on local governments.

Finally, there is a need to improve municipal capacity. Hiring of civil servants is still largely based on political patronage rather than merit, and as a result, few municipal employees possess the technical abilities to carry out necessary tasks. In addition to unclear mandates, inadequate funding, and few channels for coordination, Bosnian municipal employees often lack the basic skills necessary to do their jobs.

The overall objective would be to engage B&H civil society in policy dialogue at different levels of government. In the Commission on Human

Security report, Amartya Sen conceptualizes human security as narrower than either human development or human rights. In relation to human development, he focuses on the 'downside risks': 'the insecurities that threaten human survival or the safety of daily life, or imperil the natural dignity of men and women, or expose human beings to the uncertainty of disease and pestilence, or subject vulnerable people to abrupt penury'. In relation to human rights, he sees them as 'a class of human rights' that guarantee 'freedom from basic insecurities – new and old'.¹⁶ In the case of Bosnia and Herzegovina such an aim could be achieved provided that to enable the civil society becomes an effective 'watchdog' and a respected partner to the Government in different reform processes.

¹⁶ Commission on Human Security 2003: 8–9

RESUSCITATING PEACE, RECONCILIATION AND INTEGRATION PROCESSES IN THE WESTERN BALKANS

AN OVERVIEW OF THE POST-VIOLENCE ENVIRONMENT

The violent and highly destructive civil wars that occurred in former Yugoslavia in the early 1990s have eventually resulted in the fragmentation of former Yugoslavia and the birth of new states such as Serbia, Croatia, Slovenia, Bosnia-Herzegovina, Montenegro, Albania, and the dilemma over Kosovo's independence. A lot of political will, financial and other logistic resources among other forms of peace building have been invested in the subsequent management of violent conflicts and peace building. A façade of normality, except for occasional communal anomic scuffles and violence, has since endured after the bloody fighting ended almost a decade ago. For the informed and discerning observer, however, the region is devoid of *positive* peace, trust, forgiveness, reconciliation, cooperation, interdependence, and integration. The Western Balkans, as they are called today, remained polarised along country, ethnic and religious divides without any meaningful socio-cultural, economic, and political intercourse that are inevitable prerequisites for transcending and reconciling conflict situations, attitudes and divides.

After the wars, the belligerents, stakeholders and interventionists have not signed any armistice stipulating the terms for peace with regard to code of ethics, territorial dispute settlement, acceptable (national) borders, minorities in the new states, and restitution or compensation for properties confiscated in the course of the wars. Internally displaced persons and refugees, and financial and business claims from pre-war contracts, have not been paid (any compensation). A number of sub-regional trade and integration arrangements have been envisaged but crossing the frontiers is cumbersome and arduous; intra-regional trade and economic cooperation has since not been restored; and there are no significant investments and capital flows cross-border. The region has seen the proliferation of many inconvertible currencies. As most states are mini-states, industrial and agricultural output in nearly all the countries is far below the pre-war level even as unemployment and poverty rise alarmingly mainly in rural

areas. Political relations between most Balkans countries are anything but normal. Political tensions run high in all the countries, chiefly in Bosnia Herzegovina, and Kosovo after its unilateral declaration of independence. Perhaps, the gravest feature is the discourse of divisive history being fed to the youth and the animosity and hatred it is engendering. If the discourse of polemic, parochial, and poisoned history being thought to the youths of the various ethnic and religious groups are not countered with a discourse of peace, the West Balkans may relapse into violent conflict again.

There is a dual process of centripetal and centrifugal forces at work in the sub-region and the expectation is that once they become members of the European Union the divide and economic difficulties would cease. However, the chances are not that simple and bright. Without a pre-European Union positive peace and re-integration, the West Balkans would remain odd socio-culturally even in the EU. Usually, when differences are not settled and businesses do not come together and collaborate to formalise the code of ethics for the businesses on such issues as financial transaction and investment, as had been the case in Northern Ireland, criminal gangs and xenophobic political groups would most probably benefit and get entrenched in the national and international economies.

PROBLEMS STATEMENT

The net result is that no real peace exists and relations between various groups have not returned to the pre-violence levels. Serbs, Croats, Muslims, Kosovars, Albanians and Slovenians, as well as Montenegrins are telling their selective history, blaming their adverse predicaments on the 'other' to youths who are largely unemployed and poor. In other words discourses of blame are built upon only issues that divide them; while issues that are common or unite them remain unarticulated. The youth are most probably bitter about the unpalatable circumstances; a situation that forebodes violence in the near future. Besides, permissive and conducive factors such as inter-ethnic marriage, collegiality that attends different ethnic groups attending the same school, inter-religious and cultural intercourse, trade, sports, among others, that promotes interdependence, reconciliation, amity, good neighbourliness, integration and peace are almost non-existent. Perception is a strong element in engendering violent conflicts.

As stated earlier on, a lot of resources, time and goodwill, particularly from the international community have been invested in ending the bloody conflicts and attempts to promote peace, justice, reconciliation and

re-integration among the various peoples, communities, faiths, and societies. The question, however, remains why has so much been expended on the conflicts yet very little has been achieved in terms of positive peace, reconciliation, and re-integration? Perhaps, this is because:

- Most of the conflict management policies have been palliative, reactionary, and uncoordinated;
- The policies have been conducted on a piecemeal basis without a generic approach of consolidating the peace;
- Whereas, various segments of society, such as national, communal, professional, religious among other segments or strata of society have been targeted with the message of peace and alleviating the dysfunctional residual effects of the violent conflicts, these have not been monitored and (re)evaluated to see what works, and where and what is left to be done or improved; and,
- The interventionists, though with good intentions, have not coordinated their management efforts to achieve optimum results and eliminate waste and dysfunctional conflict management policies.

WHAT NEEDS TO BE DONE?

As a first step at monitoring, evaluating, and consolidating the peace process, there is the urgent need to create an umbrella-body to oversee the process. The name, composition, and ownership or overlord responsibility may be decided by the West Balkan states. It could be formed by the United Nations, European Union or even Western Balkan. It may be composed of representatives from member states and other eminent persons from outside the region. This group may be modelled after the Economic Community of West African States' (ECOWAS's) Council of the Wise which advises ECOWAS and its institutions for peace and security. However, in the case of the Western Balkans, the duties or responsibilities of this oversight group may include problem identification, assessment, policy formulation, coordination, monitoring, (re-)evaluation and consolidation, among others. Members of this group should necessarily be 'ambassadors' of peace with the preponderant goal of working for and nurturing peace, as well as transcending the present stalemate by pacifying and reconciling the various societies,, communities, faiths, and people to live in harmony. The members should be seen and act as 'peace-multipliers' by building local or communal peace constituencies where they are or represent. They may replicate the formation of bodies at the national,

communal, local, faith, demographic, civil society, and professional levels. These sub-international level groups would be very useful in collecting and collation of grievances, needs, and the way forward at the various levels of social strata that they may forward to the umbrella-body. These groups may serve unintended purposes such as early warning and may win the peace from the grass-root level. When well organised, they can serve as pressure and interest groups that political leaders cannot afford to disregard on matters of peace and development.

The duties and responsibility of this umbrella-group may include serving as:

- A store house for the filing and documentation of all grievances (of all segments of the societies), policies, and efforts at peace in the Balkans;
- They may have the authority to institute studies, organise conferences, and advise on identified problems;
- They may identify and/or create international and sub-national groups such as, civil society organisations, association of educationists, businessmen, politicians, and the clergy to enlist their support, know their problems and views about how peace may be achieved in general or in particular circumstances;
- Monitor and evaluate progress or otherwise and identify and address where there is need and what works and what does not work as well as the challenges therein;
- They may also serve as the main West Balkan front *vis-à-vis* the international community as far as collaboration and promotion of peace in the region is concerned.

These efforts will not come by cheaply and may not be successful overnight. They it call for meticulous planning, monitoring, re-evaluating and diligence.

DOES PEACE REALLY EXIST?

If we make a list of the existential values, peace as an *ideal* would certainly take one of the honorary places, if not the honorary one. And all that is related to man. However, I would not dare to claim that we correctly regard peace as an existential and value category. Nevertheless, I will try to point to that in brief, in the continuation of these fragments of *thoughts on peace*. It seems that contemplating on peace resists any description, since the term itself includes everything that could define it.

We hold that the phenomenon of thinking about peace represents a true *turning point in the drama* of our lives. All things considered, the observed materialization of all things thwarts a genuine effort to have peace take the honorary place within the *reflections on the problem and ideal* for some distant future and succeeding generations. We believe that such a pragmatization of the notion and ideal of peace also annuls its conceptual definition on a world scale.

In his recent essay *Can the Humanity Be Preserved*, Mr. Koichiro Matsuura, Director-General of UNESCO, points to the dangerous tendencies of materializing all spiritual and cultural values, from everyday life to global problems and perspectives. He warns that we have a social compact linking all human beings, but that we have forgotten to link ourselves to nature. Consequently, the renowned figure in world culture warns us that our society is already late in *recognizing nature* as the embodiment of the *true rights* – including the right to peace! Thus, he concludes that it is high time to begin with the materialization of *economics*. Why? Because we must find *new*, less wasteful forms of consumption, concludes Mr. Matsuura.

We live in the time of confusion, rifts, discord and conflicts. The renowned author holds that the humanity can be preserved if we succeed in harmonizing growth and sustainable development, instead of considering them as the *opposites*. For this we need *more* knowledge, more restraint, less materialism, *more concrete things* and more (not less) *ethics and politics, politics* as was taught by such a powerful figure in philosophy as Aristotle: man must also engage in politics if he is not a beast or a god.

I hold that we must reduce the conception of our views to only one *ontological and existential value – peace*. This term now seems almost like a used-up word, used-up value, used-up view or used-up philosophy. Therefore, it seems that the notion of peace almost does not exist in a value sense. It has been especially used up in politics and economics. It means almost nothing there. At least this is how things stand. Morality, for example, has been pushed out, so that it is almost not mentioned at world meetings regardless of their profile. Believe it or not, any mention of morality in all systems of relations in society has become almost a matter of good manners, although peace and morality are the very foundations of our existence and survival! In short, it is difficult to comprehend and interpret all that in a sober and rational way.

Our philosophical, theological and legal education and upbringing testify that the category of peace has been *absolutely wrongly postulated and interpreted in the human world*. It remains quite unclear why something like that could happen with one category which has not been brought into question, at least in thinking about it. However, at the world level, in the institutions that cherish science, philosophy, ethics and religion there is also the principle of *petrification* and simplification, which borders on irony and vulgarization up to the point of trivialization.

We believe that the *idea of peace* needs a *Copernican revolution*, contemplating, postulating and redefining! None of the definitions has succeeded in postulating peace in the human world in a profound learning, exploratory, revealing, creative, *visionary*, cooperative and peace-building way, in hope, freedom and affection among the peoples and nations. Truly, the religions and philosophies of the peoples of the Far East are closest to the interpretation and pragmatics of the notion of peace, which includes both the announced and natural religions, but not comprehensively, theoretically or pragmatically.

Although they sound very nice, numerous peace declarations and resolutions do not have good intentions any more, so that peace and justice can reach all parts of the world. This was even so in ancient times and the Old Testament prophet Jeremiah testifies: “They cry peace, peace, but there is no peace”. Let us think about that: the situation has not changed since ancient times; today, it is only mentioned less frequently. Truly, there is mention of some ontic characteristics of peace, as it could be like one day! Economics, art, science, religion, law, philosophy and other disciplines and kinds of human mind bear witness to the refinement of the wish for peace, but that is not the path to it! The understanding of peace, in essence, as respect for life, as our commitment to the idea that life, is

the supreme principle of our existence beyond reproach. The understanding of peace as something most important and most valuable for the humanity is also beyond reproach. However, the understanding of peace as being something more than just the secession of armed conflicts does not mean much to man, if it means anything to him. The philosophy of peace requires that peace should be regarded as man's deep devotion to the principles of justice, equality and solidarity among human beings. Today, in the spirit of a fine education, peace should be understood, albeit too late, as a harmonious relationship between the *humanity and its environment*... That is possible, but how one can understand that the Nobel Peace Prize is awarded to someone who is committed to the protection and improvement of man's living and working environment, while at the same time doing everything to humiliate man, make him the cheapest commodity on the world market and even proclaim him collateral damage when you take his life is taken for the sake of some higher military aims! We know that there are many instances of such an attitude.

In the Kruševac School of Thinking Peace, in the Republic of Serbia, we have developed the idea, the thesis or the theory that peace cannot be built if the history of humanity is dominated by the history of wars. This has not been sufficient for the human mind to put the question: Quo vadis civilization of the humanity if peace is on the margin of your interest?!

NO NADO CHTO DELAT, WHAT IS TO BE DONE?

- Ad. 1 If we can state today that there are several tons of explosive per capita on our planet, it is logical to ask ourselves: to what kind of human mind does such philosophy belong if there are realistic assumptions that Earth will remain without man? To cite Bishop Nikolai, that is the philosophy which teaches: mow the people – keep the grass.
- Ad. 2 If we leaf through the books by scholars, philosophers and great reformers of religions, we will learn that they are very dissatisfied, even alarmingly dissatisfied with the state of human consciousness concerning the idea of peace as the idea of the path to man. To search for those people who had the greatest influence on the humanity means to get acquainted with their findings that the state of human consciousness, which would bear witness to human responsibility for life, for the *sense of life*, its content and perspective, is not satisfactory. Great thinkers and reformers of religions were especially concerned over their reflections on great ideas and ideals of

- man and not so much over passions and actions. And their sublime nature in the world of mediocrity would be manifested just in that.
- Ad. 3 I hold that it is necessary to *open a new chapter with the idea of peace as the idea of survival*. This new chapter must be based on the assumption that, given the current state of affairs, peace in the human world has not *succeeded as an idea* or in practice, the practice of peace as an ontological category.
- Ad. 4 A Copernican revolution, to use the Kantian syntagm, must take place in the preparedness and resoluteness to exclude peace from making up a conceptual pair with war, since it can never fit into it. Peace makes up a conceptual pair only with justice, since peace is the consequence of justice. All wars were mostly waged when the foundations of justice in a society, or societies in principle, were destroyed. One of the most correct definitions in the human world was given by Paul the Apostle in his Epistle to the Romans: “As much as it depends on you, be at peace with all men.”
- Ad. 5 Peace is one of the world’s most sublime virtues. The confusion of our times can hardly endure the petrified situation in which peace can be understood differently than a mere triviality.
- Ad. 6 We know that the mothers in the ancient Greek world, and not only there, had some way to influence their husbands to renounce war as a means for achieving their aims and were rather successful in that. *In our time*, they can also be named *mothers of peace*.
- Ad. 7 It is difficult to mention any system of thoughts or beliefs which is, or has been, so powerful as to exert the lasting influence on the humanity, especially on the lives and minds of individuals, generations, peoples and states, like the idea of peace.
- Ad. 8 Peace is not, and must not, imply the *seizure of territories from peoples and states* – from anyone and anywhere. It is *free cooperation* among the peoples of all races, religions and generations. The common triad: justice – peace – freedom, keeps the world together.
- Ad. 9 The world in which the threat and use of force are becoming almost the standard way of “communication” is the world of oppression and non-freedom. Only one *new Renaissance period* in the history of humanity can also *reveal peace as the path to man, on the foundations of justice*. This would have to be the path for an essentially different culture of peace and tolerance – so, let come those things men thought could never be, to quote Njegoš the Great.

- Ad. 10 We can reveal the *truth about peace* in our human world in a learning, contemplative, creative and visionary way only by restoring order and taking a sound approach to life in our environment, because peace is a category that must emerge from the very foundations of justice, which must always be emphasized. It is a conceptual and mystical vision and deep faith, which can also refine and encompass, philosophically and scientifically, all reflections that lead to the revelation of the *truth about peace* in the human world.
- Ad. 11 The idea of Kruševac that the Republic of Serbia, as one of the old European states, should inquire the possibilities for *institutionalizing the ministry of peace and tolerance* – must imply that peace belongs to all individuals, environments, peoples and states, and that each state, within its competence, should think about the *new way to achieve the truth about peace as the very truth about man*.

There are vast potentialities among all peoples, individuals, personal intelligences, groups, nations, civilizations and cultures and all forms of thinking and believing for achieving peace as a *new state*, together with justice, in all parts of the world so that the joy can begin to shine instead of the fear of war. This is our modest message from the city of the Peace Medal and the United Nations Messenger of Peace, the city of Kruševac in the Republic of Serbia.

WOMEN'S NETWORK IN BOSNIA AND HERZEGOVINA: EXPERIENCES AND GOOD PRACTICES

At the last meeting in Belgrade of the ECPD International Permanent Study Group Session on Reconciliation and Human Security in the Balkans, in the *Closing Remarks* formulated by Professor Dr Takehiro Togo was mentioned that “more attention should be given to the regional initiatives within Balkans, also by making reference to existing good practices” and the “importance of women’s role in interethnic reconciliation and human security, the aspect which should become the subject of further research” was also underlined

Starting from these proclaimed goals I sincerely believe that the gender issue in our studies should not be treated as an addition to the discourse on Reconciliation and Human Security; indeed, it should be regarded as one of its central and pivotal aspects.

This is so because if we look beyond theoretical and normative framework it is clear that most of practical work done towards reconciliation process and the remaking of the social structure which was destroyed during the war is done by women; women activists, members of NGO’s, ordinary and at the same time exceptional women.

Leaving behind the rhetoric and actually visiting different regions of Bosnia, still seriously injured and worn out by war, I had the first-hand opportunity to experience the efforts done by some women’s associations which play a very significant role in the social, economic and cultural area in different local communities. Their role is central to the process of reconciliation, in spite of the fact that they are located outside the institutional and political power structure.

To better understand the conditions under which they work, I wish to mention some general aspects of the social and political framework which at the same time represents the major obstacles on the way to reconciliation and human security:

- Partition of the territory by ethnic principles,
- Memories of atrocities and excesses of recent wars,
- Unresolved problems of the refugees and displaced persons,
- Poverty and unemployment.

It is also necessary to say that the atrocities of war and *ethnic cleansing* contributed to wipe out a good deal of the middle generation of the population, in particular men, building up a significant demographic disequilibrium in all Bosnia and Herzegovina. Some areas have been transformed in regions inhabited only by elders, women with children and an increasing number of orphans.

The first association I wish to talk about is “**Tuzlanska Amica**”, which began its activities during the war in 1992, trying to help women which have been raped and those who experienced concentration camps.

Soon it became clear that also many children were subject to the Post Traumatic Stress Disorder (PTSD). Therefore the work extended and children were included in the project, recognised both, children and women, the most vulnerable subjects of the society.

After the worsening of the conflict, the escalation of the violence and the crime of Srebrenica perpetrated on the Muslim Bosnian population, the need for the psychological support became widespread to the point that all survivors, refugees and displaced persons were included in the project. The city of Tuzla tried to maintain its multi-ethnic and multi-cultural identity for the whole period of the conflict, and by doing so, it became the destination for many refugees from Srebrenica, Zvornik, Bratunac, Bijeljina, Brcko...

The extremely important work done by professionals, psychiatrists, psychologists, social advisors, physicians and educators of Tuzlanska Amica has been possible and has improved thanks to many international subjects. For example the cooperation with the Region of Emilia Romagna, with the city of Bologna, of Freiburg, the Alex Langer Association of Bolzano and many others.

Thanks to international aid, Tuzlanska Amica has been able to buy a house in order to perform its activities and to offer the shelter for many orphans and teenagers who, reaching the age of 18, would have nowhere else to go. The association is providing for their education and for the inclusion in the society.

Acknowledging that most cases of trauma are hidden within households and in rural areas mainly inhabited by single women, by widows and elders, by grandfathers and nephews, generally socially deprived and marginalized population, Tuzlanska Amica formed a kind of travelling team of experts mainly physicians and psychologists which are operative in the most remote areas in the region of Tuzla. Only in this way was/is possible to discover cases of people severely traumatized and to start the process of elaborating the trauma and mourning.

Another very sensitive issue for all the region is the one of repatriated refugees who return to their homes and places where they were victimized while at the same time many of the war criminals are still free and have not been ever prosecuted.

Many are indeed the activities performed by Tuzlanska Amica which would be worth to mention. The principal goals remain: *promoting a process of confidence building and intercultural dialogue. Supporting a culture of peace and together living. Creating a conditions for the confrontation on historical memory; promoting a culture of prevention and management of conflicts.*

The second women association I wished to talk about is **Agriculture Cooperative “Zajedno – Insieme”** (Together) involved in the process of restructuring the economic and social fabric in the area of Bratunac – Srebrenica, heavily injured during the war (years 1992–1995).

„Zajedno” is one of the first cooperative from the years of the war that brings together both Serbian women of Bosnia and *bosniak* – Muslim women who together promote the economic development in the region as a precondition of the dialogue between the different ethnic communities. A new dialogue that has to replace the one violently interrupted by weapons.

The basic activity of the cooperative is fruit picking and cultivating raspberries, blueberries, blackberries, strawberries and transforming them in esteemed marmalades, jam, juices.

With the help of the European funds and some north-American NGOs the policies of aid to refugees have been promoted in order to help the economy of the area. The project on which cooperative “Zajedno – Insieme” is engaged has the purpose to facilitate the return of refugees, their re-integration in the society through the restructuring of the rural economy and the creation of a microeconomic system based on the domestic cultivation of berry fruits in small family farms.

In other words, by achieving the objective of economic self-sustainability (one of the main aims of the project) it is believed that it is also possible to contribute towards creating more appropriate and favourable conditions for reaching other objectives, including social and political objectives, supporting the reconstruction of coexistence in an area where massacres took place and encouraging the return of refugees to their homes.

Between 2001 and 2003, the year of the founding of the “Zajedno – Insieme” Agricultural Cooperative, in-depth research was carried out to understand how best to support the process of return for refugees and

evacuees in the region of Podrinje – hence the Bratunac and Srebrenica area – which represented an exception at a distance of seven years after the end of the war. In 1992 this area was the scene of heavy conflict.

The founders of the Cooperative (mostly women) knew that people had cultivated raspberries in the area for years. Having seen that on the local and foreign market there was still a good margin for this product, they decided to open the cooperative. Speaking about the difficulties they had to overcome, Radmila Zarkovic, one of the founders, says: *“we have had to fight in order to obtain every Euro necessary to develop the project for cultivation of our ‘raspberries of peace’, even from the major international humanitarian organisations with offices in Bosnia. They tend to allocate funds for the organisation of seminars and workshops to ‘teach us to live together...”*.

The cooperative was founded by ten people, now it sees the participation of more than 400. This means that there are more than 1500 direct and indirect project beneficiaries. The members are mostly widows or women whose husbands are invalids and who have dependent children, returning after years as refugees and evacuees. In trying to describe the reasons of the Cooperative foundation, Zarkovic said: *“It is not enough to return. A home is needed, while those who have a home but do not have work cannot live. ‘Zajedno – Insieme’ is not just a business project, because reconstruction requires cooperation, cooperation means recreating conditions of trust and confidence and confidence can only be constructed through dialogue and by listening to the experiences of others.”*

By joining together in a cooperative the single refugee women feel more powerful and can begin to abandon their fears.

Aware that the rejuvenation of common life is in practice only able to take place through the economic prosperity of the inhabitants in the region, the founders of the cooperative came together according to the principles of a modern cooperative with a democratic structure, based on the values of fairness and equality for all its organisers-members and open to all those who are simply ready to establish relations with the cooperative or who intend to become members.

The project intends to recover the value of cooperation between the resident population and the returning population independently of their religious or ethnic origin, with the objective of kick starting and re-establishing the rural economy on a sustainable basis from an economic, social and environmental point of view.

The reactivation of the economy is allowing the population of Bratunac to obtain better living conditions, while the cooperation necessary be-

tween different families, groups and villages contributes to the process of restoring faith, mutual respect and the basic conditions for re-establishing a multiethnic community.

Recovering mutual trust helps to reinforce a feeling of security for all men and women.

The third women association is “**Kuća otvorenog srca**” – (Open Heart House) in Mostar. The goal of the House is to help the elderly people left alone after their families have been destroyed by war and by the intense post-war emigration. These people are condemned to be excluded and marginalized from the new social texture and are forced to live in precarious economic conditions.

The House has opened a diurnal Reception Centre where enable the elderly people to meet, to collaborate with different generations of women and children and share with them the experience in workshops which valorise their manual capacity and knowledge. Time spent in the Centre gives back to the elderly the sense of social utility. At the same time the House became a place for practicing therapy promoted by the women activists and thanks to their willingness to listen, and listen again the narration of every single person and to share her/his problems.

„Kuca otvorenog srca” of Mostar is focusing its activities on improving quality of life of old people and on strengthening civic engagement in addressing the needs of the most vulnerable categories of population. The proceeds of sales of products realized in different Workshops – knitwear, crafts made bags and hand-made jewellery, lace – are given directly to the producers and become an important factor of bettering their economic conditions and their autonomy, altogether with the psychological support to their identity. The House also organized training courses within the COSPE project “Social Accountability – Social Enterprises” and formulated business plans were developed eco tourism with focus on disabled persons.

The impact of these small programs showed that they can indeed be substantial for single person but can also influence developments in their local communities.

The House is open to the citizens of all ethnic and religious belonging, what represents the precious fact in one city still wounded and visibly divided on ethnic bases.

The fourth women’s association is **Medica – Zenica**

General mission of Medica is improvement of quality of woman’s and children’s life in Bosnia and Herzegovina through the promotion and

direct protection of human rights of woman and child, raising woman awareness about her value, about her value within the family, in partner relations, at working place, community, within the society.

Medica was founded as women's non-profit NGO organization, and it started its activities in April 1993 as a centre that provides shelter, psychosocial support and therapeutic counselling to women survivors of war rape and trauma. Since then, Medica has developed services and other programs, including other categories of women and girls exposed to violence, trauma and discrimination.

The Association offers a client-based, holistic approach to women and girls traumatized and victims of violence (including war rape and all other forms of sexualized and gender-based violence) and lobbies at the local, regional and national levels for an improved status of women and girls. Work is provided by around forty (professionals and paraprofessionals, employed and volunteers), experts in different fields, organized in departments that are autonomous in the framework of Medica's Charter.

Among the activities of the Association a particular attention is given to the educative work, advocacy, research work, to women's *infoteka* and publishing work.

Some of these activities follows with more detailed description:

Services

- Shelter for women and girls victims/survivors of violence (including rape and trafficking in women)
- Psychological work with clients – therapy and counseling (including rape and trafficking in women)
- SOS telephone for women and children victims of violence
- Medical (gynecologic assistance) outreach work to remote rural areas in Bosnia-Herzegovina
- Childcare
- Vocational trainings

Education and trainings in community

- Psychosocial education sessions for helpers in communities
- Training for non violent conflict transformation and reconciliation
- Psychosocial training of professionals working in governmental and public institutions / services, such as: police, health sector, social sector, schools, courts, judiciary...

Policy advocacy

- Promotion of women’s human rights
- Policy advocacy for the right of women to live without violence
- Policy advocacy for specific social and other rights women survivors of war rape
- Policy advocacy for gender sensible and gender specific institutional practice, laws and its implementation, state policies and gender equality
- Networking with local, national and international NGOs and international organizations.

* * *

The women’s association mentioned in this contribution are not just isolated cases. The network of women’s associations in Bosnia and Herzegovina is solid and vital. All of them are active on the principles of multi-ethnic society and are open to all, women, children, adolescents – and in some cases man – independently of their religious or ethnic origin. This fact goes in different direction of the one of political structure and of political parties of Bosnia and Herzegovina, basically organized on homologized ethnic principles and fed by nationalistic ideologies. For all women’s associations we mentioned in this contribution – and there are hundred more – the promotion of intercultural dialogue represents a constitutive part of their aims.

We are conscious that their policy is a daily policy of “small steps”. But these steps are essential to regaining the sense of trust and security among people and to the recovery of the economy in the region; they are essential also to creating more appropriate and favourable conditions for reaching social and political objectives, as the reconstruction of social fabric and coexistence.

If, instead, we want to wonder from daily practice and quest for the theoretical framework of positioning of women in Bosnia, than I’ll recall to the conclusive remarks of the First Balkan Feminist Conference held in Sarajevo in year 2004.

The Conference brought together scientists from the region and the world to reflect on history, politics and cultures of Balkans from a gender point of view. The discussion opened the issue of sex/gender roles in a discourse of Balkanization, trying to offer answers to the following questions:

- How is the articulation of feminist and gender theoretical/critical perspective important in democratization process of countries in transition and how to think differences within cultural and social constructions concerning imagining the Balkans?
- How to actively construct a figure of a «neighbour» and how to invest it in a dispossession of Balkanization discourse?
- How to recognize oppressive and discriminating strategies and what types of resistance do we have at our disposal?
- How to create, advocate and transform into action available feminist and non-feminist theoretical-critical concepts?
- Who are the victims of dominant discourses and how are we not only to advocate their right to have their own story but, as well, to support their right to self-creation of their own struggle against stigmatization?

The questions raised as far back as 2004 but still relevant and powerful and still waiting for political and social responses.

CONSILIATION PROCESS – ESSENTIAL CONDITION OF RECONCILIATION STRATEGY

Not any idea of peaceful and tolerant social life could be seriously represented as a big silent swamp. Misunderstandings, smallest or biggest injuries are permanently possible, weather they are consciously or unconsciously afflicted. Therefore, humans have had to face their own nature during history and I conditions of their numerous conflict relations.

How to avoid snowball effects, or at least their consequences? It is a search for roads leading to peace and reconciliation from violence and injuries, through conciliation.

For millenniums human communities and their leaders having in mind the effects of their internal and mutual conflicts, stood up with their fierce principles of justice. However, with the development of cultural life, man grew up to a need for a rational, emotional and spiritual **balance** between fairness and forgiveness. Therefore, in the purpose of making **the path of peace** as well as inevitable preparing of its strategy goals, many universal elements of specific tactics have appeared.

The first, most important, crucial “key” step on the road to peace and reconciliation making depends on a very nature of the conflict, is one-sided or mutual act of **apologizing**. It consists openly of good will to admit, feel remorse and a promise of better future, implicitly **calling for forgiveness!** It’s only logical that in heavier conflicts with large scaled injuries, only the apology that is truly accepted, opens the door for adequate methods of the process of making peace (reconciliation).

Therefore, the weight, quality and validity of apologizing rise up quickly. This depends on the cause for doing so. Aside for eventual control and credibility of the very actions, apologizing act stands on trust in the wars and honor of those apologizing. The apologizing act opens the road to connectivity once again among opposite sides, pulls humans out of the whirl of death. Than, apologizing represent an act of pure moral heroism. In this place we have no place for visions of philosophy, metaethics and spirituality of forgiving.

Limited by the boundaries of this paper, I will point out bilingually only 24 important pointer – key – words to be used in peace-making (tactics) of reconciliation:

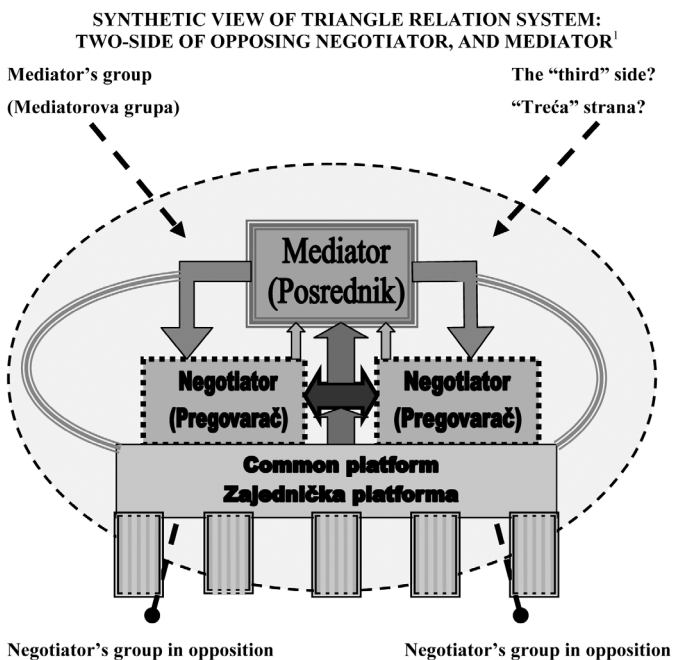
Friendship	Prijateljstvo	Hostility	Neprijateljstvo
Confidence, Trust	Poverenje	Humiliation	Poniženje
Consciousness	Svest	Justice	Pravda
Conscience	Savest	Obligation	Obaveza
Duty	Dužnost	Responsability	Odgovornost
Sincerity	Iskrenost	Forgiveness	Oproštaj
Guilt	Krivica	Pity	Sažaljenje
Dignity	Dostojanstvo	Reconciliation	Pomirenje
(Human) Rights	(Ljudska) prava	Remorse	Kajanje
Apology	Izvinjenje	Rigidity	Krutost
Hipocrisy	Licemerje	Tolerance	Tolerancija
Shame	Stid	Victim	Žrtva

In harder cases of mutual conflicts and injuries, till today an ancient tradition needing a “mediator” has been accepted in consiliation road as peace making process. In those situations, opposite sides communicating with that (from both of them accepted) mediator build a **mutual “platform”** (starting common base) without which the process is simply not possible.

