New Balkans in a Changing World with a Changing Europe

Proceedings of the Eighth ECPD
International Conference on
RECONCILIATION, TOLERANCE AND
HUMAN SECURITY IN THE BALKANS

Editors:

Takehiro Togo / Negoslav P. Ostojić / Jonathan Bradley



EUROPEAN CENTER FOR PEACE AND DEVELOPMENT UNIVERSITY FOR PEACE EST. BY THE UNITED NATIONS

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Belgrade, October 20, 2012

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Introduction

RECONCILIATION, TOLERANCE AND HUMAN SECURITY IN THE BALKANS - NEW BALKANS IN A CHANGING

WORLD WITH A CHANGING EUROPE -

PROCEEDINGS OF THE EIGHTH ECPD INTERNATIONAL CONFERENCE BELGRADE, OCTOBER 20, 2012

The Eighth ECPD International Conference on "National and Inter-ethnic Reconciliation, Inter-religious Tolerance and Human Security in the Balkans" (hereinafter referred to as the Eighth Conference) was held in Belgrade, on October 20, 2012. It represented a continuation of the implementation of the ECPD international research and educational projects, under the same project initiated in 2005 and realized through the organization of annual conferences and the work of the ECPD International Permanent Study Group (IPSG).

All ECPD international conferences and IPSG activities were devoted to the same goal: contribution to the strengthening of peace and development in the region through inter-national/inter-ethnic reconciliation, and inter-religious tolerance in the Balkans and beyond. Most conferences were devoted to specific topics relevant to the conditions in Europe in general and its south-eastern region, the Balkans. The Eighth Conference was devoted primarily to the New Balkans in a changing world within a changing Europe.

The Eighth Conference was attended by 107 participants, including prominent scientific and public figures from almost all parts of the world. High former and current governmental officials, representatives of national academies of sciences and arts, professors from numerous prestigious European, American and Japanese universities, directors and members of several research institutes or centers, representatives of major religions in the region, representatives of diplomatic missions in Serbia - the ECPD host state, and others also attended the Conference and took part in its work. The Eighth Conference was attended by a number of journalists from almost all major news agencies in the region, who monitored and widely reported on the work of the Conference.

The Eighth Conference was chaired by H.E. Prof. Dr Takehiro Togo, a distinguished Japanese diplomat and President of the ECPD Council. The President of the ECPD Honorary Council, H.E. Boutros Boutros-Ghali, former UN Secretary General, was unable to attend the Conference, but sent his Message which was presented accordingly.

Apart from the Chairman's Opening Remarks and Boutros Boutros Ghali's Message, several other welcome addresses and/or introductory speeches were presented by H.E. Zoran Vujić, Assistant to the Minister of Foreign Affairs, Government of the Republic of Serbia, Prof. Dr John Maresca, Rector of the University for Peace established by the United Nations, H.E. Prof. Dr Albert Maes, President of the ECPD Executive Board, H.E. Sir James Mancham, President of the Global Peace Forum and others. H.E. Dr Erhard Busek, former Main Coordinator of the Stability Pact for South-Eastern Europe, delivered his keynote speech.

More than one third of other participants presented their papers and/or spoke about current and acute issues indicated in the Conference Agenda and beyond. The majority of others also took part in the discussions. However, since the Conference lasted only one day, due to budgetary constraints, many participants did not have a chance to express their opinions or discuss the papers of others. All presented papers, along with other relevant materials, are included in this publication, which will be widely distributed.

The papers presented at the Eighth Conference are arranged in the following thematic order:

- Greetings, Messages, Introductory Speeches;
- Globalization and Its Impact on the World and European Union;
- New Balkans in a Changing World: Directions, Causes, Consequences;
- European Integration and Balkan Cooperation;
- Human Security Concept Implementation.

Presented Messages, Speeches

1. Opening Remarks, Welcome Addresses, Introductory Speeches

In his capacity as President of the ECPD Council and Chairman of the Conference, H.E. **Takehiro Togo** in his Opening Remarks emphasized that through the conferences "we have had some success, but a lot remains to be done". Referring to the current political and economic situation in the Balkans, as well as the ECPD's accomplishments, Prof. Togo

elaborated briefly on the ECPD's tasks in the coming period with further orientation towards the Western Balkans.

H.E. Boutros Boutros-Ghali, President of the ECPD Honorary Council and former UN Secretary-General, was unable to attend the Conference, he sent the Message appraising the ECPD's three decades of "useful and considerable work" in the promotion of peace, development and national cooperation. H.E. Boutros Boutros-Ghali expressed his wish for a success of the Conference and strongly "encouraged the ECPD to continue and strengthen its useful work on the New Balkans" - a region "where global political tectonic plates meet and interact".

The Rector of the University for Peace, Professor Dr John Maresca, in his introductory remarks, referred briefly to the organization and development of the ECPD, the oldest affiliation of the University of Peace. Prof. Maresca also remarked that during the armed conflicts in the Western Balkans the ECPD might have disappeared. But, on the contrary – "it re-emerged as a distinguished institution in favor of peace in the region".

H.E. Zoran Vujić, Assistant to the Minister of Foreign Affairs, Government of the Republic of Serbia, on behalf of the Ministry and on his own behalf, expressed their welcome and their wish for a successful Conference. In Mr Vujić's view, the Western Balkans has made noticeable progress towards peace and stability in recent years, but there are still numerous problems that must be addressed (Kosovo, Macedonia, Bosnia and Herzegovina).

H.E. Albert Maes, President of the ECPD Executive Board, in his introductory speech, elaborated briefly on the situation in Europe where the ECPD carries out its mandatory tasks. Prof. Maes especially expressed his view that the European Economic and Monetary Union, which was based on a common macroeconomic policy and individual national budgetary financial interests, was unable in its current form to cope effectively with the global economic and financial crisis. Thus, urgent actions were needed to make it more effective.

Dr Erhard Busek, former Austrian Vice-Chancellor, in his keynote speech, spoke about changes in the Balkans and beyond, not only in the economy but also in other fields of human life. Referring to global economic and geopolitical changes, Dr Busek came to the conclusion that the importance of Europe was diminishing, while the Balkans do have a chance to recover and advance.

2. Globalization and Its Impact on the World and European Union

As an orbital process, globalization, which is primarily accelerated by technological advances, has an impact on the whole world - each continent and region, each country and even each individual - through its invisible force. However, the globalization effects are not the same, some are positive and others are negative. Europe, especially its south-eastern region, the Balkans, has mostly suffered negative effects - at least so far. Therefore, to make sense of the situation in the Balkans it was necessary to put it into the context of globalization and European integration.

According to Prof. Dr Pasquale Baldocci, the European political crisis was initiated long before the current economic and financial crisis just before the Maastricht Treaty was signed in early 1992. A new, global, economic and financial crisis has further complicated existing problems, strengthening differences between national and European identities.

Prof. Dr Nila Kapor Stanulović, in her paper, investigates an extremely important and topical issue, the impact of armed conflict on the mental and psychological well-being of the population. In that respect, Prof. Stanulović focused her attention on "providing psychological care for disaster survivors", without neglecting disaster causes.

Speaking about the concept of the UN security and defense policy, Mr Jovan Manasijevski analyzed the aim, meaning and implementation that concept. Mr Manasijevski's paper also deals with the development of partnership between the Macedonian military and the EU common security and defense policy.

Myrianne Coen looks at contemporary and future Europe, expressing strong criticism relating to almost all domains of its life - political, economic, social, and cultural. Nevertheless, Ms Coen favors the rebirth of Europe and believes that it is possible if proper reforms are implemented.

Jelena Đuran, in her paper, considers globalization primarily from the economic viewpoint. It is an invisible force that exerts influence on almost all countries, but with different effects; small and less developed countries can seriously suffer, while some of them, like Balkan ones, become estranged from international integration processes.

Dr Armand Clesse, in his brief statement, asserts that abasement and self-abasement can be seen in the historical pattern of Western policy and conduct in the international arena, while Prof. Irina Chudoska and Dr Damjan Chudo, in their presentation, considered the impact of the global crisis on international business and trade. The impact of the crisis on Balkan business and trade is also considered by Chudoska and Chudo.

Ms Lidija Petrović and Prof. Michael Desbordes, in their joint paper, maintain that the globalization process has had a profound and boosting impact on the sports industry. "The sports industry has experienced explosive growth in the last decade", with an enormous commercial potential, said they. Such a tendency requires new and efficient management in many respects.

Contemporary music has become a significant global industry with an enormous commercial and cultural potential. Prof. Dr Patrick Lecaque, in his paper, deliberates on the real and potential contribution of music to lessening tensions and building peace in the world.

3. New Balkans in a Changing World: Directions, Causes, Consequences

Speaking about the ECPD and its tasks and objectives, Prof. Dr Darko Tanasković emphasized that the Eighth ECPD International Conference should represent a step toward achieving those tasks and objectives. Prof. Tanasković also pointed out that the ECPD and its Conference should make an invaluable contribution towards promoting the research aimed at sustainable and comprehensive solutions to the problems of the Balkans and all its peoples.

Professor Dr Boško Bojović considers the Balkans as an indicator and anticipation of Euro-Atlantic inconsistency. Prof. Bojović considers the European Union's policy towards the Balkans just through that inconsistency.

Professor Dr Nano Ružin, in his paper, searches for undivided Balkan-European connections developed on the basis of common history and culture. Prof. Ružin emphasizes the formation of these connections while relying on Greek philosophy, Roman law and Christianity - all of which originated from or entered the wider Europe through the Balkans.

According to Prof. Dr Nikola Popovski, knowledge is the source and main factor of modern economic growth. In his paper, Prof. Popovski also discusses various methodologies used as indicators for measurement of a knowledge-based economy and considers the potential for promoting the underlying phenomena in the Balkan countries.

Ms Ada Stanulović, in her paper, considers the possibility of achieving reconciliation among conflicting groups through the use of a new method called Appreciative Inquiry, and explains its meaning and the way in which it is applied, primarily through education.

In her statement, Ms Jasmina Trajkovski discusses the current issues faced by the European Union concerning enlargement policy and the prospects of the Western Balkan countries for joining the European Union, while Mr Besim Veseli makes a comparison between different multiethnic models of the political systems in Bosnia and Herzegovina and Macedonia.

In their joint paper, Ms Dušica Atanasovska and Ms Tamara Radovanovik Angjelkovska, University Teaching Assistants, consider the impact of rendering special rights to the members of the armed forces and their families on the process of reconciliation in multiethnic Macedonia.

4. European Integration and Balkan Cooperation

The topic: "Six Western Balkan Countries on the Road to EU membership" H.E. Professor Wolfgang Wolte analyzes the Austrian road to EU accession, while Professor Vern Neufeld Redekop, in his paper, presents an economic development model based on reconciliation – a possible scenario for Bosnia and Herzegovina in his view.

Ian Bancroft, Trans-Conflict Executive Director, looks at reconciliation in the former Yugoslavia through the overcoming of three profound barriers: the abatement of tensions among victims, recognition of crimes committed and their clear and honest forgiveness. Mr Bancroft thinks that the real power needed for the removal of those barriers lies in the hands of policy makers.

Dr Miodrag Vuković, in his paper, discusses the great importance of the victory of the democratic coalition "For European Montenegro" not only for the further development of Montenegro, but also for the region as a whole. In the opposite, in Mr Vuković's view, today's Montenegro might not be a democratic and independent state.