Five pillars on which the “platform” (common base) presented here depends, of course, in the current circumstances, as many as there can occur. In principle, as an example we would point out the **mutual**:

1. **Respect,**
2. **Trust,**
3. **Sincerity,**
4. **Honor,** and
5. **Good will.**

The principle of “good will” present for centuries in the consciousness of nations, works of many philosophers, is considered in the work of Immanuel Kant, the founder of German classic philosophy. As voices of the wish to express the readiness for a reconciliation process to get reconciliation, missions of “good will” would be sent to negotiate or mediate in the past. If those missions still exist, who sends them?



What is the result, a real effect on the world, many regions and even a local zone threatened by terror, "Global government" of "big" or smaller mighty ones, creating our living conditions? Is the power to initiate, control and even approve conflicts as efficient to erase its horrible consequences? Is that same power able to accept its responsibility and take its role in authentic and free reconciliation processes?

¹⁷ This represents a genuine synthesis of an old Indian Hindu logic of dialogue that leads to conflict resolution and ideas of Dr Wall J. A., "Mediation: An analysis, review and proposed research". In: (*Journal of Conflict Resolution*, vol. 25, p 157–180, 1981), prof Yves-Rastimir Nedeljkovic.

MATJAŽ KOVAČIČ

HEAD OF DIVISION FOR INTERNATIONAL ORGANIZATIONS AND HUMAN SECURITY,
AMBASSADOR AT MINISTRY OF FOREIGN AFFAIRS OF THE REPUBLIC OF SLOVENIA

THE HUMAN SECURITY CONCEPT –

MAIN IDEA AND ITS IMPLEMENTATION

First of all, allow me to express my appreciation to the Government of Montenegro, European Center for Peace and Development of the UN University for Peace for convening the International Conference on Reconciliation and Human Security in the Balkans. This is definitely the most relevant topic in our region. I am convinced that it will help us in the overall effort to integrate human security aspects into the different ongoing activities aimed at the stabilization of the region. With this in mind I would like to focus my presentation on the lessons my country has learned in this field and compare these lessons to the experience of others.

UNDERSTANDING HUMAN SECURITY

Although the debate on the concept of human security started a long time ago, one of the most important milestones in its development was achieved by the adoption of the Outcome Document at the World Summit in 2005. In that document the UN member states stressed, in particular, the right of people to live free from fear, free from want and in dignity. At present, we only have a working definition of the concept offered by the Report of the Commission on Human Security. It states that it is to “protect the vital core of all human lives in ways that enhance human freedom and human fulfillment”. This is perhaps too general a definition, but nevertheless a strong commitment made by the UN member states.

Today, there are still different schools of thought on what exactly this concept means in legal terms. Although it is important to articulate a more precise definition of human security, it is also important to take action in the meantime, and try to contribute to human security on the ground and at present. My country is among those believe that while we are negotiating the legal aspects of the concept in the international fora, we can already adjust our international activities in accordance with the principle inherent in the concept of human security. This principle is: ***National governments and the international community are obliged to put***

in the center of their activities a human being who is entitled to live a healthy, dignified and fulfilling life, protected from fears and insecurities to the maximum extent possible.

HUMAN SECURITY NETWORK

The awareness of a comprehensive meaning of human security became an integral part of Slovenian foreign policy very early. The war that was raging in our neighborhood taught us that a great deal more could have been done on the international level in order to prevent it. We also know that merely the cessation of hostilities is not to prevent such a disaster from happening again. One of the most immediate problems faced in the region after the war, was the removal of physical obstacles hampering the normalization of everyday life. Land mines were one of those obstacles. Knowing that alone we cannot contribute much, we joined the Human Security Network that at the time strongly advocated the adoption and implementation of the Ottawa Convention on Landmines. The added value of the Network lies in the fact that it is comprised of 13 countries from all continents and on different rungs of the development ladder, from Norway to Mali and from Chile to Thailand.

In the ten years of its existence, the Network has been addressing several acute problems of human security. Beside landmines, it dealt with light weapons, women in peacekeeping, fight against HIV/AIDS, human trafficking, and human rights education. During the Slovenian Chairmanship in 2006/2007, the Network focused on the role of the Human Rights Council, promotion of intercultural dialogue and protection of children against violence. The Greek Chairmanship in 2007/2008 highlighted the impact of climate change on human security, while Ireland as the current HSN Chair selected gender-based violence as the priority theme of its chairmanship.

THEMATIC DEBATE ON HUMAN SECURITY IN THE UN GENERAL ASSEMBLY

The Japanese-Mexican initiative in the UN General Assembly is another important step forward in the wider recognition of the concept of human security. It shows that the difficulty of defining the concept of human security does not, in any way, reduce the need to assure human security on the ground. In its recent debate in the UN General Assembly, Slovenia in

its capacity as the holder of the EU Presidency, recognized the important contribution of the Human Security Unit in its efforts to mainstream human security in UN activities, as well as the contribution of the UN Trust Fund for Human Security in translating the concept of human security into concrete activities.

UNITED NATIONS TRUST FUND FOR HUMAN SECURITY

In 2007 we made our first contribution to the United Nations Trust Fund for Human Security, which was established in 1999 by the Japanese Government and the United Nations Secretariat within the OCHA framework. We hope the Fund will continue to grow and help to advance the operational impact of the human security concept within the UN.

EU-JAPAN MEETING ON HUMAN SECURITY

In May of this year, during the EU Presidency, Slovenia organized a meeting in Brussels on cooperation between the EU and Japan on Human Security in the UN system. The meeting, initiated at the EU – Japan Summit, tried to define a wider spectrum of cooperation, focusing on climate change and food security in connection with human security, as well as on how to apply this concept in practice. The participants explored the possibilities of determining joint activities of Japan and the EU in promoting human security within the UN.

HUMAN SECURITY WITHIN THE OSCE FRAMEWORK

The human security issues are also an important part of the OSCE agenda. Last September, the second Workshop on Human Security in the OSCE Region was organized. Its aim was to deepen the understanding of the human security approach, mainly through the presentation of concrete projects implemented by the UN Trust Fund for Human Security. The Fund is financing 30 different projects in the OSCE region. The participants discussed the possibilities of cooperation between the UN and the OSCE in the areas of human trafficking, de-mining and the fight against terrorism. They also suggested deepening the cooperation and exchange of experience between OSCE field missions and representatives of UN institutions.

STRENGTHENING REGIONAL STABILITY THROUGH RECONCILIATION AND HUMAN SECURITY IN THE BALKANS

Coming to the topic of today's gathering here in Miločer, it is important to stress that the countries of the Western Balkans have made considerable progress towards the consolidation of peace and stability following a decade of conflict. Nevertheless, threats to stability and human security remain. Lasting peace can only be achieved through reconciliation and continued tolerance.

The idea of reconciliation in post-conflict situations is a demanding topic in academic, humanitarian and political circles. They often speak of reconciliation in a moral sense, involving individual acts of confession and forgiveness. No doubt, at the current stage, this is a very difficult and long lasting process. However, there are actions we can, and must take immediately in this post-war situation where we have to focus on social reconstruction that includes conflict prevention and capacity building through the partnerships of local governments and international agencies. And here the implementation of the human security concept comes into full force. Therefore, it must strive to be human-centered and integrated, and must involve all relevant sectors of a given society. It should protect and, at same time, empower individuals and communities. National authorities and the international community alike have the responsibility to enable this process.

From the point of view of the implementation of the human security approach in the Balkan region, I would like to pay particular attention to three projects that are underway in different fields of human security and that my country is actively involved in. These are: land mines, protection of children and human rights education.

1. Mine action and International Trust Fund for De-mining and Mine Victims Assistance

Regional cooperation proved to be very effective in mine action. The International Trust Fund for De-mining and Mine Victims Assistance (ITF), established in 1998, proved to be successful in more than one way. The ITF has been funding mine activities in Albania, Bosnia and Herzegovina, Croatia, Macedonia, Montenegro and Serbia. By now the ITF cleared over 76 million square meters of mined areas in South-Eastern Europe, and contributed to the physical rehabilitation of over 960 mine victims, which represents 15 per cent of all surviving landmine victims in South-Eastern Europe.

By establishing regional cooperation in South-Eastern Europe, and being run by the affected countries themselves, it helped to rationalize the de-mining operations, bring down the costs and, at the same time, contributed considerably to restoring trust among neighboring countries, as well as between the non-state actors that have just recently fought each other in an armed conflict. The ITF also contributed significantly to the clearance of unexploded cluster munitions in South-Eastern Europe.

2. Protection of Children and the Foundation “Together”

Special lessons were learned while dealing with children affected by the armed conflict in this region. The mere necessity to offer desperately needed assistance to children refugees who took shelter in Slovenia during the recent Balkan wars, led to the establishment of the Foundation “Together” – Regional Center for the Psychosocial Well-being of Children, the result of a joint venture between the Slovenian Philanthropy NGO, the Government of Slovenia and the City of Ljubljana as well as generous contribution from various donor countries. Their work, based on experience gained in dealing with refugee children lead to the development of unique methods for dealing with this particularly vulnerable group. Later on, when the war torn countries were able to take refugees back, they continued the project in cooperation with Slovenia. The activities include psycho-social programs for teachers, aimed at strengthening their capacities to help traumatized children with special needs, and the training of medical workers, helping them to provide psychological assistance to children and parents within primary healthcare services.

3. Pilot Project on Human Rights Education

In 2005 the OSCE initiated a pilot project entitled “OUR RIGHTS”, based on the Convention on the Rights of the Child. A new teaching tool was designed, which was used throughout the OSCE region and was identical for all the children despite their differing cultural environments. Its aim was to impart human rights-related knowledge and values, as well as the appropriate skills, thus contributing to raising the awareness of and respect for human rights among the young.

The newly devised teaching tool, reviewed by human rights education professionals from around the world, includes a set of teaching cards for pupils between the ages of 10 and 12, and an information booklet for their teachers.

More than 66,000 participants, coming from Albania, Azerbaijan, Belgium, Bosnia and Herzegovina, Bulgaria, Croatia, Germany, Ireland,

Kosovo, Macedonia, Montenegro, the Russian Federation, Serbia, Slovenia, Turkey and Ukraine, took part in the pilot project in 2005 and 2006. This teaching tool was also used with national minorities in some participating countries; for instance, the pilot project involved Roma children from several countries of South Eastern Europe.

The results have indeed been positive: the project has contributed to raising the awareness of the importance of teaching and learning about human and children's rights in all participating states.

CONCLUSION

The mentioned projects are just some examples of how the concept of human security can be put into practice on a specific issue and on a relatively small scale, while still leading to a larger result of establishing overall stability and, thus, security in a given region. First it was needed to address immediate problems, prevent further casualties, help those who were deeply affected by war and could not help themselves and then to start the healing process by building awareness through education processes and by facilitating economic development.

Reconciliation and tolerance among the Balkan nations is very important in the process of reconstruction and maintaining the peace in the Balkans. Fast-tracking the accession of the Western Balkan countries to the European Union should nevertheless be considered as the best way of bringing about long term peace and stability to the Western Balkans. This would also decisively contribute to human security in the entire region as well as on the European continent in general.

CONTRIBUTION TO THE ASSESSMENT OF THE SITUATION IN THE BALKANS

CONTENT:

- Aim of this presentation
 - Who am I and what is my expertise?
 - The Human Rights Declaration of UN: its application in Victoria, Australia and in Serbia
- Screening the situation in Serbia
 - Conclusion
- My contribution to help the situation: Towards a United Europe: the Model of the International Eco Harmony Values Community:
 - Who needs it?
 - What does it offer?
 - Location
 - Ecological aspects
 - Plan of settlement
 - Funding
- Final conclusion

AIM OF THIS PRESENTATION

To contribute to building religious tolerance and a culture of peace in the Balkans:

- emphasise the essence of the Human Rights declaration of the UN, which is reinforced by law in Victoria, Australia
- screening the application of the Declaration in Serbia, based mainly on my personal experience
- identifying possible solutions to the problems
- presenting the model of an International Eco Harmony Values Community, as an example of outside help for acceleration of the educational-transformational process of the people in the Balkans.

WHO AM I AND WHAT IS MY EXPERTISE?

I am a dual citizen of Australia and Serbia, a Hungarian ethnic minority, speaking the languages of the latter region. By religious denomination I am a practicing Roman Catholic.

I was educated in music and took a university degree in Educational and Clinical Psychology.

I live in Australia. I am the Director of the Transpersonal Growth Institute, where I apply the method. I am the founder of Transpersonal Growth Training to train professionals and I carry out research work on spirituality in psychotherapy. I am the National and Victorian Research Manager of the Transpersonal Psychology Interest Group of the APS, where I have initiated annual symposiums.

I have been functioning as a multi-faith activist-volunteer for 15 years, through 2 community organisations, the Unity in Diversity Inc. and Harmony Foundation Victoria Inc., organising annual Victorian events and multicultural concerts of sacred music, with wide community support, including the special support of the Premier of Victoria.

I have developed the unique musical format of these concerts, which enhances the experience of spiritual unity.

I was requested to contribute to the program of the Parliament of World Religions, Melbourne 2009.

In 2007, I organized the Peace Day in my home town, Sombor, Serbia and Montenegro, in spite of the boycott by the leading clergy and local government. 5 days later I presented this project at the ECPD International Conference.

I was made an Ambassador for Peace by the UPF in 2004. This year I was given the Mahatma Gandhi Community Service Award, by the Hindu Foundation of Australia, for my programs on values shared amongst faith communities.

Relevant web sites: www.transpersonal.net.au www.holymelbourne.com www.multifaithnetvic.net.au

THE DECLARATION ON THE ELIMINATION OF ALL FORMS OF INTOLERANCE AND OF DISCRIMINATION BASED ON RELIGION OR BELIEF

The Declaration was proclaimed by the General Assembly of UN in 1981, reinforced by law in Victoria, Australia: Multicultural Victoria Act 2004.

The diversity of Victoria's population is very high: all world religions and belief systems of the world and over 200 ethnic backgrounds are present.

The Declaration was endorsed by Serbia, though not reinforced by law
Excerpts from the Declaration:

- *Article 1* Everyone shall have the right to freedom of thought, conscience and religion. This right shall include freedom to have a religion or whatever belief of his choice, and freedom, either individually or in community with others and in public or private, to manifest his religion or belief in worship, observance, practice and teaching.
- *Article 2* For the purposes of the present Declaration, the expression of "intolerance and discrimination based on religion or belief" means any distinction, exclusion, restriction or preference based on religion or belief and having as its purpose or as its effect, nullification or impairment of the recognition, enjoyment or exercise of human rights and fundamental freedoms on an equal basis.
- Freedom to manifest one's religion or belief may be subject only to such limitations as are prescribed by law and necessary to protect public safety, order, health or morals or the fundamental rights and freedoms of others.

HOW DO WE PRACTICE OBSERVANCE OF THIS DECLARATION IN VICTORIA, AUSTRALIA?

Examples of our inclusiveness:

- 30 % of local city councils in Victoria support interfaith networks, which welcome representatives of all world religions, belief systems and multi-faith spiritual organizations; the number of these city councils is rapidly growing
- In Melbourne, several live-in projects were carried out successfully in the last 2-3 years, where Christian, Jewish and Muslim families, including ordained religious leaders, spent several weeks together under the same roof, learning to live together and engaging in their religious practices, developing greater tolerance and love towards each other.
- A member of the Ecumenical and Interfaith Commission of the Catholic Archdiocese of Victoria, Father Dr John Dupuche, lives in a multi-faith household, with a Buddhist and a Hindu monk; the three of them visited together some places of worship of world religions in India and Tibet.

- Multi-faith activists seek exposure to teachings and practices of as many religions and belief systems as possible, and visit world pilgrimage places where people of all religions and belief systems gather, as these experiences are greatly enriching and increase the inclusiveness and ability to embrace all, so necessary in their work. These experiences are desirable for the expertise of a multi-faith worker to be credible.
- In the annual multicultural concerts of sacred music, called Holy Melbourne Concerts, I include the sacred music of Indigenous Spirituality of Australian Aborigines and of 5 main world religions: Buddhism, Christianity, Hinduism, Islam and Judaism. These events are not religious ones (do not contain rituals), but multicultural musical events, performed at the neutral venue of the Melbourne Town Hall.
- Melbourne was chosen to be the host of the Parliament of World Religions in December 2009, which welcomes all world religions, belief systems and multi-faith spiritual organisations.

SCREENING IN SERBIA

- After preliminary agreements made with the Mayor for me to organise the Peace Day in Sombor and the leader of the Carmelite Church for their space with magnificent acoustics to become a venue for a multicultural concert, working from Australia, I have compiled an excellent concert program, including the music of Christianity, Judaism and Islam, in 7 languages, with an internationally renown musical director and 3 more cultural programs.
- Dr Tamas Korhecz, Minister for Minorities of the Autonomous Province of Vojvodina, was most enthusiastic and secured a grant for the expenses of participants from 3 cities to gather in Sombor.
- The first venue of the concert was cancelled and the second Catholic Church initially wanting to take over the concert, later also cancelled.
- The Carmelite Prior said that I should “not organise them”; they did not want the music of **pagan religions in their church**, such as the “Hare Krishnas”, although the program included only the Muslim, Jewish and 2 Christian religions.
- A witness told me that I was called by the regional Bishop of the Serbian Orthodox Church “a member of a sect” and he was not

- supportive of my concert; the Carmelite leader would not want a concert in his Church, if not supported by the Serbian Orthodox Bishop.
- I was not asked by the Priest of my own Church, if I was still a practicing Catholic in Australia.
 - The participants and other venue managers, who were dependent on the subsidies of the city council, were put under pressure to withdraw because I “visited a particular world pilgrimage place”.
 - The same person gave a different explanation to the member of the local event committee: **the Muslims and Jews are a small minority of the population, so only Christians should participate in a program of that kind.**
 - This member of the local committee, who had a casual job in the library, was sacked, losing the chance for the promised full time job, after the library became a supporter of the later discriminated event on her recommendation; she never had exposure to any world pilgrimage places and by religion she was a practicing Serbian Orthodox.
 - Although I had a constitutional right to initiate a cultural program without anyone’s approval, the city council requested written support from the Serbian Orthodox Bishop.
 - My 2 letters and many phone calls were left unanswered by the Bishop.
 - On my arrival, I visited the Belgrade Office of the Serbian Orthodox Church for Relationships with Other Religions, where the program of the Peace Day received verbal support and appreciation, and a request to provide the event recording.
 - The Priest said that he had no power over the local Bishop’s decisions and that the program should have been submitted for approval to the Council of the Serbian Orthodox Church.
 - My letters to the regional Bishop were not forwarded to the Council.
 - The Secretary of the Bishop of the region stated a new reason:
 - “We don’t need you here” – WE want to initiate concerts of this kind.
 - The Office for Relationships with Other Religions **did not exist.**

- I could not get an audience with the Bishop, although I waited there for 3 days.
- My alarming warning repeated twice to the Bishop's Secretary that a person lost a job, due to the accusations spread in the name of the Bishop, was ignored: "We have nothing to do with that".



BY GOD'S MIRACLE AND PARTICIPANT'S LOVE THE PROGRAM DID HAPPEN

- I replaced performers, with groups from other cities.
- The Muslim Roma from Beochin were very happy, feeling supported by the event.
- The Hungarian Choir fell in love with the Unity Song that was performed in English and Serbian.
- The Hashira Jewish Choir was willing to travel on a cold day to Sombor, for harmony and togetherness.
- The Imam from Subotica attended and a Catholic Priest from another city too, in spite of the negative attitude of the priests in Sombor.
- I did not want to disappoint the performers – I did not cancel the event.
- The day before the event I booked the only privately owned venue: the main hall of the local hotel.
- There was no chance to carry out the promotion for the Peace Day through the local TV in the last 3 days, as planned, because the day before event I had no venue confirmed.
- I was also concerned that, if promoted, we could have been prevented from holding the event.
- We had a memorable, loving event, with 150 performers, with very little outside public.
- The recording was forwarded to the Office of the Serbian Orthodox Church for Relationships with Other Religions.

EPILOGUE

1. Dr Tamas Korhecz regretted that he could not issue the grant for participants expenses, because the event was not identical to the one the grant was issued for; I was bearing all costs.
2. After more people confirmed that the accusations about me, launched by the Serbian Orthodox Bishop, were repeated by 2 priests of the old Catholic Church, where I was baptised and where I thought I belonged to, I informed the priest that I no longer wished to belong to that parish, as he, not only did not protect me, but he contributed to gossip and malicious accusations, not making the effort to clarify with me, if I was still a practicing Roman Catholic, while living in Australia.
3. Ever since I belong to the Roman Catholic Church in Manningham, Australia, and I enjoy deep respect from the priest, with whom I do multi-faith work and who supports visits to world pilgrimage places where people from all religions gather for the experience of unity of faiths.
4. Several months after the event the window of the “Two Brothers” bakery in Sombor was broken and the shop vandalised. The bakery belongs to Muslim Albanians. This is an example of religious intolerance in a city which has never been in a war zone. I wonder what is the situation in cities where there were Muslim-Serb armed conflicts?

MY CONCLUSION ON THE SITUATION IN SERBIA, WITH FORGIVENESS AND LOVE

- Christian religious leaders
 - do not have exposure to teachings of world religions and lack personal contacts, so they innocently believe that they and their teachings are “the only right ones”;
 - keep focusing on the differences, which prevent them from seeing what is in common and to become inclusive;
 - use derogative comments on world religions;
 - use the word ‘sect’ as a derogative and discriminatory word for belief systems and for world religions not present in the region;
 - to exercise power, are inclined to abuse it and may even breach civil rights of citizens;

- do not show much compassion and integrity: they would not protect members of their parishes from malicious attacks coming from a leader of another church and would not support a person who unjustly lost a job;
- lay people volunteers who are more inclusive towards all belief systems than ordained religious leaders and who carry out interfaith networking in Western countries so well, are unacceptable and discriminated by both main Christian churches, while these are accepted by the Muslims and Jews;
- women community activists are not accepted by leading Christian churches – it is a conservative patriarchal environment of the old paradigm;
- in the Balkans there is an open religious conflict; in some regions civil rights of citizens are breached by the local government;
- if a church does not support a community event, it should still take a neutral position and allow citizens to initiate community events, making sure that the local government is not ruled by a church – **that would be theocracy**;
- in that case “harmony” is based on the ruling of the leading church and fear of minorities, such as: the minority Roman Catholic Church does not decide on its own about community events in its own space;
- the Serbian Orthodox Bishop of my region is an adopted member of my family, and was informed about my community work in Australia; I knew him as a person of integrity; I have to allow for communication mistakes and his inability to perform his duty, as he was of poor health at the time
- however, I cannot justify him for not clarifying with me the question whether I was a practicing Catholic, for ruling over the local government and for his discriminatory remarks, which weigh a lot for others, due to his position;
- I believe that he acted the way he did having to follow internal rules of his Church;
- I am initiating an inquiry into the level of synchronisation of the internal rules of the Serbian Orthodox Church with the Human Rights Declaration of the UN with regard to the internal rules of the Church on excluding people who visit pilgrimage places other than Serbian Orthodox, having in consideration the Article 1. 3. of the Human Rights Declaration of UN: Freedom to manifest one’s religion or belief may be subject only to such limitations as

prescribed by law and if necessary to protect public safety, order, health or morals or the fundamental rights and freedoms of others.

MY CONTRIBUTION TO HELP THE SITUATION

Guidelines:

Jesus Christ said:

- Love your neighbor as yourself.
 - I am the son of God and so are you. The son and the Father are one (this applies to all humans, women, too).
 - Nothing can exist outside God, as He is Omnipresent. (World religions and belief systems exist by God's will.)
- etc.

WHAT COULD HELP?

- Education and direct interaction with people of diverse belief systems to counterbalance the fear of the unknown, **to develop inclusiveness and love towards all.**
- Religious tolerance in the Balkans may be helped from the outside, though the real change has to happen from within the system, the community, its people
- This transformation should be initiated by its leaders, in this case by the religious leaders of the region, supported by other socio-political structures
- The spiritual and worldly leaders need to be educated in practicing the values, to develop religious tolerance and a culture of peace
- The process will take considerable time
- A community needs to be set up for an internship of leaders-to-be to receive education in a live-in situation: in an International Eco Harmony Values Community

TOWARDS A UNITED EUROPE: INTERNATIONAL ECO HARMONY VALUES COMMUNITY

An agricultural estate mainly for internship of international leaders-to-be and Ecologists.

Who would need it?

The leaders of the Balkans and Europe: the spiritual and worldly educators-to-be, the political leaders-to-be, the agricultural specialists, students, youth, the general international community.

Aims:

To build tolerance, love and a culture of peace by providing opportunities to:

1. experience direct interaction with people of diverse religions and beliefs **in a live-in setting**;
2. improve the capabilities for harmonious relationships, balanced life management;
3. support integrity of Mind, Body and Spirit;
4. learn about the cultural heritage of their neighbours: Arts and Music;
5. learn to live the values that are shared amongst faith communities, a healthy life-style, close to nature;
6. cultivate ecological sustainability.

The IEHVC **provides free education** by voluntary work of multifaceted and multilingual professionals with expertise.

The programs may include: values circles, workshops, lectures, symposiums, consulting services, personal and spiritual growth training, spiritual practices and demonstrations of ecologically and energy sustainable systems, etc.

The IEHVC assures that some forms of spiritual practices, acceptable for all, can be performed together and some separately.

It provides a common assembly hall – prayer room for all, respecting the rules of all religions and belief systems represented, convertible to all religions to use it separately (by the decoration being in wall units that can be closed, when not in use).

The values taught, the common denominators of all world religions and belief systems or principles of global ethics are: **Love, Truth, Inner Peace, Righteousness and Non-violence.**

LOCATION

There is a disputed border segment between Croatia and Serbia on the eastern bank of the Danube river.

There were recent armed conflicts in the region.

The three-border between Hungary, Croatia and Serbia has been turned into a bloody battlefield several times in the last 300 years.



The UN troops would be needed to keep it safe for the next century.

The International Eco Harmony Values Community should take place close to the three-border, on the territory of Hungary.

APPLICATION OF PRINCIPLES OF ECOLOGICAL SUSTAINABILITY

These principles would include: biodynamic/organic gardening, Permaculture, sustainable waste management (grey water systems), sustainable housing, solar systems, other ecological systems for health and sustainable energy systems.

The model agricultural estate would be itself an important ecological educational tool for European conditions.

PLAN OF SETTLEMENT

The plan is to be designed to reinforce the educational-transformational purpose of the settlement, synchronised with requirements of ecological sustainability.

The settlement is designed in a “U” shape, with central halls in the centre of the letter “U”: assembly hall, restaurant, and flats for live-in volunteers.

The individual dwellings follow the 2 legs of the letter “U”; they may be sustainable display-houses of various kind.

FINANCE

Hungary, a member of the European Union, could get international funding, while Serbia could not.

Options:

1. the UN to take on the model, if that is its practice and utilise it worldwide, with adjustments for each region;
2. a joint project of university departments, community organisations, religious/spiritual organisations and businesses-sponsors to be the project holders and jointly seek international funding;
3. The involvement of the Academy of Science of Hungary and organisations for rural development could endorse the project, though the support of UN and international guarantees for safety would be necessary;
4. businesses which produce ecologically sustainable houses and equipment would be welcome to be sponsors and keep their products on display;
5. the place could serve as a model of a sustainable settlement for tutorials of Ecology Departments of universities.

FINAL CONCLUSION

This presentation established the Sexisting weaknesses in Serbia and Montenegro: not adhering to the UN Human Rights Declaration UN and other lack of right conduct of leaders, religious and worldly, failing to secure civil rights and especially FAILING TO TREAT ALL WORLD RELIGIONS AND BELIEF SYSTEMS AS EQUAL.

Urgent international assistance is needed to accelerate the educational-transformational process of people in this troubled part of the world, to develop religious tolerance and a culture of peace.

The outline of the Model International Eco Harmony Values Community was presented, holding a vision for a united Europe. This is a multipurpose world model with many benefits: educational, moral, spiritual, social, psychological and ecological. It may be utilised worldwide as a place for internship, a live-in setting for educators-to-be and leaders-to-be, whether they be spiritual or worldly.

The Hungarian Government and the European unit of the UN would need to be approached for possible utilisation, support and funding, as well as the Hungarian Academy of Science.

The ECPD is invited to be a supporter.

Love and Peace to you all!

THE SEARCH FOR THE POLITICAL GNOSIS

The complexity of our age created new form of ethical criticism of the generally accepted reality. The so-called dissident movement emerged as the unique voice of criticism and alternative form of thought in the times when the strength, the muscles of the Government were threading the very existence of the evolution of any thought except the officially "truth". From Solzhenitsyn in the USSR and Djilas in Yugoslavia to actual anti-war movement in the USA, these people were the first who understood the necessity of transition, the impotence of the actual social and political norms to understand and resolve the basic problems of its existence. And, as in every illness, successful diagnosis was the necessary fundament for any successful treatment.

However, the final results of the dissident movement were often quite contradictory to their proclaimed noble aims.

While Aleksandar Solzhenitsyn tried to distinguish original Russian culture and state, Orthodox spirit and tradition as a form of life opposite to Soviet reality his voyage back to the Russian motherland in 1994 made him a strong critic of the post-communist Russian reality. While rejecting both Soviet nostalgia and new Russian nationalism, he proposed moderate patriotism as the form for new Russian State. However, that form was never widely accepted among the Russian population, nor was it developed in the circles of the Russian political and intellectual elite. And it was not only because of the misty concept of moderate patriotism, but also because of the creation of the new political structure which created new realities and new ideas, totally unknown during the Soviet reality. The same was the destiny of the leading Yugoslav dissident-Milovan Djilas. While quite successful in his sharp criticism of the realities of the Yugoslav communist government, he was quite confused in the early nineties, when post-communist Yugoslavia became a battlefield but not of different political opinions within the Federation as it was in the vision of Djilas, but of different national-separatist movements trying to create new independent states. Both Solzhenitsyn and Djilas had the visions of democratic and prosperous united countries, while seeing the actual governments

as the only obstacle to the realization of these noble ideas. However, as many times before, history proved again to be the best corrector of any theory of vision.

The basic weakness of the dissident critics and their visions was huge emptiness between the two poles in their understanding of the social and political structure. While quite successful in the creation of the diagnosis, of the actual society, they instantly turned to the vision of future alternative based on the widely accepted human values and virtues as opposite to the actual one-dimensional grayness. Their failure was their ignorance of the wide structure, which holds any society and which can survive any political society and continue its own life in creating new forms of existence. In fact, understanding of this structure needs the essential political gnosis, as the structural connection between the diagnosis of social illness and the vision of future successful society.

The modern history teaches us that ethnos was, is and, no doubt, will be the basic element of the socio-political structures of contemporary societies. Suffice it look at the history of the conflicts of the 20th century to realize that the conflicts between different political systems as communism, nationalism, liberalism, fascism were, in essence, the surface of the more complex and deeply rooted ethno-political structures, their evolution and conflicts. Looking from this perspective, two world wars were actually the continuation of the Germano-Slavic conflict which grows in the last decades of the 19th century and through different forms and incarnations ended in two world wars, camouflaged in the surface of the conflict of different political systems, which culminated in the 1941–1945 German-Soviet conflict. The second wave of conflicts, which started on the East-European battlefields in the late eighties, was the result of that same ethno-political development inside the heterogeneous Soviet and Yugoslav federal systems. And again we saw the ever present camouflage of political systems and doctrines. The wars at the end of the 20th century were on their surface wars of national-separatist movements against the central government or conflicts between the separatist governments and parts of their projected country which stayed loyal to the remnants of the central federal government. But again, as in the case of both world wars, this was only the camouflage of the complex ethno-political structure with its own evolution and rising conflicts. And while the Germano-Slavic conflict was central in both world wars, here, in the post-communist conflicts, there was the parallel existence of many ethno-political conflicts with their roots in the heritage of the ruins of Habsburg, Ottoman and Russian empires. And again, as in the case of the Germano-Slavic conflict,

the real roots of the military conflict are at least 50–100 years back in the history be it the conflict of the ideas of pan-Slavism and pan-Germanism in the 19th century in relation to both world wars or the emergence of different national movements, national revivals and national “springs” in contrast to the central East-European governments in the 20th century in relation to the actual post-communist conflicts.

The model of ethnos as the basic structure of society was developed in the 20th century by Russian scientist and author Lev Gumilev. In contrast to the dissidents who tried and succeed in defining the basic diagnosis of society, Gumilev went further in understanding the basic driving force of the history of society, of its structure and historical forms of development. According to his model of the metamorphosis of the ethnical form, he defined the forms of sub-ethnos and mega-ethnos as the historical forms of the ethno-political evolution. In his view, there is no one single state-nation with its almost eternal existence through the centuries, but rather a more complex structure of different smaller groups which through different forms of relations are creating wide forms of entities-megaethnos in the vocabulary of Gumilev. Roman, Byzantine, Ottoman or Russian mega-ethnoses are only some of the historical forms of uniting of many sub-ethnoses in the creation of wide civilizations and political forms. The ruins of the previous political form are often playing the important role in the creation of the new mega-ethnos. The ruins of the Roman mega-ethnos played the important, almost crucial role in the creation of the Romaniotes the Byzantine mega-ethnos. And that same Romaniotes, now as the ruins of the Byzantine played an important role in the creation of the Ottoman mega-ethnos.

Yugoslavia, as heterogeneous community, was in the process of its own creation of mega-ethnos – the Yugoslav mega-ethnos, based on the unification of the Serbo-Croatian language as the first step toward the creation of a new quality with the ambitions being more wider than the simple unification of the South Slavs, but rather the creation of a new community for all different sub-ethnoses including those of Kosovo and Vojvodina in their ethno-linguistic roots different from the Slavic majority, but united in the fate of the common history and geography. The fall of communism and the federal system prevented the creation of Yugoslav mega-ethnos, but didn't prevent the emergence of its components. What we have today is the emergence of the new identities based on the former Yugoslav republics and provinces, nations and nationalities which were in the official perception parts of the Yugoslav community, or we can add of the Yugoslav mega-ethnos in development. In fact, these components

are the continuation of the existence of the Yugoslav mega-ethnos in its more degenerative form, but with many common characteristics. The real challenge for their future existence will not be any potential reunification of Yugoslavia or any other local or regional integration, but rather the emergence of the new forms of sub-ethnic relations and identity forms through the course of the history. The post-Byzantine structures were not challenged, but some reunification of the Byzantine Empire, but by the new historical form – the Ottomans, while the post-Habsburg forms were reintegrated in new East-European states, in most cases the products of the Slavic ethnic revivals. The actual multi-dimensional expressions of local identities (ancient, medieval religious, modern-national) are the first step toward the future new forms of the political incarnations of the ethnos. Yugoslav Serbs versus Serbia Serbs, Macedonian Slavs versus Ancient Macedonians, Ottoman Aranuts versus Illyrian Albanians-these are only some of the examples of the new forms of identity within the same component of Yugoslav mega-ethnos. Today, Yugoslav Serbs and Serbia Serbs are still united against Islamic post-Ottoman Albanians and pro Western Illyrian Albanians, but between these groups within the same component there are large differences, with deep roots in the cultural and political background, often camouflaged in to the surface of the different political groupings and sects through the entire 20th century and even earlier. If we add to this identitarian multi-dimensional expression, the problem of regional differences and its cultural impact we will get a complex net of many different expressions, incarnations of the ethnos in its effort to create new relations between all these new forms of expression. The final result of these relations will be the creation of new Balkan mega-ethnos, even if it is created on the local level on the level of the components of former Yugoslav community. However these new forms will be the real challenge to the actual republic and provincial identities, especially for their actual monopoly on the national consciousness of the majority of their population. The knowledge of the ethno-political structure and its huge impact on the history of civilizations will become the necessary tool in the provision of peaceful transition from one model of the regional mega-ethnic system to another. And there lies the crucial position of the political gnosis in the future of the human civilization.

ENVIRONMENT AS A FACTOR OF PEACE

Today, the environmental news are so negative, between the accelerating climate change, loss of biological diversity, health problems from pollution, and many other ways that we misuse our planet and its resources, that we can forget that the environment can also be a factor of peace. Environmental security is a fundamental component of human security, and this is as true in the Balkans as in every other part of the world.

One reason for the potential use of the environmental issues for peace and reconciliation is that they are generally based on scientific evidence, which is in itself politically neutral. A toxic chemical is as threatening to the people to the right as to the left of the political spectrum, and from all ethnic groups. Climate change is affecting all countries, rich and poor, even if the poor are more vulnerable and less able to compensate the damage done. The environment is also the subject of growing public concern, which can make it easier for politicians to take action.

Furthermore, many environmental problems are transboundary in nature. Air pollution does not stop at a political border. A river catchment may include several countries, with watershed mismanagement, water use or pollution upstream affecting other countries downstream. Migratory species may cross many countries without belonging to any of them. The Adriatic, the Mediterranean coast and the Black Sea are shared resources. For all of these, countries must collaborate for effective environmental management, and many regional conventions have been negotiated to provide the framework for peaceful cooperation in the situations that might otherwise lead to tension and even a conflict.

Today, as human society and the economy globalize and reach planetary limits, global environmental challenges are forcing all countries to find the means and political will to work together. Just as a quarrelling family will unite when faced with a common threat, so are all nations increasingly recognizing that issues like stratospheric ozone depletion, climate change and planetary resource limits for food, water, energy, and other natural resources can only be addressed through united global action with common but differentiated responsibilities.

All sections of society at all organizational levels are implicated in the environmental challenges facing us, requiring multiple levels of environmental management. Where global warming requires global legislation to guide an effective response, other problems are best addressed at the level of nations, ecoregions, watersheds, metropolitan areas or local government, while respecting the inter-relationships between the different levels.

In the situations like the Balkan one, with the recent history of conflict within and between countries, joint work on environmental security can be one of the best ways to begin to rebuild trust and confidence. As early as 1974, the United Nations Environment Programme (UNEP) created the Regional Seas Programme in the Mediterranean where Greece and Turkey, Israel and Libya, and other antagonistic countries worked together to manage their shared sea and control its pollution in their common interest. Today, as we have already heard, this is being extended through the Barcelona Process. The Organization for Security and Cooperation in Europe (OSCE) and UNEP cooperate in environment and security activities to address joint problems and reduce tensions in the region.

These ECPD conferences have given an important place to religious tolerance as the foundation for peace. It is not often realized that the environment can be an important factor for inter-faith dialogue and collaboration. When I was asked on behalf of the United Nations to present environmental issues to the World Summit on Religions and Conservation, organized by the World Wide Fund for Nature (WWF) at Windsor Castle in 1995, the leaders of nine major faiths including the Archbishop of Canterbury, the Ecumenical Patriarch Bartholomew for the Orthodox Church, the leading Bahá'í dignitary, and senior officials of the Vatican, the World Council of Churches, the World Jewish Congress, the Taoist Association of China, Buddhism, Hinduism, Islam, and Shintoism agreed after four days of deliberations that they were in complete harmony on the issues of environment and conservation of nature. All the faiths teach respect for the creation and our responsibility for stewardship of the planet and its resources.

There have been many initiatives by religions and faith-based groups to share their understanding and to recognize their common concern for the environment. The Orthodox Church has organized a series of symposia on *Religion, Science and the Environment*, starting in the Mediterranean in 1995, then in the Black Sea (where I was the reporter), the Danube, the Adriatic, the Baltic, the Amazon and most recently the Arctic in 2007. The Catholic organization Pax Christi held a similar series of symposia on

ecology and spirituality with representatives of all the religions and other forms of spirituality in the village of Klingenthal near Strasbourg, France, from 1995 to 2001, the proceedings of which have been published. Such inter-faith events are important to build religious tolerance and mutual understanding.

In the Environmental Diplomacy Programme which I coordinate for UNEP, the University of Geneva and The Graduate Institute, in close collaboration with the University for Peace, we include a module on ethics, religion and science for environmental diplomacy. This gives the mid-career diplomats who come to learn how to negotiate difficult issues, like controlling greenhouse gas emissions or the international trade in toxic chemicals and hazardous wastes, a background in the basic values and ethical principles that must underlie effective international agreements. One Moslem diplomat was so impressed that he wrote a thesis proposing an Islamic Convention on the Environment to be signed by all Moslem countries to demonstrate that environmental action was rooted in Qu-ranic principles. The participants, including some from the Balkan region, also learn approaches to environmental security and governance, and other problems that need to be resolved between countries to reduce tension and ensure sustainability for all.

I therefore encourage the ECPD to include this environmental dimension in its important work for reconciliation, religious tolerance and human security in the Balkans.

SLOBODAN LANG

PROFESSOR, UNIVERSITY OF ZAGREB, CROATIA

CHALLENGE OF GOODNESS FOR CENTRAL, SOUTHERN AND ALL EUROPE

OUR HERITAGE

Over the centuries, our countries have been the battlefields of Europe and their peoples suffered from war, poverty, disease, occupation, colonization, persecution and inequity. They survived suffering, fighting, and emigrating.

During the twentieth century, both the Balkan and World Wars, and finally the 1990s wars were fought here.

All forms of totalitarianism were also imposed on us.

When the Berlin Wall fell, we should have been the first countries to join the European Union, as a proof that peace is possible. This didn't happen, because the leadership didn't have a vision, will or knowledge for peace and therefore didn't take action to accomplish it.

The world of our people was reduced to a political, economic and spiritual minimum. Political democracy was not permitted, private enterprise was seriously limited, choice was imposed - faith or society. Yes, we had health care, education, peace, but, but the price was much too high. The values needed for the 21 century were not developed.

So, near the end of the twentieth century, this area was filled with hate, war, destruction, suffering and killing.

At that time I considered what to do. My rethinking of the twentieth century led me to the conclusion that Europe in those years showed itself consistently capable of evil, but not of goodness. I changed my opinion about WWII. It was not a war in which good won over evil, evil lost, but good did not win. Non-violence of Tolstoy and Gandhi, together with faith and goodness, was abandoned and its substitutes became hate, violence and war.

REVIVING HERITAGE OF GOODNESS

At those difficult moments, I discovered the "Righteous Among Nations", about 22 000 non Jews from 44 countries who risked their lives to save the Jews.

Jewish Nobel Peace laureate Elie Wiesel wrote about them:

“In those times there was darkness everywhere. In heaven and on earth, all the gates of compassion seemed to have been closed. The killer killed and the Jews died and the outside world adopted an attitude either of complicity or of indifference. Only a few had the courage to care. These few men and women were vulnerable, afraid, helpless – what made them different from their fellow citizens?... Why were there so few?... Let us remember: What hurts the victim most is not the cruelty of the oppressor but the silence of the bystander.... Let us not forget, after all, there is always a moment when moral choice is made.... And so we must know these good people who helped Jews during the Holocaust. We must learn from them, and in gratitude and hope, we must remember them.”

This led me to understand and accept that it is not enough not to do evil, but the prime responsibility of everybody and everyone is to do good.

In the same period I discovered one of the most beautiful stories “A letter from the 1920”, written by our great writer and Nobel laureate from Bosnia and Herzegovina, Ivo Andrić. In it, he described the position on war and hate among the people in Bosnia and Herzegovina by a physician after WW I. He wrote:

“I considered devoting myself to the study of that hate and, analyzing it and by bringing it into the light of the day, contributing to its destruction. Maybe that was my duty, for I, though a foreigner by origin, saw in that country, as one says, “light of the day”. But after the first efforts and long thinking, I realized that I have no enough strength for it. It would be asked from me, like from everybody else, to stand on one side, to be hated and to hate. And I was neither willing nor able to do it. Maybe, if it had to be, I would agree to become a victim of hate, but to live in hate and with hate, to participate in it, that I can’t.”

CHALLENGE OF GOODNESS

These thoughts gave me new strength. I was a doctor and scientist. If there were good people once then they exist always. It was then that I decided to follow the “Challenge of Goodness” in will, knowledge and action.

As time went, I discovered Tolstoy, Gandhi, Aristotle, Kant, Arrendt, Habermas ..., faith through „Wounded Christ“ and thousands of good people, truly moral communities in the hardest situations.

From day to day, for 10 years I went to all places where people were at risk or suffered. This path led to Slovenia, Croatia, Bosnia and Herze-

govina, Serbia, Kosovo, Montenegro, Macedonia and Albania; to refugee camps, hospitals, cities under siege, occupied areas; to world universities, writing in international journals, becoming the ambassador and advisor to the President for humanitarian affairs, member of the Parliament, Council of Europe and Intiparliamentary Union. Wherever it was, I was permanently led in will and action by goodness.

Today through this long experience I can say that goodness is possible, much more than practiced. My strategy during that time was:

1. To support the right of all states of former Yugoslavia in their right to be independent states;
2. To protect all people at risk, regardless of their nationality, religion, sex, faith or political position;
3. Through challenge of goodness, to use existing and develop new technology of goodness;
4. To search for full truth and therefore not to accept evil as the only experience being worth of analysis and remembering - to ask for equal treatment for good and nonviolence;
5. To pass our experience globally, so it would help others when needed.

RESPONSIBILITY FOR GOODNESS

Why Kant insists that we have the duty to promote the highest good? One answer is suggested by the postulate of the existence of God. We must ask how to adhere to moral laws. Practical reason can propose cooperation for this goal only if it is possible to realize the ideal. Realization must be conceivable. In imposing it upon us, practical reason simultaneously enjoins us to assume the possibility of the supreme intelligence which harmonizes the unforeseeable natural laws: “*we ought* to strive to promote the highest good (which must therefore be possible). Accordingly, the existence of the cause of all is also *postulated*. (Kant, *Critique of Practical Reason*).

Physicians’ initial responsibility is to establish moral community with his individual patient or a community in public health. This implies the will and duty to do and cooperate to achieve a goal of promoting health, preventing disease, curing illness, protecting welfare and help from suffering and during terminal care. It can be performed only through direct and firm action *now*, which includes using the information of *yesteryear*, and opening opportunity for the better *tomorrow*.

Physicians have a simultaneous moral duty of absolute truth and goodness, to his patients now and the world tomorrow. This is the responsibility to diagnose the present health condition and prescribe the needed and possible therapy. At the same time, there is the responsibility to recognize (possibility for a better diagnosis precision, speed, pain, comfort cost...) and intervention (earlier, effective, pain, cost ...). In medicine, vision and reality interchange – reality of now is supersede by the vision of the possible new reality tomorrow, which is realized through will, knowledge and science. This means trusting the promise of moral law: not a promise that is contained in moral law, the assurance that, by acting morally, we can contribute to the creation of an “ethical community”.

Practical reason finds compensation in religious tradition for the lack of the “need of reason” – and assimilating from history in accordance with its own rational standards.

Both religious and rational faith means trust in the attainment of an aim, which is the duty but, whose possibility of realization it is not possible to have an insight. For this reason, “human beings need striking models, the exemplary biographies of prophets and saints, promises and miracles, suggestive images and edifying narratives, as “stimuli” to overcome their “moral unbelief,” and explain this in terms of the weakness of human nature.

Not just the approach of the kingdom of God, but also to the kingdom of God, is the highest good, history has handed down to us.

REALIZING THE COMMON GOOD

The moral laws should enable each person to decide what duty is required in each situation, and how to fulfill it through simple duties. For this reason alone this is not enough.

Collective responsibility is to offer help and cooperate in averting disasters or just improve shameful social conditions.

We must search for answers posed by modern religious pluralism, scientific knowledge and the constitutional state.

Tolerance is not indifference, it exists only when the parties involved can base their rejection on a reasonable ongoing absence of agreement.

The concept of national sovereignty must be adapted to the new forms of governance beyond the nation state.

The state is supposed to employ its political power to enforce law and guarantee freedom without resorting to repressive, patronizing or normalizing force.

The economy is supposed to promote productivity and affluence, respecting the standards of distributive justice (as many people as possible are better off and nobody suffers disadvantage).

Civil society is supposed to foster solidarity among independent citizens without collectivist integration, fragmentation or polarization.

The common good is jeopardized not only by the failures of the state (legal uncertainty and repression) but also by “market failures” and the lack of solidarity and mutual recognition among citizens.

Even if the state discharges its proper role it cannot preserve the necessary level of legitimacy in the long run unless a functioning economy fulfills the preconditions for an acceptable pattern of distribution of social rewards and unless active civil society fosters a sufficient orientation to the common good among citizens.

Internal state sovereignty is not restricted to maintaining law and order, but also includes the effective protection of the civil rights of citizens. Sovereignty is losing its classical meaning. It requires protection against foreign domination, which faces difficulties in interdependent global society.

The violation of justice at one place is felt at all of them. External sovereignty today calls for the ability to cooperate with partners as much as possible to defend oneself against external enemies.

This presupposes the renunciation of the right to go to war and the duty of the international community to protect the community of a criminal or failing state.

GLOBAL CHALLENGE OF GOODNESS, FACING IT IN CENTRAL AND SOUTHERN EUROPE

Challenge of goodness, should be recognized by all, states, religions, scientists, civil society and citizens. It unites everybody and everyone in rights and responsibilities. With this paper I propose this approach to our work.

In the next paper, I will report to you my personal experience in facing the Challenge of Goodness during the last fifteen years.

Mr Stanec will also register if there are others who are interested, so we could present joint experience and position on the Challenge of Goodness in Central and Southern Europe.

RECONCILIATION AND ITS IMPACTS ON PEACE IN THE BALKANS: SUCCESS OR FAILURE?

1. Reconciliation is often declared as an important element of “normalization” in “post-conflict societies.” However, this seemingly logical statement requires some explanation and clarification – possibly also the rethinking of concepts, policies and strategies. We shall start by examining the very term and concept of reconciliation as well as the related terms and concepts, thus determining the basis for the description and evaluation of diverse reconciliation efforts in the Balkans.
2. Conceptualizing reconciliation is a complex task. Reconciliation is usually observed in the context of conflict management and resolution, where it is interpreted as coming to terms with the past and past developments in a certain environment. It indicates a process in which key actors present their accounts and views of the past developments and their roles and responsibility in this context. Ideally, all involved sides reach a consensus or at least understanding regarding these issues. This understanding should be the basis for the future coexistence and cooperation: although the past is not and usually cannot be forgotten, it should be accepted and, ideally, individual responsibility for different actions and wrongdoings could be established thereby reducing the social trauma. It is hoped that the victims will be willing to forgive the perpetrators of wrongdoings because of their expressed remorse (often a result of requested procedure and requirements, rather than internalized recognition of individual’s guilt).
3. The process of reconciliation is based on the acceptance of the past and the current actual situation with all present divisions and structural limits that exist in a certain environment – thereby cementing the existing divisions and limits to a large extent. The process (formal and informal procedural rules), content, temporal framework (exactly determined period that is included) and institutional framework (formal institutions and their roles) as well as the acceptance of the results should be established and agreed

upon in advance. Traditionally, truth or peace committees or similar organizational forms are established – with a different degree of direct involvement of state authorities.

4. Although it is believed that successful reconciliation contributes to the improvement of community relations and stability in an environment torn by conflict, paradoxically, every attempt at successful reconciliation (as its preconditions) requires stable relations, recognition of all sides involved in the process and already existing (channels and rules of) communication, tolerance and coexistence. Portrayed as a two way process, reconciliation inherently presupposes certain missionary elements that derive from Christian theologies (considering all differences within Christian religions it is better to use plural in this context) and the concept of forgiveness (on behalf of victims). This is the reason why reconciliation is sometimes described and perceived as an institutional design that rewards the bad guys (perpetrators of wrongdoings).
5. In my view, every attempt at true reconciliation should be considered as the permanent ongoing process that should not be limited just to certain determined periods and specific historic events and contexts. These historic events (e.g. Holocaust) and contexts have their prehistory as well as their consequences in diverse spheres that might last for several generations; consequently, these events should not be forgotten, but should be considered important lessons that could contribute to the prevention of such and/or similar events in the future. As such, reconciliation that has to be agreed upon and accepted by all relevant actors in a certain society cannot be ended when the responsibility of perpetrators for specific events or wrongdoings is established, when they express their remorse and when the victims formally express their forgiveness, but should be perceived as a permanent process of screening and evaluating social relations that should point to undesired and problematic developments and actions in a certain environments. In this context the process should constantly re-examine and confirm also basic principles and values that are agreed upon in these environments as well as determine directions and strategies of future development.
6. Before addressing reconciliation and its successes and failures in the Balkans in the past two decades, there is also a need to comment on the concepts of “normalization” and “post-conflict socie-

ties.” Frequently, “normalization” is understood as the restoration of pre-conflict conditions and arrangements or as the absence of conflict. Both interpretations are rather problematic. Namely, in most cases it is impossible to restore pre-conflict conditions in the environments destroyed by a violent conflict; the very process of rebuilding (that refers mostly to economic and social rebuilding) takes a long time, while violent conflicts often destroy relations and structures in a society beyond repair. Consequently, “normalization” should be understood as the process of creating conditions of mutual recognition and acceptance, tolerance, co-existence and (hopefully equal) cooperation in a certain diverse environment that should be the basis for determination and realization of common interests. We should be aware of the fact that conflicts are normal phenomena in plural societies as they are consequences of diverse interests that exist objectively. Logically, “normalization” should therefore encompass the development of adequate procedures and mechanisms – based on the principles of equality and non-discrimination deriving from human rights, of which integral, necessary and important constituent elements are minority rights – for peaceful and democratic management and resolution crises and conflicts. Considering these conclusions one should be aware of the fact that the concept of “post-conflict society” is also very problematic. If it refers to the societies where violent conflicts have just been stopped or at least interrupted it would be more appropriate to speak of “post-violent-conflict societies” – thereby indicating that diverse conflicts still exist and might escalate (if they are not managed successfully) in the future. If the escalation of conflicts takes place and conflict management and resolution prove unsuccessful these conflicts might transform into violent conflicts – thereby transforming “post-violent-conflict society” into a society where violent conflict(s) exist(s). In this case we could say that a “post-conflict society” might be just a pre-conflict phase of future escalated conflicts in a certain plural/diverse environment.

7. These conceptual discussions are setting the framework for an analysis of efforts for and practices of reconciliation in the Balkans. The initial consideration is that there is no consensus regarding reconciliation in the region. Although it is often being listed as the necessary precondition for “normalization” and for providing long-term peace and stability in the region, nobody has

defined precisely what reconciliation in the Balkans and in every individual state in the region should be and how it should be realized. Apart from general political statements of international and national leaders there are no substantive and/or institutional conditions, arrangements and agreements that – as was presented above – are necessary for a successful process of reconciliation. There is not even a consensus about the historic developments, events, issues, actors and periods that should be addressed by such a process. Consequently, we could question the very existence of the basic precondition – the willingness and readiness of all relevant factors to engage in the process of reconciliation. There is no adequate legislation or informal agreement on the procedure, institutions and criteria for the evaluation and reconciliation. Additionally, general and specific goals and expected outcomes (consequences) of reconciliation are not adequately determined.

8. Considering the specific historic and current developments and situations, it is necessary to study reconciliation in each Balkan country. I am aware that any generalization of research findings might be very problematic, however, considering my findings (especially within the 6th *Framework Project MIRICO: Human and Minority Rights in the Life Cycle of Ethnic Conflicts*) that indicated certain common characteristics and similarities I would suggest (as the basis for the future discussions) the following:
 - political will and readiness to start the process of reconciliation in most countries of the region do not exist or are very limited. Consequently, one should consider also some statements of politicians calling for reconciliation rather a lip service and attempts to please the international community (that continues to promote the idea) than the actual desire to start with the reconciliation;
 - there are no serious attempts to determine and agree upon the content(s), procedures and institutions for the process of reconciliation, which would be necessary to start the process;
 - there is frequently a dispute regarding the actors that should be involved in the process of reconciliation and their roles. This is conditioned in large measure by diverse perceptions and evaluations of historic events and their consequences, as well as by the lack of recognition of responsibility of diverse actions for their actions and their outcomes;

- there is no consensus regarding the desired outcomes and long-term goals of reconciliation, which should be understood as the basis for the future cooperation of all actors; etc.
9. Consequently, I would conclude that – practically – reconciliation in the region does not exist; it is not even spelled out and accepted as a realistic goal. Much less is it understood as a permanent process that requires acceptance and participation of all relevant actors and that could provide the basis for their power-sharing and cooperation in determining and realizing their common interests. The international community that continues to promote reconciliation in the region has not spelled out clearly how it understands it; surely, reconciliation has not been promoted as the permanent process that would go on for generations and of which results could be beneficial for the decrease of tensions and conflicts in individual environments as well as the basis for coexistence and cooperation. Therefore it should not be surprising that I consider reconciliation in the Balkans a failure (rather than a missed opportunity since the necessary preconditions have not existed and still do not exist) and would argue that other adequate concepts and approaches that would address problems of the region and needs of its future development need to be developed.

CREATION OF AN INSTITUTIONAL NUCLEUS FOR REGIONAL COOPERATION AND COEXISTANCE – A PROPOSAL

With the end of the ECPD project in sight and the last Conference within its framework scheduled for the autumn of 2009, I would like to address the issue of follow-up and how to assure that good ideas and proposals that the project has given rise to do not remain only on paper.

Indeed, while the planned final Declaration is of importance, previous experience with final documents and reports, including those that were produced after years of meticulous work by the teams of top experts and international commissions composed of distinguished personalities, shows that most of the time they have little practical impact and fail to generate systematic follow-up.

On the other hand, it is also true that often a good idea, or a concept, for example the notion of “sustainable development” which was launched and popularized by the World Commission on Environment and Development (WCED), can catch the imagination of the policy-makers and the public, and become the foundation and driving force for action. It has also been shown that policy inspiration and recommendations for action have a greater chance of a successful follow-up if provided with institutional support and a mechanism that is entrusted with the task of pursuing these and realizing them in practice. Such was the case, for example, with the South Commission. Its follow-up mechanism, the South Centre, was transformed into an intergovernmental organization of the developing countries.

Given the above, and given the fractious and volatile nature of the Western Balkan policy environment and the absence or weakness of structures which have as their principal objective promoting cooperation and harmony between the states and peoples concerned, it would be important to preserve the essence of and give continuity to the ECPD project on National and Inter-Ethnic Reconciliation, Religious Tolerance and Human Security in the Balkans.

It is thus suggested that, in preparing for the concluding conference of this project in 2009, special attention be given to practical aspects and

measures which would assure continuity and building further on what has been already achieved in the work and deliberations so far. In this connection, I would like to make two practical recommendations.

During the proceedings of this meeting, as well as in the earlier meetings, some pessimistic observations were made about the deepening of differences and intensification of intolerance and hostility between different groups and nations, including among the young and in areas where relative harmony used to prevail. However, while one hears a lot about tolerance, cooperation and reconciliation, it is also true that there is no institution or identifiable political force working in this direction, and providing a focus for sustained action for this purpose. The ECPD project was rather unique and an exception.

Drawing inspiration from ECPD project and its outcomes and findings, and this is my **first proposal**, it would be important to create an institutional nucleus, which would evolve into well-known place in this geographical area that is future oriented and works on the basis of positive ideas and initiatives for cooperation and coexistence of peoples and countries of the region. Such an institutional structure would, among other things, serve to identify and link into an interactive network those citizens and actors in all ex-YU republics who to begin with do not need to be “reconciled” because they did not quarrel with each other and do not harbour ill-feelings or prejudice towards “others”, and who are committed to building a common space in the Western Balkans.

Such an institution could serve as a nursery, generating positive attitudes and ideas addressed to the whole region, and in particular to the young and the upcoming generations which are often an easy prey to retrograde views and today provide recruiting grounds for reactionary, aggressive nationalisms which are on the rise throughout the Western Balkans, fuelled by poverty, economic and social crises engendered by transition and world economic and political uncertainties.

My **second proposal** has to do with the presence and role of the developed countries from the North in the Western Balkan region. An observer would be struck by the massive – military, economic, financial, political and cultural – presence and influence of the so-called north in the Western Balkans, which it considers as its own, underdeveloped backyard, sort of the south next door. It is however notable that the billions of dollars that finance this presence are directed at individual state entities, or units, that have issued out of the dissolution of Yugoslavia. One is struck by the scarcity, indeed virtual absence of action, policy and financial support for concrete measures and steps that would help bring these new

states and their peoples together in what continues to be a single, closely intertwined geo-political space.

One is almost tempted to conclude that this deliberate policy, much as in the case of South-South cooperation where the developed countries for decades have promoted divisions, and discouraged and did not show much enthusiasm for supporting closer ties and cooperation between the developing countries. And indeed, it is easier to deal with each one of the mini-states separately and not to support anything that would help create physical and other bridges between them, including the modern infrastructure, which is essential both for their development and for overcoming the physical barriers resulting from geography and the nature of the terrain.

The very fact that the current ECPD project received financial support from abroad, without which it could not have been implemented, highlights the importance of continuation of such support to sustain the buildup of the positive momentum and of actions and activities that would provide a catalytic impulse for other actions and cooperation.

Thus, it is suggested that one of the points to be highlighted in the Declaration to be adopted in one year's time would be the need for international financial support for projects and activities of this bridging character.

Perhaps one of the immediate concrete outcomes of the ECPD project, and building on conceptual, policy and operational recommendations and advances it has made, could be establishing of a dedicated follow-up centre or institution of the kind proposed above, with assured and sustained financing to enable it to function properly in its task of **building new bridges of cooperation and peace and rebuilding old ones within the Western Balkans.**

IV

MINORITIES AND
NATIONAL STABILITY

THE ROLE OF MINORITIES IN INTER-ETHNIC AND INTER-RELIGIOUS RELATIONS

From the 17th to the 19th centuries in the Ottoman and Austrian empires minorities were fairly integrated to the central State and did not raise the relevant problem. The long lasting multinational structure of some European States was suddenly shaken by the revolutionary events of 1848 and the progressive impact of the principle of nationality. National aspirations to independence and territorial sovereignty were among the political origins of World War 1. Their consequent fulfillment in the peace treaties of 1919–20 created new national states in Central and Eastern Europe and transferred the problem of minorities to a limited but more critical profile, worsened by the upsurge of nationalist ideologies professed by the so called revisionist countries.

After the Second World War the existence of large minorities scattered over the European territories, the sovereignty of which had been reshaped by the conflict, imposed a juridical settlement of the problem beyond and above all political implications. Among others, formal agreements signed by the Italian government with Austria and Yugoslavia provided for the protection of minorities in South Tyrol, Istria and the Eastern Italian border. The implementation of these agreements was rather satisfactory and confirmed that a fair status for the minorities is attainable in a factual compliance to common guidelines of equality in rights and opportunities. The dissolution of the Soviet Union and the implosion of Yugoslavia opened a new and dramatic phase in this secular problem, which had been postponed but not settled by Marxist ideology on proletarian universalism. A different sort of minorities was more recently created by the fast increasing migrations from under developed countries of Asia, Africa and South America to industrialized States with a shortage of manpower or a stagnant demography. These extra-European minorities are characterized by relevant ethnical and religious diversities and consequent troubles in co-existing with societies belonging to dissimilar cultures and development levels. Nonetheless, in such a controversial ground some cultural elements (music, songs, dance, and figurative art) can spontaneously build the bridges of mutual understanding and solidarity.

These considerations underline the opportunity to approach the problem of minorities in a post-modern concept of social, economical and cultural cohesion in developed countries facing globalization. A first step consists in defining a series of principles and regulations aimed to elaborate a code of good behaviour toward minorities. They could be summarized as follows:

1. Minorities are fully entitled to an indiscriminate application of human rights extended to all fields: language, religion, labour, movement, equal opportunities in employment, public services, assistance, etc.
2. The link to the territory should prevail on the formal citizenship and not be restricted nor conditioned.
3. Applied to minorities the political concept of nation should be overcome in sociological terms based on a partnership in a territorial community.
4. The historical evolution of minorities must result in a progressive integration in the State of residence instead of a passive assimilation, which would inevitably cancel the original features of the group.

It is furthermore evident that the presence of minorities does not hamper the development of a nation, but offers real opportunities to compete in a joint effort to improve the quality of life in the social, economical as well as cultural fields in the wider frame of a world “global village”. Representing a heritage of civil and ethnical values minorities belong to the State patrimony as a whole and deserve a due recognition of their identity, as a pre-condition to be fully integrated in larger societies. In a long term prospect, based on a liberal vision of advanced State communities, minorities can play an original role in shaping a sound human profile to a dominating globalization often indifferent to the inner aspirations of mankind.

ALL HUMAN RIGHTS FOR ALL

Human rights today represent a universal value. At the World Conference on Human Rights in Vienna (1993) emphasis was laid on a pragmatic view: “All human rights for all”, thus expressing the dominant principle of the modern concept of human rights, which belong inalienably to every person by birth and can provide a basis for the creation of a democratic society. The observance of human rights is the proof that society can be constituted by law and not by force or, more exactly, by the force of law and not by the law of force.