Speaking about the unfavorable situation in South-East Europe, Prof. Slobodan Lang suggested several measures that should be undertaken in order to bring peace and prosperity in the region, including an agreement on non-violence among the states and the establishment of a court to try the crimes of genocide.

Associate Professor Marjan Mladenovsky, in his paper, surveys the development of multi-ethnic and multicultural Macedonia both at the time of the former Yugoslavia and afterwards. Professor Chrsto Kaftandjiev, in his paper, discusses the problem of the negative image of the Balkans and how it can be improved through marketing communication techniques. He presents several models and methods for their application.

Professors Drs Tatijana Ashtalkovska and Aleksandra Srbinovska-**Donchevski**, in their joint paper, discuss repressive and preventative measures for curbing corruption, which they consider a serious problem in the stabilization and integration of the Balkan countries, while Zorica Siljanovska, M.Sc., and Mirjana Matovska, M.Sc., deliberate on the impact of the global financial crisis on trade flows in the Republic of Macedonia.

Ph.D. Candidate Vasilika Papa, in her paper, discusses the prospects for Albanian integration in the European Union and elaborates on the ways in which Albania might pursue its objectives, while Ms Ana Kjovkarova, in her paper, discusses the consequences of decreasing the cost of national health care by decreasing the incidence of obesity in the Balkan countries.

5. Human Security Concept Implementation

The concept of Human Security is often thought to refer to physical security from violence, armed conflict or disaster. However, in a broader sense, it can refer to the protection of all those dimensions of life that allow the complete well-being and fulfillment of each individual human being over his or her lifetime. Professor Arthur Lyon Dahl, in his paper, explains what should be included in this broader concept of human security, and how and where it should be implemented.

Professor Nabuhito Shiba, in his brief presentation of human security from the Japanese point of view, dealt with some basic elements of the Tokyo University program of human security education. Prof. Shiba also referred to the importance of history teaching for post-conflict reconciliation in the Balkans.

According to Ph.D. Candidate Aleksandar Plavšin, human security has never been at a high level in the Balkans but, during the armed conflicts in the former Yugoslavia, insecurity was magnified and continues to threaten the peoples and states. In his paper, Mr Plavšin describes where and how this insecurity is revealed and emphasizes the need for implementing the human security concept in all Balkan countries.

More details about the above expressed views, suggestions 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 are not necessarily shared by the European Center for Peace and Development as the organizer of the Conference, nor the publisher of the Proceedings.

Editors

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OPENING ADDRESS, INTRODUCTORY SPEECHES, WELCOME ADDRESSES

Takehiro TOGO

OPENING REMARKS

Honorable Participants of the Conference,

Distinguished Guests, Ladies and Gentlemen,

In my capacity as the President of the Academic Council of ECPD, it is my pleasant duty to declare open the Eighth International Conference here in Belgrade.

Our Conference on "Reconciliation, Tolerance, and Human Security in the Balkans" is the continuation of the Conferences contributing to peace and development of the Balkans stressing, in particular, this year: "New Balkans in a Changing World with a Changing Europe".

We have had some successes through the Conferences, but still a lot of tasks remain to be done. This time the Conference is to take up three main topics "Globalization and Its Impact on the World and the European Union", "New Balkans in a Changing World: Directions, Causes, Consequences" and "Human Security in the Balkans".

The European Center for Peace and Development of the University for Peace established by the United Nations has been continuously engaged, since its establishment in 1984, in carrying out relevant international educational activities at the level of postgraduate studies and scientific research, as well as in organizing prestigious international gatherings, all these contributing to the dissemination of knowledge and promotion of peace, development and international cooperation, which is the basic role and mission of this international institution.

Europe is still faced with a serious global financial crisis and in the Balkans there are many problems that place a brake on development and threaten regional peace and stability. Existing tensions between Balkan states and state entities should be overcome by intensifying inter-state and regional meetings and mutual cooperation. The participation of all West Balkan countries in the European integration process is necessary to ensure overall peace and stability in Europe. We must continue to give

messages of reconciliation, of building bridges and peaceful coexistence of nations and communities in the Balkans.

The UN concept of human security is now more widely accepted and adopted as a necessary paradigm for the 21st century and a Declaration on implementation of the Human Security Concept in the Balkan Region was adopted by consensus, and is the ECPD's valuable contribution to development. Resolute measures are required for implementing the human security concept. Institutional development to ensure safeguarding of human security in the Balkans should also be a high priority for all states wishing to live in harmony with their neighbors and in fulfillment of the potential of human capital in the region.

Now, human security has been well understood among people and relevant institutions and it is stressed that attention should be devoted to individual human beings, and not to the state. And it is protection and empowerment that is important. In this way, concrete protection of individuals could be better assured. Any discussions on these points need further discussions by the participants of today's Conference, and I welcome active participation. It will be reflected in the final conclusions of this Conference.

Last but not least, I would like to express my heartfelt appreciation for the support given by the Tokyo Club of Japan, and many people who have made various contributions. I would also like to express my appreciation to the ECPD for its special efforts to convene this Conference.

H.E. Mr Boutros Boutros-Ghali, former UN Secretary General and the President of the ECPD Honorary Council, could not join us due to his previous obligations. However, he sent his message which will be conveyed at the opening of the Conference.

BOUTROS BOUTROS-GHALI

PRESIDENT OF THE ECPD HONORARY COUNCIL.

Message to the ECPD EIGHTH CONFERENCE,

BELGRADE, OCTOBER 20, 2012

Mr Chairman, Mr Executive Director, Ladies and Gentlemen,

Once again, I regret not to be able to participate in the annual ECPD Conference. I am actually in Cairo, but I am not in a position to undertake the long and strenuous trip to be present at this important event.

I am happy to see the ECPD continuing vigorously its useful and constructive work and the mission it started three decades ago as part of the global peace and development project under the auspices of the UN University for Peace.

The ECPD's 30th anniversary will be marked next year. This will give us an opportunity to recognize and appreciate its efforts and activities over the years and to note their wider relevance for burning issues on the global, European and Balkan agenda.

During its three decades of work, the ECPD dealt with some key problems that continue to challenge humankind today and are central to the mandate and activities of the United Nations. In more recent times, it has focused its attention on the turbulent Balkans, a region which, one can say, is a microcosm of the macrocosm, where most peace and development challenges of planetary significance are manifested in what is a relatively limited geographical context.

My own region, for example, is undergoing major changes and traumas today, all rooted in or related to the global peace and development agenda. We would benefit in our part of world from institutions similar to the ECPD that work tenaciously and against odds to span the existing borders, overcome divisions and conflicts, and promote cooperation and constructive approaches to problems and challenges on the ground.

I wish the Conference success in its proceedings, and strongly encourage the ECPD to continue and strengthen its useful work on "New Balkans". Such locally devised approaches and sustained independent efforts, aware of local conditions and aspirations, as well as of the European and global settings and external opportunities and limitations, are of great importance.

This is a region where global political tectonic plates meet and interact. Throughout modern history, as well as in earlier periods, the Balkans have been of strategic and symbolic importance for world peace and development. They remain so. The ECPD's unique efforts to foster peace, active cooperation and sustainable development between the countries and peoples of this unsettled area on the world map are thus also of broader significance and deserve praise and support of the international community.

Juntos Dixte (lean (

IOHN MARESCA

PROFESSOR, DR, RECTOR OF THE UNIVERSITY FOR PEACE ESTABLISHED BY THE UNITED NATIONS

INTRODUCTORY REMARKS

Dear Chairman Togo, Director Ostojic, Distinguished Guests, and Representatives of the Serbian and Belgrade Community,

It is a great honor for me to participate in this Conference, and I would like to start by congratulating all concerned for the organization and the broad participation in this event. As the Rector of the United Nations mandated University for Peace it gives me great pride to see how the European Center for Peace and Development, the ECPD, has developed and expanded its activities in this key region of the world. And this Conference reflects very well this expansion, as well as the objectives, of the ECPD

The ECPD, under the creative and constructive leadership of our friend and colleague Dr Negoslav Ostojic, has taken its place as a responsible and positive educational institution, carrying forward the ideals and the mandate which were given to the University for Peace by the General Assembly of the United Nations more than thirty years ago, and are shared by the ECPD.

In fact, the ECPD is the oldest affiliate in the University for Peace system, and was established through an agreement sought by UPEACE's founder, President Rodrigo Carazo of Costa Rica. During the conflicts in the Western Balkans during the latter part of the 20th century, the ECPD could very well have disappeared. But it did not, and it has, in fact, reemerged as a multinational and multicultural institution in favour of peace, playing an even more important role for peace in this region.

The ECPD has shown us all what is possible and necessary in the aftermath of bitter conflict – the patient reconstruction of relationships of trust and mutual respect among nations, peoples, cultures and individuals, which are independent and yet can and must work together for the benefit of all their people. I hope everyone here understands the benefits to all the peoples of this region of the work of the ECPD, and that all of you will continue to support it.

As the ECPD approaches its thirtieth anniversary year in 2013, I congratulate all those who have supported it and contributed to its work. We at the University for Peace take great pride in our relationship with the ECPD, and with its energetic and creative Director, Dr. Negoslav Ostojic.

Thank you and I wish you all a stimulating and productive conference.

Zoran VUJIĆ

ASSISTANT TO THE MINISTER OF FOREIGN AFFAIRS, GOVERNMENT OF THE REPUBLIC OF SERBIA

WELCOME ADDRESS

Distinguished guests, ladies and gentlemen, it is my pleasure to welcome you all here on behalf of the Ministry of Foreign Affairs of the Republic of Serbia and on my own behalf and to wish you successful and fruitful work during the Conference and a pleasant stay in our city.

During the past years, thanks to the enthusiasm of the European Center for Peace and Development (ECPD), we had an opportunity to attend numerous international scientific conferences at which experts in various fields discussed the building of peace, regional stability, security and tolerance in the Balkans, as well as economic, technological and cultural development with a view to establishing peace, stability and cooperation in the region, through the further advancement of reconciliation, tolerance and Euro-Atlantic integration of Western Balkan countries.

After the conflicts and ugly experiences of the 1990s, national reconciliation and ethnic and religious tolerance became an imperative for building a new climate of confidence and good neighbourly relations in the Balkans and South-East Europe. However, reconciliation is a long process. It takes several decades or generations and is far from being a linear or one-way process.

Probably the best path to reconciliation is through the concerted efforts of various individuals geared to realizing joint priority projects, since such projects create a shared interest which, in turn, creates mutual confidence. Without reconciliation there is no development.

Responsibility for peace rests on statesmen, while reconciliation is something that must be accepted by people.

Over the past years, the Western Balkan region has made noticeable progress towards peace, stability and reconciliation. It is clear, however, that there are still numerous problems that must be addressed (Kosovo and Metohija, Macedonia and Bosnia and Herzegovina).

The Western Balkan economies have been severely affected by the current global financial crisis, rise in unemployment and structural problems which, in practice, make the solving of ethnic and social problems in the whole region more difficult. Therefore, adequate international assistance is necessary, especially for solving economic and social problems.

EU integration is a solution, but before joining the EU it is necessary to develop strong regional cooperation, dialogue and political, economic, legal, cultural and other relations, thus making Western Balkan countries stronger within the EU.

Education, especially among young people, and the means of mass communication are very important factors in establishing interethnic and interreligious tolerance, as well as tolerance towards others and those being different.

This requires democratic patterns of thinking, behaviour and conduct in order to make further progress.

As a multinational, multiethnic and multi-confessional state, the Republic of Srpska has opted for the development of a democratic society, in accordance with the European standards, while at the same time promoting human rights and the rule of law.

The Republic of Srpska has made significant efforts towards building dialogue and reconciliation in the region with a view to promoting peace, stability, tolerance and cooperation.

In its opinion, reconciliation in the region is an absolute imperative and the Declaration condemning the Srebrenica massacre adopted by the Serbian Parliament is the indicator of an absolute commitment to establishing confidence and good neighbourly relations. The same is true of the visit of the former Serbian President Boris Tadić to Srebrenica and his apology to the Republic of Croatia for the crimes committed by Serbs during the wars in the former Yugoslavia.

Assuming one's part of responsibility for what happened in the past forms part of the democratic strengthening of each country and represents an indispensable step in the promotion of peace and stability in the Western Balkans.

Unfortunately, the developments in Kosovo and Metohija are in collision with the constructive atmosphere of tolerance, dialogue and cooperation in the region, which is advocated by the Republic of Serbia.

Thus, I take this opportunity to appeal to Albanians in Kosovo and Metohija, in the spirit of peace and tolerance, and on the eve of the continuation of the Belgrade-Pristina dialogue, to make the greatest possible effort towards finding a viable solution based on compromise and respect for the interests of both parties.

Finally, I would like to thank the European Center for Peace and Development for its contribution to the promotion of peace, understanding, tolerance and cooperation among the peoples living in our region over the past years thanks to its presence and remarkable educational, research, publishing and other activities.

ALBERT MAES

PRESIDENT OF THE ECPD EXECUTIVE BOARD, EU AMBASSADOR, PROFESSOR, UNIVERSITY OF NAMUR, BELGIUM

INTRODUCTORY SPEECH

The European Union has known crises throughout its existence, but there has never been a situation that its very existence seems to be at stake. For more than two years the monetary union has been under pressure and many European councils with their limited agreements have not been able to propose a solution to the essence of the problems concerned; they have mostly approved temporary solutions that have allowed the system to slog on without sufficient substantive corrections.

The economic and monetary union was a project based on the conjunction of a common monetary policy and the continued national character of other macroeconomic policies. It had been hoped in the Maastricht Treaty that a soft coordination system of these macroeconomic policies would allow an optimal policy mix. Instead, over the past ten years this policy mix has never been optimized because other macroeconomic policies, especially budgetary and fiscal policies, have remained mainly geared to national interests without taking into account the requirements of an optimal policy mix at the level of the monetary union.

In spite of that, during the first years this seemed to work quite harmoniously, which was, inter alia, due to the fact that the countries with looser macroeconomic policies had not to defend their currency and could go on borrowing on easy terms. However, the 2008 crisis that started in the United States in the housing sector had a very strong impact, first on the solvency of the European banking system and later on the sustainability of the public finances of a number of member states of the Eurozone, due in great part to their substantial budgetary deficits and indebtedness.

Today, everybody agrees that it is necessary to take urgent action to come out of the crisis. However, if short-term solutions are urgent and necessary, they are not able to bring about a definitive breakthrough, meaning a solution that allows for the long-term viability of an economic and monetary union. Therefore, if assistance to the countries in need is a prerequisite, it cannot go without a reassessment of the functioning of the economic and monetary union. And here the only economically warranted way out is the adoption of a form of economic governance, so that the economic pillar of the economic and monetary union would acquire a strength comparable to the one of the monetary pillar so as to allow an optimal economic policy mix, which remains a precondition for the functioning of a common monetary policy and reaping benefits in the long term. This, however, implies the pooling of national sovereignties in a number of sectors, limited in number but rather sensitive.

In conclusion, if it is important to assist the members of the monetary union which are now in difficulty, such assistance is only warranted in the light of the perspective of a more common approach in all macroeconomic policies starting with budgetary and fiscal policies and including also structural reforms that will be necessary to maintain the competitiveness of the European Union, in a more and more globalised environment.

The main elements to strengthen the economic pillar of the EMU are mutually coherent macroeconomic policies, common banking rules with a single supervision mechanism, mutually coherent structural policies able to cope at a common level with the new challenges of globalization, competiveness, graying of population, environment and energy supply.

All this leads to the necessity of a form of common economic governance, which is today difficult to accept by a number of member states and sectors of public opinion. Hence any such reform will need the reinforcement of democratic control at the EU level. The European Parliament should try to be a more active transmission belt between European public opinion and the EU decision making process.

ERHARD BUSEK

FORMER AUSTRIAN VICE-CHANCELLOR
AND PRESIDENT OF THE STABILITY PACT FOR SEC

KEYNOTE SPEECH

Changing around the Balkans – not only in the economy

One of the characteristics of our time is that changes are quicker and obviously more fundamental than we are sometimes aware of. That is a tremendous request not only in politics but also in education. It is important that we are able to handle them in order to find right reactions and not to loose the perspective of our work. I may say that even the visions are necessary for this because otherwise we are not able to fix the role of Europe. Changing Europe does not only mean changes in the economy. For sure the economy is very important, because it is a basis for nearly everything, but what is going on, is even more impressive. I only want to emphasize some points:

- The importance of Europe will diminish. The reason for this is that other parts of our world are coming up. Always the BRIC-states are mentioned, but it is not only the question of them. Those are Asia, South America and Africa in general. In comparison to some states like India and China, Europe is smaller than them. Philosopher Peter Sloderdijk says that Europe is only a peninsula or an appendix of Asia. Within this vision, Eurasia is sometimes mentioned as our future. I think that this is a very serious and interesting concept, because the real boarders between Europe and Asia are extremely difficult to define. The most outstanding example is Russia. If you stand on both sides of the Urals, you can not recognize on in which continent you are.
- Another argument refers to changes concerning the population. We are getting an over-aged society, especially in Europe, but what is happening due to migration also changes everything. The current economic situation is moving it forward if you consider the fact that Germany is looking for labour force in Spain since the latter's young generation is unemployed.

- The cultural impact of this developments is also very important. We only know the clashes and conflicts and define them. Islamophobia is emerging as a kind of new nationalism. By that I think that changes are going deeper and deeper.
- The economy has changed, considering not only different crises, but also resources and competition in looking at resources. China's engagement in Africa is only one example, but it should not be forgotten that technology has a really great impact, which we are sometimes not aware of. So-called information society has especially a great input not only on democracy, but also on economic development in general. Prosperity rights are under pressure and are changing competition rules.
- Last but not least: it has to be mentioned that we have a lot of crises: economic crises, banking crises, Europe crises and so on. Personally, I am convinced that these are crises of politics and politicians, but this is not the reason to be desperate, because a crisis, considering its meaning in ancient Greek, is the time to judge and decide. This might move us forward in the right direction.
- The current reaction is very ambivalent. On the one side, there is a campaign for less Europe. On the other side, especially if you also consider banking and financial issues, the economy will need more Europe. There are a lot of discussions, why the European Union got the Peace Nobel Prize. I think, this is more justified for Europe than for Obama because, considering its contribution to the past, Europe is a very peaceful region, which is very important, but also poses a challenge for the future and we have to fit into this role.

For "more Europe" there is no alternative. What do you want instead of the European Union. Great Britain can be the 21st state of the United States, the French can try to built up something in the western part of the Mediterranean, we in Central Europe look for the follow-up of the Habsburg Monarchy and so on. But all these are no solution for the presence or the future. We have to position Europe and all its parts - including the Balkans - in the context of the global world. It certainly takes some time to move in that direction, but let us face it: the nation state is losing its importance. The nation state is still necessary because we are organised on such a basis, but we have to develop proper instruments. Until now, international organisations have not been fit for solving problems. You can see this from the example of the United Nations and Middle East crises and so on. But, on the other side we have some international organisations like the OSCE that are very necessary. This is a great challenge for the Balkans, because we have to fit it in the right situation. At present, a new "regionalism" is developing. As for the Balkans, this means taking the Regional Cooperation Council (RCC), which was founded in 2007, more seriously. I think that this Council is not able to solve political problems, but it can create various arrangements and institutions for better regional cooperation. This has already been done with CEFTA (Central European Free Trade Association) in fighting crime with the centre in Bucharest, with RACVIAC (Centre for Security Cooperation) concerning demilitarisation, with e-Cooperation, which is done by the Slovenian Centre and so on and so on. There is a lot to do. For example, there is no really working Balkan airline system. Cooperation in the area of transport, implying specifically rail transport and transport on the Danube, is still missing. The EUSDR (European Union Strategy of the Danube Region) is a big challenge and real change not only for water management and transport, but also for economic development, tourism and competition.

Why is this regionalism necessary? For the Balkans and the environment, in particular, it is essential what is going on in the Middle East by the Arab Spring, in addition to connections with Russia, China, India and so on and so on.

Chances exist, because the Balkans is really stable at the moment. Naturally, governments are changing, but problems faced by Europe also exist elsewhere and not only in the Balkans.

There is a stable economy at a low level, but the debts of the countries are not high like in Southern Europe, for example, or even in more developed western countries. EU enlargement is moving a little bit forward with Croatia as well as with opening EU accession negotiations with other countries. This has to be pushed forward; in the opposite, we are only losing time. Real danger to the Balkans is to be forgotten! The Balkans is not the periphery of the periphery of our world.

The Balkans gives a real chance to the economy to provide opportunities for recovery. There is a lot to be done with respect to infrastructure, investment, consumer goods and so on and so on. This is also the reason why many enterprises do not move out of the region even in times of economic crisis – they expect a real push forward. It is also necessary to deal with the issue of different identities and necessary reconciliation. In the Balkans, we have European Islam and it should be acknowledged. Otherwise, more extremist positions will come up here. There is no real understanding in other parts of Europe; otherwise, would have better handled the situation of Bosniaks, Macedonians and so on. Practically,

there is a lot to do. The second bridge over the Danube between Romania and Bulgaria will be opened, which is certainly necessary because there is only one bridge on the 470 km long borderline. This is a symbol. We need a bridge over the troubled waters and I think that this is also the ECPD's function to be a contributor to such initiatives. So far, we have looked very positively to changes in the Balkans, since they offer a lot of opportunities.

II GLOBALIZATION AND ITS IMPACT ON THE WORLD AND EUROPEAN UNION

PASQUALE BALDOCCI

AMBASSADOR, PROFESSOR, FACULTY FOR DIPLOMACY,

THE CHALLENGE FOR A EUROPEAN POLITICAL IDENTITY

The economical and financial components of the crisis facing the European Union appeared some years ago, as a direct consequence of the troubles caused in the United States by the bankruptcy of some credit institutions and social and financial excesses of so-called sub-prime emergency. In fact, a long-lasting political crisis had started before, soon after the signing of the Treaty of Maastricht in early 1992. The twelve partners of the former European Community were unable to agree on upgrading the economic union to a closer political integration. After repeated failures on this ground at the Amsterdam and Nice Councils, the duly appointed Convention drafted a constitution in which no federal link between the member states was openly mentioned. In the same period, Joschka Fischer, the then German Foreign Minister, had suggested the formation of a Federation of Nation-States. In the preambles to the European treaties concluded since 1951 the goal of political unity is merely tacitly implied but admitted, if not accepted by most signatories. The Treaty of Maastricht explicitly formulates "further stages to improve European integration."

Since then, most public and media debates on how to approach the premises of political union have been based and centred on the controversial issue of European identity. The VicePresident of the Convention at that time commented: "Two questions are frequently paralyzing the issue: What will we do of Europe? Who shall we be as Europeans?" And he noticed that Hamlet's dilemma: to be or not to be did not help him to act. A third question results from the previous ones: do Europeans still want or not to play a role in history? The answers have been postponed, if not avoided for two decades. Now, realizing that the crisis is more political than economic, the importance of performing some factual steps towards political integration seems evident to support a set of severe measures aimed at defending and revitalizing the common currency.