The notion of human rights is one of the central notions of political morality, all the more so because national constitutions and laws guarantee the fulfilment of the international obligations prescribed by the international community, so that this is the first necessary step toward the creation of conditions for the observance, protection and promotion of human rights. After the Second World War, respect for human rights became an international obligation, so that today they are still universally observed and recognized – since the General Declaration on Human Rights (adopted by the UN in 1948), which was ratified by a great number of states, in addition to the International Covenant on Civil and Political Rights and the International Covenant on Economic, Social and Cultural Rights. Apart from the most important United Nations documents on human rights, including: the International Convention on the Elimination of All Forms of Racial Discrimination (1965), Convention on the Elimination of All Forms of Discrimination against Women (1979) and the Convention on the Rights of the Child (1989), there is a great number of standards and procedures within European legislation which are also devoted to human rights: the Convention for the Protection of Human Rights and Fundamental Freedoms (1950), Helsinki Final Act (1975), Framework Convention for the Protection of National Minorities (1994) and the Charter of the Fundamental Rights of the European Union (2001).

All these documents devoted to human rights are based on the view on the dignity of human being, freedom and inalienable rights of the in-

dividual, which belong to him by birth. This set of rights was already set forth in the UN Declaration of 1948, which was supplemented and made legally binding by the later Documents and Covenants. In addition, it is necessary to make a distinction between civil and political rights, on one side, and economic, social and cultural rights, on the other. But, in essence, in all cases it is the question of substantive rights which belong to every man, so that all dimensions of human rights are equally important.

In that sense, man has been regarded as a rational being since the time of antique thinkers. As the being that has the faculty of reason, man differs from nature. At the same time, that provides the basis for understanding human specificity in the wide arch of contemplation, from the period of antiquity to the Middle Ages, the New Age and the present. Human nature and its essence imply rationality. Just because he has the faculty of reason, man is substantively predestined to be a communal being, that is, a political being. Therefore, the legal system also regards man as an individuum – a being which, as a single legal entity, is entitled to special – human rights which belong to him due to his character. In addition, the civil rights he enjoys as the citizen of a given state are guaranteed in modern civil democracies by a number of legal regulations, anticipated by the international community and incorporated into national constitutions and laws.

The dominant notions of the culture of human rights would thus be incorporated into the legal system. The citizen's rights and duties are regulated by law, but their actual realization depends on a change in the cultural and mentality matrix. The state becomes an instrument of guarantee; it guarantees the protection of subjective freedoms, based on human rights. But, it is the question of respect for human dignity and fundamental rights, such as the right to freedom, right to freedom of opinion, right to an existence worthy of man. Thus, modern law is the expression of the old philosophical tradition, which influenced the evolution of the New Age spirit of freedom from Kant to Locke, Descartes, Hobbes, Voltaire and Montesquieu.

In that context, the crucial UN Declaration of 1948 will serve as a basis for the Declaration of Principles on Equality of 2008. In this way, equality as the basic human right was provided a legal framework, as the notion which attempts to surpass social, cultural and political differences by combatting any form of inequality. The principle of equality is based on equal rights and the principle of equality as a special right. Thus, the new Declaration, which encompasses national, regional and international law, imposes the obligation to respect still stricter the rights of every man with

no regard to his social, religious or political belonging. The very notion of human rights in the contemporary world, shaped between the philosophical reflections of the greatest minds of mankind and the universal legal system being binding upon all states, will obtain the same value through the principle of equality, for which there is a general consensus, the value that can be effective and functional in social life.

Moral Self-Designation

The basic content of human and civil rights, which makes up the core of the modern political system, is derived from the understanding whose predecessors were philosophers and thinkers. According to Hobbes, the state is an agreed-upon creation based on social compact. Its meaning is to ensure civil rights. Voltaire emphasizes the importance of tolerance and the spirit of tolerance, which should create a society based on the rule of law. Locke was speaking about natural human rights and those fundamental rights should be respected so as to enable one to enjoy any rights at all. With his idea of the absolute value of all persons, Kant made the greatest contribution to the adoption of the idea of human rights in modern political communities. Respect and dignity belong to all members of the universal moral community and, thus, Kant holds that equality is a prerequisite for law and morality. As the subject of moral rights, man – citizen becomes their potential holder, due to which they become substantively effective. Law and the legal system guarantee only the conditions as the possibility of implementing human rights or, in other words, their form, while their essence and adoption are closely related to the moral character of the human being and is the meaning of his moral self-designation, which should lay the foundation of a new culture of human rights.

HUMAN RIGHTS AS A PARADIGM OF THE MODERN POLITICAL COMMUNITY

Sixty years have passed since the adoption of the Universal Declaration on Human Rights by the United Nations General Assembly on 10 December 1948. The subsequent period was also marked by the fact that human rights became international responsibility and, as such, were incorporated into the first general document, adopted by the international community.

The text of the Universal Declaration draws on the long tradition of the institutionalization of the notion of human rights. We can follow that legacy from the Magna Carta, American Declaration of Independence

and Declaration of the Rights of Man, the important historical documents which have become an international value and which can be discussed from an ethical and legal aspect.

The idea about human rights has its origins in the concept of Locke's and Grotius's natural rights from the 17th century, which were crucial to the 18th century revolutions. The British philosopher Locke emphasized the right to life, freedom and property, as natural rights, which would become the foundation of the American Declaration of Independence of 1776, as well as the Declaration of the Rights of Man and the Citizen, adopted by the French National Assembly.

The justification of the notion of human rights is, in essence, an ethical question which includes the understanding of equality and the resultant contemplation of the body of primary rights. Equality means that all men are equal in rights and that the right is acquired by birth. In addition, they are equal before the law, which should guarantee to them the implementation of law and protect them from all cases of abuse and their violation.

The Declaration of Human Rights, adopted by the United Nations, provided an incentive for the incorporation of human rights into the system of legal regulations. Human rights were treated as legal rights for the first time after the Second World War, when their enjoyment obtained legitimacy in international law. The Declaration contains the basic notion of human rights and freedoms, which should be improved and not only respected. Human rights incorporated into the Declaration, until the 1960s, and the adoption of two Covenants, i.e. the International Covenant on Civil and Political Rights and the International Covenant on Economic, Social and Cultural Rights, which came into force in 1976, would be another step in the development of the international legal system and will provide a basis for the interpretation of the obligations of states under the provisions of the UN Charter on Human Rights, before the UN as well as other international institutions. In 1970, the UN Economic and Social Council passed Resolution 1503 by which it is possible to initiate the proceedings against the states which systematically violate human rights, before the UN Commission, according to the principles of the Universal Declaration.

In that context, the Declaration of 1948 provided a basis for the universal human rights to become legal rights, so that, in essence, the document itself – although it is not legally binding – defined the semantics of the notion of human rights. First of all, the Declaration points to alienable

rights, i.e. absolute rights whose subject is every individual and whose justification is derived from a moral code.

Article 1 of the Universal Declaration reads: “All human beings are born free and equal in dignity and rights”, and Article 28: “Everyone is entitled to a social and international order in which the rights and freedoms set forth in this Declaration can be fully realized.”

The idea of equality and dignity, taken from the philosophical and theological minds of the past, has become the foundation of natural rights, as well as the principle on which civil society should be based. The fact that all human beings are born equal in rights means that those rights are also transferred to their civil status, whose values are guaranteed by the civil state based on the rule of law. Thus, the social context is surpassed through the notion of human rights and their internationalization to such an extent that their significance contribute to the common or public benefit. Naturally, if there is a political context in which these rights are recognized and observed. However, the value of human rights, which are set forth in the Declaration, lies not only in their normative side, as a deontological order, respect for something that in itself should be respected, but also in the consequential spirit, that is, the work on the creation of social conditions for their implementation. The Declaration also confirms the fundamental rights as a universal value, but also implicitly calls for their promotion and the effort to make them an integral part of social life.

It is evident that 60 years after the adoption of the Universal Declaration, the notion of human rights is the fundamental paradigm of a modern political community. It has a complex meaning and, apart from law and politics, a universal anthropology of human rights is equally important for its elucidation. The starting point for understanding human rights surpasses the limits of the legal system and politics, so that for their understanding and implementation they must be founded on ethical and anthropological principles. Only from the aspect of understanding their serious importance for man and our society will it be possible to develop the culture of human rights and enable its actual outcome for the democratic system of modern political communities.

THE RIGHT OF MINORITIES TO RIGHTS

The observance of human rights began with the creation and implementation of international instruments regulating, controlling and protecting the area of the guaranteed human rights and freedoms. Within the international framework, numerous organizations, such as UNESCO and

other non-governmental organizations set the standards for the thoughtful strategy of human rights, which should be implemented by states and whose legal and political system should pursue the human rights aims. Human rights policy anticipates, above all, efficient cooperation between international and national legal systems and the fact that the universality of human rights is binding upon all civilized and democratic states. The readiness of states to observe the norms in the field of human rights, their development and implementation, has become a prerequisite for human security and democratic society in which civil and political freedoms are guaranteed.

The implementation of almost the new dimension in the concept of human rights – its improvement and incorporation into a concrete social reality – certainly started with the adoption of the principle that not only individual minority rights should be protected, but also collective ones. As the new idea in the codification of human rights, the protection of minority rights has become a new paradigm on the plane of international politics, as well as of special treatment of human rights in individual states. This issue became evident in the last decades of the 20th century during the collapse of the political empires in South-Eastern Europe. It is evident that only one generally accepted system of protection of minority rights in the countries burdened by historical conflicts and wars can lead to the political system in which the systematic violations of human rights will be minimized.

Human rights policy obtained a new meaning after the Second World War. By observing the principles of human rights, both individual and collective, states become an equal partner in international relations, adopting the common standards of behaviour, whose implementation is both the duty and obligation. In that context, the protection of human rights and freedoms, individual human rights which belong to man by birth, is rounded off with the protection of those rights which belong to him as a member of one group: ethnic, cultural, national, religious or linguistic.

The importance of legal regulations and mechanisms for the protection of collective rights gain in importance if one takes into account that the significant violation of democratic principles occurs just at the level of collective self-designation. In addition, the relationship between the majority and minority principles is an important factor for the constitution of a stable democratic system. If we know that most European countries are multi-ethnic, multi-confessional and multi-national, the question concerning the legal regulation of the minority status has a special meaning. In addition, the former socialist countries in South Eastern Europe, in the

process of transition to democratic societies, underwent a difficult period, which was marked by the violation of minority rights, incited by nationalist tensions, accompanied by great migrations of the population. In most cases, it was the question of the historically inherited ethnic conflicts and the need to erase different ethnic, cultural and religious identities by the use of force. The aim was to physically destroy or expel the holders of different religious and cultural traditions, thus creating monolithic ethnic and single-nation states.

Within the UN, through the Commission on Human Rights and the Sub-Commission on Prevention of Discrimination and Protection of Minorities as an expert body, the protection of minorities holds a high place on the international law scale. At the beginning, the opinion prevailed at the United Nations that individual rights, within the human rights system, would also guarantee minority rights. On the other hand, European law within the Council of Europe, with its Framework Convention for the Protection of National Minorities, provides precise guidance for the national legislations of the contracting countries, whose foundation is the starting point in the protection of both individual and collective rights. Apart from this document, the CSCE/OSCE has additionally laid down the principles of minority rights in South Eastern Europe as the potential hotbed of ethnic conflict.

In that context, the question of minority rights represents the democratic verification of the stability of a social system, the basis for its constitution according to the principle of humanism. The aspiration of minority groups to preserve their specificity and be integrated into the social community in such a way as to preserve their culture, religion and language and incorporate them into the complex organism of society is quite legitimate.

This solves one of the old political problems of the power structure in society, that is, the domination of the majority principle over the minority one. As stated by Weber, power is an asymmetric relationship between two subjects, or it represents the imposition of the will of the majority by the force of authority, without the possibility to restrict the force of that will by the constructive participation of the minority partner. In this way, we come to the important principles of modern political communities in which the equalization of minority and majority rights is achieved by additional legal protection. The Council of Europe laid down a set of international law criteria, referring to national, ethnic, racial, religious and cultural minorities. The concept of affirmative action guarantees additional minority rights in the field of education, political representation

and participation in political institutions so as to create conditions, within social interaction, for the intensive inclusion of all social segments in public and political life.

The policy of human rights within the national and supranational limits should ensure full and equal respect for natural human rights and freedoms for all citizens. At the same time, it should also be the protector of those rights which are derived from their attitude toward specified ethnic, national and religious groups. Human rights are the most important instrument for control over the political power of a state. The preconditions for politically stable systems and a more equitable power distribution in a more just world are created through the internationalization of human rights and development of the international law system, which regulates legal regulations between states, or within special states.

Equality Before the Law

In essence, the notion of minorities is ambiguous and contains different aspect both in scientific theoretical discourse and in a practical sense. However, regardless of the non-existence of a generally adopted definition, it can be said that the minority is a numerically smaller group than the rest of the population from which it, as a stable group of people, differs from a cultural, linguistic, religious and ethnic aspect. According to the 1950 UN definition of the term, minorities are those non-dominant groups in a population which possess and wish to preserve stable ethnic, religious or linguistic traditions markedly different from those of the rest of the population. The minority issue on the global plane is legally regulated by Article 27 of the Covenant on Civil and Political Rights as well as numerous international conventions, which legitimize the right of minorities to preserve their identity. Those rights are the principle of protection against discrimination and equality before the law, enjoyment of all civil and political rights, education in the native language, religious and cultural rights, establishment of religious, educational and cultural institutions, use of the native language and the like.

VALERY A. TISHKOV

DIRECTOR, INSTITUTE OF ETHNOLOGY AND ANTHROPOLOGY,
RUSSIAN ACADEMY OF SCIENCES, RUSSIAN FEDERATION

THE RUSSIAN PEOPLE AND NATIONAL IDENTITY

Mechanisms for affirming national identity as a foundation of Russia's statehood have long been the source of much controversy among Russian policymakers and experts, while debates on this issue are superficial and overly emotional. Juggling with such fundamental notions as 'people' and 'nation' involves serious risks for society and the state. In the Russian political vocabulary, the word 'nationalism' is attributed a negative meaning. Meanwhile, nationalism played a key role in the formation of modern states and largely remains a major political ideology of the modern age.

In Russia, these debates have contributed to the development of three main characterizations of Russian society and the state:

First, Russia is a multinational state, which makes it totally different from other countries;

Second, Russia is a state of ethnic Russians (Russkii) with a host of other ethnic minorities whose members can either identify themselves as Russians or acknowledge that the ethnic Russian majority rightfully enjoys the state-building status;

Third, Russia (Rossiya) is a national state featuring a multi-ethnic "Rossiyan" nation (Rossiyane) underpinned by the Russian language and culture, and embracing members of other ethnic communities (usually defined as peoples, nationalities, ethnic groups or nations).

The Russian authorities, including the current and former presidents, Dmitry Medvedev and Vladimir Putin have embraced this final characterization, which advances the notion of the Rossiyan people as a historical entity or civic nation. While it has its opponents, particularly among the champions of ethnic nationalism who have proclaimed "a failure of the construction of a civic nation," this interpretation of Russia's current identity has been accepted and supported by a large number of intellectuals and policymakers as the only feasible option for Russia. Indeed, the formula is in line with the state (civic) national identity that has been adopted and proven successful in other major multi-ethnic countries around the world.

GLOBAL CONTEXT

Throughout the world, public policy discourses have come to embrace the perception of nations as territoria and political entities featuring complex – although integrated – social and cultural systems. No matter how ethnically or religiously heterogeneous some countries might be, they invariably define themselves as ‘nations and consider their states ‘national’ or ‘nation states.’ ‘People’ and ‘nation’ are synonyms here, and it is these two categories that impart primordial legitimacy to a modern state.

The perception of a united people/nation is a key factor in ensuring stability and accord in society, and is as strong a guarantee of the state’s strength as the Constitution, the Army and the guarded borders. The ideology of a ‘civic nation’ embraces the following attributes; the ethos of a responsible citizen; a unified educational system; a commonly shared vision of the country’s past – both good and bad; a calendar and symbols; feelings of attachment to the country; loyalty to the state; and the upholding of national interests. All these factors for what is called “state (civic) nationalism”.

Civic nationalism exists in contrast to the ideology of ethnic nationalism, which embodies exclusively one or another ethnic community, often either a majority or minority of the given country’s population. That community considers only its immediate members, rather than all fellow countrymen, to be part of the nation, and, their instances of ethnic nationalism, seeks its own statehood or some form of preferential status. Clearly, there are important disparities between the two types of nationalism, especially given that ethnic nationalism stems from an ideology of exclusion and a rejection of diversity, while civic nationalism is based on an ideology of solidarity and readily integrated plurality.

Extreme nationalism among ethnic minorities presents a risk to the state – and to civic nationalism particularly if they seek to secede from the country through the use of force. Admittedly, ethnic nationalism on behalf of a dominant group can likewise carry some serious risks. If such a community attempts to claim exclusive ownership of the state, it in turn risks engendering opponents of this state among the various subordinated ethnic communities.

For example, in India, Hindu nationalism on behalf of the Hindi-speaking majority sparked a string of domestic civil-war-like confrontations. Therefore, the Indian authorities now want to bolster the notion of an Indian nation that can encompass the country’s multitude of ethnic, religious and racial communities, both large and small. Since the times

of Mahatma Gandhi and Jawaharlal Nehru, local elites and the state have been working to shore up civic Indian nationalism as a counterweight to Hindu nationalism or any other nationalism on behalf of ethnic or religious minorities. Thanks to a focused endeavor to sustain that ideology, India continues to enjoy its national integrity.

In China too, the dominant ethnic group (Han) and the concept of the Chinese nation (Minzu) largely correspond in terms of demography and core culture. Nonetheless, the Han have been unable to promote themselves as the dominant state-making ethnic nation due to the 55 other non-Han ethnic groups (or nationalities) that exist in China, which account for over 100 million people. Han chauvinism, criticized since the times of Mao Zedong, poses a threat to Chinese statehood for the very reason that it risks provoking discontent and separatism by non-Han communities, leading to the eventual disintegration of China. The concept of a civic Chinese nation made up of all the country's citizens was developed a few decades ago, and it appears to be working well toward establishing and sustaining a unified Chinese national identity.

These two national identities, both civic and ethnic, similarly coexist in many other countries (Spain, the United Kingdom, Indonesia, Pakistan, Nigeria, Mexico, Canada, etc.), including Russia. Understandably, such nations feature a complex ethnic, religious and racial mix of communities, yet the dominant culture, language and religion nearly always provide the national cultural framework: English for the British nation, Castilian for the Spanish, Han for the Chinese, and Russian for the Russian nation.

Therefore, while there are certain unique features of Russia's nation-building ideology aid its practice of using the 'nation' category, modern-day Russia is generally not exceptional in terms of its construction as a nation.

NATIONALISM IN PRE-REVOLUTIONARY RUSSIA

A state is considered legitimate if its population views itself as a united nation loyal to its state. In Russia, this is the Russian (Rossiyan) people (Rossiyane). This notion emerged in the times of Emperor Peter the Great and scientist and writer Mikhail Lomonosov and was further developed by outstanding public figures, starting from Nikolai Karamzin.

Russia developed a notion of Russian (Rossiyan) or "pan-Russian" (Pyotr Struve) nation at the same time (in the 18th and 19th centuries)

as Europe and America formed the idea of modern nations based on civic nationalism. The words 'Russkii' and 'Rossiyan' were largely synonyms. The word 'Russkii' referred more to local customs and culture, while the word 'Rossiyan' referred to the whole nation.

For example, according to Karamzin, being a Rossiyan primarily amounted to having the capacity to feel a profound bond with the homeland (not the Tsar alone) and the desire to be a "perfect citizen." This understanding of the notion of Rossiyan-ness was built on the basis of Russian culture and Orthodox Christianity (as well as on Catholic cultures in western Russia and Islamic ones in the Volga region). It imposed itself as the dominant school of thought, marginalizing the potential for ethnic nationalism not only in the country's center, but also across its far-flung provinces (except for Poland and Finland)

Following on from this notion of a civic Rossiyan national identity, manifested in its various liberal-imperial and federalist forms, Struve quite rightly concluded that "Russia is a nation state" and that "while seeking to expand its core geographically, Russia has turned into a state featuring both national unity and multi-ethnic diversity."

However, in Russia there were also supporters of an ethnographic Great Russian (Velikoruss) identity, according to whom the territory and the dominant culture of the empire was the sole preserve of the ethnic Russian majority. In fact, the long-standing endeavor to re-conceptualize the empire as a nation state of the Rossiyan "multi-peopled nation" (as defined by Ivan Ilyin) had still not been fully completed by 1917. While this was understandable given the enormity of the task in such a geographically vast and ethnically diverse country, it was primarily the result of a narrow-minded and ideologically disoriented ruling autocracy and political elite. Nevertheless, it would be a mistake to think that, since pre-revolutionary Russia was an empire, it therefore was not a nation state.

Pre-revolutionary Russia already invoked, in the minds of its many different countrymen, a clear understanding of national territory, national economy and national interests. Furthermore, there existed a relatively large and both ethnically and religiously diverse stratum of educated professionals and civil servants who perceived themselves as members of the single Rossiyan people and regarded Russia as their homeland. It was not accidental that during the revolution and the Civil War opponents of Bolsheviks were united by the slogan of "defending a single and indivisible Russia."

The perception of pre-revolutionary Russia as a “patchwork empire” and a “prison of peoples” was invented in Soviet times due to the revolutionary rejection of the past. Recent studies of nationalism suggest that pre-1917 Russia, far from being a historical anomaly, was in fact some form of emerging nation state, with its national core being built around the Russian language and culture.

REVIEWING THE SOVIET ERA

Under the Soviet regime, the nation-building project placed greater emphasis on recognizing the rights and separate identities of Russia’s ethnic groups. Ethno-territorial autonomies acquired “ethnic statehood” in the form of Union and autonomous republics. Finally, ethnic communities and regional/religious/tribal identities were engineered into “socialist nations.”

Starting in 1926, Soviet population censuses featured a mandatory nationality question that forced all citizens to identify with the ethnic background of one parent. The country’s population was thus broken down into “nations” and “nationalities” (ethnic groups), whose overall number depended on counting procedures and political-ideological guidelines. The content of the notion ‘Russkii’ changed and began to denote only former “Great Russians,” while the latter term disappeared first from public usage and then from people’s self-consciousness. People living in “Little Russia” (now known as Ukraine) began to call themselves Ukrainians; Belarusians remained Belarusians; but both groups ceased to consider themselves Russians at the same time.

Nonetheless, the Soviet model – while entrenching new ethnic and cultural divisions – also sought to provide a unifying ideology that would bind all the peoples of the Union of Soviet Socialist Republics together. In this way, through narratives of internationalism and friendship among peoples, bolstered and enforced by iron-rule authoritarianism, the Soviet Union fostered an ideology of Soviet patriotism. In fact, while such a reality was never admitted or acknowledged by the leadership, the Soviet people actually constituted a civic nation, with the Soviet Union being a kind of nation state. While its specific ideological framework was unique, the Soviet Union was in many ways no different than other large and ethnically heterogeneous states that have been and are known as nation states, such as the United Kingdom, Spain, China, India, Indonesia, the U.S., Canada, Brazil, Mexico, and others.

The granting of statehood to ethnic territories was one of the factors in the Soviet Union's breakup in the name of "national" – that is, ethnic – self-determination. After the breakup, the Soviet nation as a community was declared to be a chimera, and the Soviet Union was the "last empire." However, despite the radical upheaval of the 1917 revolution and the watershed shift that took place, a series of studies have convincingly argued that the Soviet Union was an extension – in terms of its civic project – of the pre-revolutionary Russian state. At the same time, the word 'Rossiya' disappeared from the country's name, as did the notions 'Rossiyan people' and 'Rossiyans' from the language.

The Soviet modernization and cultural policy, for all their distortions, helped small cultures to survive and develop, while common historical trials and accomplishments contributed to the consolidation of a civic nation in terms of entrenching similar social, cultural and behavioral patterns among the Soviet peoples.

A NEW RUSSIAN PROJECT

Due to the inertia of political and legal thinking, the Russian Constitution continues to feature the concept of multi-nationality, but this would be best substituted by the concept of a 'multi-peopled nation.' It is necessary to consistently affirm the notions 'nation' and 'national' in the official civic sense, without rejecting the established practice of using these notions in an ethno-cultural capacity.

The coexistence of two different meanings for such a politically and emotionally loaded notion as 'nation' is possible within the framework of one country. At the same time, the primacy of the civic national identity is indisputable for its citizens, however hard ethnic nationalists may dispute this fact. The political leadership must explain that these two forms of identity are not mutually exclusive and that the notions 'Rossiyan people,' 'Rossiyan nation' and 'Rossiyans' do not deny the existence of ethnic Russian identity, Ossetian identity, Tatar identity, or that of any other people living in the country.

The overall effort to sustain and develop the languages and cultures of the peoples of Russia should proceed hand in hand with acknowledging the Rossiyan nation and Rossiyan identity as a fundamental characteristic of its citizens. This innovation is long overdue and is already recognized at the level of common sense and practiced in everyday life. Public opinion polls and everyday practices of Russian citizens show that

their civic and state affiliation and the recognition of their Rossiyan-ness is more important to them than their ethnic affiliation.

Some current proposals are unfeasible to affirm in Russia the notion of not a 'Rossiyan' but a 'Russian' nation and to reanimate the pre-revolutionary notion of "Russians" as all those who consider themselves to be so. Ukrainians and Belarusians living in Russia will never agree to be called Russians again, while Tatars or Chechens have never identified themselves as Russians. Yet, all these and other ethnic groups in this country view themselves as Rossiyans. The prestige of Russian-ness and the status of Russians can and must be enhanced not by rejecting Rossiyan-ness but by affirming the double (Russian and Rossiyan) identity; by improving living conditions in regions largely populated by ethnic Russians; and finally, by promoting their social and political representation in the Russian state.

Modern states have come to acknowledge multiple and non-exclusive identities at the community and individual level. This weakens ethno-cultural borderlines within co-citizenship and promotes national consolidation. In addition, it more adequately reflects the self-consciousness of people born of mixed marriages. In Russia, where one-third of its people come from mixed couples, there still persists the practice of mandatory registration of a single ethnic affiliation. This practice results in personal violence and in heated debates about ethnic affiliation. In order to promote national consolidation and better reflect the ethno-religious diversity of Russia's citizens, the forthcoming population census should allow for the registration of multiple ethnic affiliations.

In the light of the new doctrine, there should be no strict limitations on the use of the word 'nation.' At the same time, the state should refer to national priorities and strategic national interests as "national policy," while the policy of sustaining and managing the country's ethno-cultural diversity should be termed as ethnic or ethno-cultural policy.

Today, all states in the world consider themselves nation states, and Russia has no grounds to be an exception. A ubiquitous effort is underway across the globe to establish the concept of a nation as free from racial, ethnic or religious dimensions. A nation is forged as the result of a sustained effort on the part of any given country's political and intellectual elites, articulating and disseminating their self-perception as a unified nation with a common set of values, symbols and aspirations, rather than striving to achieve ethno-cultural uniformity.

Such general views exist in countries with a more disunited population than that of Russia, whereas Russia features a real community

of Rossiyan nationals (Rossiyane) sharing a single set of historical and social values, patriotism, culture and language. However, a large part of the Russian elite seek to deny this community, so there is an urgent need to change the situation. National identity can be developed through a host of tools and strategies, with the primary objectives being to assure civic equity, pursue education and awareness programs, cultivate the state language, develop the symbols and calendar, and sustain cultural and mass-media activities. Following the completion of crucial political and economic reforms, Russia now needs to review its ideological and doctrinal documents underpinning the ongoing effort to achieve civic solidarity and national identity.

This material was prepared for a discussion at the symposium “Foresight: Russia in the 21st Century,” organized by the international forum of Deutsche Bank, the Alfred Herrhausen Society, in partnership with the Russian Council on Foreign and Defense Policy, and Policy Network, a British think tank.

MARINA MARTYNOVA

PROFESSOR DEPUTY DIRECTOR, RUSSIAN ACADEMY OF SCIENCE

INSTITUTE OF ETHNOLOGY AND ANTHROPOLOGY, MOSCOW, RUSSIAN FEDERATION

ETHNIC IDENTITY AND ITS ROLE IN THE BALKANS

I would like to pay your attention to one point which as seems to me is of much importance for the peacemaking in the Balkans. The subject of my paper is the question of identity. It one of the most actual problems for the Western Balkans so as Russia, especially after the former republics of lager states became sovereign. To understand the existence of the problem we have to remember the background of these states.

Under the Soviet regime, like in former Yugoslavia, the national-building project placed greater emphasis on recognizing the rights and separate identities of ethnic groups. Ethno-territorial autonomies acquired “ethnic statehood” in the form of union and autonomous republics. Finally, ethnic communities and regional /religious/ tribal identities were engineering into “socialist nations”.

The granting of statehood to ethnic territories was one of the factors in the Soviet Union and Yugoslavia’s breakup in the name of “national” – that is, ethnic-self-determination. New states in the post-soviet and post-Yugoslav space have separated and tried to create the borders based on the ethnic principle.

The terms “nation”, “nation-state”, “ethnic-nation”, “ethnicity” and “ethnic group” in most Western countries have different meanings than in East-European countries, and as a matter of fact different than in most of Asian and African countries. So, the meaning (notion) of “nation”, and consequently “nation-state” (in some sense even “national minority”) in Eastern Europe and the Balkans was different than in Western Europe and the North America. In the West, the notion of nation-state is political, and in the East, an ethnic notion of the nation and nation-state is deeply rooted. Namely, in the West “nation” can be a synonym for the country, for population, for citizens of a state. In Eastern Europe “nation” means an ethnic nation.

Thus, in Western countries, the whole people, i.e. citizens of many ethnic groups may be called and treated as one nation. In the area of Central, and South Eastern and Eastern Europe, including the space of the former Soviet Union, the word “nation” was not related to the state, but to

one of nations, i.e. “ethnic nations” that lived in a given state. In this sense, some of these countries were composed, constituted from several nations. Illustrative was the example of former Yugoslavia, which was unable to develop a common identity for all her “ethnic nations”, but was composed from several “nations”. This perception of “nations” is based more or less on an assumption of blood relations, though more visible signs of identity are the language, religion, and regarding individuals the dress or other folklore features can also express the belonging. Such a notion and accompanying assumption still play an enormous role in many constitutional and institutional arrangements and has significant consequences for the status of groups, minorities, and for laws on citizenship.

At the same time, most states have groups of population which differ between themselves on the ground of religious, national or ethnic belonging, language, origin and similar characteristics. In such states it is very important to look for and find social, political, constitutional and other modalities for the peaceful and fruitful common life and cooperation. Multi-ethnicity (i.e. multiculturalism) implies different value systems and different ways of pursuing realization of those values.

What is the nowadays situation in the Balkans? In this context the question is what’s the difference between ethnic and political nation, what is their role in nowadays society? Are the people in new states nations or they are going to become nations? If yes, then will they be a political nation according to the French model? Or perhaps, they will be an ethnic nation according to the German model? Will ethnicity as belonging and origin prevail, or demos, as participation in the institutional process of political system?

In both cases, in the Western Balkans and in the territory of the former Soviet Union, especially Russia, we can speak about multi-ethnic society. However, in the core of multi-ethnicity is ethnicity. Many different ethnicities living side by side made multi-ethnicity. But it does not make people to unit automatically into the national community. For instance, Ahtisaari Plan states that Kosovo shall be a multi-ethnic society. It does not make the inhabitants of Kosovo Kosovars, but it makes Kosovo Albanian-Serb.

Or speaking about Bosnia and Herzegovina. This country has not conducted a national census since 1991. One of the reasons is that the censuses would leave out questions about ethnic and religious identity, would legitimize them.

I would like to say a few words about the Russian case. Because we have similar problems. Mechanisms for affirming national identity as a

foundation of Russia's statehood have long been the source of much controversy among Russian policymakers and experts, while debates on this issue are superficial and emotional. In Russia, these debates have contributed to the development of three main characterizations of Russian society and the state:

First, Russia is a multinational state, which makes it totally different from other states;

Second, Russia is a state of ethnic Russians, who make about 80% of population, with a host of other ethnic minorities whose members can either identify themselves as Russians or acknowledge that the ethnic Russian majority rightfully enjoys the state-building;

Third, Russia is a national state featuring a multi-ethnic "Rossiyan" nation underpinned by the Russian language and culture, and embracing members of other ethnic communities.

The Russian authorities, including the current and former presidents, Dmitry Medvedev and Vladimir Putin have embraced this final characterization, which advanced the notion of the Rossiyan people as a historical entity or civic nation. It is a new Russian project. Russia, as a modern state, have come to acknowledge multiply and non-exclusive identities at the community and individual level. This weakens ethno-cultural borderlines within co-citizenship and national consolidation. Today, all states in the world consider themselves nation states and Russia has no grounds to be an exception.

May be, the experience of Russia and other states will be useful for the Balkans.

RECONCILIATION: AN ETHICAL CHALLENGE TO LEADERS

Leaders have a capacity to set the ethical tone for the countries or institutions that they head up. They can mobilize people and resources for particular ends. These ends may be defined according to self interest, toward development in some area of life or towards mutual well-being. In any case, there is a value system and a vision for the future that shape the actions of leaders and direct the use of resources.

I would like to explore the phenomenon of an ethical vision or aim generally and what a difference it would make if this were oriented toward reconciliation. I will start by looking at the distinction between ethics and morals, drawing on the work of philosopher Paul Ricoeur (*Onself as Another*, University of Chicago Press, 1992). I will then look at some “temptations” for leaders that might distract them from a reconciliation orientation. Then I will introduce the concept of level of consciousness, showing that as one advances up the levels of consciousness the openness to reconciliation could potentially increase. These will prepare us for an ethical vision of blessing which could provide a framework for a reconciliation orientation.

1. ETHICS AND MORALS

Paul Ricoeur argues that ethics is about a future projection toward some aim whereas morals are about a sense of duty which can be expressed through some moral principles, codes or laws. These two are brought together as potential ethical aims are passed through a moral sieve; that is, they are examined critically in the light of a moral framework.

1.1. **Morals**

Where do we look if we wish to find the morals and the values that guide people? Actions are shaped and guided by some principle or another. One place to look is the traditional teachings based on religion or culture that explicitly promote certain values. Another place to look is the actions of people within a given society. Moral psychologist N. Hauser suggests that

we are programmed to have an internalized moral framework organized around what is forbidden, what is obligatory, and what is permitted. As we observe the actions of people in a society we can piece together some of the values that are important to them.

In the situations of social change, chaos or conflict, people may have experiences that push their moral boundaries. In order to survive, they may have to do things which their parents taught them were forbidden and they may have to avoid doing things that their tradition says are obligatory. In times of danger or crisis they may act in extreme kinds of ways. The danger is that if these actions turn into practices, the morality of an entire culture can start to change. It is only if people take a step back that they can realize that some profound changes have taken place.

1.2. Ethics

There are any number of value laden goals that leaders can have. Paul Ricoeur emphasizes that ethics encapsulates the teleological dimension of the ethics/moral equation. That is, it focuses on ends, goals, and intentions. His formulation of the heart of the ethical endeavor is to aim to lead a good life, with and for others, in just institutions.

This then raises the following questions:

What is a good life?

Who are the “others”?

What are just institutions?

By institution, Ricoeur refers to

...the structure of living together as this belongs to a historical community – people, nation, region and so forth – a structure irreducible to interpersonal relations and yet bound up with these in a remarkable sense...(194)

Leaders by their actions answer these questions in their own ways. A good life can be amassing personal fortune or it can be addressing human needs. Others can be limited to their own families or can include everyone within their jurisdictions and beyond. Just institutions can be interpreted as organized vengeance or as a context for mutual empowerment.

When we run an ethical aim through a moral sieve, we return to issues of goodness and justice as a response to violence and injustice. With Ricoeur, we can agree that it is easier to pinpoint injustice than justice, inequality than fairness. Prohibitions, taboos and moral teachings are often generated as a response to perceived evils. For both Ricoeur and Emmanuel Levinas, the height of violence is to act upon people, to dominate

others in a way that removes their capacity to be the authors of their own actions. Violence is radically disempowering.

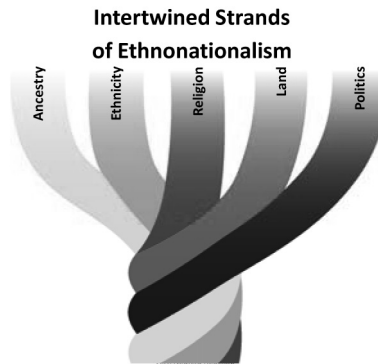
In response, might we not say that to live a good life, with and for others, in just institutions is to both act and create the structures within which people can be authors of their own actions.

2. DEMOCRATIC CHALLENGES

There is a current of opinion that looks to democracy to create a positive context for human flourishing. At its roots democracy is cracy – power – in the hands of the demos – the people. While conceptually this looks appealing and while there have been some examples of times and places where democracy, coupled with human freedoms, has done good things; there are instances where it has failed. I wish to explore two temptations for leaders than can subvert democracy to make it a violent institution from the perspective of reducing the capacity of people to act together. These are an exclusive ethnonationalism and what political theologian Wolfgang Palaver develops as the pantheistic temptation.

2.1. Ethnonationalism

Ethnonationalism consists of intertwined strands of shared common ancestry; ethnicity, language and culture; religion; land; and a political structure.



There is something wonderful about the various peoples, languages and cultures of this world. Each has the capacity to enrich the understandings of the others. Too often they have been wiped out by language policies, disrespect, and neglect. Here I refer especially to the loss of language and culture of Canada's First Nations. Much is being recovered but so much has been lost.

Rather than be mutually enriching, the interaction of ethnonational groups has deteriorated into an exclusive grasping for control of land and resources for the sole benefit of their group. There are countless examples in Canada ranging from slavery in the early years of British control to the denial of rights to Chinese and Japanese immigrants.

An ethnonationalist leader can easily be tempted to first mobilize their group to attain power and then to work exclusively for “their people.”

2.2. **The Pantheistic Temptation (Palaver)**

When a leader thinks the voice of the people is the voice of God, there is the assumption that being elected gives the victor absolute power to do anything. It means that the many voices of the people between elections are suppressed; eventually elections may be discontinued or controlled. Opposition leaders are silenced, killed or intimidated. Palaver’s key example is the National Socialists who were elected in Germany in the 1930s. Hitler quickly moved to consolidate the levers of power so that in a few years he and his circle of leaders could suppress protest and any meaningful democratic expression of an alternative vision.

2.3. **Examples**

MENNONITES IN SOUTH RUSSIA 1917-24

Mennonites emerged in the Netherlands as a branch of Christianity emphasizing adult baptism and a radical following of the teachings of Jesus resulting in a pacifist position based on love of enemies. Under persecution they went to the Vistula Delta near Gdansk and later established colonies in south Russia, now Ukraine, under Catherine the Great. One of the conditions of their move to Russia was that they not have to undertake military service. Prospering as farmers, they were deemed Kulaks by the Bolsheviks and the Machnovites killed them by the thousands in the chaotic years following the onset of the Russian Revolution. Eventually they formed a Mennonite Self Defense force and with arms from the Germans became in effect a Mennonite army. What a contradiction. What started as a religious movement evolved into ethnonationalism – a looking out for their exclusive interests. The Russians could quite rightly observe, “When it came to looking out for Mother Russia you said you couldn’t fight; when your people were threatened all of a sudden your principles changed.” In all fairness, there were Mennonites like J.B. Toews, my former professor who were convicted of the wrongness and destroyed his gun.

Traditionally, the Aboriginal people in Canada governed themselves through clan based structures in which a council of chiefs would have representatives from each clan. Often clans had particular roles to play. When the Indian Act imposed a democratic structure of one person one vote, on many reserves the largest clan would elect the chief and the band counselors. In effect, one clan would have control of the government and with it the budget that came from the government. They would hire only members of their own clan to work for the Reserve government. The principles of ethnonationalism were manifest at the level of clan.

If democracy is mixed with ethnonationalism, the result can be domination of everyone by the most powerful group in an electoral region. When a leader assumes absolute authority in these circumstances the potential for violence goes up.

The mentality that lends itself to a “me and my group only” approach is reflective of a certain level of consciousness.

3. LEVELS OF CONSCIOUSNESS

The concept of levels of consciousness has emerged out the developmental psychologist Jean Piaget. His work inspired Kohlberg’s stages of moral development and Gilligan’s adaptation of the concept to a gender based analysis. Richard McGuigan creatively developed and applied this concept to conflict using the work of Ken Wilber and Robert Keegan. I have adapted the concepts as follows:

- 3.1. Narcissistic: At this level one is preoccupied with oneself. It’s all about me and my perspective. This self pre-occupation is evident in children and where it continues into adulthood it may be the result of development being stymied. It can also be a result of narcissistic wounding in which the hurt caused by a traumatic event or violent conflict can leave emotional scars such that victims cannot think of anything but their own hurt.
- 3.2. Tribal: At this level, people are looking out primarily for their own group. This may be a kinship group, an ethnic group, a linguistic group, religious group or a community of people with shared values where the members identify with one another. One author even talks of tribal warfare within organizations in which the various divisions in a business or bureaucracy are construed as tribes.

- 3.3. Rational (Legal): At this level people are guided primarily by a set of principles. What flows logically from these principles or laws is what they find acceptable. They are committed to fairness but this fairness is defined according to their values. Within their frame of reference they can accept the legitimacy of perspectives from those other than from their own tribes as long as these line up logically with their principles.
- 3.4. Pluralistic: At this level people accept that there are different value-systems and sets of principles. They are committed to tolerate diversity as long as it does not impinge upon them too negatively.
- 3.5. Empathetically Understanding: At this level, people have a capacity to enter into the worldview of those radically different from themselves. They can identify the other's values and come to see how within the other's perspective it makes sense to have the feelings and subsequent reactions that have been expressed.
- 3.6. Interconnectedness: At this level one starts to sense profound interconnections among many divergent perspectives and approaches. The mutual influences of many factors are appreciated.
- 3.7. Transcendent: At this level there is a sense that there is a reality that pervades, includes, and goes beyond what can be comprehended of all of the parts. There is a sense that the whole is greater than the sum of the parts and each of the parts and parties has a role to play.

As one runs Ricoeur's ethical aim through the different levels of consciousness each element takes on new meaning:

TO LIVE A GOOD LIFE

The life of the self gets placed into a wider and wider context and the import of what is other expands and yet at the same time the integration with the universe increases. To live a good life becomes linked to the flow of the Universe and the good life is to be responsive to the surprises of the Spirit.

WITH AND FOR OTHERS

The others with whom and for whom one lives expands from one's family and tribe to other tribes and increasingly to populations at variance with one's own perspective.

The institutions that one seeks to refine to be ever more just likewise work out in concentric circles to be ever more inclusive.

4. AN ETHICAL PROJECTION OF BLESSING

The challenge to leaders is to orient their ethical projection toward blessing. The other option is one of violence which in Ricoeur's terms is power over others. There is the Pantheistic temptation for leaders to amass power, to cling to it, to grasp for it, and hold on to it. The very idea of power gets conflated with leadership such that to talk of leadership oriented toward blessing becomes paradoxical at best and an oxymoron. I will now highlight a few qualities and principles suggested by an ethical projection of blessing.

- Blessing – this word is a translation of the Hebrew *berikah* which ties moral teachings to a full life on the land which is understood as a sustainable source of that which contributes to human well-being ranging from biological survival to aesthetics, capacity for action and a delight at the results of one's work.
- Imagination – human action originates with an imagination of some potential and some end. When JFK proposed that in a decade the U.S. would put a person on the moon, this inspired and imagination; when that imagination was linked with an imperative to make it happen and empowered by the necessary resources it came to pass. An ethical projection of blessing means that there is an imagination of what might be entailed by just institutions, for example.
- Inclusiveness – an ethical projection of blessing should be inclusive in that the mutual blessing imagined extends to as many as possible.
- Mutual Benefit – a projection of blessing implies mimetic structures of blessing which are patterns of action and thought whereby people end up metaphorically feeding one another.
- Growth in Levels of Consciousness – an ethical projection of blessing should result in growth in levels of consciousness.
- Rhetoric and Action – leaders are in a position to make a difference through words and action. Through the media their words reach millions and their actions are widely reported. A rhetoric of blessing can work pedagogically and can inspire an ethical imagination in others.

- Policy and Practice – a projection of blessing must affect policies and practice and eventually the transformation of institutions. Practice should be understood as on-going repeated and linked actions that eventually are reflected in competence to live and act in such a way that fosters the empowerment of others and is at the same time receptive to the insights and empowering actions of others.

SYSTEMATIC SOLUTIONS FOR THE RIGHTS OF NATIONAL MINORITIES, NATIONAL RECONCILIATION AND HUMAN SECURITY IN THE BALKAN

ABSTRACT:

Reform of the legal system helps all other reforms of the social system and government system of the state, and within the international reforms of the international law it helps the development of international relations. System-related solutions can lead to national reconciliation and human security in the Balkan seismic social area. The rights of the national minorities should be regulated in accordance with the European Union regulations and international standards in this field. The protection of the national minorities is essential for stability, democratic security and peace on this continent.

In order to prevent the occurrence of transition (manifestation when reform becomes a self-goal) in the Balkans, it is necessary for the states in transition, to introduce into their legal system a new reference system – the institute of the rule of law, including the principle of subsidiarity, which presents the legal regulator of the division of competencies in the organization of the authorities, without the transfer of state sovereignty. It is the democratic principle of a general character, which is not related to any type of government, and has a two-side effect, or works on the principle, “the system of connected courts”, with the interactive effect, allows the balance in the division of competencies between central and local authorities, international organizations and member states in inter-neighbor relations between two or more countries. It represents an institute and economic rights and is applicable in terms of economic decentralization and economic local self-government.

The principle of subsidiarity is, due to its versatility of the concepts and eurosceptics and euro-optimists in the European Union, and on the global level, either applicable in all forms of power, vertically and horizontally.

In the countries in transition, the insufficient study of this policy has resulted in different interpretations of the essence and possibilities of the concept of subsidiarity and, in particular, principle of subsidiarity, as well as the principle of the system. Within the international and, especially, national

frameworks, not all aspects of the principle of subsidiarity and achievements, are perceived especially its economic aspects.

The Universal Declaration of Human Rights, whose 60-year anniversary is celebrated this year, is regulated that all citizens enjoy equal rights and duties regardless of their nationality, race, sex, language, religion, education, or social position, and that they are all equal before law. On this basis, there cannot be discrimination or privilege.

Under the European Union's law, the basic human rights and the rights of national minorities are given an important new role, as the result of a specific doctrine of human and minority rights in the judicial practice of the Court of Justice, inspired by national constitutional traditions (domination of Community law over national law). The basic human rights are one of the general legal principles of the European Union. The most important agreement in this area is the European Convention for the Protection of Human Rights and Fundamental Freedoms, whose signatory countries are all member states, and the human rights of community are protected by the same convention. The European Parliament adopted the Declaration on Fundamental Rights and Freedoms 1989 (EC Bull 4 / 1989).

The paper includes the harmonization of legal systems with the EU standards in the field of internal affairs (Europol) and justice (Judicial cooperation in the European Union: European Judicial Network; Eurojust - European Department for judicial cooperation), in order to achieve human security.

The protection of the rights of national minorities is regulated by the basic principles and legal acts that regulate the protection of the rights of national minorities in the EU and specific solutions in this field. The implementation of the EU standards at the local level is also very important. In this sense, the European Charter on Local Self-Government is the first multilateral legal instrument that defines and guarantees the principles of local self-government. This document is relevant in ensuring the European standards required for the establishment of democratic systems and the pillars of democracy.

World history of the protection of minority rights. In ancient times, minorities were treated only as a religious group. In the presentation the development line for protection of the rights of national and religious minorities during the historical development is given.

Pursuant to the Constitution of the Republic of Serbia, the rights of persons belonging to the national minorities are regulated by Article 75-81 (basic provisions; prohibition of discrimination of national minorities; equality in the conduct of public affairs; prohibition of forced assimilation; right to

preservation of the peculiarity; the right to association and cooperation with compatriots and development of spirit of tolerance).¹

Key words: national reconciliation, the rights of national minorities, the division of competences, the principle of subsidiarity, economic rights, decentralization, economic, local government, human security.

INTERNATIONAL INSTITUTIONS AND STANDARDS IN THE PROTECTION OF THE RIGHTS OF NATIONAL MINORITIES AND REGULATION OF THE LAW OF THE EUROPEAN UNION

The definition of national minorities is not one and unique, and we are determined to present the three best known:

The highest authority among the doctrinated definitions has the one proposed by Italian lawyer Francesco Capotorti, in 1977, in his capacity as UN special rapporteur of the subcommittee on discrimination and minorities, which reads:

“The group is smaller in comparison to the rest of the population of the state and is not in the dominant position, and whose members – who are the citizens of that state – have ethnic, religious and linguistic characteristics that differ from the characteristics of the rest of the population and, even if only implicitly, maintain a feeling of solidarity, guided to preserving their culture, tradition, religion and language.”²

The definition of the term “minority” by Duchesne: “A group of citizens of one state, which is a numeric minority in the state, which is marked by ethnic, religious or linguistic characteristics different from the majority of the population – have a feeling of mutual solidarity consume, at least implicitly, by collective will for survival in order to achieve real and legal equality with the majority.”

The definition by Asbiorn Eide: “Minority is a group of persons residing in a sovereign state and are less than half of its total population, and whose members have a common ethnic, religious or linguistic nature that they differ from other people.”³

¹ The Constitution of the Republic of Serbia “Official Gazette RS”, No. 98 of 10 November 2006)

² Study on the Rights of Persons Belonging to Ethnic, Religious and Linguistic Minorities, UN Doc. E.91. XIV.2, 1991, par 568

³ <http://www.propisi.com/propis/scg/15419.html-34k>

In order to be shown as an example of justice / criteria in the social relations, it has been codified by the relevant international institutions in the form of international legal standards of instruments, of human and minority rights for a particular area / territory to protect the rights of national minorities.

International standards are standards that are developed – accepted by the international organization for standardization. International standards are defined as those which are tailored to universal, global use. They can be used as directly applicable, or in the way that they are used as the models and trying to process the modification of local conditions they adapt to standards. The noun ‘standard’ is the point of reference in relation to something that compares or is estimated, which has a special value / excellence. The adjective “standard” indicates a standard measure, the value, adequate to appropriate model or through properly accepted types. And also indicates what is widely accepted and recognized as a model executive, roll-model / valuable.

The criterion of benefit is in the range of discrimination to the affirmative action and society. The concept of “discrimination” is derived from the Latin word “discriminare” which means “to make the difference between”. In the case of discrimination, action is based on prejudice and resulting in an incorrect relation to different individuals or groups. In contrast to this action, affirmative action applies to the policy seeking to overcome discrimination through active measures to ensure equal possibilities for all in the fields of education, employment, information in the native language, etc. If absent, the required affirmative action in the issue of discrimination in any area of realizing the rights of persons belonging to national minorities.

The INSTITUTIONS responsible for the international standards in the field of human rights:

1. United Nations General Assembly
2. Council of Europe and
3. Organization for Security and Cooperation in Europe (OSCE)

In a democratic world, the state of equality is natural law, as given to the holder of each individual in society, called human rights and, when related to the rights of minorities, called minority rights or the rights of persons belonging to national minorities.

The compulsory standards are defined in Article 9 of the Framework Convention for the Protection of National Minorities adopted by the Council of Europe on 10 November 1994 in Strasbourg, and came into force in February 1998:

“The Contracting Parties undertake to recognize the right of every person belonging to national minorities to freedom of expression which includes freedom of beliefs and receiving and giving information and ideas in the mother tongue of persons belonging to national minorities, without interference from the authorities and regardless of frontiers. The Contracting Parties shall provide, within their legal systems, that members of national minorities have access to the media without discrimination.

Paragraph 1 allows the parties to request approval / permission and without discrimination on the basis of objective criteria for broadcasting radio and TV broadcasts, as well as the opening of cinemas, will not interfere with the creation – the establishment, usage and printing your own media by persons belonging to national minorities, as well as the obligation of national media to facilitate the swift use for the needs of minorities.

The importance of the Framework Convention in the Western Balkans is reflected in Article 25 which obliges States Parties to submit the state and alternative (make it non-governmental organizations) Advisory Committee report, which gives your ratings / comments.

The European Charter for Regional or Minority Languages of 1992 also has the obligatory character.

Recommendations and guidelines in international law have the optional character.

The EU Court of Justice is gradually taking an attitude. First, you determine that the validity of Community measures cannot be envisaged by the rules or provisions of the law of the member states, and that only the rules and Community law can be applied, even when it is in violation of the basic human and minority rights. Furthermore, pursuant to the guidelines, the Community Court of Justice should investigate whether an analogous guarantee of Community law is infringed, because respect for the fundamental human rights is the body of general legal principles of Community law that protects the Court of Justice. During the creation of this source of law, the Court has been inspired by the constitutional traditions of member states. After versatile testing, the Court determines whether, in a particular case, the basic human / minority rights have been violated. They are subject to limitations that justify the general objectives of the Community, according to the founding contract.

According to the Article 8 of the Protocol on the application of the principles of subsidiarity under the Treaty on the functioning of the European Union in Lisbon dated 17 December 2007, the EU Court of Justice has jurisdiction to declare the preacts that are submitted in connection

with the violation of principles of subsidiarity in a Community legal act, as stipulated by Article 230 of the Agreement, which the Member States shall submit or pass through it, in accordance with the legal procedure and the member states, the National Assembly or the Council. Participation in the Committee may be taken by the complaint region when the obligation of consultation is predicted. This means that a complaint against a decision of the Community in the area of subsidiarity can be filed with the Court of Justice, where it is necessary to provide the relevant and solid proof of the existence, or the abuse of power by the participants.⁴

The Head of the Delegation of the European Commission, Josep Maria Lloveras Soler, at the two-day Conference on the “Protection of Individual and Collective Rights of National Minorities and Oversight of Their Implementation”, expressed the opinion that Serbia should adopt a special Law on the Election and the Functioning of the Council for National Minorities. He stated that the Serbian authorities would establish the basic requirements for the implementation of national and minority rights in Serbia. Special supervision poses a problem in local communities and the government agencies. In the report of the European Commission for 2007, devoted to the observance of the rights of national minorities, it was assessed that Serbia continued with the improvement of the conditions for the protection of national minorities, and it identified the deficiencies and gave recommendations for further improvement in the area.⁵

FINAL CONSIDERATIONS / CONCLUSION

In the field of protection of the rights of persons belonging to national minorities, the legal situation in which the instruments have the most universal character, while at the same time having the most abstract provisions, did not allow any differentiation of universal standards in the field of protection of rights.

Also, the institutions do not have the compulsory character and reliable mechanisms for the oversight of the implementation of the standards, which affects the standards, and becomes part of reality. It has consequences, which consist in the fact that the state, to a varying degree,

⁴ <http://eur-lex.europa.eu/en/treaties/dat/12007L/hlm/12007L.html>; Protocol on the Application of the Principles of Subsidiarity and Proportionality, 13 December 2007

⁵ <http://www.rts.rs/page/stories/ci/storz/124/Društvo/18683/0+pravima+nacionalnih+manjina.html-29k>

applies the standards, or fencing off their application, which produces unrealistic and uneven standards.

It is observed that the provisions of the acts are more abstract and less precise if the instrument is more universal. Article 27 of the International Covenant on Civil and Political Rights of 16 December 1966, adopted by the UN, stipulates as follows:

“In countries where there are ethnic, religious or linguistic minorities, persons belonging to them cannot be deprived of their right to have, together with other members of their group, their individual cultural life, to express and manifest their own religion or to serve their own language.” There are optional protocols and the Commission for Human Rights.

The UN Declaration similarly provides for the Rights of Persons Belonging to National or Ethnic, Religious and Linguistic Minorities, dated 1 December 1992 (optional), where Article 6 stipulates that:

“States should cooperate on the occasion of issues related to persons belonging to national minorities, among other things, exchanging information and experiences, seeking to promote mutual understanding and trust.”

No specific agreements or conventions on specific rights (information in the motherly language, etc.). The Framework Convention for the Protection of National Minorities and the SE European Charter on Regional and Minority Languages also regulate this field.

The Convention also establishes the mechanisms for monitoring implementation. Implementation depends on the political and legal authority to a greater or lesser degree.

The situation with the judiciary is different – Verdicts of the European Court of Human Rights are always conducted.

International documents can be divided into:

1. Global instruments (the user can be any state in the world) and
2. REGIONAL that are limited to the state in a particular world region (Europe, America, Africa)

CLASSIFICATION of the international instruments into two categories:

1. Declaration, adopted by the UN Assembly, which is not legally binding (but politically binding), and
2. Conventions which are legally binding instruments concluded within the framework of international law. The relevant international agreements of the first type may, over time, achieve the

status of common international law. Insistence on righteousness means the tendency to overcome discrimination by establishing the equality of national minorities.

The principle of nationality is used in international law as the basic criterion for the creation of a national sovereign state, which aspires that the state borders is consistent with the national ones. This principle includes the right of each nation to self-determination and the right of each nation to organize its social life and political arrangement in accordance with their own discretion, which was done by other nationalities in the former Yugoslavia, which were organized as republic.

One hundred million people in the world are minorities. The National Council, as a representative institution, has 15-35 members with the mandate of 4 years, assembly of electors, and the distribution of seats based on the D'Hondt formula.

Solutions - MECHANISMS for the realization of rights – from the personal, cultural, territorial autonomy to the federalization of States. Regulation is constitutional and legal (equal official use of languages and alphabets of national minorities, the preservation of traditional names and labels, the use of signs and symbols of national minorities, education and education in the language of national minorities and alphabet; right of confessing their faith and the establishment of religious communities, access to public information, cultural autonomy, representation of persons belonging to national minorities, national councils and representatives / electors of national minorities in local government and regions, national programs for national minorities, permanent education, the implementation of the Framework Convention for the Protection of National Minorities).

The Principles of Subsidiarity Can Be Applied at Several Levels of Organization; Vertical and Horizontal; Trans-boundary Within the National Framework. By its application it would be possible to eliminate anarchy in the implementation of the protection of the rights of persons belonging to national minorities.

FACTORS THAT CAN FOSTER TRANS-BORDER COOPERATION FOR THE NATIONAL MINORITIES (THEORETICAL APPROACH)

INTRODUCTION

The study is intended to focus attention on the minorities and the possible role that they could play in encouraging cross-border cooperation.

The research shows a theoretical approach of the features and factors divided in categories, which are fundamental for the improvement of the minorities' participation. This pattern analyses the degree of minorities' cooperation in cross-border relations. Thus, the minorities are classified based on the factors that influence their activity in this field.

The story of regional trade in the Balkans is not so encouraging. The historical trade barriers have been so strong, that trade with the EU is more important than trade within the Balkans. This is an "area in which the regional regime of doing business can be characterized as illiberal trade".¹ The creation of a fully integrated and well-disciplined free trade area is a priority and cornerstone for the EU and an important condition to achieve prosperity, stability, democracy, and peace.²

The human and minority rights can only be enjoyed and fulfilled in the above-mentioned atmosphere and environment.³ Both regional cooperation, promoted by cross-border cooperation in border regions, and the minorities' rights represent an important demand for the process of integration into Europe itself for all South-East European countries.

We could learn from the successful experiences of cross-border cooperation in many parts of Europe like in the Danish-German or Italian-Slovene cases, where the minorities have had a positive role in fostering the dialogue between the regions and states, leading to a new step of institutional dialogue (Euroregions).⁴

Requirements and features:

Briefly, there are two main types of motivation (reasons, finality, and objectives) that emerged from the experiences of the period between 1960–1989, referring to trans-border cooperation: cultural (expressive,

emotional, and psychological) and economical (functional and instrumental).⁵ These issues will affect the regions; regardless of the fact that they might belong to the same or a different state. Ferrara pointed to four factors that obstruct, or, better said, make impossible trans-border cooperation between the parts involved; it is important to notice that the first one concerns cultural factors (language or dialect, historical diversity and an unshared past).⁶ Hence, due to their features, minorities could play an important role in diminishing the cultural and linguistic distance between communities. Because they are really "...a sort of idiosyncratic ethnic organism, of which development... is determined by both outer and inner laws, and is formed in the process of double-lane socialisation"⁷ In many parts of Europe, the minorities have driven this process because of their ethnic characteristics that intertwine with the influences/pressures from the part of the majority, and the mother nation (the influences being economic, social, political, ideological and cultural).

For this reason, it is perfectly understandable why many Slovene and international studies confirmed that minorities play an important role in the potential growth, especially for border regions (see Medvešek⁸, Mejak⁹, Munda Hirnök¹⁰, Becker and Christensen¹¹, Heffner and Sobczynski¹²).

European integration has undertaken and continues to promote plenty of trans-border initiatives, projects, and programs, which are aimed to promote development of minorities. Recent studies showed that minorities, as human potential, have lost ground when various forms of contact were established (see Zupančič).¹³

In the case of ex-Yugoslavia, it is also important to emphasize the knowledge of an internal lingua franca and its version. This is still an underestimated factor that naturally encourages cooperation, even if it should diminish the active role of minorities towards cooperation as a bridge especially among different language communities (e.g. the Hungarian minority in Croatia and the Croatian minority in Hungary).¹⁴ Nevertheless, the minorities' emotional feelings for the cooperation, in terms of preservation of their cultural and national identity and distinctiveness, will not be affected, but, on the contrary, they will benefit from the widespread dialogue between the communities. This will lead to a cultural, social, and economic interdependence between communities with positive impact on tolerance and acceptance of diversity.

Bearing in mind the cultural mix and the cosmopolitan attitude in daily life, namely a plurality of belonging and of being foreigner "at home" (by predominance of mobility/cosmopolitanisms and objectivity/rationality of generalities, to remind Simmelian's concepts), we can say that mi-

norities represent a resource of the border areas, only if the following conditions are fulfilled:¹⁵

1. that ethnic groups are not reinforced by the economic and structural condition, consequently access to opportunities don't take into account their ethnic background;¹⁶
2. interplay mainly at the cultural level;
3. the existence of a social environment where the problem of the security is not solved by the nationalism and it gives the certainty that living together with diversity is reciprocally helpful and represents a common cultural base.

If members of the minorities intend to have a fruitfully role in the cross border cooperation, they have to be in possession of the following particular features:¹⁷

- knowing two (or more) languages and cultures of the environment;
- knowing the trans-border space and the people living on both sides of the border;
- knowing the social, economic, political, and juridical features of both communities;
- knowing the population's mentality and culture;
- having numerous contacts in different fields;
- having partners and ties with the inhabitants from the other side of the border;
- to have needs, economic and cultural interests related to the cross-border collaboration;
- being properly organized at a regional level (to have at their disposal the organizations, institutions in order to realize various forms of cross-border cooperation).

THEORETICAL APPROACH

In the system of open borders it seems important to run upon the factors that facilitate cross-border cooperation for the national minorities as the possible key factor that can promote various forms of institutional and civil cooperation between regions of different states. The factors that can foster trans-border cooperation for the national minorities can be organized in four categories of factors: demographical, socio-economical, judicial, and territorial.

TABLE 1. – Factors that can foster trans-border cooperation for the national minorities

FOSTERING FACTORS IN THE TRANSBORDER COOPERATION			
Demographical	Socio-Economical	Judicial	Territorial
<p>Distribution:</p> <ul style="list-style-type: none"> – concentrated/ scattered; – % of the min. pop. within the state and the <p>Number:</p> <ul style="list-style-type: none"> – absolute nr; – birth-rate/age structure; – mixed marriage; – immigration; – emigration. 	<p>Economy:</p> <ul style="list-style-type: none"> – economic structure of the minority's residence. <p>Economic support:</p> <ul style="list-style-type: none"> – national and international support programmes in transborder areas. <p>Minorit's own features:</p> <ul style="list-style-type: none"> – socio-occupational structure and position; – level of instruction; – social mobility; – social cohesion. <p>Relationship among groups:</p> <ul style="list-style-type: none"> – relationship (min. – maj./min.–kin state/ maj.– min.kin state/ min.–min. other side of the border); – number of borders crossing; – prestige and status of min. language; – no violent events (ethnic/religious expulsion/ forced emigration/forced assimilation). 	<p>Formal:</p> <ul style="list-style-type: none"> – use of min. language (education system, courts, civil service, mass media, culture, church); – minority's protecting laws (acknowledgment of minority status (autochthonous min./new minorities)); – political participation at local, regional and state level, and the right to economic development; – state organisation (federal/centralistic) and willingness of the state to take part in trans-border cooperation; – level of political relationships within the state and in the bordering regions; – border regime; – presence/absence of International agreements on trans-border cooperation. <p>Informal:</p> <ul style="list-style-type: none"> – min. complete or incomplete organisation and official institution (cultural, political, religious and economical); – success or failure of min. activity (dependence on coordination from interests inside community, political unity/division, efficiency/inefficiency of minority leadership, etc.); – political reaction for min. status (acceptance, assimilation, refuse, pluralism, secessionism); – min. financial autonomy. 	<ul style="list-style-type: none"> – inhabitants/density of population; – level of urbanization; – centrality and marginality; – presence of minorities on the other side of the border; – border infrastructure; – “age” of the border; – proximity with the kin state.

The first category is divided into two sub-categories and is close to the taxonomy of demographic variables of Giles, Bourhis, and Taylor,¹⁸ referred to the model of ethno/linguistic vitality. In the first sub-category of demographic factors is underlined the distribution of the minority's population, through the percentage and concentration of the minority members both at regional and national level. In the following category, "Number", the following are taken into consideration: absolute number, birth-rate/age structure, mixed marriage and the presence of phenomena like immigration and emigration in the minority's territory.