In focusing the crisis on the presumed weakness of the euro, it is frequently overlooked that the present difficulties concern some eurozone member countries more than the currency itself and that the first symptoms of recession originated beyond the Atlantic. In the last months, the euro overcame heavy attacks from international financial speculation, while rating agencies depreciated some of its countries. In spite of its political isolation it proved its unexpected vitality in a position of serious vulnerability mainly due to the persistent absence of a political background. In giving back their sovereignty in the monetary field the Euroland countries misinterpreted the impact on their economies of the currency not endorsed by political power. Delors' prediction that the euro would be the launching platform of a political Europe has unfortunately proved untrue, at least until now.

The rescue of Greece and other eurozone member countries, as well as the impending difficulties of Spain have been primarily considered as the result of abnormal public budget imbalances and excessive indebtedness of the states. A steady decrease in productivity and competitiveness at the national level poses a serious impediment to overcoming the crisis. Last March, the EU member countries (excluding the UK) signed the Fiscal Pact as the most urgent remedy for recession. It provides for general government budgets to be strictly balanced on a short-term basis (the annual structural deficit must not exceed 0.5 per cent of GDP. In the event of any deviation, member states will be fined, under the jurisdiction of the European Court of Justice. The goals to be achieved through this virtuous behaviour include competitiveness, employment, sustainability and stability of public finance. The Pact also states that all major economic policy reforms that the member counties plan to undertake should be discussed ex-ante and coordinated among themselves and with the EU institutions.

In order to secure financial stability, a specific mechanism has also been created and other rescue provisions have been foreseen, but are not yet in force. The most relevant of them are:

- 1. The issue of "eurobonds" offered to investor citizens to alleviate the public debt of member states;
- 2. The taxation of financial transactions (Tobin tax) aimed at raising assets in favour of the state budget. In these days some countries already adopted this fiscal measure;
- 3. The appointment of a European Minister of Economy to coordinate and harmonize the economic and financial policies of the member states so that the euro can effectively become a valid monetary lever of an integrated economical union of nation-states, sharing a growing portion of sovereignty through a constitutional link close to a federation.

The above mentioned new stages of integration, though limited to the economic sphere, are clearly yielding to unavoidable political developments. A raising political profile, based on democracy and social solidarity, would provide a better defined identity for the European Union, which is still considered "an unidentified political entity." The political deficit of the Union, repeatedly underlined in some advanced circles and considered a fundamental obstacle to the overcoming of the crisis, is not apparently in the priorities of the governments, negatively influenced by the large-scale euroscepticism of the electorate and europhobia of isolationist movements. The measures approved by the last European Councils will have a temporary impact on the crisis, leaving the euro in a floating atmosphere of uncertainty. The impending challenge facing the Union is the reshaping reform of its institutions, initially implemented by the Eurogroup, which should enlarge the powers of the Parliament and extend and deepen the competences of the Commission (whose President must be elected by the Assembly), as well as of the President of the Union and not simply of the Council, which is now purely representative. A common foreign and defence ministry should also be created to make proper use of the European foreign service, established under the Lisbon Treaty, which is now largely underemployed. Moreover, the European Union must be represented by its own delegation to the United Nations and other international organizations, thus obtaining a full international profile.

With the formation of the monetary union a double-speed Europe has become a historical event, opening the way to relevant constitutional developments. The procedure of enforced cooperation allows a group of member states to advance in specific fields, while other partners can join later. Most political or philosophical inquiries into a European identity presumably amount to a wrong presentation, or to an attempt to avoid a concrete historical opportunity. An exhaustive debate on the long-term agreed guidelines and goals of European integration has been constantly postponed at the governmental level, even before the first enlargement of the Community. The time has come to widely discuss at the Parliaments of the Union and in Strasbourg on how and when to attain a sound unity of the continent, which is still desirable for a majority of citizens, mainly among young generations (periodical conferences held a the Universities of Florence, Trieste and Perugia over the past years show their confidence in European federalism).

For a suitable approach to this important issue, which should dominate any future agenda of the Union, some frequently confusing misunderstandings must be definitively removed from the civil society and public opinion:

- 1. The past should not be ignored or forgotten. Peoples without reference to it are unable to invent a future:
- 2. The European identity has nothing in common with an enlarged European nationalism and should not replace different national identities, but will be borne close to them, by spontaneous regrouping of various countries;
- 3. National identity and European identity are different vet complementary;
- 4. The values carried out by European identity are based on democracy, peace, prosperity, solidarity, human rights and justice.

Jürgen Habermas, a convinced and eloquent promoter of a politically integrated Europe, appeals to constitutional patriotism as a positive component of the growing demand of more Europe from large and qualified circles of intellectuals, industrialists, bankers and traders preoccupied by the present financial instability and political insignificance of the European Union.

The "Notre Europe" association, founded by Jacques Delors, is an active and imaginative forum for analysis and suggestions addressed to civil society, which seldom responds through a leading movement of public opinion.

To keep alive and support a wide-scale debate on how Europe could be better known and more attractive to people an international conference could be convened to remember that an efficient unification of the continent is not a mere geographical achievement, but the progressive formation of a common political and social conscience. Such a long-run enterprise would offer a positive model to the reform of the UN system, urgently required by the growing globalization of mankind. such an appealing prospect could confer to a revitalized Europe the role as a promoter of 21st century world humanism. Which identity could be nobler?

NILA KAPOR STANULOVIĆ

THE IMPACT OF ARMED CONFLICT ON THE MENTAL HEALTH AND PSYCHOLOGICAL Well-Being of the Population

PAST AND PRESENT

People have known for a long time that nature and man-made catastrophes can have a negative effect on people's emotional, mental, spiritual and social well-being. War-related adverse experiences and their consequences attracted attention much before the conceptualization of disaster psychology. In many countries around the world there have been specific rituals for combatants returning from battle for centuries. Their purpose has been to help them reintegrate into communal life. It is only in the past 150 years or so, with the development of psychological theories and knowledge that this has become the concern of psychologists in the West (Summerfield, 2000), which points out that prior to the development of psychology as a discipline the suffering, distress, and illness caused by armed conflict had been primarily considered as a spiritual or religious issue rather than a medical or psychological one.

Psychological practitioners became interested in alleviating the effects of people's exposure to and participation in armed conflicts from the late 19th century onwards. In WW I, many soldiers suffered from the symptoms that could not be explained by physical injury. This illness came to be known as "shell shock", as the doctors believed that the shock from exploding shells was responsible for the illness. Later on, with the development of psychological theory and greater attention to the emotional and mental problems of soldiers in WW II and survivors of the Nazi concentration camps, doctors concluded that there were psychological reasons why people became ill after very distressing experiences.

It was Vietnam war veterans returning from the war to the United States from the 1970s onwards, who attracted attention on the psychological consequences of armed conflict on people. Since then it has become generally accepted by psychological practitioners that the experiences of war can have a negative impact on the emotional and mental well-being

of people and that it is the duty and responsibility of mental health workers to address this problem.

In communities around the world it has long been recognized that participation in warfare can cause difficulties and problems for combatants and their families. However, these difficulties are different from the ones presented by psychology and psychiatry and may include the appeasement of restless and vengeful spirits of civilians unjustly killed in warfare, or the reincarnation of a soldier into a community.

Historically, there are many different understandings and conceptualizations of the social, personal, and health-related consequences of participating in warfare.

Development of psychosocial assistance as part of the humanitarian aid regime

Over the last two decades, humanitarian agencies providing assistance to war affected populations have increasingly paid attention to the psychological and social impact of violent conflict and displacement on communities. The physical and material conditions of displaced groups have always been considered the mandate of humanitarian agencies, but it was only from the mid-1980s onwards that organizations began to see the provision of forms of psychological assistance to large-scale refugee displacement as part of their agenda as well.

Various experiences contributed to humanitarian agencies becoming concerned about the emotional and psychological well-being of forced migrants. They argue that focusing on the priorities of human survival such as safe water, food, and shelter should not mean that mental health is of less importance.

The international aid community has a responsibility to address the psychological and emotional dimensions of refugees' experiences.

This thinking led to a proliferation of psychosocial projects in conflict zones in the early 1990s, particularly in response to the wars in the former Yugoslavia and the genocide in Rwanda in 1994. There is an estimate that 185 psychosocial projects were operating in the territory of the former Yugoslavia in 1995. The implementation practices of such projects are diverse, with some focusing predominantly on providing psychological services, such as counselling for individuals or groups, while others placing more emphasis on social assistance through community development.

PSYCHOSOCIAL NEEDS AND PSYCHOSOCIAL SUPPORT TO WAR AFFECTED POPULATION: THE CONCEPT OF PSYCHOSOCIAL NEEDS AND SUPPORT

What exactly does the term "psychosocial" means and what is meant by psychosocial assistance or work? Are these substitutes for mental health and providing psychosocial help? Or does the term "social" mean that anything that improves the general well-being of war-affected communities can be counted as being psychosocial?

It seems that every organization answers these questions differently. As has been said, psychosocial projects vary greatly and include anything from therapy sessions to building community affairs.

It is suggested that the concept of "psychosocial" should be linked with "well-being" or, in other words, that people's psychosocial well-being is part of their general health. The WHO defines health as "a state of complete physical, mental, and social well-being and not merely the absence of disease or infirmity" Most definitions of the term psychosocial are based on the idea that a combination of psychological and social factors is responsible for the well-being of people, and that these cannot necessarily be separated from one another. The term directs attention towards the totality of people's experience rather than focusing exclusively on the psychological aspects of health and well-being, and emphasizes the need to view these issues within the interpersonal contexts of wider family and community networks in which they are located, for example, describes psychosocial interventions as the integration of social and psychological approaches to the prevention of mental health problems and social difficulties.

The definition used by Baron 2002 is one that was agreed in the 1997 regional workshop in Kenya and states: The word "psychosocial" underlines the dynamic relationship between psychological and social effects, each continually influencing the other." Baron points out that this suggests that each person is made up of an integration of the following:

- The mind, thinking, emotions, feelings, behavior are the psycho or psychological components.
- The social world which creates the context through the environment, culture, economics, traditions, spirituality, interpersonal relationships with family. community and friends, and life tasks.

New developments in the field

The impact of the disaster induced events is profound and tends to induce some emotional toll from all concerned. The majority of persons will prove to be resilient for the most part, though they will not escape the need to adjust and integrate what has happened into what remainders of their lives. And some of those who could not rebound will decline from their previous levels of functioning and well being. For those people, memories can serve as painful reminders of their losses. Sadly, disaster psychology, with its emphasis on normalization and natural resilience, may inadvertently minimize the needs of the most severely affected survivors.

A complex and realistic understanding of the psychological, social, and political forces at work in disaster-affected communities is necessary if both majority and minority groups are to be served in proportions to their needs, and not just their numbers. The major focus of concern within the refugee and disaster mental health literature has long been on trauma and PTSD and has only recently begun shifting towards a stronger emphasis on resilience and more positive adaptive outcomes. There is growing emphasis on normalizing intense emotional reactions and temporary decrements in functioning. However, these reactions, however transitory they may prove to be, worsen the other difficulties, caused by the crisis. The experience with traumatized and dejected populations of refugees and disaster survivors have convinced the experts that palpable psychosocial needs exist among these people that cannot be ignored.