The second category comprises socio-economic factors. There are 4 types of factors: economy, economic support, features of minority, and relations amongst groups. The economic features of the area and the possibility of national and international support programmes in trans-border areas are also taken into account. The occupational structure and the social position of the members, level of instruction and mobility are considered important internal features of the minority with respect to cross-border cooperation. The degree of social cohesion of the minoritarian body is significant to understand if the members of the minority share, or not, a common feeling of identity, which is sufficiently strong and capable of guiding action. The relationships with the local majority and that with local majority and the kin state (in case of the presence or absence of irredentist or imperialist policy of the kin-state or host state) are fundamental for the possibilities open to the minority's initiative. The reputation and status of minority's language can push the minority towards the maintenance of the language for practical and economical reasons, stimulating also the members of the majority to learn the minority's language and, hence, showing an increasing interest in the cultural and trade exchange flows and in crossing the border.

As a basic precondition for starting cooperation, it seems essential that there is a total acceptance of the border, both from the minority's and majority's side. In this way, the majority would not suspect of secessionism or irredentism the minority, which could have an inevitable negative repercussion on its role of bridging sides. The border areas usually have track records, even more in the contemporary age, based on violence, civil wars, religious wars (when this difference is important to determine ethnicity and has an active position in the ethnic struggle), expulsion, genocide or ethnic cleansing. When the vengeance feelings will not have anymore the possibility to express claims in the society, all the above-mentioned memories will definitely stop being obstacles for the ethnic relationships.

In the third category the formal and informal terms are borrowed from the same model of ethno-linguistic vitality and precisely from variables regarding institutional support. The judicial variables are also integrated with Klinar's criteria of typologies of minorities groups.¹⁹

The sub-category "Formal" refers substantially to all the laws and norms that protect minority. The status of the minority has a lot of importance, but the autochthonous status is more privileged than the new minorities' one. The use of the minority language in the social environment (education system, courts, civil service, mass media, culture and church) is also important for its maintenance and preservation. The minority's presence at every level of the political arena assures the political representation of the minority's interest. The political rights are fundamental for the access to the social rights. Vice versa, the effective exercising of social rights enables the participation of the collective decisions that regard this rights.²⁰

National minorities can carry out the function of cross-border liaison only if they have a substantial equality in rights with the majority in all the fields of social life. Internal organization of the state (preferably federalist, because it has fewer ties with centralistic conception in relation to trans-border relations), the inter-states agreement on cooperation, and the political relationships in an open border regime are a considerable discriminator in the cooperation.

In this context, it makes sense to explore the "informal" factors. Beside the completeness of minority's organizations and official institutions, it is essential that their leaders have decision-making independence. The financial independence of the minority doesn't seem commonly spread in the legal system of all the European States as the cultural freedom. An appropriate coordination and functionality of the minority's organization, managed by a unitary leadership, can undertake the minorities' claims only if they are proposed in a constructive way, avoiding a conflictual position towards the majority or the manifestation of secession aspirations.

The fourth category comprises the territorial features of the environment. Here are highlighted the characteristics of the territory and its capability to develop external opening. The central or peripheral areas are useful to determine either they are in the middle of both economical and cultural flows or in a marginal position.

Here we are taking into consideration the age of the border, the density of population (low or high), the existence of minorities on the other side of the border, the level of infrastructure development (low or high on the national average), and proximity of the minority to the kin state.

The difference between the minorities in the field of cooperation is also due to this category of factors. The minorities suffer directly from the economical and infrastructural conditions in the areas that are functional to their settlement, sharing the same destiny of the majority. Furthermore, the minorities that are living in central places, with high density of population, in a well running infrastructure system, in the centre of economical and cultural flows, and with a good relationship with the minorities on the other side of the border (if there is any), are in a better position to carry on their role in cooperation. Hence, living in a receptive economic system they are well prepared to take on the possibilities that arise from the trans-border cooperation, through EU funds.

Having in mind the large number of the conditions described under these four categories, their achieved intensity and the reciprocal interactions between them, it will depend if the minority will play a role in the development of the border territory, through an effective action in cross-border cooperation.²¹ The dependence or the independence of the factorial variables proposed will not be examined in the current study, but it is important to mention that their position could vary depending on the moment when they are taken into consideration.

This pattern envisages two possibilities: the minorities that collaborate and the minorities that don't cooperate. Based on the quality of the cooperation we can classify the minorities in the same way as being not only active and positive subjects in the collaboration but also inactive. Taking into consideration the main cause that inhibits cooperation, the inactive group is divided in: passive minority, unrecognized minority and conflict minority. The examples of the minorities proposed in each category are taken mainly from Pan's and Pfeil's work on "National Minorities in Europe".²² For the same reason, we took also into consideration the following sources: the country reports on human rights practices of East European states, released by the Bureau of Human Rights and Labor of the US State Department,²³ CEI publication entitled "Minorities and the Central European Initiative: on the occasion of the 10th Anniversary of the CEI Instrument for the Protection of Minority Rights (1994–2004)"²⁴ and Toso's "European languages".²⁵

Active and constructive minority in cooperation:26

A national minority that is rather concentrated, has no more than approximately 300.000 members,²⁷ has a relatively normal distribution of the demographic structure, and has a low level of emigration/immigration of population ethnically diverse, might have a worthwhile role in trans-bor-

der collaboration. Usually, active minorities live in a well functioning economic system with an adequate national and international support of the trans-border areas. They have a normal distribution not only in the socio-occupational ladder, but also at the level of instruction and internal mobility. They have a sufficient internal cohesion and constructive relationship not only with the respective majorities, but also with kin-state. Furthermore, the active minorities frequently cross the border, have a favorable language status (e.g. for practical and economical reason), and there are no violent events (expulsion or forced emigration or forced assimilation). They are generally autochthonous and benefit from a high standard of law protection (better if it is supported by bilateral agreement among interested states), which allows them to use widely minority's language in the society and to have an adequate representation of their interests at every political level.

The minorities can benefit from a federal organization of the state, good political relationships, and the presence of interstate agreements in trans-border cooperation. The active minorities are usually supported by the host state and by the kin state. They are internally well structured, with preferably only one political organization, which can efficiently promote interests in a substantial decisional autonomy.

The active minorities accept their status without any claims regarding the secessionism. These minorities live usually in urbanized areas with high density of population, in the middle of economical and cultural flows. They have a good relationship with the minorities on the other side of the border and they are generally in the proximity of the kin state. It is more preferable for the active minorities to have an accepted border with past record than a new one. In this category we can find the following minorities: Slovene in Italy and in Austria, Italian in Slovenia and Croatia, Hungarian in Slovenia and Slovenian in Hungary, Hungarian in Croatia, Croatian in Hungary, German in Hungary²⁸, Ukrainian in Romania Romanian in Ukraine.

INACTIVE MINORITIES

This category comprises all minorities that *de facto* are unable to articulate their role in the cooperation. A national minority that is scarcely concentrated at the regional level, or vice versa, lives in a compact habitation, has small number of members or more than 300,000 members, has a particularly unfavorable distribution of the demographic structure or a high

degree of youth, and has high level of emigration or/and immigration of population ethnically diverse might have problems in trans-border collaboration. These kinds of minorities live usually in an underdeveloped economic system with an inadequate national and international support of the trans-border areas. They have either an unfavorable distribution, or a distribution too favorable in the socio-occupational ladder, but also at the level of instruction and social mobility. They might have an insufficient and unconstructive internal cohesion and tensions with the respective majorities. The kin state neglects them or supports them through an imperialistic or irredentist policy. Furthermore, the minorities cross the border not so frequently and nationalistic frictions are poisoning latently or manifestly the social daily life. They don't benefit from a high standard of law protection or they ask for more rights. The minority's language is not used widely in the society and the representation of their interests in politics, at every level, is relatively inadequate.

The inactive minorities live in a more centralistic oriented state, in a political relationship with the other side that is not so good, usually, with the absence of trans-border cooperation agreements between states. These minorities are often not supported by the host state. They are not well structured internally and in this way they can't promote efficiently the interests in a substantial autonomy.

The inactive minorities don't accept their status or they claim openly for secessionism. Often, these minorities are living in less urbanized areas, with low density of population, outside the economical and cultural flows. They have no relationship (the non-existence of minority on the other side of the border) or they don't have a good one with the minorities on the other side of the border and they are usually in the proximity of the kin state or very far. Usually, the inactive minorities are separated from their kin state by a "new" border (e.g. those minorities that were previously the main ethnic group(s) in the multinational state). As already mentioned, in this case, the minorities are divided in: passive minorities, unrecognized minorities, and conflictual minorities.

Passive minorities

Generally, these are minorities that live in scattered communities and are numerically weak, whereas in the absence of unilateral and bilateral tensions along the minority-majority axis. They cannot create a sufficient system of internal institutions and associations, which allow them to preserve the language and culture. For this reason, they are substantially unable to assert the function of political interlocutor with the majority. This kind of

minority is expected to continue being less visible, from its function point of view, and in this way it will slowly disappear. In this heterogeneous category are included most part of European minorities (encompassing around 150 minorities out of 329, like, Tsachurians, Karaime, Kernians, and Livs, the smallest group living in the Baltic states).

Unrecognized minorities

They are usually minorities neglected by the host-state. Hence, they are not formally recognized and protected. This type is usually less numerous and live scattered in the marginal position of political and social life. The ignorance is certainly a sort of unilateral conflict, where the presence of minority is unrecognized and marginalized by the host state in order to hampers the survival of the groups. Therefore, the minorities' potential role in cooperation is inhibited. In this category, we can mention Vlachs and Roma in the Balkans, Pomaks, Albanian, and Macedonians²⁹ in Greece, Macedonians in Bulgaria³⁰, and Balkan-Egyptians in Albania.

Conflictual minorities (latent or manifest)

The minorities are numerous, concentrated at the regional level and live in a compact habitation. They have tensions along the minority-majority axis and are often a matter of contention between kin state and host state; besides, they are usually aggressive towards the majority and have a claim for regional autonomy or secession. This consideration may be valid for the minorities that are opposing resistance to discriminatory and nationalistic policies. In the case of numerous and well-organized minorities, this type of ethnical relationship among groups has the possibility to generate latent conflicts or to move towards open local wars³¹, creating an environment where mistrust and suspicion restrain, and actually, bring cooperation to a close point cross-border. For example, it is possible to include in this category, for instance: Serbian in Croatia,³² Hungarian in Slovakia, Kurds in Turkey, Gaugazian in Moldova³³, Armenian in Azerbaijan, and Russians in Ukraine (potential).

CONCLUSION

Many parts of South Eastern Europe, which are inhabited by minorities, have been for decades under the risk of conflict, and nowadays, they are still being maintained in a latent state, thanks to the efforts of international organizations.

Several regions that are inhabited with an important percentage of minorities (in particular those minorities that were previously constituent nation or nations of multinational state), which have developed a society that, according to the proposed model, is not meeting the necessary requirements for minorities to become an active and important element in trans-border cooperation.

In particular, access to the opportunities often takes into account the ethnic background, and the problem of security is still being solved by nationalism; furthermore, as a reciprocal helpful and common cultural base, the consensus on diversity and multiculturalism is still scarce.

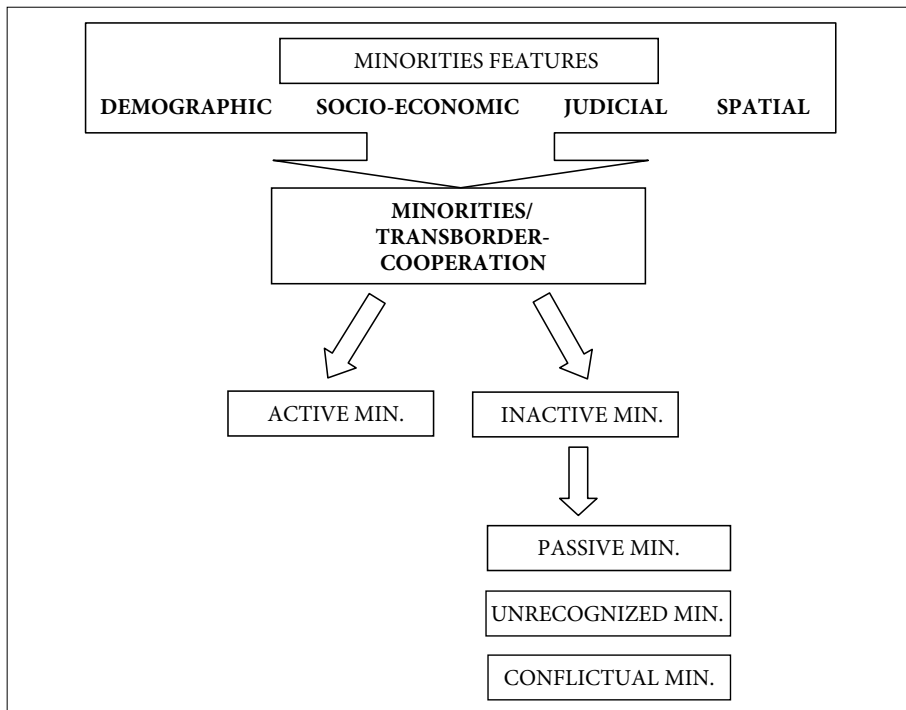
If we move on to the next categories of the model we will find in general other obstacles that are deferring their potential role: the necessity of going beyond and improving the items included in the categories of socio-economical and judicial features. Therefore, a lot of work must be done in order to improve especially the relationships between the groups along the following axis: min. – maj. and maj. – min. kin state. It seems fundamental that minorities appear to have the possibility of an appropriate legislation in support and protection, with an effective implementation, a substantial cultural and financial autonomy, hence avoiding any form of secessionism.

The efforts and actions taken in order to fully satisfy the factors from the theoretical model are considered important for improving the dialogue and reconciliation among communities. This will lead to a removal of the obstacles that are highlight in the model, as necessary requirements for the minorities to start cooperation.

National minorities have been used too often as the initial spark and justification for spurring war conflicts both between and within countries, like in the case of former Yugoslavia. The minorities should have an active role and important place in overcoming the consequences of conflicts, the normalization of relationships, and the establishment of new cooperation and peace.

It is also important to bear in mind that successful cross-border cooperation taken on by minorities in many parts of Europe (like in the case of Danish-German or Slovene-Italian), internationally acknowledged as a winning example of outstanding cross-border relationships, the same rules cannot simply be applied to other regions. As Kühl says: “This is no exact science. One technique might have tremendous success in one area but disastrous results in another. It’s difficult to define the most important

element in border issues. We simply don't know the whole. And it's too dangerous to experiment it. Because this is no laboratory. These are people's lives we're talking about."³⁴



GRAPH 1. – Schematic representation of theoretical approach

REFERENCES:

1. See Gligorov V. (2001), *Trade and Investment in the Balkans*, in <http://www.wiiw.ac.at/balkan/files/Gligorov.pdf>
2. Various forms of mutual beneficial economic cooperation, secularism as an overarching value to neutralize the divisive effects of local religions, cultural obscurantism and rising fundamentalisms, and also the creation of communication channels and opportunities for contact (at both levels: individuals and local communities) would be essential. These are some of the main reasons for Gošović to propose the revival in contemporary forms of the best of what Yugoslavia stood for and aspired to (unique multicultural country, meeting point, and cross-roads of civilizations). In order to achieve this goal, the author proposes the introduction of “de-balkanization” concept, which, with adequately support, can become a politically correct and desirable outlook for the entire Western Balkans. See Branislav Gošović, “Yugo-Nostalgia – for a comprehensive approach to the problematic of West balkans” in *Inter-ethnic Reconciliation, Religious Tolerance and Human Security in the Balkans – Proceedings of the Second ECPD International Conference – Belgrade, October 27–28, 2006*, T. Togo, J. Levett, N. P. Ostojić, eds. (Belgrade: ECPD, 2007), pp. 98–134.

3. Samir Banoob, "The Human Rights Foundation" in *Inter-ethnic Reconciliation, Religious Tolerance and Human Security in the Balkans – Proceedings of the Second ECPD International Conference- Belgrade, October 27–28, 2006*, T. Togo, J. Levett, N. P. Ostojić, eds. (Belgrade: ECPD, 2007), pp. 90–91.
4. See the theoretical proposal of ISIG for an Euroregion that encompasses the regions and states in the Upper Adriatic and Middle-Europe: Alberto Gasparini, Lucio Pegoraro and Angelo Rinella, "Regione Euro-Adria come integrazione di Macro-regione, Euroregione delle reti funzionali, Euroregione transfrontaliera", in *Problemi e prospettive dello sviluppo di Euroregioni sul confine nord-orientale italiano: il caso del Friuli-Venezia Giulia*, A. Gasparini, ed., (Trieste: Regione autonoma F.V.G.,1999), pp. 203–236; Alberto Gasparini and Daniele Del Bianco, *Eurego. Progetto di una Euroregione transfrontaliera* (Gorizia: ISIG, 2005), pp. 35–36. Alberto Gasparini, "Progetto per le istituzioni di Euro-Adria", *Trimestrale di Sociologia Internazionale* (2003), 3/4, pp. 24–28.
See also
http://www.coe.int/t/e/legal_affairs/local_and_regional_democracy/documentation/library/transfrontier_cooperation/sofia_speech_gasparini.pdf (accessed 1 October 2008).
5. Raimondo Strassoldo, *Euroregioni, Alpe Adria, Mitteleuropea. Prospettive dal Friuli* (Udine: Forum, 2005), p.12.
6. Walter Ferrara, *Regioni frontaliere e politiche europee di cooperazione* (Gorizia: ISIG, 1998), pp. 68–75. Ferrara's four main factors that obstruct or make impossible trans-border cooperation are: cultural, political-administrative, legal, and economic. For a summary see page 75 of the above-mentioned book.
7. Miran Komac, *Proučevanje narodnostno manjšinske politične (sub)culture* (Ljubljana: Sekcija za socialno antropologijo SSD, Antropolški zvezek, 1990), p. 256.
According to Komac's concept, a national minority is characterized by a specific political (sub)culture that, in turn, is determined by merging two mutually independent variables – the unified political system, and at least two different national identities (that of the majority and the minority). These two variables conceived automatically also generate the circumstances of the double-lane socialisation at the individual's level. – Furthermore, as a national minority is a "specific social group", it is also a historical category, developing over the history on the collision point of three factors: the influence of its immediate cultural and political (majority) environment; the relationships between the minority and the mother nation; and its own, internal development. Miran Komac, *Proučevanje narodnostno manjšinske politične (sub) culture* (Ljubljana: Sekcija za socialno antropologijo SSD, Antropolški zvezek, 1990).
8. Mojca Medvešek, "Primerjava percepcij slovenske in madžarske narodne skupnosti o položaju manjšine v Prekmurju in Porabju", *Razprave in gradivo* (1999), 35, pp. 97–127.
9. Renata Mejak, "Medčasovna primerjalna analiza čezmejnih stikov in percepcij prebivalcev Monoštra o Madžarski in Sloveniji", in *Medetnični odnosi in etnična identiteta v slovenskem etničnem prostoru I, izsledki projekta*, A. Nečak Lük and B. Jesih, eds. (Ljubljana: Inštitut za narodna vprašanja, 1998), pp. 273–320.
10. Katalin Munda Hirnök, "Medčasovna analiza spremljanja medijev slovenske narodne manjšine v Monoštru", in *Medetnični odnosi in etnična identiteta v slovenskem etničnem prostoru I, izsledki projekta*, A. Nečak Lük and B. Jesih, eds. (Ljubljana: Inštitut za narodna vprašanja, 1998), pp. 263–272.
11. H. Becker-Christensen, *The Danish-German minority arrangement a model for others*, (Aabenraa: Istitut for Graenseregionsforskning, Notat nr. 46, 1992) and also J. Kuhl and M. Weller eds., *Minority Policy in Action: The Bonn-Copenhagen Declarations in a European Context 1955–2005* (Aabenraa: European Centre for Minority Issues, Graenseregionsforskning, and Syddansk Univesitet, 2005).

12. K. Heffner M. Sobczynski eds., *The role of ethnic minorities in border regions. Selected problems of ethnic and religious minorities*, (Lodz-Opole, Region and Regionalism, n.6, 2003), vol. 2.
13. Jernej Zupančič, "Minorities: How long will they have a bridge function?," in *The role of ethnic minorities in border regions*, K. Heffner and M. Sobczynski eds. (Łódź-Opole: Region and regionalism, No. 6, 2003), vol. 1, pp. 7–16. See also Jernej Zupančič, "Ali je socialnoekonomsko in politično prestrukturiranje manjšin pogoj njihovega preživetja, primer manjšin v Sloveniji in Slovencev v drugih državah," in *Le minoranze nell'area di Alpe Adria, Atti del convegno di Bled, Ljubljana, 21–22.10.1993*, P. Vencelj ed. (Ljubljana, 1994), pp. 90–95; Jernej Zupančič, "Spatial functions of dispersed minorities," in *Changing role of border areas and regional policies*, K. Marek and H. Krystian eds. (Lodz-Opole: Region and regionalism, Nr. 5, 2001), pp. 228–240; Jernej Zupančič, *Slovenci v zamejstvu* (Ljubljana: Geografski atlas Slovenije, DZS, 1998), pp. 174–177.
14. J. Kühn and M. Klatt, *Action plan for cross-border cooperation Baranya/Hungary – Osiječko/baranjska county Croatia* (Aabenraa: Department of borders region studies – University of Southern Denmark, 2005).
15. Alberto Gasparini, "Le minoranze nelle città di confine e per l'integrazione transconfinaria," in *Narodne manjšine danes in jutri*, I. Štrukelj and E. Sussi, eds. (Trieste: SLORI, 1994), p. 112.
16. For the economic and social aspects of conflicts, see Robert Donia, "Reconciliation and reintegration in Bosnia and Kosovo: experiences and prospects," in *Inter-ethnic reconciliation, religious tolerance and human security in the Balkans – Proceeding of the second ECPD International Conference- Belgrade, October 27–28, 2006*, T. Togo, J. Levett, N. P. Ostojić, eds. (Belgrade: ECPD, 2007), pp. 189–190.
17. Jernej Zupančič, "Narodne manjšine-dejavnik povezovanja in konfliktov v državah tranzicije," in *Geografija in njene aplikativne možnosti, Melikovi dnevi-znanstveno in strokovno srečanje, Portorož, 27 in 28 september 2002*, Milan Bufon, ed. (Ljubljana: Oddelek za geografijo filozofske fakultete v Ljubljani, 2002), pp. 307–308, available at http://www.ff.uni-lj.si/oddelki/geo/Publikacije/Dela/files/Dela_18/22%20zupancic.pdf (accessed 5 October 2008); Jernej Zupančič, *Delovne migracije iz držav Evropske unije v Slovenijo* (Ljubljana: Research Work IG, 2001).
18. See H. Giles, R.Y. Bourhis, and D. M. Taylor, "Towards a theory of language in ethnic group relationships," in *Language, Ethnicity and Intergroup Relationships*, H. Giles, ed. (London: Academic Press, 1977), pp. 307–349.
19. See Pavel Klinar, *Mednarodne migracije* (Maribor: Obzorja, 1978), pp. 12–15. For a summary of the thesis proposed, see Loredana Bogliun Debeljuh, *L'identità etnica, gli italiani dell'area istro-quarnerina* (Trieste-Rovigno, CRS, 1994), pp. 70–71.
20. Daniele Petrosino, "Minoranze e cittadinanza transnazionale," in *Narodne manjšine danes in jutri*, I. Štrukelj and E. Sussi, eds. (Trieste: SLORI, 1994), p. 17.
21. It is quite difficult to find two minorities that show the same situation in all the proposed categories; besides, in the same category each factor is sensitive to several degrees "of realization", like the degree of legislative protection or of autonomy granted, that vary, also in theory and practice, from minority to minority.
22. Christoph Pan and Beate Sibylle Pfeil, *National Minorities in Europe* (Vienna: Braumüller, Ethnos 63, 2003).
23. The website of the Bureau of Human Rights and Labor of the US State Department <http://www.state.gov/g/drl/hr/> (accessed 5 October 2008).
24. Milan Predan, *Minorities and the Central European Initiative: on the occasion of the 10th Anniversary of the CEI Instrument for the Protection of Minority Rights (1994-2004)* (Mar-

ibor: CEI Executive Secretariat and Slovenian CEI Presidency, 2004), available also at http://www.ceinet.org/download/CEI_Publication_7.4.05.pdf

25. Fiorenzo Toso, *Lingue d'Europa. La pluralità linguistica dei paesi europei fra passato e presente* (Milano: Baldini Castoldi Dalai, 2006).
 26. For the minorities of the first type (active and constructive in the cooperation) it is important to satisfy the major number of factors in the categories, which allow them to make a qualitative leap forward, capable to increase utmost the potentiality offer by the membership on the market.
 27. Notably, the minor, small ethnic groups face the major difficulties to survive due to various reasons. But, when an ethnic or national minority can be considered a "small" one? According to some researches, the critical limit is around 300.000 speakers of a language. Below this limit, a language is seriously threatened over a long term. About 80% of Europe's 329 national minorities have less than 300.000 members. Thus, the majority of these groups are strongly relying on minority protection systems if they want to survive. For this reason minorities should have a more positive approach with the host state regarding their status and, in turn, the state should not perceive any peril regarding its integrity. Both issues are important motivations in fostering the dialogue between the communities and the role of the minority in trans-border cooperation. Christoph Pan and Beate Sibylle Pfeil, *National Minorities in Europe* (Vienna: Braumüller, Ethnos 63, 2003). See also <http://www.gfbv.it/3dossier/eu-min/autonomy-eu.html> (accessed 1 October 2008).
 28. Alenka Janežič ed., *Minoranze e collaborazione transfrontaliera nell'area di Alpe-Adria* (Trento: Comunità di Lavoro Alpe-Adria, 2004).
 29. See also <http://www.balkaninsight.com/en/main/news/11916/> (accessed 5 October 2008).
 30. See also <http://www.unhcr.org/refworld/country,,,BGR,,483e277e2,0.html> (accessed 5 October 2008).
 31. Taking into consideration the conflictuality of minorities, we can observe that this event is more frequent if it is accompanied by the following situations:
 1. presence of aggressive ideologies, hostilities, contrary to the ethnic diversity that consider irredentism as the core of their political programs;
 2. presence of numerous minority groups and compactly settling, that grow the possibility to claim for their rights, increasing the risk of a potential conflict;
 3. presence of old and outstanding problems;
 4. presence of deep cultural and organizational difference that do not allow the integrative moment to perform the unifying function in a balanced relationship with the distinctive one;
 5. presence of sizeable difference in the demographic structure of emigration or due to the growth of only one ethnic group.
- Jernej Zupancič, "Narodne manjšine-dejavnik povezovanja in konfliktov v državah tranzicije", in *Geografija in njene aplikativne možnosti, Melikovi dnevi-znanstveno in strokovno srečanje, Portorož, 27 in 28 september 2002*, Milan Bufon, ed. (Ljubljana: Oddelek za geografijo filozofske fakultete v Ljubljani, 2002), pp. 307–308., available at http://www.ff.uni-lj.si/oddelki/geo/Publikacije/Dela/files/Dela_18/22%20zupancic.pdf (accessed 5 October 2008).
32. See the World Report of Human Rights 2008, available at http://hrw.org/wr2k8/pdfs/wr2k8_web.pdf (accessed 5 October 2008) and also Snježana Bokulić and Galina Kostadinova, *Pushing for change? South East Europe's minorities in the EU progress reports*, available at <http://www.unhcr.org/refworld/pdfid/4886fcb72.pdf> (accessed 5 October 2008)
 33. See <http://www.unhcr.org/refworld/country,,,MDA,,487ca26623,0.html> (accessed 5 October 2008).
 34. See http://www1.sdu.dk/E/new/10_Joergen_Kuehl.html (accessed 5 October 2008).

V

ETHNIC AND
RELIGIOUS
TOLERANCE

THE CHALLENGES OF SPIRITUALITY IN THE 21ST CENTURY

On the assumption that the idea of the great 20th century Swiss psychiatrist, Karl Gustav Jung, that *homo religiosus* is one of the oldest archetypes, if not the oldest, which is hidden in the collective unconscious of all people, is correct – it is instructive to follow how the “religious man” in all of us has developed over the millennia of humanity’s existence. On this occasion, our task is not to deal, like anthropologists who are especially interested in the development of religion, with interesting and complex religious changes in various world religions, first in polytheistic religions, being present inside and outside of us for a long time, and then in monotheistic religions for nearly four thousand years. In this introduction to our lecture, emphasis is laid and has remained on spirituality, whereby this notion must be understood as man’s spiritual nature, his spiritual life.

Can we speak concisely and not in general terms about man’s spiritual life in the 20th century and what spiritual life can be sensed at the beginning of the 21st century? We could hardly dare to speak about it for one simple reason. Namely, we would have to limit ourselves – and we will also do that in the future – to the West European civilization and culture and to three monotheistic religions, primarily Christianity to whose civilization and culture the Balkan peoples have belonged for about one thousand years.

We must proceed from the fact that overall spirituality, which should also be understood as general religiosity, primarily Christian religiosity in Europe, which has been lasting for nearly two thousand years, but has started to diminish at an accelerated pace since the 20th century (somewhere even before this century). Religion, religiosity and the Christian church have been losing their power and significance first among the European intellectual elite, under which we understand the creative minds in the fields of philosophy, religion, art and science, and then, in more recent times, among the broader segments of the European peoples. It is not difficult to understand why. A tremendous advance in science which, as if it was more inclined to evolutionism than creationism (to use the old notions as well as the new ones), the crisis of the institutional Christian

church, divided unfortunately into three confessions being distrustful of each other up to the point of occasional armed conflicts, as well as the appearance of four creative giants, such as Marx, Nietzsche, Freud and Einstein, in particular, posed a true challenge to everyone's spirituality, both to individual one, regardless of whether those individuals were religious or not, as well as to popular one in the whole of Europe throughout the 20th century.

What was the result of this enormous challenge in the 20th century?¹ Above all else, that was the accelerated fall of millennia-long patriarchy, which had successfully been preserved, especially since the Christian Era, in the sign of the Cross, based on the strongly grounded vertical of the imagined pillar marking spirituality as well as culture (which always included religion, philosophy and art), and the horizontal, represented by civilization, both of them being the recognizable features of a people and a nation as well as their everyday life. Within the diminishing patriarchal way of life, in the mentioned sign of the Cross (it is the question of the Christian peoples of Europe and America), the atheistic and agnostic world-view of educated people first and then of those less educated among the peoples belonging to the West European civilization has been on the rise. Finally, with a rise in overall doubt and distrust about the authority of the Christian church and the so-called Christian state, one had to expect a decline in morals and ethnics, both among individuals and among peoples.

Without the vertical of the Cross (which means the belief in God and then in *pater familias*), people and nations remain one-dimensional; they replace God, the nation obtains the attributes of religion and the people becomes deified (Russia and Germany in the 20th century). God becomes a national and tribal god, and importance is attached only to blood and language (in a regressive way). Another Russian religious philosopher of the 19th century, Konstantin Leontyev, said rightfully: "The national principle without faith is the principle of a slow but certain self-destruction of a nation".

In his article "Orthodoxy and Religious Tolerance" (1993), Radovan Bigović wrote: "Ethnophiletism and ethnocentrism are the heresies of our times which are shaking our Church. The appearances of "rightful arro-

¹ Under the notion "challenge", I wish to refer, first of all, to the great 20th century British historian, Arnold Toynbee, who wrote about the relationship between law and freedom and, especially, about the relationship between challenge and response in the history of humanity; challenge should be understood as a stimulus, as an incentive for some action.

gance” are striking. The complex of superiority and mistakes about the ‘innocent East’ and ‘rotten West’ is spreading. It seems as if it is overlooked that the East is now in the West and the West in the East”.

We cannot now deal more thoroughly with the essence of a general crisis, that is, the crisis of spirituality, morals and ethnics, church and religiosity of the people, as well as the crisis of creative endeavour, primarily in philosophy and art in Europe and America, from the second half of the 20th century almost until the end of the first decade of the 21st century. Instead, we are already anxious over an attempt to answer the question: what about spirituality at the beginning of the 21st century?

Although every futurology is risky and even unnecessary, which also refers to the one in the field of science as well as the predictions with respect to religion and culture in the 21st century, we cannot resist trying to give some answer to this important and topical question, along with other reputed contemporary anthropologists. When speaking in general terms, but not incorrectly, we can mention, first of all, that there are two opposite views on the challenges of spirituality in the future. This time, we think about the future about the whole planet, which also includes other continents with their old and more recent religions (Hinduism, Buddhism, Islam). One such general view of the future of our planet is very pessimistic and apocalyptic; it is supported both by atheists and theists, and refers to the scientific prediction of environmental disaster about to strike our planet (or an atomic bomb in the hands of Islam!).

The other view, which is closer to us, as religious persons, and which relies on the Christian religion of faith, hope and charity, attempts to find out what positive answer could be given in the 21st century to the present challenge of science, atheism and Islam (when Islam is regarded by some Christians as the true “scourge of God”, which should warn weak and quarrelling Christians to wake up).

Samuel Huntington, who is known to us for his book “The Clash of Civilizations” (published in Serbia just in 2000), holds optimistically that the time of the global revival of religion is coming. Huntington does not agree with the opinion that the future of societies lies in moving toward a global society and universal civilization. In his view, divisions are possible in the future, but only at the civilizational and cultural levels, in which religion and language will play a leading role. According to Huntington, the potential dangers of larger conflicts in the future can arise “from the interaction of Western arrogance, Islamic intolerance, and Sinic assertiveness”.

Samuel Huntington is convinced in the further fruitful development of Christianity, but in the “Protestant form”. I also wish to recall Arnold Toynbee’s view that Christianity will continue to live and be active long after the West European civilization has vanished. It is natural that devout Christians cherish such expectations for the future, remembering Christ’s words that he will be with them “until the end of the world”, although he called them “little flock” (“Don’t be afraid, little flock”, said Christ at the beginning of Christianity and these words will remain unchanged until the end of time). Devout Islamists probably have quite a different vision of the world’s future.

What makes the Christians hope in the fruitful renewal of Christianity? Is that reference to the hitherto unfolding of history? First of all, there exists natural law, over which even Greek pre-Socratics were pondering, which points to the harmonization of opposites; namely, when one pan of the scale of historic events tilts too much, the invisible needle on the scale (which is, for Christians, the “ever-present eye of God”) enhances the activity of the other pan (or a metal plate). I will give the randomly selected examples of major world’s events in the 20th century: the so-called sexual revolution, Bolshevik revolution in Russia, striking rise of corruption and immorality in politics and among politicians today, enormous increase in the number of drug and alcohol abusers everywhere in the world, fanaticism among the religions and chauvinism among the nations; the increasingly interesting parallel process of European integration and disintegration; the striking and, at times, threatening rise of nationalism, coupled with a decline in religiosity; what about the absurdity of the idea about ethnically pure regions?

Is it naïve to think that all these mentioned and unmentioned misfortunes, which have been present since the 20th century already, and which are even more present in the early 21st century, must come to an end? To what end? We will return once again to those two mentioned radical answers: the apocalypse and the end of the planet Earth, or the new beginning?² The beginning of what and by whom? If we take the decline of the West as an actual possibility (about which Oswald Spengler was writing; he assumed correctly that the apex of civilization would mean the zero point of culture), why would not we assume the rise of some

² The great 20th century historian of religions, Mircea Eliade, notes, interestingly, that polytheistic peoples used to experience the end of some (and their) civilization without feeling for the tragic emotion. For them that was only the sign of the beginning of something new (it is always only Life, in the whole universe!).

other civilization and culture, in which all major religions of the world could live in tolerance, next to each other, and in which none of the great religions will disappear? A utopia? It does not have to be. When thinking about the birth of the “new world” (but not of the “brave new world”), moderate optimists always anticipate the birth of man’s new or extended consciousness. Is it realistic to expect something like that? It is probable that science in the future will guide us to the discovery of something new, which will not resist the eternal religious truths in the world any more.

And what can one say about the real dangers mentioned by Samuel Huntington? In the event of a favourable response to the challenge of tension in relations among peoples, races and religions, we would have to expect the renunciation of “Western arrogance”, the self-love of the narcissistic American and (to a lesser degree) European civilization and its politics: the renunciation of intolerance by Islam, thanks to those influential and educated Muslims who, without renouncing their faith, do not view jihad as the struggle to conquer to whole world, but accept it in the way in which highly moral Muslims understood Muhammad’s words that jihad is the struggle with oneself and primarily within oneself. We cannot say anything about China because, despite seven thousand years of existence, China has remained a secret for the rest of the world.

My conclusion about the challenges of spirituality in the 21st century is unambiguous. The oldest archetype in man, his *homo religiosus*, his spirituality, will last together with the earthly man as long as there is God’s and his Earth. The heavenly man in the earthly man will last for aeons of time.

INTER-RELIGIOUS DIALOGUE AS FACTOR OF RECONCILIATION AND STABILITY IN THE BALKANS

In the circumstances of post-conflict and transition period faced by multi-confessional and multi-ethnic region of ex-Yugoslav Federation and, more broadly, Western Balkans in general, inter-religious dialogue potentially has a role of important instrument for reducing tensions, helping stabilization and reconciliation in the region and thus creating conditions for its internal/regional and European integration.

It is widely known that disputes and open conflicts between the nations constituting Yugoslavia also included, inter alia, a religious dimension, though it would be an overstatement to say that those conflicts were predominantly religious wars. However, although reasons and causes for conflicts were not primarily religion-based, it is clearly seen that the awakened and frequently tendentially instrumentalised motivation matrix of confrontation based on religious differences remains active even after the phase of open hostility was politically ended and that it may, under certain circumstances, generate new frictions, even conflicts. Ongoing monologues of confronted national “truths” about causes and nature of dramatic events in the territory of the former Yugoslavia over the past fifteen years or so largely contribute to this situation. Instead of trying to find through a scientific objectivisation at least “the lowest common denominator” of the historic truth about such events, which is by no means easy and which takes time, own “truth” is by a series of state and para-state activities consolidated and ingrained into collective mind of present and future generations. This tendency is not equally intensive and implemented in all countries that emerged in the territory of former Yugoslavia, but it is more or less typical for all societies and national/ethnic groups. Having in mind the notorious fact that religious and national divisions between the most populated nations in ex-Yugoslavia coincide, as well as that the break-up of the federation made the configuration of state/administrative and church/spiritual boundaries more complicated, it is clear that insistence on the need to improve inter-religious dialogue has not only spiritual and cultural, but also very concrete social and political justification.

In the years ahead, it is realistic to expect continuation and even further complicating of the already complex social and political processes with religious component in certain parts of the Western Balkans, such as for example, Kosovo (and Metohija), Sandzak, Montenegro, Macedonia and B&H (where none of the underlying problems, which caused outbreak of civil war, have been permanently and satisfactorily resolved), except for the peace that was fortunately restored, thanks to the Dayton Peace Agreement and international community protectorate. In the future period, I find particularly threatening for the stability of the Western Balkans the inclination of the political and cultural elites of the national states, set up in the territory of the former Yugoslavia, to “complete” by all means the acquired political independence by establishing their own separate churches, contrary to the applicable canonical criteria, which is strongly resisted by historic churches and religious communities and which causes further divisions among believers and general public, as well as drawbacks in bilateral relations. It is a most complex area, so certain elements used in the argumentation of the confronted views may not be easily rejected, even if considered actually unacceptable. The logic of dialogue and compromise in these disputes cannot yet be seen on the horizon, while everyone understands it is not an inter-religious dialogue, but something completely different.

It would be necessary to affirm the model of a genuinely secular state, in which the agents of political power and state institutions, on the one hand, and churches and religious communities, on the other, would establish a relationship of constructive partnership. That should be the following step after “separation of church from the state” and the end of state interference with the affairs of churches and religious communities, which occurred after the fall of communism. Such a step will be, of course, possible only when political leaders in all Western Balkan countries really give up instrumentalisation of religious issues and their use for political purposes in the national/nationalistic key. In some of them it has not yet been the case. It would be interesting and certainly useful to carry out an objective comparative research of the real relationship between the state and church in the Western Balkan countries. In that respect, a special scientific conference on more closely defined subject could be organized where competent experts from Balkan and non-Balkan countries would be invited, whereby they would be requested to prepare their papers, not at their own preferences, but to throw light on certain segments of the defined project.

For the inter-religious dialogue to be meaningful and effective, it is necessary to fulfill several major requirements. First of all, it should be clearly defined what is understood by “inter-religious dialogue” and which goals it will have. In a narrow context, difference should be made between theological (inter-religious) dialogue from inter-religious dialogue in a broader sense, i.e. dialogue established and led in the various strata of life by inheritors and agents of different cultural traditions that were originally founded in incompatible religious theories and systems of values. Theological dialogue lies within the sole competence and responsibility of competent believers, priests and/or churches and religious communities, which indirectly contributes to their more successful theological dialogue.

The dialogue among the people belonging to different cultural traditions with deep religious determination, but which they basically do not feel as religious phenomena, especially if they are laymen, need to be fostered and organized in an unimposing manner, organically and systematically, but not in an aggressive and improvising manifestation manner. That dialogue, particularly in mixed communities, has always existed and it goes through different forms of social communication, while it occasionally, due to freezing and reducing of the scope and intensity of inter-ethnic/inter-religious communication and self-isolation, in the periods of serious historic turbulences and conflicts happens to be suspended, frozen and even terminated. To encourage and restore it is not easy at all, but is important in the long run. Just as assaults and fierce intrusions from ideological and political sphere destroyed and/or benumb the sensitive tissue of inter-religious and other dialogue, it is this sphere where healing encouragement to its recovery should come from. Beyond any doubt, all normal people, regardless of their nationality or religion, express their natural inclination to harmonize their general and mutual relations, based on dialogue. Such an impulse is at least as strong as human tendency towards destruction. It is illusionary to support declaratively enhancing inter-religious dialogue and encourage others to open up in that area, appeal on and “blame” churches and religious communities while at the same time make political decisions and concrete moves that do not diminish, but even increase cross-border and internal tensions in the West Balkan region.

The role of culture in the context of each and the so-called inter-religious dialogue, especially in a broader context, is indispensable. This is already more than convincingly proven by re-establishing of broken cultural ties in the territory of former Yugoslavia. It is an autochthonic proc-

ess with its own dynamics and it goes before the politics, whereby it would be noted that exchange of cultural values containing (i.e. recognizing) certain religious and ethical connotations and general human, archetype messages (“global morale”) are reciprocally welcomed in all ex-Yugoslav states. Based on the above, it would be necessary to draw certain messages and guidelines for purposeful encouraging cultural creativity, which is open and dialogue-based and which reaffirm those religious values with generally human character.

Ministries of culture and religion in the Western Balkan countries could, in cooperation with churches and religious communities, introduce the practice of organising regular working consultations, including occasional multilateral meetings for the purpose of coordinating and fostering cross-border cultural cooperation in the areas and with contents having ecumenical, spiritual and ethical potential. However, it is important not to kill spontaneity of such cultural networking, but to provide it with discrete, yet most valuable logistic and financial support.

THE BATTLE OF KOSOVO AND KOSOVO¹ HISTORY AND MEMORY

On this date in 1389 the famous battle took place at Gazimestan near Priština, leaving a lasting impression on the collective memory of the Serbs. The death of both rulers on the battlefield, the fierceness of the battle and the extent of military sacrifice on both sides left a strong impression not only on the contemporaries on both sides, but also on others far from the Serbian and Turkish borders. Both slain rulers were proclaimed martyrs, indicating the religious and inter-civilizational character of the battle, as seen by its contemporaries. This is testified by numerous Serbian church writings to the glory of Prince Lazar, which date from the first years after his death in the battle against the Turks, as well as by his canonization (proclamation as a holy martyr), as testified by the church service (*acolouthia*) written by Serbian Patriarch Danilo II as early as 1392. Buried in the Priština church after the battle, the Prince's remains were ceremonially transported to his memorial church Ravanica on that occasion.

The Turks erected the turbeh to their Sultan Murad on the site where he was slain, at Gazimestan, in accordance with the Muslim religious rituals to the glory of a gazi (hence the name Gazimestan), a fighter who sacrifices his life for the faith, as testified by Turkish chroniclers. Under these circumstances, there appeared and survived living oral and written traditions and interpretations, whose content is often very difficult to verify. The consequences of the conflict could only enhance and prolong the effect of the event both among the contemporaries and their successors, which resulted in the fact that the interpretation of the event surpassed in importance its description.

This is the only way to explain the scarcity of the historical facts relating to the course and details of the Battle of Kosovo as well as its outcome. In the absence of written records, scientific historiography has succeeded in determining only the site and date of the battle, as well as the death of both rulers, which in itself is almost a unique historic event.

¹ A digest of the lectures delivered in California (April), Honolulu and Orange County, on Vidovdan in 2008.

The most disputable is the military outcome of the battle itself. Although both oral folk tradition and later written records stress the defeat of the Serbian army, the oldest yet insufficiently explicit sources highlight a Serbian victory. This is also testified by the oldest Western reports and Serbian writings dating from the first years after the battle. If we consider them insufficiently explicit, this cannot apply to the contemporaries who knew the outcome of the battle. However, in the spirit of the times, it was more important to emphasize the martyrdom and heroic sacrifice of Holy Prince Lazar and his knights than the inexorable and well-known reality. Regardless of the military outcome of the battle, Serbia had to accept the supremacy of the new Sultan Bayazid to whom Lazar's daughter Olivera was given in marriage as a pledge of peace and vassalage. Lazar's son and successor, Stefan, was still very young for the duty of a ruler and soldier, so that the wise and sober Princess Milica had to acknowledge the supremacy of mighty Bayazid.

The new young sultan had to hurry back to Brusa in order to secure the throne after the death of his father. This can explain his leaving Serbia and Kosovo which, in the spirit of the times, was regarded as a sign of his defeat, because the victor would remain on the site of the battle and take possession of the occupied land.

If the military outcome of the battle was uncertain or, better said, was in the spirit of the Serbian victory, the political outcome was quite unambiguous. Apart from becoming the sultan's vassal state, Serbia had to hand over its important strategic strongholds – the towns of Zvečan in Kosovo and Golubac on the Danube. In this way, the Ottoman Empire not only penetrated into the central parts of the Balkans for the first time, but also gained a foothold at the very border of Central Europe. Therefore, the outcome of the Battle of Kosovo was decisive not only for Serbia, but also for much broader regions of South Eastern and Central Europe. Therefore, this battle acquired much significance for its contemporaries, due to which its interpretations overshadowed the facts.

Four years after the Battle of Kosovo, Bulgaria fell almost unnoticeably under Turkish rule, after the conquest of Trnovo. Byzantium had stopped offering any resistance a long time ago, so that its emperors accompanied the sultan with their army in his military campaigns. Almost every attempt of Western Christians to check the unstoppable Turkish expansion ended in a heavy defeat, like at Nicopolis (1396) and Varna (1444).

Almost three centuries were to pass before Europe was able to offer efficient resistance to the Turkish conquests. The strength of the then most powerful European empire, Austria, was not sufficient. Thus, the Christian

Holy League was formed (1684) after the second and last Turkish siege of Vienna in 1683. Much earlier, the Turkish army suffered a warning defeat in the Mediterranean, in the great naval battle of Lepanto (1571), but the turning point on the mainland occurred only after the aforementioned siege of Vienna. During the perennial war, in 1689, the Austrian forces penetrated their furthest into the Turkish territory, reaching Skopje, Štip and Veles, more than one thousand kilometers far from Vienna. In the Turkish counteroffensive, the Austrian forces suffered a heavy defeat in Kosovo or, more precisely, at its southern border, in the Kačanik Gorge, in January 1690. The chief commander of the Austrian and allied forces, General E.S. Piccolomini, died of plague in Priština before the event. On his deathbed he confessed to Serbian Patriarch Arsenije III Čarnojević and received communion (at the beginning of November 1689), as the French King Louis XIV was informed by his dragomans. France was at war with Austria since the beginning of 1689. It was helping Turkey and, probably, saved it from even more disastrous sequences and defeats at the decisive moments. According to the field reports of French spies, the Serbian Patriarch – before the defeat at Kačanik – brought 10,000 Serbian volunteers and a certain number of Albanian Klimente and Grude to help the Austrians. The reprisals of the Turkish army, especially the Circassians in its ranks, against the Serbian population were so fierce and destructive that they precipitated the exodus of a large part of the Christian population from Kosovo and Metohija. That was the famous Great Serbian Migration under Patriarch Arsenije in 1690. According to some reports, tens of thousands of Serbian families as well as Albanian Christians migrated into Vojvodina, that is, southern Hungary, reaching Saint Andre north of Budapest. This essentially changed the ethnic composition of the population, especially in southern Hungary, although the Serbs had already settled there in the late Middle Ages. Thus, present-day Vojvodina was becoming some kind of refuge and compensation for the gradual loss of the Serbian majority in Kosovo and Metohija, which was almost absolute in the medieval times.

Accordingly, in the late 14th century, Turkey reached its zenith and was unstoppable in its expansion through conquest. The military power of the European countries was not sufficient to stop its northward advance, especially toward the northwest. The lack of political and military solidarity was taking its toll. In addition, since late medieval times already, the West European countries were turning to overseas markets and sources of wealth. The significance of the Mediterranean region was declining since the discovery of America and its abundance of precious metals.

Until then, Serbian gold and silver, in particular, were one of the main sources of the European monetary economy. The continuous rise of the European economy, whose beginnings date from the 11th century already, as well as the increasing development of monetary trade were creating a growing monetary deficit, because the monetary stock mostly consisted of silver and gold. From the late 11th century, after the termination of Byzantine monetary hegemony that lasted more than seven and a half centuries, the Venetian gold ducat became the major international means of payment. Since the 13th century, Serbia was increasingly developing mining, thus expanding its production of precious metals, primarily silver and gold, which were mostly exported to Venice via Dubrovnik and its merchants. In the first half of the 15th century, this economy reached its highest point when the production of the Serbian mines of Novo Brdo in Kosovo, Kopaonik, Rudnik and Srebrnica, according to some scientific estimates, accounted for one-fourth to one-third of the total production of precious metals in Europe. After their final conquest of Novo Brdo and Kosovo in 1455 and Smederevo and the whole of Serbia in 1459, the Turks prohibited the export of precious metals, thus causing the raw material shortage, which heavily affected the flourishing European economy. Consequently, the fall of Serbia under Turkish rule had a major impact on the search for new sources of precious metals which, as is known, also led to the discovery of America only a few decades after the Turkish conquest of Serbia.

The main route of the unstoppable Turkish conquest of Europe, which started in the mid-14th century, ran through the Serbian lands. The Byzantine Empire, which never recovered from its conquest by the Crusaders in 1204, was only a shadow of the thousand-year-old empire. Exhausted by long civil wars, economically undermined by the market hegemony of Venice and Genoa, incapable of creating or accepting a synthesis with the Balkan countries (Serbia and Bulgaria) and blackmailed with the Union with the Catholic Church, Byzantium was the first to fall prey to the Turks. At the end of the 14th century, Bulgaria fell prey even faster and easier. The Serbian lands, which sprang up after the break-up of Dušan's empire, were the only ones in the Balkans which could offer strong resistance to the Turkish advance. However, the heavy defeat of the powerful rulers of their southern parts, King Vukašin and Despot Uglješa, on the Marica in 1371, opened the way for the Turks toward the central parts of the southern Balkans. The Battle of Kosovo which took place on Vidovdan in 1389 had similar consequences for the central and northern parts of the Balkan Peninsula, which prepared the way for the Turkish

conquest of Central Europe. Despite being helped by the Crusaders from other parts of Europe, the powerful Hungarian kingdom could only slow down the Turkish advance. The Wallachian principalities, Wallachia and Moldavia, stood aside the main route of the Turkish conquest and, thus, could keep a vassal's position towards Turkey as well as their autonomy, whereby only a certain continuation of Byzantine civilization was retained in South Eastern Europe.

Serbia remained for centuries on the main route of the Turkish advance towards the northwest of Europe and Vienna, through Hungary and Buda. In their centuries-long expansion of their territory and Islam, the Turks aspired to conquer the affluent parts of Europe and, through Vienna, Venetian and other lands, thus rounding off the Mediterranean region, whose southern and eastern parts had already come into their possession in the 16th century. In this way, they would revive the Roman Empire with the seat in Constantinople under the sign of the green colour of Islam. The military supremacy of the Turkish Empire, which stretched over three continents, was still insufficient for such a venture. Its economy was lagging too much behind the European one. The first signs of its weakness appeared in the late 16th century, including the financial collapse, inflation and the loss of value of Turkish money. A stronger economy and visible trade always take precedence in the long run.

Due to its geographical location in the central Balkans, Kosovo became one of the most important bases of the sultan's massive military campaigns since the final Turkish conquest. The mines were gradually exhausted and shut down in the 16th century, although the sultans, especially Suleiman the Magnificent, made great legislative efforts to preserve their production of precious metals. The state-run economy of the military-theocratic empire could not keep pace with Europe's flourishing market economy. The agricultural economy of Kosovo and Metohija, one of the most developed parts of medieval Serbia, the cradle of its civilization with the most important spiritual and cultural centres and its central part in which many Serbian rulers were born, suffered continuous regression under Turkish rule. Due to the military needs and religious prohibitions in Islam, the very well-developed viticulture of this region was replaced by grain production. Later on, the development of cattle breeding began to push out agriculture. Over the centuries, the growing uncertainty, looting by gangs of brigands, arrival of settlers from Albania, whose population – from the late 16th century onwards – was converting to Islam in increasing numbers, pushing out the Christian population and the latter's feudal dependence on Muslim masters, as well as frequent military campaigns

were changing the composition of the population to a greater extent than in many other parts of the Balkans.

As one of the most important strategic regions, Kosovo was the site of decisive military conflicts and great battles since medieval times. At Pantin in 1171, Nemanja won a decisive battle against the Byzantines and his brothers, who were their allies. At that time, the Byzantine-Serbian border was still in northern Kosovo with its fortified border town of Zvečan. After 1489, another important and great battle also took place in Kosovo, in 1448, when the Crusader army under the command of the Hungarian king's deputy Janos Hunyadi, suffered a heavy defeat at hands of the Turks. The betrayal of the Christian camp by Wallachian Duke Dan had a decisive impact on the outcome. The Serbia of Despot Djurdje Branković, which had just been liberated from the first Turkish occupation (1439-1444), remained on the sidelines, although the war was waged on its territory.

The uneducated folk poetic and oral tradition made some sort of amalgam of these two battles, which marked the memory of the oppressed people. Thus, in one of the oldest bugarštice (type of folk poetry) from the Bogišić collection, there is also mention of King Marko who is "defending the dead Władysław; why is he defending him when he failed to defend him", although Marko did not participate in the battle of Kosovo, just as the Polish-Hungarian King Władysław was not killed at Kosovo, but in a crushing defeat of the Crusades near Varna in 1444. Likewise, Vuk Branković's betrayal described in a folk poem from the famous Kosovo Cycle is an amalgam of his withdrawal from the battlefield in 1389, when it seemed that the battle was already won, and the non-participation of Djurdje Branković in the battle of 1448. Namely, contemporary historical sources do not provide the evidence of Vuk Branković's betrayal. If nothing else, he remained hostile to the Turks after the battle of Kosovo as well.

According to its ethos and historical consequences, the Battle of Kosovo left a deep imprint on the collective memory of the Serbs. In its spirit and form, epic poetry sublimated the content and meaning of Kosovo in 1389. This was just in the spirit of the times because, as written by Ernest Kantorovitz, in the 14th century Europe there "emerged readiness for collective sacrifice for the homeland".² That which is called the Kosovo covenant and was epically sublimated in the form of the Gospel parallel:

² As can be seen from the collection of his works devoted to this topic, which was published under the title *Pro Patria mori*, Paris 1984.

the Prince's supper as the Last Supper, Vuk Branković's betrayal as Judas' betrayal, the Prince's sacrifice as Christ's sacrifice – is the unique example of conceiving the life and collective memory characteristic of the poetry of supreme quality, the poetry of a patriarchal people, imbued with the Christian and epic ethos, which is also its greatest value and originality which exceeds the local and ethnic bounds.

Over time, it also became the foundation of the covenant idea with which the people, remaining without its state and institutions, kept alive the awareness about the need for its revival, which is similar to the Greek *Megali Idea* during Turkish rule and later on. A people without a state cannot be the subject of history any more. Such a people, as was the case with the Balkan peoples during Turkish domination, can only be the object of historical processes. A people without a state cannot have historical responsibility, says Yeshua Leibovitz, thinking, in the first place, of the Jewish people which had not had a state for two thousand years.

Such ideas prove that the social community is older and predominant in relation to the state and that it is not only the state which is formed by a people; instead, that is also an interaction in which the people, as a social community, represents both the creator and carrier of the state. A people can exist and survive without a state, even without a prominent role in history, but a state cannot exist and survive without a people, without a common conscience and conceptualized existence and endurance.

As the mainstay of the collective memory, the Battle of Kosovo did not exist only in the tradition of the Serbian people. It also left a strong imprint on the first works of the historiography of the New Age, which could not appear in Serbia under Turkish rule. Such a work was, first of all, *Il Regno degli Slavi* (The Kingdom of the Slavs) by Dubrovnik historian Mauro Orbini / Mavro Orbin (Pesaro 1601),³ who devoted considerable attention to this important event, testifying about the tradition still alive after two centuries, as well as about the broader significance of this historic event.

When the army of the Kingdom of Serbia liberated Kosovo and Me-tohija from the Turks in the First Balkan War in 1912, foreign military observers noted that, after stepping on Kosovo soil, the Serbian soldiers were falling on their knees and kissing their sacred soil. They also wrote that

³ Orbini's history, translated into Russian and published in St Petersburg in 1722, had a significant influence of Russian historiography.

the Serbian people and its soldiers believed that the army which plunders and mistreats civilians would lose the war. At that time, Serbia won three wars: the First and Second Balkan Wars, as well as the First World War.

At that time already, the Albanian population in Kosovo constituted a majority of a little more than 50 per cent. This majority was created after the Berlin Congress in 1878, when Serbia obtained its present-day southern regions and extended its present-day border with Kosovo and Metohija. The Albanians from southern Serbia then began to migrate into Kosovo and Metohija, which was still under Turkish rule. As Muslims, they did not want to live in a Christian state. At the same time, the Serbian population in Kosovo and Metohija began to migrate into Serbia in increasing numbers, fleeing Albanian violence. The migration of the Albanians into Kosovo and Metohija began in the late Middle Ages and was continuous during Turkish domination. At the beginning, it was very slow, because the Serbian population constituted a majority in the region – over 90 per cent. When an increasing number of the Albanians began to convert to Islam, from the late 16th century onward, their settlement was intensified because, as Muslims, they enjoyed a privileged status in Turkey in relation to the subordinated Christian population. The second great wave of the Albanian settlers in Kosovo and Metohija, as well as in the peripheral parts of southern Serbia, began after the aforementioned Great Serbian Migration in 1690. The Albanian migration after the Berlin Congress preceded the one at the time of Serbia's occupation (1916-1918) during the First World War and, in particular, during the Second World War, when the Italian occupier annexed one part of Kosovo and Metohija to its ephemeral creation – Greater Albania. Tens of thousands of Serbs, who were settled in the inter-war period, were expelled and deported from Kosovo and Metohija. Under the law of March 1945, the communist authorities of Tito's Yugoslavia banned the return of those Serbian settlers to their homes. Since then, the emigration of the Serbs and the immigration of the Albanians have not stopped. Thus, over the centuries, the ethnic composition of the population in that part of Serbia in which, since the 13th century, the seat of the Serbian Patriarchate of Peć, the oldest and longest lasting of the seats of the head of the Serbian Orthodox Church is to be found, has been radically changed. Of all the Serbian lands, Kosovo and Metohija have the highest density of Orthodox church institutions, churches, monasteries (Dečani, Gračanica, Banjska, Saint Archangels, Mother of God Ljeviška, Devič and many others), the most important and most valuable monuments of Serbian culture and spirituality, some of which have been included in the UNESCO World Cultural Heritage List.

Throughout its history, the region of Kosovo and Metohija was never a separate administrative unit, let alone a state. At one moment, during Turkish rule, there was a sanjak with the seat in Vučitrn,⁴ but the greater part of the territory of that administrative unit did not coincide with the present-day Kosovo borders. The most radical change in the ethnic composition of the population in Kosovo and Metohija occurred within a relatively short time, that is, over a few decades, during the communist regime in Yugoslavia. At that time, Kosovo and Metohija obtained their present-day borders. At first, those borders were administrative ones, then they become political-administrative ones and Kosovo and Metohija obtained full autonomy. Finally, the region became an international protectorate that was proclaimed an independent state, which has already been recognized by many countries. Today, the remainder of the remaining Serbian population, as an ethnic minority of some 10 per cent, lives in the enclaves under the more or less efficient protection of the international forces, KFOR and UNMIK. Nuns and priests in the monasteries live like in camps – protected with high walls and dense barbed wire fences. It is less known that these armed forces often care more about their own security than about the security of the civilian Serbian population. It suffices to see the fortified KFOR camps throughout Kosovo and Metohija, as though in a wartime situation, to be convinced of that. Similar scenes can hardly be seen in Bosnia, the country in which three ethno-confessional communities waged a fierce war for four years, despite the prolonged presence of the international forces in that country. The daily routine of Kosovo and Metohija includes ethnic apartheid and violence, the facts for which NATO and its members have assumed full political, legal and historical responsibility.

Ethno-confessional conflicts will always exist in the world. They are most often the result of a difference in demographic growth and change in the ethnic composition of the population. Nowhere else in this century can one find such violence, apartheid and the expulsion of a people from its homes, fields and graveyards; nowhere else are human rights violated to such an extent on the grounds of ethnic origin, nowhere else is cultural, spiritual and historical legacy destroyed and negated to such an extent, nowhere else is aggressive nationalism so cynically triumphant, not to mention the responsibility of the most powerful military alliance in his-

⁴ At that time, Prizren was the seat of another sanjak; one part of Metohija belonged to the Dukadjin sanjak and northern Kosovo to the sanjak of Bosnia.

tory. If all this is the announcement of the new millennium, then hardly anyone should rejoice in it.

However, the international community and its only military alliance cannot bear the sole responsibility for the consequences of the politics that brought Kosovo and Metohija into a situation without precedent in modern European and world history. This region was an integral part of Serbia for almost 90 years, of which more than half a century under the communist regime and its democratic successors. The fact that UNMIK restituted to the monastery of Dečani (like to some other monasteries) 700 hectares of its land, which was nationalized by the communist regime – but was not restituted by Serbia – provides ample evidence of the character of the Milošević regime. The late and inconsistent transition carried out by DOS is quite another story. It suffices to remind ourselves that Serbia is the only European country which has not yet carried out restitution. However, it is still carrying out the privatization of the property appropriated by the communist regime. Consequently, this is the state which still cares more about the preservation of the “achievements of the revolution” than about the protection of private property which, in addition to the protection of the security of its population, has always been the most important purpose and function of the state as the most developed form of human community. The fact that the relatively greatest changes in the ethnic composition of the population, whose security was not efficiently protected, took place just within that 50-year period, and that the major part of private property has remained appropriated, provides the best evidence of the nature of the state that is still one of the most isolated in Europe – the state which currently has the lowest investment rate, lowest quality of secondary education on the continent and the lowest rate of growth in the Balkans, the state which, according to the World Corruption List, ranks among the world leaders in corruption, or systemic corruption, as it is called by experts, which implies a systematic conflict of interests between state and society, state function and property, which was until recently called “social”, but was actually appropriated. Not so long ago, Yugoslavia had thousands of firms and affiliates abroad and all those firms were transferred to private ownership according to the party and police criteria. Even larger and richer states could not bear such an outflow of capital and goods without serious consequences. Privatization, which has been carried out for years, is mostly based on similar rules.

With the accession to integration processes, EU institutions and free market and other competition, this kind of “privatization” and seizure by the partocratic oligarchy would be curbed, or stopped. This is not in the

interest of the privileged state over which a monopoly is still held by the one-time “new class” and its consistently self enriching profiteers. The upper class (the middle one vanished a long time ago), which at one time passed over the accelerated Albanization of Kosovo in silence, caring only about its own interests, fought subsequently over power by using populist demagoguery, so that the subsequent deception was in the sign of Serbia’s continued self-isolation. Had the Federal Republic of Yugoslavia more seriously approached Euro-Atlantic institutions from 2000 onward and had it joined NATO,⁵ Kosovo and Montenegro would have hardly become independent. It is quite another thing that this did not suit everyone in the so-called international community, so that there was not too much encouragement in that direction. Therefore, it was necessary to have a resolute strategy. It is well known that after the fall of the Berlin Wall the strongest, if not the only, guarantee of one’s territorial and state integrity was just that - NATO membership. In the post-communist period, the Federal Republic of Yugoslavia found itself with the double, almost unloosenable noose of its internal and external isolation around its neck. This frightful vicious cycle consists of the interaction of a dual alibi: the domestic partocracy survives thanks to the cynicism and discriminatory standards of the international community, which finds a justification for everything in the anachronous nature of the socio-political self-disintegrating system of the Federal Republic of Yugoslavia and Serbian society. Orwell would not have been able to imagine such an inexorable system of government and dominance, brain washing, autism and regression. At the same time, the Serbs are reproached with good reason for crossing swords with the former Yugoslav republics and the rest of the world, according to the “alone against all” principle, instead of introducing order and contemporary standards into their society and state. With the independence of Montenegro, the disintegration of Yugoslavia was completed. The separation of Kosovo encroached upon the matter of Serbia’s territorial integrity. Nothing can guarantee that the disintegration has been finished. The country outside integration processes is exposed to disintegration ones. The European transverse routes bypass it and it itself is turning into the grey zone outside economic interests and development projects. This is the logic of post-communist Europe, while Yugoslavia is the best example of that historical process.