The core elements of psychological support (e.g. protection from further harm, concerned interest for emotional distress, compassionate care, encouragement toward recovery, and respect for human dignity) provide a generally useful foundation from which a more specific approach can be developed to fit a given set of circumstances.

There are numerous papers and guidebooks describing what is considered to be the best practices known at this time for providing psychosocial care for disaster survivors.

Among the key activities that those sources tend to emphasize are the identification of highly exposed or otherwise at risk populations, assessment of psychosocial needs, identification of existing psychosocial resources, incorporation of important cultural information for improving the service model, stress management and counselling techniques, and community participation.

Other important issues include services for groups who have either special needs (e.g. children, adolescents, women, single headed house-

holds) or particular risks and mitigating factors (mentally ill, disabled) and the needs of relief personnel working in difficult situations.

The goals of psychosocial services for disaster - affected population are to avert further harm while relieving immediate distress and supporting effective coping. These require activities that are preventative, and progressive. Conventional talking therapies are less advantageous than crisis intervention methods that focus on identifying immediate problems and needs and developing practical and effective coping strategies. Rather than focusing of pathology, the emphasis is placed on empowering the affected population and fostering resilient adaptation that are solutionfocused, locally controlled, and sustainable. The term capacity building is used to convey the principle aim of strengthening local resources beyond their pre-disaster limits.

Psychosocial support is not so much about treatment but about helping people to find their own strengths. (Kapor-Stanulović, N. 1999a, 1999b)

The practical, problem-focused coping style common to non-Western societies is far more useful than the emotion-focused coping style of contemporary Western therapeutic cultures in recovering from catastrophes. It should be reiterated that distressing experiences may foster strength of character and stimulate latent communal support networks.

The lessons of resilience and social purpose are crucial for designing policies for disaster and war-affected populations. A sense of meaning and social purpose is crucial to psychological well-being.

Psychosocial and mental health needs are based on current problems rather than exposure, and many persons exposed to trauma do not require interventions.

DEVELOPMENTAL RISKS OF REFUGEE CHILDREN

The adverse experiences of refugee children pertain to two broad categories. The first one is a continuous process of the mere fact of being a refugee and living as a refugee. The second category consist of various "single event traumas' that are so often part of a refugee's child life. It has been well documented that an individual process of healing after a traumatic event is promoted if the living circumstances of that individual are favorable, i.e. if that individual can enjoy stable, loving, peaceful life.

For the majority of refugee children that requirement is non existent, meaning that their recovery from a traumatic experience will be more difficult.

Life is never "risk free". Most families (and thus the children within them) must contend with risk factors, some the result of chronic conditions, others as a consequence of acute events. Some families face chronic poverty, for example, while others must cope with unexpected death of a member. Some must contend with on-going community violence; others experience a once in a lifetime disaster.

Recent research and theory dealing with the developmental impact of risk factors have come to focus upon the sources of resilience and coping as well a risk in families and their children. One of the foundations of this emergent approach is the recognition that development harm arises when risk factors accumulate and overwhelm coping capacity. This statement is based on the work of A. Sameroff and his colleagues (1990). They present the relationship between a child's I.Q. and the presence of up to 10 risk factors (e.g. poverty, low parental education, maternal mental illness, parental inflexibility, etc.) There is little effect on the child's competence as we move from 0 to 2 risk factors. The big effect is noted at 3-4 (with only a modest further decline after 5).

That social conditions really are crucial in shaping individual development is illustrated by the following two studies. First, genetically identical twins separated at birth and growing up in similar communities end up with IQ's strongly correlated (.88), while genetically identical twins separated but living in dissimilar communities end up with IQ's correlated at low .26. (Bronfenbrenner, 1986).

Second, children of poor families who are developmentally delayed (low IQ) at four months of age are four times as likely to be intellectually delayed (low IQ) at four years of age than are similarly delayed children of affluent families (Willerman, et.al, 1972).

Both studies cited serve as an indicator of the importance of a social context for childrens' developmental outcomes.

These results can be used as a general model for approaching the topic of developmental risk as it affects refugee children. Our goal should not be to make life risk free for these children, but to prevent the accumulation of risk beyond the coping capacity of the child.

The applications of just cited research data are twofold when refugee children are in question:

First, the accumulation of risk in a family increases developmental risks. Second, we may prevent the worst effects of being a refugee by bolstering the coping capacity of the child and family.

Furthermore, the question is how can we reduce risk in the domains potentially or actually under the control of social policy and programs.

COPING AND RESILIENCE

Children, like adults, differ in their capacity to overcome adverse life circumstances. Numerous studies have been undertaken to find the answers to the question why some children overcome difficult life circumstances, while others do not. Some of the factors identified are:

- Cognitive competence (at least an average level of intelligence).
- Experience of self-efficacy and a corresponding self-confidence and positive self-esteem.
- Actively trying to cope with stress (rather than just reacting).
- Temperamental characteristics which favour active coping attempts and positive relationships with others (e.g. activity, goal orientation, sociability) rather than passive withdrawal).
- Stable emotional relationship with at least one parent or other reference person.
- An open, supportive educational climate and parental model of behavior that encourages constructive coping with problems.
- Social support from persons outside the family.

More recently, E. Werner (Werner, 1990) in her study on coping and resilience confirmed that children can display amazing resilience and overcome great adversities. What helps them in their coping may be at first sight minor elements in their social surrounding, such as support of an adult person, or a small success, or recognition for their efforts by an important adult.

Clearly, some of the above mentioned factors belong to the personality makeup of an individual and as such are not easy to be modulated, such as cognitive competence, or temperamental characteristics. The individuals who are poor in those factors will be more prone to suffer. However, some other above cited factors are open for outside interventions, such as experience in self efficacy (via assistance to the children to get better grades at school, or creation of an supportive educational climate). Those are the doors for programming inputs to assist refugee children cope.

ACUTE AND CHRONIC DANGER

Acute incidents of danger often simply require situational adjustment; i.e. assimilation of the traumatic event into the child's understanding of his or her situation. The therapy of choice is reassurance: "You are safe again; things are back to normal".

The recovery may require processing over a longer period of time, the recovery will especially be difficult if the event caused a disruption in a child's primary relationships (i.e. loss of a parent).

Chronic danger imposes a requirement for developmental adjustment - alterations of personality, major changes in patterns of behavior. Chronic danger requires adoption of ideological interpretation of the world that provides a framework for making sense of on-going danger. The therapy of choice in situations of chronic danger is one which builds upon the child's primary relationships to create a new positive reality for the child that can stand up against potential negative conclusions that a child may make about the world -i.e. the world being unsafe, the human beings as evil.

Although there is nowadays no doubt that many children will be negatively affected developmentally, there are situations in which children survive such dangers and may even overcome its challenges in ways that enhance development. A seminal work by Anna Freud demonstrated that children in the care of their own mothers or mother substitutes were not psychologically devastated by war time experiences, principally because parents could maintain day-to-day care routines and project high morale. (Freud and Burlingham, 1943).

Being a child in a highly stressful environment can lead to long-term mental health concerns, even when the child has access to parental protection in the short time.

However, the risks can be diminished if parents receive support for their efforts. Another lesson from the same body of data speaks of an important strategic imperative - never separate a child from his/her parents in stressful times, except when there is strong evidence that the child is under life's threat.

Dysfunctional coping with chronic danger

Children forced to cope with chronic danger may adapt in ways that are dysfunctional. The most common sequelae are: difficulties in cognitive functioning and learning capability; hypersensitivity that may interfere with sleep and eating patterns; regressive behavior may render the child socially incapacitated, emotional arousal may cause intense suffering and diminished daily functioning, to mention just a few.

Another area is social dimension of maladaptive coping. There are several ways of social maladaptive coping. The most common is by becoming hyper aggressive. This outcome stems from a simple fact that a child is surrounded with aggressive acts. A child identifies with adults,

and does what other do. The "theirs and ours", "them and us", "we and the enemy" have permanent exchanges of aggressive behavior. It is also important to note that the child seeks recognition (and receives it), by behaving as "brave' "courageous". by accepting code of behavior under which physical aggression is sanctioned, or perceived as the only way of dealing with a situation.

Clearly this excludes school attendance and brings about new consequences for the overall development)

A minority of families under chronic danger will adopt by withdrawal. This may be adaptive for a while but may become a handicap for the whole family and the child, as all the members will cease to thrive and seek ways out of a dangerous situation.

It is especially important to note maladaptive coping among parents in the form of adopting child rearing strategies that impede normal development. Those strategies may be in the form of highly restricted child rearing practices - parents fearing danger restrict children normal developmentally adequate behaviors.

Very restrictive child rearing practices too often include punitive style of discipline including physical assaults against a child. With such practices parents hope to protect children and induce positive behavior. But, what they do achieve in fact is a demonstration of yet another model of aggressive exchanges among the adults. The result is heightened aggression on the child's part. This can further result in a child joining peer groups in which aggression is accepted, "bravery" is an aim, and fighting is the only way of "communicating" with external world.

In addition, early adaptation of this sort may lead to a process of identification with aggressor, in which children model themselves on those powerful aggressive individuals and groups which cause the danger in the first place.

MORAL DEVELOPMENT

Certainly, the most worrying consequence of living in chronic danger is its effect on children's moral development.

There is a growing body of research that political conflict, racism, poverty, interethnic clashes and armed conflicts create potentially dangerous threats to child overall development.

Of special interest is threat to moral development of children who live under such circumstances.

Some studies attest to development of a precocious moral sensibility. This may be taken as a positive outcome. More often, however moral development may be arrested and the children who live in violent communities do not progress to a more advanced moral reasoning expected for their age. Many will be arrested at the stage of moral development at which a 'vendetta" mentality predominates.

Advanced moral reasoning is a function of emergent cognitive capacities, different early experiences, cultural expectations and environmental circumstances. Of special importance for children living in constricted societies is a notion of Vygotski's concept of the "zone of proximal development". In short, this concept indicates that there is a developmental space between what the child can do alone and what the child can do with the help of an adult. It is the dynamic relationship between the child's competence alone and the child's competence in the company of a guiding adult that leads to forward movement. This seems particularly important in the case of moral development. The key here is in a process of "optimal discrepancy", in which the child's moral teacher (be they adults or peers) lead the child towards higher order thinking by presenting positions that are one stage above the child's characteristics mode of responding to social events as moral issues.

If the parent create a rigid, non-interactive "authoritarian family context and thus blocks moral development the larger community may compensate and the child may adopt a more caring, advanced moral development the development of a principled ethic of caring, to create a larger more democratic society whose varied patterns provide for egalitarian model of distributive justice.

The issue of stimulating moral development beyond the lower levels becomes in large measures a social issue Do adults in the community outside the family (teachers) demonstrate the higher order moral reasoning necessary to move children from the lower to the higher stage i.e. rational/beneficial/utilitarian" and "principled" moral reasoning. (Kapor-Stanulović, N. 2005)

The role of parents in shaping children's RESPONSES TO ADVERSE EXPERIENCES

Children will continue to cope with difficult environment and maintain reservoirs of resilience so long as parents are not pushed beyond their "stress absorption capacity". Once that point is exceeded, however, the development of young children deteriorates rapidly and markedly. Reservoirs of resilience become depleted. Day-to-day care breaks down, and rates of exploitation and victimization increase. And moral development itself may be compromised.

Minimum standards of care

What are the minimum standard of care for young children? The wellbeing of young children in a society depends upon how well that society is doing in sustaining the basic "infrastructure" of family life. The critical elements of this infrastructure are: parent-child attachment, parental self-esteem and identity, and stability of routine care-giving arrangements (Bronfenbrenner, 1986). If parents (particularly mothers in most cases) can sustain a strong attachment to their children, can maintain a positive sense of self, and can have access to rudimentary shelter, food, and medical care, then children will manage (although it may be at great cost to the psychic and physical welfare of those parents).

"Classical pronouncements that the mother functions as a buffer between traumas of war and the child's well-being assume new dimensions when it is realized that it leads to an additional stress on the mother. The trend to concentrate on the mothers significance as the main determinate of their children's well-being distorts our understanding of the of the psychological processes which are characteristic of a population exposed to political violence." the women's success in retaining their psychological integrity is related to their political and ideological commitment to the national struggle. (Punamaki, 1987)

From a child's point of view if there is a semblance of normality in day-to-day life, even in the midst of a crisis than the child will cope well.

The quality of life for young children, and their reservoirs of resilience, thus becomes a "social indicator" of the balance of social support for parents and parent's capacity to buffer social stress in the lives of children.

The level of emotional upset displayed by adults in a child's life, not the war situation itself, was most important in predicting the child's response as many studies demonstrated it. (Kapor-Stanulovic, 1993, 1998)

The role of ideology

Some observers point to the importance of ideological factors in sustaining the ability to function under extreme stress. One of the first studies of that sort was the study done by Bettlheim. Those who bore up best in Nazi concentration camps were those with intense ideological commitments, commitments that offered meaning impervious to day-t-day brutalization.

Numerous studies documented that those with strong ideological beliefs suffer less from stress as a result of the current conflict than more moderate ones. Thus, ideology may be seen as a strong resource in difficult times. The more powerful ideology is as a psychological resource the more it serves to truncate moral development and even be a barrier to political settlement

Punamaki (1987) reports that every aspect of day-to-day stress and physical deprivation is met with a proves of ideological response that mobilizes social and psychological resources ".....the psychological processes of healing the traumatic experiences drew strength from political and ideological commitments. Nationalistic motivation was present at all stages of the stress process: the meaning and harmfulness of an event as well as sufficiency of one's own resources to cope with stressors were approached in the wider social and political context of a victimized and struggling nation." (Punamaki, 1987, pp. 82–83.)

Ideology is a resource for adults, a resource for parents, but it does not stop there. Ideology is a paradoxical resource. On the one hand it bolsters and supports adult s and thus increases their capacity to remain functional and accessible for children. On the other hand, it may prolong and intensify situations of conflict and in the long run increase the challenges to which children and parent must respond.

One of the great challenges we face in dealing with children who live in situations of chronic violence and danger is finding ways to help them make sense of their experience, paths that walk the difficult road of increasing morale, and resilience without spawning fanaticism and intransigence.

In all dangerous settings there are potentially or actually two alternative models. The first accentuates ideological interpretation and "meaning giving" to dangerous events, and in so doing provides social structure and significance to danger. This may well shield children from some mental health problems. The second model is devoid of political significance and is likely to produce a situation in which hopelessness and despair translate into within-group violence, depression, and self-hatred.

These two models force dominant groups and professionals concerned with the mental health of children and youth to choose between the challenges of contending with "revolutionary" politics, and the convenience" of coping with the fruits of acquiescence. Neither comes without costs to children.

Summary

The field of disaster psychology is a newly developed area of applied psychology. Prevention and promotion of mental health and well being and psychosocial support to the individuals who experience sudden unexpected upheavals in their lives are integral parts of disaster psychology.

Although a new field, many concepts and earlier interpretations of needed interventions have changed recently.

The initial interest in psychopathological consequences of exposure to traumatic event has shifted to a notion of more salutogenic outcomes of such experiences.

Debates over PTSD have been replaced with research and analysis of resilience

Individuals exposed to extreme experiences are not labeled nor considered any longer victims, rather survivors. This shift in semantic and the shift in the interpretation of the outcome represent a shift from the focus on human beings weaknesses to their strengths.

Crisis that so often follows a traumatic experience is a potentially dangerous state of mind, causing in some cases a breakdown of individual's functioning, but crisis may become an opportunity for a new fresher start.

Those who survived a catastrophic events are not considered automatically to be in need of clinical interventions. It has been realized that such experiences affect the majority of individuals, and do cause people to react with diminished functioning. Although they may exhibit some symptoms of distress, it has been observed that the majority will recover spontaneously after a short time given a supportive caring climate that would facilitate the process of their recovery.

It is exactly this crucial prerequisite for recovery, i.e. the supportive environment for recovery that the refugee children are lacking, as their living conditions are far from being optimal to help them to overcome the adversities of their lives.

It is beyond the scope of this paper to address all the adversities that threaten the refugee children. Many belong to the realm of politics, economics, ideology, etc. Yet, there is plenty of room for improvement. Parental skills of poor, distressed, anxious parents could and should be improved so that their children enjoy better parenting. Educational environment ought to be moved from the focus on cognitive achievements to more child friendly school environment within which the whole personality of a child would profit.

One of the adversities that merits to be singled out at this point is the prevailing practice of harsh discipline, physical and verbal abuse that the refugee children are subjected, both at home and in school. As has been documented in the text above punitive discipline does not bring about obedience. Rather, it creates a model of interpersonal exchanges. Punitive patterns of behavior that adults practice create a notion that being aggressive and using force is a way to deal with other human beings. It results in children and youngsters becoming disobedient and aggressive. Their moral development may forever be compromised.

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THE COMMON SECURITY AND DEFENCE POLICY OF THE EUROPEAN UNION AND THE REPUBLIC OF MACEDONIA: TRANSFORMATIONAL PARTNERSHIP IN PROGRESS

Abstract: The case of Macedonia is very specific in the context of the European security and defence policy. In a very brief period of almost three years Macedonia transformed itself from an object of one military and two police missions of ESDP to an active and important participant of ESDP, participating in the largest EU military operation Althea. Macedonia was the first real arena where ESDP operational capability was tested. Furthermore, EU demonstrated its ambition and capability to develop and implement a whole set of consecutive diplomatic, military, police, and civil instruments as elements of a complete system of crisis management precisely on the example of the Macedonian conflict. Former and current Macedonian participation in the CSDP was evaluated as a significant, and declared contribution to the strengthening of the Union's capabilities, both in terms of military and civilian capabilities, was analyzed in the context of the overall European integration of the country. Both in the current context of candidate country and future full membership status in the EU, an exceptionally important question is what is the capacity of small member states to become actors of the CSDP development. And, furthermore, what are the expected effects of the new mechanisms for enhanced flexibility introduced by the Lisbon Treaty regarding the position of the smaller states in the CSDP development.

For a relatively short period of ten years since its launching, the European security and defence policy (ESDP) has grown into an exceptionally complex system with clear specifications and operating potential. Common security and defence policy (CSDP) has been set and developed as an instrument of the Union's common foreign policy, as well as an instrument of the Union as a global actor. The building and developing of the military and civil capacities for crisis management is in the function of strengthening the Union's foreign policy, because it is obvious that declarations which are not supported, which are not followed by a threat of using force, unfortunately have little, insignificant weight.

The case of Macedonia is very specific in the context of the European security and defence policy. During a very brief period of almost three years, Macedonia transformed itself from an object of one military and two police missions of ESDP to an active and important participant of ESDP, participating in the largest EU military operation - Althea in Bosnia and Herzegovina.

MACEDONIA AS AN OBJECT OF ESDP

Macedonia was the first real arena where ESDP operational capability was tested. Furthermore, EU demonstrated its ambition and capability to develop and implement a whole set of consecutive diplomatic, military, police, and civil instruments as elements of a complete system of crisis management precisely on the example of the Macedonian conflict in 2001. Primarily, using the newly established institution of the Common Foreign and Security Policy (CFSP) in a full capacity – the High Representative of the EU – the Union was participating for the first time in the negotiation and overall diplomatic efforts for stopping a conflict and creating conditions for successful post-conflict stabilization. Afterwards, the EU launched and successfully accomplished its own military mission. After completing the military mission, the realization of a new police mission followed, and at the finish a small advising team was formed to help with reforming the Macedonian police. In that manner, the whole cycle of full-scale crisis management was completely closed.

The complete success of the European engagement in Macedonia was much bigger so that along with the use of the CFSP and ESDP instruments, via the Stabilization and Association Agreement and other EU's instruments, the country was completely ready even for getting the candidate status, which actually happened in December 2005. Thus, the end of the European crisis management cycle in Macedonia has resulted in the beginning of a new cycle for the country's full European integration.

MILITARY OPERATION CONCORDIA

The operation Concordia has been the first military mission of EU and it has been a test of ESDP's military and operational capacities. At the same time, it represents the first implementation of the Berlin Plus arrangements for operative cooperation between EU and NATO, i.e. the use of the NATO's planning capacities for the purpose of performing the EU operation. In fact, the Berlin Plus arrangements were formalized shortly before the start of the mission. The operation Concordia was practically taking over of the previous NATO's mission in the country and it was a continuity of two-year international military presence in the territory of Macedonia. Namely, after the signing of the Framework Agreement, from

August 2001 until March 2003, NATO had three successive missions designed for post-conflict stabilization.

The operation had been realized pursuant to the EU Council's Decision of March 18, 2003. The mission's mandate was defined as a contribution to a stable and secure environment for implementation of the Ohrid Framework Agreement, with operational tasks for monitoring the situation in the former crisis areas and distraction from re-burst of ethnically motivated violence. In accordance with the Berlin plus arrangements the Operational Commander was DSACEUR, based at SHAPE, and an EU command element was established at the NATO regional command in Naples (Council Joint Action, 2003a:29-35). The mission lasted from 31 March to 10 December 2003. It numbered staff of 330 military personnel from 13 EU member states and 14 third countries.

EU officials at that time saw the operation itself as a logical continuation of the previous successful EU engagement in Macedonian conflict (Solana, 2003). Namely, in Macedonian conflict from 2001, the EU had first practical use of the instruments of the Common Foreign and Security Policy, created by the Treaty of Amsterdam in 1997. The High representative of the Union, Solana, on behalf of the EU, participated in the negotiations for resolving the crisis at full capacity. This was very important for the Union, considering all previous frustrations that the EU had vis-à-vis the Balkans, when after a series of bloody crisis and conflicts in the territory of the former Yugoslavia during a period of nearly a decade, EU not once managed to establish itself as a factor and a real actor in managing the situation. As a result of those frustrations, as well as the clear perception of the deficit of suitable capacities and instruments, EU member states have undertaken ambitious ventures in order to give the content to the Common Foreign and Security Policy through its operation by a series of instruments, especially the creation of ESDP.

The operation Concordia has also been a practical test for cooperation between the EU and NATO. Since the operation proceeded according to Berlin Plus arrangements, the EU relied completely on the NATO capacities for its accomplishing, from the perspective of planning as well as from the perspective of logistic support. Consequently, good coordination between the EU and NATO was necessary throughout the duration of the mission, above all at the level of their most important political-operative bodies - the EU Political and Security Committee and NATO North Atlantic Council. Good cooperation was necessary on the ground, too. After finishing its missions in Macedonia, the NATO continued its presence on the ground through a Senior Civilian Representative and a Senior Military

Representative, whose basic task was to help with the reforms of the security sector and adjustment of the NATO standards in the function of the country's preparation for full membership in the alliance. Such a situation created confusion and competition on the ground because, by keeping its military structure and role in the security of the border, the NATO actually overlapped with the EU mission's mandate. In its October 2003 Report, the International Crisis Group concluded that: "Rather than complement each other, the EU and NATO have given Macedonian ministers dissonant messages... and... Moreover, the two organizations actively compete for influence in the security sphere" (International Crisis Group, 2003:8).