⁵ It is a little-known fact that in the 1950s Yugoslavia was practically a NATO member, since it was in a military alliance with Turkey and Greece which were NATO members. At that time however, this was the way to strengthen the power of Tito’s “New Class”.

It is a little-known fact that Yugoslavia had a chance to join the EEC on the most favourable terms on two occasions: in 1974, when Tito resolutely declined the offer, and in 1990, when this was done by Milošević and Tudjman. While Tito's response to a special EEC envoy could be explained by the Cold War logic and bloc division, in which Yugoslavia seemed to play a very favourable role, as well as Tudjman's response in the spirit of ethnocentric populism and separatism, it is hard to understand the logic of Milošević's rejection – "the creation of a strong federation". At that time, the Soviet Union was already disintegrating, while Czechoslovakia disintegrated a little later. In Yugoslavia, the conditions for creating a "strong federation" were still less favourable, especially in the situation of being alone against all. It is highly unlikely that it was the question of Milošević's ignorance. As a banker, he spent a lot of time in the United States. It is more likely that it was the question of the aforementioned interests of the partocratic oligarchy.

The self-reproducing and monopolistic class, whose half-century inviolable rule has indeed thrown Serbia back by one hundred years. Namely, about one century ago, Serbia ranked among the most modern countries in the region as well as in Europe. Although it was a small agricultural country with a predominant patriarchal society, like the greatest part of contemporary Europe to some extent, Serbia was one of the first countries in Europe and the rest of the world which introduced universal suffrage, initiated a land reform and had a relatively developed parliamentary system, in addition to significant non-governmental institutions, foundations and other similar institutions. The University of Belgrade and the Serbian Academy of Sciences and Arts had a high degree of financial autonomy, since they were largely supported by charitable endowment funds. Struggling painfully to overcome its backwardness and Turkish legacy, small Serbia had a long way to go before approaching the civilizational achievements of modernization. The first Yugoslavia was faced with almost insurmountable internal and external challenges, but still achieved significant success in its struggle against backwardness, not to mention land reform, economic growth, stable finance and education. It did not collapse from within, but was forcibly dismembered by the superior external adversary, at the time when Europe fell into the deepest abysses of its history, to the lowest point of its existence.

Isolated, ghettoized, ostracized, accused and condemned, plundered and blackmailed, impoverished and depopulated, with its ageing population and the best young people and experts leaving the country without the intention of coming back, underdeveloped and deprived of hope, frus-

trated and disappointed, provincialized and disparaged, lacking a development and geo-political strategy – this is an incomplete picture of the painful yet indisputable reality of Serbia and its people, whose dawn is hardly in sight.

Is it possible to blame others for such regression all the time? Can an historical and state-building people avoid the question of its own responsibility? If such a question can be avoided under conditions of overall apathy, despair, destructurement and depression by making the self-justifying accusation of anyone and everyone, the only way to change oneself for the better is the confrontation with one's own responsibility.

Serbia has been experiencing an almost continuous and unstoppable economic and other erosion since the early 1970s. It was not the only one to lose wars and territories, its human and natural resources. "Wisdom lies in defeat, not in victory", says a Japanese proverb. He who has no courage to admit a defeat is deprived of that, not so little, advantage of the defeated, but is not spared the defeat and its consequences.

Today, the Serbian people in Kosovo and Metohija is the greatest victim of the wrong and senseless politics of its state and political and other elites. The result of such politics is that some 50 per cent of Serbs live outside Serbia. Did all this have to happen? What is the future of Serbia itself? Does it have the capacity and will to reverse this process of general erosion? What can be changed if the blame is always ascribed to someone else? Are the human being and his community the object or subject of history? What does the freedom of choice mean? Is it easier to understand everything as a theatre of shadows, thus giving up the right to freedom?

Over the centuries, the anniversary of the Battle of Kosovo of 1389 has been marked not as the celebration of the defeat, as this event is sometimes wrongly interpreted. On the contrary, it has been an incentive and inspiration for new exploits, creation, the struggle for victory over dishonour, hope over hopelessness, faith over little faith, courage over apathy. This is how it has been experienced and understood, as an incentive and challenge of life and history, peace and war, creation and destruction, whereby success can be achieved by overcoming a failure, until victory after defeat, until joy after grief, until resurrection that is not possible without death, until the change of mind and correction, which are impossible without repentance. Therefore, in the spirit of the original ethics and epic, Vuk Karadžić could say in a concise way: "Work and sing at the same time; this way you will take the best revenge on your adversaries and shame them."

Kosovo has always been an indicator of Serbian history and time will show whether it will remain that in the future.

RECONCILIATION, HUMAN SECURITY AND RELIGIOUS FREEDOM

The Church, as the Body of Christ, unites the divine and human natures with their peculiar energies and free will. The Church is linked to the created world, in which it “resides temporarily”, by its created human nature. However, the interaction between the Church and the world does not only occur on the earthly plane. The Church and the world act upon each other in their mystical and theoanthropological fullness. Consequently, it can be said that the Church – as the union of free personalities in Christ and, in a certain sense, like the modern civil state, but on the incomparably deeper, ontological plane – achieves unity in difference as a theoanthropological and corporative body, that is, the Body of Christ which is both one and many.

Contemporary civil society represents a very complex amalgam of different secular and religious value ideals. Therefore, it implies, as the *sine qua non*, an ethically conceived relationship toward the other, primarily through the recognition of and respect for the rights of the other as well as the responsibility for the other. If we consider such phenomenology of otherness from a Christian viewpoint, we will see that not only the path towards two basic Christian commandments – love of God and love of neighbour – is based on man’s effort to gradually build the most careful and most responsible relationship toward the other, but that the Christian doctrine of God as the Trinity also speaks about the oneness of personality as the essential model of divine existence. The ontological truth of God’s being as a community in an indirect way, but especially the very fact of the unity of humanity, is based on the idea of the common beginning in Adam and on the ideas of the creation and salvation of man and the world are most deeply expressed through the evangelical commandment of love towards our enemies.

In the world abounding in diversity among people, religions and cultures, peace as a spiritual value is a precondition for mutual understanding and respect, as well as the fulfillment of God’s commandment of love for one’s neighbours and, according to the evangelical commandment, of love for one’s enemies. It is certainly indisputable that the Christian ethi-

cal imperative of love for one's neighbours refers not only to love for people belonging to the same religion, but also to unconditional and compassionate love for all people.

It is also important to emphasize that, according to its nature, the Christian Church is ecumenical and supranational. With His blood, Christ "has redeemed us for God... out of every tribe and tongue and people and nation (Revelation 5:9). The Church does not, and must not, make any distinction among people on the grounds of social status or nationality. In the Church "there is no distinction between Jew and Greek" (Romans 10:12). Naturally, this does not mean that Christianity has a negative attitude toward any tribe, nation or specific type of culture. Differences among people have always found their expression in liturgical and ecclesiastical creativity in general, while some great pre-Christian cultures have left an indelible seal on the Church. However, a life in conformity with the evangelical commandments requires from the Christians to surpass their limitations, which can very often be derived from our biological, national, cultural, ideological, political or some other affiliations and prejudices.

Now, turning to the subject, I wish to outline the historical and political context of life in the Balkans. In this connection, let me quote the well-known Bulgarian historian, Maria Todorova: "The size, form, stage of development as well as the existence of the Balkan states have been governed almost exclusively by the great powers' interests, in accordance with the rules of the balance of power game. At the Congress of Berlin in 1878, Bismarck hurried to inform the Ottoman representatives: "... *If you think that this Congress has been convened for the sake of Turkey, then you should put such an idea out of your heads. We would not have changed the Treaty of San Stefano if it had not encroached on the specified European interests.* The other delegates from the Balkans were not paid even such attention – they were completely ignored. Regardless of the biased views, the Treaty of Berlin played a decisive role in the political development of the Balkans in the 20th century."¹

For the Orthodox Christians and other for other citizens of the Balkans, including Montenegro, it is very important that serious efforts are now being made towards the rapprochement of the peoples belonging to different cultures and religions within the European Union, which is now also attracting the peoples from the territory of the former Yugoslavia. We hold that if the European Union wishes to surpass the narrow concept of a

¹ Marija Todorova, *Imaginarni Balkan*, XX vek, Belgrade 1999, p. 291.

pragmatic community of interest of economically rich states and become a community of spiritual values and achievements, it must also remain aware of its Christian legacy. Naturally, neither the state nor the political structures can exempt the churches and religious communities from their responsibility to communicate, within a pluralist system, with the postulates and values of a new secularized civil society in a creative way.

In the Balkans and Montenegro, a specific problem is posed by the fact that there is still no serious scientific, objective and impartial approach to the problem of facing the society with the ideologically or ethnically motivated crimes committed in critical periods during the 20th century. The maturing of society implies that the state institutions should help and support the formation of an independent institution, which could perform this important task in a professional way. The non-existence of such an institution imposes an additional burden on the priests as the shepherds because keeping silent about crises imposed a burden on the conscience of both the perpetrators of those crimes and their victims, as well as of their descendants. The leaders of churches and religious communities should call on their members to repent – and that is what they are doing – but it is also necessary that the secular state creates a genuinely democratic atmosphere and the context in which the entire society will be objectively faced with crimes and the existence of guilt for them. This would especially help in the awakening of the ideological descendants of those who had committed crimes. Montenegro, as a modern state, was also created by facing itself with tribally motivated crimes, while its spiritual leader, Saint Petar of Cetinje, succeeded, thanks to his authority, in reconciling the quarrelling parties and eradicating blood feuds through sponsorial relationships. In addition, as the rule, he established the fundamentals of the legal system in Montenegro.

Today, in the Balkans, the problem lies in the fact that each ethnic or ideological community speaks only about its victims, failing to recognize or minimizing its own guilt and the victims of “others”. It is interesting to point out how Gyorgy Konrad, in one conversation, defined the language of hate: “The essence of the language of hate lies in the fact that my pain or, in other words, the cause of the pain of my community is always the other community, that we alone are not the cause of our pains. That we alone are never guilty of anything”.²

² Djerdj Konrad, *Antipolitika: Eseji i članci*, Podgorica, Oktoih, Budva: Grad Teatar, 1999, p. 399.

On the other hand, as pointed out in the first part of our presentation in brief, it is evident that the Church has an enormous ethical and spiritual capacity and credibility to act in society. For a moment, we will turn our attention to the words from the Gospel according to John: "... and you shall know the truth, and the truth shall make you free." (John 8:32). Christ sends this words "to the Jews who had come to believe in him", that is, to the first Christians. For every true Christian, penitence as facing one's own sins and failures is a prerequisite for an intimate and undisturbed unity with Christ, the Son of God, who says: "I am the way, the truth and the life", as well as with other people. Naturally, the notion of penitence in Christianity has a much broader meaning than just facing one's own guilt. It also implies a change in one's way of thinking, life and acting. The change of one's behaviour and the pangs of conscience because of the committed sin or crime often help the victims of crime to endure their losses more easily. Penitence and the change of our mind-set or, in the secularized variation, facing our guilt and changing our behaviour enable us to forgive. Forgiveness, as a prerequisite for the union with God and our neighbours is also confirmed in the best known Christian prayer Paternoster: "... and forgive us our trespasses, as we forgive those who trespass against us" (Matthew 6:12). For example, at the level of a civil state, forgiveness is also the result of the facing of individuals or social groups with their own guilt and of the change of their behaviour. Just as forgiveness in the Church is the fruit of penitence, which brings the revival of the impaired union with God and neighbours, forgiveness in the state enables the reintegration and moral maturing of society.

For genuine reconciliation in society, it is necessary to display spiritual readiness and political will. However, regardless of the importance of combining these two components, spiritual and political, it is still more important that they should be clearly differentiated and not equated. Therefore, I wish to say a few words about the desirable relationship between the state and the Church.

The system of cooperative separation and cooperation between the state and the church ensures social stability and religious freedom. It also promotes mutual respect for different churches and religious communities. It is of utmost importance for the church that the state substantively respects its identity, which is derived from the Church's inalienable right to self-determination.

The relations between churches and religious communities and the state of Montenegro have not been regulated in a legally valid and mutually acceptable manner. We will give only three examples: there is still no

law regulating the relations between the state and churches and religious communities; religious education is not allowed in state schools; the law on the restitution of the property that was unjustly taken away from the churches and religious communities has not been adopted.

In view of the fact that the traditional religions, Orthodox, Roman Catholic and Muslim, are deeply rooted in the conscience of their adherents in Montenegro, until the adoption of the mentioned laws, which should be acceptable to all churches and religious communities, the Montenegrin society will have no internal stability. After all, the existence of the legally regulated relations between the state and religious communities and the respect for the religious rights and freedoms of its citizens represent a sure sign that such a society is really democratic.

ROLE OF RELIGION IN RECONCILIATION AND PEACE BUILDING

1. RELIGIOUS TOLERANCE AND THE PROTECTION OF HUMAN RIGHTS

Mr. Chairman, distinguished participants, let me just briefly introduce myself. I am Peter Zoehrer, Director of the UPF Office, at the UN Office in Vienna. I am also a journalist in the field of Human Rights.

The former SG of the United Nations Kofi Annan has repeatedly emphasized the three pillars of peace-building:

1. International Security
2. Defeating Poverty and Starvation (Want)
3. Protection of Human Rights

If one of these three aspects is neglected, real peace will remain a distant goal for our countries, our region and the world.

Mr. Chairman, esteemed participants: This year 2008 at the United Nations we celebrate the 60th anniversary of the Universal Declaration of Human Rights. 1948, exactly 60 years ago, the United Nations adopted the Declaration which operates as an authoritative guide in the field of human rights.

It is important to remember, that the Universal Declaration of Human Rights has largely been drafted by experts of religion.

The Universal Peace Federation, which is co-sponsor of this conference, seeks to promote the vision of religious freedom found in Article 18 of the Declaration:

Everyone has the right to freedom of thought, conscience and religion; this right includes freedom to change his religion or belief and freedom, alone or in community with others, and, in public or private, to manifest his religion or belief in teaching, practice, worship and observance.

Mr. Chairman, distinguished participants, recent history in the Balkan region has shown that one of the biggest challenges in peace-building is to overcome religious intolerance and the protection of human rights and human dignity.

As you may understand: Without the promotion of religious tolerance and the protection of fundamental human rights, such as religious freedom and freedom of conscience, any efforts to reconcile or unify conflicting parties may be in vain.

2. RELIGIOUS FREEDOM AS A FUNDAMENTAL HUMAN RIGHT

“The right of freedom of conscience and belief... religious freedom constitutes the very foundation for the other fundamental freedoms of man!”

Cardinal Franz KONIG (Austria)

For a religious person, can there be any other right more important than the freedom to worship your creator and follow his will in the way your conscience commands you to do? Mr. Chairman, distinguished participants, the importance of religious freedom has in the past been dismally neglected by political leaders!

On the contrary, great human rights defenders have always regarded the freedom of faith and conscience as the “mother of human rights”. Therefore, the significance of religious freedom for creating social harmony and world peace cannot be emphasised enough.

One could even say that the protection of human rights and human dignity are the very basis for reconciliation peace & building.

3. THE ROLE OF RELIGION IN RECONCILIATION & PEACE-BUILDING

Please let me draw your attention to the role of religion in protecting human rights, human dignity.

Religion has always played a central role in the protection of human rights and especially in the protection of human dignity. For example the abandonment of slavery was inspired by the biblical concept of “Imago Dei” (Genesis: All men are created in the image of God).

What makes religion strong in the path of reconciliation & peace-building?

- Its emphasis on man’s spiritual and eternal nature and dignity as a child of God.
- Its rejection of hatred and violence
- Its obligation to practice love by living for others

- Its power to forgive and reconcile
- Its vision for a world of peace, harmony and mutual prosperity

Mr. Chairman, for exactly those reasons Dr. Moon, the founder of UPF has proposed a religious chamber (for interreligious dialogue) as a permanent institutions in the United Nations.

4. ABUSE OF RELIGION AS VIOLATION OF BASIC HUMAN RIGHTS

Sadly, throughout history – even until today, religion has often been misinterpreted, misunderstood and misused for hegemonial interests, discrimination and even violence (crusades, inquisition, and religiously motivated wars until today).

If a particular religion claims to be exclusively assigned by divine providence to be the only one, the human rights of people of other faiths or convictions can be severely endangered.

That is the very reason why true religious leaders and defenders of religious freedom always emphasise the importance of religious tolerance as the basis for reconciliation & peace-building.

As Rev. McComish, Geneva said: “Never quote a spiritual source to justify discrimination or violence!”

5. RELIGIOUS FREEDOM IN EUROPE UNDER THREAT

*“Each civilisation should be judged
by the way it treats her minorities!”
Mahatma Gandhi*

The escalation of religious intolerance and discrimination throughout the new Europe should be a matter of great concern to our political leaders, the European Union and the United Nations.

- Anti-Semitism is on the rise again.
- Islamophobia is spreading throughout Western – Southern and Eastern Europe.
- Sectophobia – the irrational fear of so called “sects” or religious minority groups has been increasing over the past 40 years in Western Europe and since the fall of the Iron Curtain it has also been manifested in Eastern-Europe and the Balkans.

This is not just a mere assumption. Even governments and powerful state sponsored organisations are still supporting the agents of intolerance and discrimination (of minor religions and new religious movements).

Various European governments have created “black lists” of religious minority groups. Sadly, according to the motto “big fish eat little fish”, even the main stream Churches are often promoting state-sponsored discrimination of so-called “sects” or small religions. This has been possible through their powerful constituencies in most European countries.

Mr. Chairman, esteemed participants: It is exactly this kind of religious discrimination that Article 18 was designed to prevent.

6. UPF RECOMMENDATIONS TO THE STATE- AND NON-STATE ACTORS OF THE WESTERN-BALKANS

Appeal to governments to stop funding prejudiced public and private organizations which promote and propagate defamatory statements about faith communities and religious organisations. Such activities infringe the principles of tolerance and integration promoted by the UN, OSCE, COE and the European Union.

- Appeal to religious leaders to promote tolerance toward all religious groups, regardless whether they are weak or strong, large or small.
- Appeal to educators in the region to run continuous programmes on tolerance- and human rights education for young people who will be the leaders of our future
- Appeal to religious leaders to invoke the great power of religion for reconciliation and peace building. After all, we are one family under God.

“We must learn to live together as brothers and sisters or perish together as fools.”

Dr. Martin Luther King Jr.

ANDREAS THEOPHANOUS

PROFESSOR, DIRECTOR OF THE CYPRUS CENTER FOR EUROPEAN
AND INTERNATIONAL AFFAIRS, UNIVERSITY OF NICOSIA, CYPRUS

ETHNIC CONFLICT, CONFLICT RESOLUTION AND LESSONS FROM THE CASE OF CYPRUS

INTRODUCTION

Ethnic conflict has always been a characteristic of the international environment. It is therefore no surprise that today the world – in its newest order – faces conflicts between countries and also within countries. Given that there is an anarchic environment, not surprisingly the most powerful party wins the day. It is of great importance to understand that although each case is different and has its own distinctive characteristics, the international community may find it useful if it adopts a minimum set of guidelines which could be helpful in addressing such issues.

There have been cases where the various powers invoked principles and international law while in other cases their own politics and practices have run contrary to those invocations. In the case of Kosovo on the one hand – US and Russia pursued different approaches and on the other, in the case of S. Ossetia and Abkhazia in Georgia – the roles between the US and Russia were more or less reversed. Not surprisingly Turkey's policy toward the Kurds of Turkey, the Kurds of Iraq and toward the Turkish Cypriots are manifestly contradictory.

THE CASE OF CYPRUS

It may be interesting to address the case of Cyprus which constitutes an international problem with complex and multidimensional aspects. The Republic of Cyprus was founded in 1960 following an anti-colonial struggle of the Greek-Cypriots which aimed at *enosis* (unification) of the island with Greece. Independence was considered to be a compromise solution between the different parties involved; the Greek-Cypriot majority community (82%), the Turkish Cypriot minority community, Britain, Turkey and Greece. These three countries became the guarantor powers of the newly founded Republic. This arrangement broke down in the latter part of 1963. Intercommunal clashes followed as well as the bombing of the island by Turkey. There were several factors which contributed toward this

outcome; a complex constitutional arrangement, lack of political sophistication, extreme ideologies and mutually antagonistic national aspirations by circles in both communities as well as continued foreign intervention.

The climate has improved over time and intercommunal negotiations started in 1968 with the objective of promoting a new constitution on the basis a unitary state with elements on local and communal self administration on issues of low level politics. Negotiations were progressing and were very near to final conclusion in the early seventies. But in the summer of 1974 the media in Cyprus were focusing on the clash between President Makarios and the Greek Junta and not on the imminent or at least probable final solution of the problem. Following the coup organized by the Greek Junta against President Makarios, on 15 July 1974, Turkey invaded five days later on July 20, declaring that the military intervention aimed “at restoring the constitutional order and also protecting the Turkish-Cypriot minority community.” Nevertheless, despite the collapse of the Greek Junta on July 23 and the reestablishment of the constitutional order in Cyprus on the same day, Turkey continued its military operations and by mid August (1974) it had occupied 37,5% of Cyprus territory. The Turkish military operation and occupation were accompanied by ethnic cleansing and atrocities.

The 1974 debacle constitutes a clear case of blatant foreign intervention. A coup against Makarios by the Greek Junta provided Turkey with a window of opportunity to invade the island. Ankara continued its military operations despite the collapse of the Junta in Athens and of the putschist government in Nicosia. Furthermore, it seems that the events of 1974 could not have taken place without the tacit or implicit tolerance if not support of the US and Britain. In this regard one should recall the cold war atmosphere of the time.

Turkey has been a candidate country for membership in the EU since 1999 and embarked on accession negotiations in 2005 despite the fact that it continues to occupy 37% of EU member state and has not fulfilled out the minimum obligations it had undertaken (in relation to Cyprus). Furthermore, Turkey still refuses to recognize the Republic of Cyprus which is a member of the EU, the Union that Turkey aspires to join.

Ever since 1974 the Greek-Cypriot leadership has made painful concessions in an attempt to end the Turkish military occupation and also reunify the country. Nevertheless, over time there has been a gradual upward revision of the Turkish objectives: Ankara maintains unprecedented demands which amount to the legitimization of its actions and even the

dissolution of the Republic of Cyprus and the set up of new state entity. Furthermore, it has engaged in a serious effort to change the demographic character of the island. In this regard, it should be stressed that there are more settlers from Turkey in the occupied northern part of Cyprus than Turkish Cypriots. It is also important to note that the Turkish Cypriots have been used over time by Turkey as a strategic minority to advance its own objectives. But it is the Greek Cypriots who really constitute the strategic minority in the Eastern Mediterranean.

There have been numerous attempts to address the Cyprus question. Nevertheless, despite the fact that the major dimension of the problem is international (Turkey versus Republic of Cyprus) negotiations have been held between the two major Cypriot communities. Turkey has played the role of a third party. The new negotiation process which started in the spring of 2008 following the election of Demetris Christofias to the Presidency of the Republic of Cyprus in February 2008 does not seem to be any different from the previous ones, procedurally and substantively.

A major question that is raised with respect to Cyprus is how the international community deals with foreign aggression. This is vital given that the fundamental challenge of governance among Cypriots is influenced by external considerations: indeed, in the case of Cyprus pressures have been exerted toward the Republic of Cyprus to accept Ankara's conditions.

CONCLUDING REMARKS

The major question raised is how we address issues of governance in non-homogeneous states. The challenge is to advance political systems and constitutional structures which address the complex questions of various relationships in biethnic and multiethnic states and societies. In this regard it should be noted that it may be destabilizing to encourage the proliferation of nation-states. Some of the key issues that must be addressed are:

- whether people of different ethnic backgrounds, religion and language can indeed live together;
- whether a minimum set of principles could be established although it is understood that each case is different;
- the role of the international community and a new approach toward the UN;
- whether we still value the concept of territorial integrity of states.

In the age of globalization, integration, and economic unions and political alliances and groupings, the promotion of state structures based on a set of common values and objectives may be essential. In cases where this may not be possible, at least for the time being, it is still important to try to arrive at mutually acceptable outcomes.

Last but not least it important to note that the outcome in Cyprus would have serious implications beyond the territorial boundaries of this island state. A solution based on the respect of the territorial integrity of the Republic of Cyprus and on a functional federation which encourages integration as well as the peaceful co-existence of the Greek Cypriot Christians and Turkish Cypriot Moslems and of all Cypriots in general would be of great importance. It will also influence the way the international community perceives and seeks to resolve other regional and international conflicts.

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THE MODEL AND THE SUBSTANCE OF A CYPRUS SOLUTION

Despite the years of intercommunal negotiations and repeated efforts by the international community the Cyprus problem remains unresolved. The overwhelming presence of Turkey as well as Ankara's broader objectives in the region have been and continue to be a critical factor in terms of what solution, if any, one can expect. The fundamental question though that requires an urgent answer is what model can lead to a functional and viable solution.

There are very specific conditions which may lead biethnic and multiethnic states either to social prosperity and progress or alternatively to tensions and even conflict. Models which do not encourage the advancement of common institutions and instead are exclusively based on ethnic pillars are likely to lead to tensions.

The European and the American historical and political records, for example, have similarities as well as differences. One of the fundamental differences is how nationalism was perceived in Europe and also how it influenced the overall political landscape. In American experience, nation-building revolved essentially around a common value system as well as common institutions with respect to diversity despite the fact that the USA had its own history of ethnic and racial strife and antagonisms.

It is also interesting that in the last years we are witnessing two opposing forces in various parts of the world: on the one hand integrationist forces advancing and on the other hand the forces of disintegration leading to radical political, social and economic ramifications and in many cases disruptions.

Furthermore, we observe conflict and violence on the one hand and efforts for reconstruction and reconciliation on the other around the world. One of the great tasks is to understand the factors and prerequisites that affect these variables and be able to act preemptively. It is also important for policymakers and international institutions and organizations to have an understanding of those forces and factors which may encourage and advance the objectives of reconstruction, reconciliation and integration.

In several parts of the world, including Cyprus, one of the challenges is to arrive at a political structure and framework which respects the ethnic background and identity of individuals and groups but also advances a common value system and common institutions. To what extent this can be done and how it can be achieved is of course another issue. At the same time it must be acknowledged that different countries and peoples having their own historical experiences and record may choose alternative options.

It may be difficult to have the best possible opportunity for a breakthrough in Cyprus when Turkey maintains 40.000 troops of occupation in the northern part of Cyprus and while there are more Anatolian settlers than Turkish Cypriots. Curiously when Ankara faces major turning points with respect to its relations with the EU there are always “new initiatives” and expectations for a fruitful outcome but, unfortunately, in substance no major change of Ankara’s policy toward Cyprus occurs. On the contrary pressures are directed toward the weaker Greek-Cypriot side rather than the Turkish-Cypriot side and Ankara. That is exactly what also happened with previous UN efforts including the one which culminated with the rejection of the Annan Plan by the Greek Cypriots.

If indeed there will be a momentum for substantial progress and eventually a solution of the Cyprus problem Ankara must recognize and respect the Republic of Cyprus as an independent member state of the UN and the EU. Once this step is made the rest will follow.

VI

CLOSING
REMARKS

CLOSING REMARKS

Allow me to conclude this Conference by presenting to you the summary of what was achieved and what lay ahead. With your permission, I would like to introduce several provisions as an outcome of this event. I would like to express my sincere appreciation for your very active participation and enthusiastic discussions through out the sessions yesterday and this morning. All these discussions were testimony to how deeply all the participants are committed to the cause of peace and stability in the Western Balkan Region. We express our deep gratitude to the Government of Montenegro for the all-sided support for the Conference and to H.E. Prime Minister Milo Djukanovic for his support to ECPD activities and for his presence at the Conference, gracing us with his opening speech.

ECPD will further continue activities in the direction determined by this Conference as an action-oriented institution, in order to achieve reconciliation and human security in the Western Balkan Region with a view to accelerating the process of joining in to the overall European integration. This should encourage reconciliation and stability as the condition for peace, because reconciliation and stability are the prerequisites for economic development and acceleration of the general European integration process to reach this region. And it allows the peoples of the region at last to look to the future after a long spell of suffering in fratricidal wars and conflicts. The ECPD will try to organize and promote regional cooperation, so that efforts for reconciliation and economic development of the region could be coordinated through many public and private organizations and institutions of the countries of the region.

We discussed the impact of Kosovo case upon the peace and security in the region and the ways to come out of the present impasse and on the question of human security in the Balkan region. We also discussed the state and future of Balkan development and European integration. The basic tone was that, in spite of the present difficult situation both in the Balkan Region and Europe, the long lasting disintegration process in the Region is now coming to its consummation, and a new turning point

seems to be looming in the horizon. To overcome the present impasse between Serbia and Kosovo through peaceful means would lead to a situation in which peace rather than war should be the order of the day in the Balkan Region. There are still many issues to be settled, but if any element of optimism may be discerned, that should be by all means nurtured by the efforts of all the countries and entities in the Region, and the role of the ECPD lies in the task of analyzing and identifying such elements in the present turn of events in the Region and make them widely known in the Region and the world, so that such a process in the right direction could be accelerated and consolidated as well as irreversible. Such a trend may create enough incentive to the countries in the Region to make efforts to prepare themselves for the membership in the EU, by economic development, human rights, human security and reforms in their social structure.

We must seriously discuss and prepare the ways and means by which peoples in the Region can at last look to the future, not forgetting what caused such horrendous conflict and turmoil in the past. For this purpose, intellectual potentials of all the participants to the Conference should be fully mobilized in the future.

The issues raised are the followings.

EU integration process will continue without reversal, and each country in the region should continue reform and efforts toward it, and undue pessimism should be avoided.

Economic development in the region should be stepped up to decrease unemployment and sustainable economic stability. The cost of borders and fragmentation in the Balkans should be presented by ECPD and call for establishment of common economic space in the region. The leaders of the Balkan countries should organize an agenda for peace to bring peoples together.

A project for the way to Reconciliation through economic development in Bosnia and Herzegovina was presented with participation of local leaders, and it was supported by the Conference.

The causes of the conflicts must be ascertained and apology for the suffering should be made. The International Criminal Tribunal for the Former Yugoslavia is one step in this direction.

More attention should be given to the regional initiatives within Balkans, also by making reference to existing good practices of the trans-border regional arrangements in Europe. Functional regional integration and

cooperation would help the process of “desenclavation” of the Balkans, the secular reason for instability. The assessment of the Balkan Region, past present and future was discussed and it will be further elaborated, so that can be an authoritative document to be issued in the next year’s Conference.

The presence of the leaders of religious communities has made a memorable contribution to the deliberations of the Conference. The common element of upholding of peace and respect for human dignity was emphasized, and abuse of religion was cited as the cause of conflict.

Education for peace especially for the young generation is crucial.

Tourism by collaboration of the Balkan peoples will be an important asset for the economic prosperity and enhancing community interchange in the Region.

Health care improvement is crucial for human security in Kosovo and other regions.

The strategy of knowledge and skills for authentic, integral and sustainable development of Roma people is necessary.

The importance of women’s role for interethnic reconciliation and human security was stressed and this aspect should be the subject of further research.

The way in which minorities can be examined was mentioned as heritage of civil and ethical values (minorities analysis).

The overcoming of prejudices as a prerequisite for peace.

Lasting peace in the Balkans as a precondition for European peace.

The EU role in giving incentives in economic development in the Western Balkan Region.

Underlying all these issues are necessities of guaranteeing human security, focusing on building cooperation among societies in which everyone can live with dignity, by protecting and empowering individuals that are exposed to actual or potential threats. The discussion was carried out on the declaration to be issued at the next year’s Conference to stress the importance of the principle of human security to be firmly established in the Balkans. All this requires an urgent common effort of the Balkan political leaders to improve the current situation.

I should like to express our heartfelt gratitude for financial assistance by the Government of Montenegro, the Tokyo Club and the Universal Peace Federation. I would like to express my sincere gratitude for all

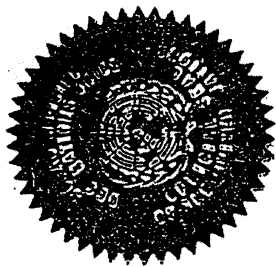
the participants for their dedication and contribution to the Conference. We are all of one mind in wishing for the peace and stability to be re-established in the region, so that people in the region can return to the European space in its rapidly advancing integration process.

Lastly, I would like to pay my respects and appreciation for the most efficient interpreters. We owe you the major part of the success of the Conference.



In recognition of
a significant contribution to
the programme and objectives of
the International Year of Peace,
the International Year of Peace,
proclaimed by the United Nations General Assembly,
the Secretary-General designates

European Centre for Peace and Development



as a
Peace Messenger

Javier Cuéllar

Javier Pérez de Cuéllar

15 September 1987