A bigger problem was the absence of intelligence data exchange, which was of interest of the mission between the NATO and EU. Namely, such data exchange was not agreed before the beginning of the mission and that fact provoked serious problems in mutual coordination. Thus, while the NATO had full access to Concordia's reports, the EU not once during the mission had access to the NATO reports on Kosovo, which according to the Union, was exceptionally important considering the porosity of Kosovo's border and the situations in the former crisis areas which were in its immediate vicinity (Gross, 2009:177–178; ICG, 2003:8–10).

The continuous NATO presence even after finishing its missions in Macedonia, partly overlapping with the competencies of the EU mission, as well as the important problems in mutual coordination, created the atmosphere of competition between the two organizations about who will be positioned as a major safety factor on the terrain. Thus, in its Report ICG formulates explicit recommendation that requires "NATO and the EU should bury their competition for primacy in security assistance" (International Crisis Group, 2003:ii).

The first military ESDP operation on the terrain proceeded in the presence of other EU actors and instruments that were present here before – Office of the EU Special Representative, European Commission Delegation, European Agency for Reconstruction, EU Monitoring Mission. Therefore, this operation was also a test for successful coordination and interaction of many different EU instruments on the ground aimed at realizing the EU concept for comprehensive crisis management. This is important from the perspective of successful interaction of civil and military instruments, as well as from the perspective of the fact that different EU instruments emerge from different pillars inside the EU and report to different authorities in the Union's Headquarters in Brussels.

From the perspective of achieving the desired synergy between the civil and military instruments, the operation showed that the chain struc-

turing of the commands according to Berlin Plus arrangements, and consequently, modelled almost identically as the NATO structures, do not produce the desired effects. Also, the very strict separation of the military and political structures in the process of mission implementation disregards the basic postulate that the military mission is not the aim in itself, but just an instrument, one of the supporting elements for achieving the EU's general political aim.

From the perspective of structural coordination between the EU Council and European Commission, i.e. their representatives and instruments on the terrain, more problems and faults were also detected and they were solved as they were met, on an ad hoc basis, owing to good informal interpersonal contacts that were developed. Being aware of those situations, shortly after the beginning of the mission, in the cabinet of the EU Special Representative regular weekly coordinative meetings were held with all EU actors on the terrain. However, regarding this perspective, it can be concluded that different operative mandates and procedures within different structures of the Union obstructed and delayed the necessary coordination of military, political and economic instruments.

In brief, the first military operation of the Union, despite mentioned faults and problems, has been an important step forward for the EU as a military security factor against its perception as exceptionally civil factor at that time. By successful performance of this operation, the EU portrayed itself as a security actor with wider ambitions and a desire for a more important role in regional and global security. The experiences of the operation have helped the Union in the practical realization of its innovative concept for overall crisis management, too. It implies effective combination of different types of instruments in the function of crisis management. Considering the fact that during the performance of the mission on the terrain another key regional security organizations - NATO and OSCE - were also present with their activities, this operation was also a test of EU capacities for operative interaction with other security actors, i.e. practical check of the concept of effective multilateralism, as one of the key pillars of European Security Strategy (European Council, 2003).

POLICE MISSION PROXIMA

The police mission Proxima was a "natural" continuation of the military operation Concordia. The mandate of operation Proxima 1 was ambitiously set up together with nearly 30 different activities grouped in five separate programs, each of them directed toward separate police segment – Border Police, Uniformed Police, Criminal Police, State Security and Counter-Intelligence and Internal Control. The basis of the mission mandate was to provide support to the Macedonian authorities in consolidation of the situations in former crisis areas, by returning the real presence of the police in these regions and building confidence with the local population. The mission mandate included the authority assistance in the struggle against organized crime, assistance in the practical implementation of the overall reform of the Macedonian Ministry of Internal Affairs and assistance in operative transition of border security from military to police, as well as in the formation of the border police itself (Council Joint Action, 2003b:222–230).

The decision for mission launching was brought by the EU Council in September 2003 and the mission started on 15 December that same year. Both successive missions, Proxima 1 and Proxima 2, lasted precisely one year, the first until December 2004 and the second until December 2005. Proxima 1 counted 186 police officers from 22 EU member states and 4 from third countries, with budget of 15 million Euros. Proxima 2 had less personnel – 169 officers from 24 member states and 4 from third countries, with budget of 16 million Euros. Proxima was the second ESDP operation of this kind, but unlikely the first EU engagement of this kind in police mission in Bosnia, which started in January 2003, Proxima was originally a European operation, i.e. the EU set it up and developed it from its beginning. The police mission in Bosnia was a continuation, that is, substitution of the UN police mission at that time.

The police mission faced similar problems as its predecessor, the military mission. Despite regular weekly coordinative meetings in the above mentioned EU Special Representative's Office, different EU actors on terrain didn't work coordinative. Misunderstandings and pressures were mainly about instruments which were under the jurisdiction of the European Commission, represented by the Delegation of the European Commission in the country on the one hand, and the instruments which were under the jurisdiction of the European Council, represented by the EU Special Representative, on the other. This obscure competition didn't stop going on until consolidation of these two functions in one European official with double mandate, which occurred only at the end of the mission, in November 2005.

Despite internal EU non-compliance, no coordination and competitive tensions could be noticed on terrain and between other international organizations which were active in numerous programs for police reforms.

Namely, even before the start of Proxima in the country, they were present with their activities, which largely overlapped with those of this operation -the missions of the OSCE, Stability Pact for South-East Europe, Council of Europe, USAID, International Organization for Migration, as well as some similar activities of EU member states, previously agreed on the basis of bilateral arrangements (Ioannides, 2007:100-111).

Proxima 2, unlikely Proxima 1, was more focused and more functional in the matter of separate specific segments in the process of police reforms. Initial five program segments of Proxima 1 were reduced to three - assistance in the affairs related to the border police, fight against organized crime and public peace and order. Simultaneously, the personnel of Proxima 2 was disposed all over the country's territory, unlikely the first mission when the personnel was concentrated only in so-called former crisis areas

POLICE ADVISORY TEAM (EUPAT)

According to its mandate and aims, the Police Advisory Team was similar to Proxima. Relying completely on the results achieved with Proxima, the Police Advisory Team continued the monitoring, mentoring and advising on the priority issues in the fields of border security, struggle against corruption and organized crime, professional contribution to the maintenance public peace and order, police - judicial cooperation, internal control, as well as achieving and maintaining the professional standards in the police (Council Joint Action, 2005:364-371). It could be said that the only difference was in the title of this latest operation and its smaller number compared to the previous one.

Namely, by obtaining the EU candidate status, the political context has been significantly changed. Both the Macedonian government and part of European factors found it inappropriate that the country's obtaining the candidate status to be a subject of police mission in the field of ESDP at the same time. On the other hand, the EU Council considered that the presence of the EU police was still necessary on the ground, especially in the rural border areas in the north of the country. Therefore, in November 2005, the EU Council made the decision to launch the Police Advisory Team. This decision was a result of the compromise reached between the need for the presence of the EU police and the position of the Macedonian government, that the "hard" defined police mission endangered the country's progress towards faster European integration.

The Police Advisory Team lasted from 15 December 2005 to 14 June 2006. Total personnel included 29 police advisors, partly police officers, partly civilian experts. Sixteen EU member states sent their personnel as a contribution to the mission.

As stated above, it could be concluded that by performing its missions in Macedonia, the EU has gained experiences that were extremely important in several areas:

- in the area of testing ESDP's operation;
- in the area of testing the EU doctrine of overall crisis management, i.e. projected and desired synergy of diplomatic, military, economic, developing, financial and political instruments;
- in the area of testing the implementation of Berlin Plus arrangements, i.e. the operational cooperation between ESDP and NATO;
- in the area of testing the functioning of the ESDP in complex conditions of security presence of other international organizations, as well as overlapping the mandates;
- in the area of real insight of restrictions present during operations' planning and conducting and the need of developing appropriate flexible mechanisms for further development of ESDP in order to overcome these restrictions.

MACEDONIA AS AN ESDP/CSDP PARTICIPANT

Over the past seven years Macedonia has actively participated in the Union's CSDP. First of all, in this period, Macedonia established an appropriate institutional and legal frame in order to meet the obligation arising from the status of the EU candidate country in the field of CFSP and CSDP. Furthermore, according to its candidate status, in the accession process Macedonia was continuously building and improving necessary mechanisms, instruments and capacities for realizing an active contribution to the development of the CFSP and CSDP.

MACEDONIA'S CONTRIBUTION WITH MILITARY CAPABILITIES

In May 2006, Macedonia declared its contribution toward strengthening the Union's military capabilities, according to the Headline Goal 2010. Declared contribution contained plans for the current and future contribution of Macedonian Army to the Union's military operations for crisis management.

In July 2006, in Brussels, Macedonian Defence Minister and High Representative Solana signed an Agreement for Macedonia's participation in the military operation for crisis management in Bosnia, Althea. Actual participation in the operation started immediately thereafter by sending a helicopter detachment, composed of two helicopters and military aviation personnel of 21 persons. In addition, in November 2006, Macedonian participation was strengthened by sending a medical team consisting of 10 military medics. In June 2007 one Assistant Legal Adviser in the Legal Office of EUFOR Command was also sent. Thus, Macedonia's total participation in the operation Althea included 32 persons in one rotation. Republic of Macedonia continues to participate in the EUFOR Althea. The current contribution consists of 11 persons.

Within the framework of its declared contribution to the EU military capabilities Macedonia participates in the EU Battle Group Concept and is part of the EU BG II/2012 with Germany as the leading nation, together with Austria, the Czech Republic, Ireland and Croatia. The Macedonian contingent comprises 150 military personnel – one infantry company, staff personnel in the force command, intelligence team, mixed NBC section and a national support element. The certification of the declared forces, which consists the EU BG II/2012, was completed through the participation of multinational command exercise "European Endeavour 2012", held in Wildfleken, Germany. The exercise verified the procedures, interoperability and interaction between the operational and tactical level. The contingent is fully prepared to be deployed during the second half of 2012 (Ministry of Defence, 2012:71).

MACEDONIA'S CONTRIBUTION WITH CIVIL CAPABILITIES

In October 2006, the Republic of Macedonia declared the personnel for participation in civil missions of crisis management led by EU, as its own contribution towards strengthening the EU civil capabilities, according to Headline Goal 2008. The total number of 51 persons in five fields was declared: police - with 15 persons; law management - with 16 persons; public administration - with 8 persons; civil protection - with 8 persons and monitoring - with 4 persons.

Macedonia's declared participation in the EU's future civil missions has given a direct contribution towards developing the CSDP's civil dimension and strengthens the country participation in all components of EU's CFSP, which is an important element in the assessment of the European Commission for meeting the EU membership criteria. In the function of Macedonia's declared readiness for its contribution towards military and civilian capacities of CSDP, the building of adequate administrative capacities, which currently takes place, is also essential.

The issues in the field of CFSP and CSDP have been considered within the regular political dialogue between Macedonia and EU: on a bilateral basis – through the Stabilization and Association Council, Stabilization and Association Committee and Common Parliamentary Committee, as well as within the multilateral framework – through the EU Political Forum for the Western Balkans, regular participation at the informal meetings of the Foreign Ministers of EU member states, regular participation at the informal meetings of the Defense Ministers and regular participation at the EU Military Committee's meetings.

THE PLACE AND ROLE OF THE SMALL COUNTRIES IN CSDP

In the context of the relationship between CSDP and Macedonia, an exceptionally important question is what is the capacity of small member states to become actors in CSDP development. From the past experiences it could be concluded that although this capacity, viewed individually by member state, is modest, under certain circumstances it could be significant.

At the same time, it should be taken into account that this capacity is asymmetric. Namely, it is exceptionally small in order to formulate or direct certain common EU action, but it is important in order to prevent undertaking a common action. This is because it should be taken into account that CSDP, as well as CFSP, are the areas of inter-governmental regulation, which means that the key decisions are made by consensus. Each member state, even the one with the minimal or no contribution to overall ESDP capacities can place a veto on those decisions which, according to it, endangered its security or wider foreign-political and national interests.

On the other hand, such a structure has produced a lot of problems in CSDP development, as well as in the decision making process itself. Therefore, the Lisbon Treaty has undertaken some measures for increasing flexibility, which should provoke CSDP to act better in the future. Naturally, from the perspective of our issue, it also means decreasing the opportunities for smaller countries and smaller participants in CSDP to impede the decisions of more important and more involved member states effectively.

The provision of increased flexibility for CSDP was actually an essential task which should give answers to the decisions of the Lisbon Treaty. In terms of a rapid increase, almost doubled, of the number of EU member states, and further strong existence of the principle of consensus on defence issues, finding a variety of flexible forms through which adopted CSDP goals could be carried on practically and functionally, has become a key priority for further development and progress in this area (Barnier Report, 2002; European Convention, 2003).

The general impression is that, within tightly defined political frameworks, the Lisbon Treaty successfully responded to these tasks and found and defined multiple available mechanisms, such as: the mechanism of entrusting tasks to a group of member states, the mechanism of enhanced cooperation and, the most important, the mechanism of permanent structured cooperation. A key task of these mechanisms is to facilitate and accelerate the decision-making process and their implementation.

The mechanism of assigning tasks to a group of member states. This mechanism, defined in Articles 42 and 44, provides an opportunity to the EU Council to confide the accomplishment of a certain task, from the repertoire of Petersberg's expanded tasks, to a group of willing and able member states "in order to protect the Union's values and serve its interests" (article 42 TEU). This mechanism, in fact, was used so far in carrying out crisis management operations, except that there was no strongly defined normative basis for such mandate.

The mechanism of enhanced cooperation. The Lisbon Treaty eliminated the previously enforced restrictions on the mechanism of enhanced cooperation. Namely, under the previous Nice Treaty the use of the mechanism of enhanced cooperation explicitly was not permitted on all matters "having military or defence implications" (Article 27B of TEU). This mechanism now can be used in the area of CSDP, too. The only condition for the application of this mechanism is that a minimal necessary number of nine member states is anticipated.

The mechanism of permanent structured cooperation. The provisions of this mechanism, set forth in Articles 42 and 46, as well as in the Protocol on permanent structured cooperation (European Union, 2007:153-155), are aimed to strengthen and deepen the process of building military capabilities between those member states that are willing to invest more resources. But, unlikely the more general mechanism of enhanced cooperation, the minimal number of participants is not anticipated at all. It is intended to provide a long-term commitment of the participants in this process. This mechanism is actually the biggest innovation, and very serious expectations are invested in its implementation. In order to become a part of this mechanism a member state should fulfil a certain set of initial functional criteria, in a similar way like the previously initiated and developed projects for the European Monetary Union and Schengen zone. By this mechanism the concept of "EU with multiple speeds" in defence area is verified. The implementation of this mechanism is expected to lead up to the creation of a stronger core of member states most dedicated to the developing of the overall defensive capabilities.

The general impression is that the Lisbon Treaty changes are positive step forward in the direction of more effective CSDP. The experiences from the operations and their successive materialization in the further development of the CSDP, confirm that the more flexible the arrangements for defensive cooperation between member states, the more dynamic CSDP development is. In particular, the importance of the mechanism of permanent structured cooperation should be noted, as a mechanism which should provide timelier, more robust and more effective participation of the EU in crisis management. The establishment of this mechanism speaks about the spillover effect of good solutions and practices from other more advanced areas of European integration to those which have just developed, such as defensive politics. Namely, this solution has been inspired from very similar solutions of the Schengen visa system in the third pillar of the Union as well as the provisions of the agreement on the creation of the European Monetary Union and the single currency in the first pillar of the EU. In both cases an opportunity for deeper and faster integration inside the Union itself has been created for those member states which, according to their interests and needs, are ready to enter more ambitious cooperative arrangements. Obviously, the intention is that same model to be implemented in the common security and defence policy, too.

The mechanisms of enhanced flexibility of CSDP can have ambivalent position in relation to smaller member states. On one hand, they can lead to further marginalization of smaller member states because of their objectively lower defensive resources which could be put into function of achieving the specified criteria necessary for more developed defensive cooperation. On the other hand, they offer a better opportunity for effective participation of smaller countries through appropriate direction of

the development of their military capabilities and capacities and achieving top capabilities in certain domains without additional increase of the defensive consumption using the pooling/sharing concept and other benefits from smart rationalization.

Small countries can have a greater influence within CSDP if they previously harmonize their position mutually about a certain issue and perform together. It can be seen in the example of the common performance of three Baltic states. Also, it can be seen through many examples of the common performance of so-called post-neutral countries i.e. those EU member states which traditionally have neutral military status- Austria, Sweden, Finland and Ireland.

In order to provide suitable influence the contribution of the country in CSDP is important. By its active and continuous contribution the country increases its reputation and weight within the CSDP and higher respect for its positions. However, there should not be the slightest doubt that all key decisions, since the foundation of the ESDP, through the design of its institutions and policies up to the launching of the operations, have been made as a result of time-consuming bilateral negotiations between key member states, primarily France and Britain, and with Germany's increasing influence. However, almost always, in building its position the British side took into consideration the USA's positions and tried CSDP's decision not to harm NATO openly and not to endanger the traditional transatlantic partnership.

What is the most important for small countries, from an operative perspective and from the perspective of developing necessary defencive capabilities, is the fact that in the CSDP's system, and almost identically in NATO, they are guided to develop specialized capabilities which respond to their resources and which, of course, are part of wider multinational formations. In this way, small countries can most efficiently use their modest financial resources if they concentrate them on the development of certain more specialized defensive domains.

As a separate issue, there is a breach of relationship between EU and NATO upon smaller countries, especially upon those who have the status of applicants in both organizations, as it is the case with Macedonia. The dynamics of transatlantic relations, alternative tightening and loosening of these relations substantially reflect upon both member states and states applicants in both organizations. The continuous competition about defence primacy, balancing influence and power creates strong pressure upon small countries and requires special diplomatic skill in managing these relations.

Concluding remarks

By pacification and democratic consolidation on European soil, the focus of activities for defence and security in European countries is transferred to the edges of the continent, in the nearby European neighbourhood – in the hot spots of the Middle East and North Africa, as well as in some remote zones which could become the sources of endangering the security of European countries. In order to intercept, manage and post-conflict consolidate more effectively, these zones of endangering the European security, the Union has to possess a wide range of well-designed, properly organized and operational military and civilian instruments.

The Lisbon Treaty has set up the necessary normative basis for a more coherent common foreign, security and defense policy. Hence, in the period that follows it could be expected that the Union is going to continue permanent development of its military and civilian capacities for crisis management in the service of its foreign policy, strengthening its profile as a unique organization which possess a whole range of necessary resources and instruments for efficient crisis management - economical, humanitarian, financial and military. For a complete realization of projected goal -CSDP as an efficient instrument of CFSP, further strengthening of CSDP's institutions is necessary, as well as more essential, not only mechanical integration of civilian and military components. Also, a significant reinforcement of the resources including an increase of financial allocations, significant increase of the personnel available to participate in the missions and continuous investment in new military equipment is necessary.

Candidate states, almost identically as member states, must fully adjust to an efficient participation in CSDP. In the Macedonian case it implies, in particular, to the following:

- Keeping the pace of defense reforms, through the further transformation of the forces, which will provide greater operational capabilities:
- Maintaining the defence budget at a higher level than the current one (during the past few years a continuous decrease in defence consumption could be noticed from a 2.3% share in GDP in 2005 to only 1.3% in 2011);
- Modernization of equipment, laying special emphasis on the appropriate equipping of the declared forces;
- Maintaining the appropriate level of contribution to the CSDP's military operations and compensating for the actual deficit in the participation in CSDP's civilian operations;

- More intensive regional defence cooperation, including regular political consultations, joint trainings, establishment of joint military units as well as joint participation in European and international UN led operations.

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EUROPE AT THE CROSSROADS: REBORN RATHER THAN FADING² TERRITORIAL ASSETS TO GET BACK TO EUROPEAN DEVELOPMENT

1. THE EUROPEAN UNION AT RISK OF BALKANIZATION

The political speech is intended to give to the lies the accent of the truth, to turn the murder respectable and to give the appearance of solidarity to a simple draft. George Orwell

The lack of previsibility, lack of leadership and democratic deficits led the European Union into chaos. With the only objective to match the balance sheets of the states and banks promoted to the rank of systems (although being out of any democratic control), European and national institutions seem to have lost any vision of their future, and begin to look like those frightened birds which collide and injure themselves against, for them, invisible windows.

Meanwhile, the citizens of the European Union are gradually opening theirs, and are becoming aware of having been deceived. Not on the necessity of uniting the States of the continent, but on the way the Union has been led: benefiting some and putting others under ceaselessly increasing pressure. Social pressure (insecurity in the streets, at work, about their future...), financial pressure (increasing gap between rich and poor³...), degradation of the welfare and of the environment are the main critics directed to the ruling classes that, these last years, let the European Union slide in a rut.

¹ This article does not engage any national authority. It represents the personal opinion of the

² COEN Myrianne, L'Europe à la croisée des chemins, Milocer, 19 octobre 2011.

³ During the 1960s, the average gap between the highest and lowest salary in the EU member states was about 1 to 20. It goes now up to 300....

For the lack of correct information, competent analysis and transparent policies, it is clear today that with unchanged policies and attitudes, the destiny of the European continent is to become, on his turn, a colony for the emergent states, with China at head, but not only for them.

Let's but observe the fate of steel plants in northern Europe bought by the Indian giant a few years ago and today already at the point to have their doors definitively closed (two blast furnaces in Florange/France /2012, and numerous losses of jobs in Belgium/ 2013).

Western Europe, financially pale and the prisoner of narrow ideologies forged in administrations permeable to the pressures of rarely disinterested and little worried about public interest lobbies, had, in the bend of the millennium, invited those rich foreign investors. Today, the dissolution of its industrial power casts it gradually in dependence, which deprives it of any supply security in many strategic sectors. The "nationalist" debate in Italy concerning the fate of the steelworks in Taranto and Genoa does not either favourably predict about a reasoned and concerted discussion likely able to answer the problem at the level of the European continent.

Europe had already given up its colonies, generally in the haste and often to the hands of more or less institutional predators, thus losing any control over its main sources of supply in raw materials. It is now loosing foot in the sectors of first transformation.

Raw materials and products of first transformation, about which nobody knows today toward which price they will rock in the next years, obviously are now ready to knock down the hundred-years-old balances in the economy of the planet, ... as without knowing of the leaders of the West.

A recent edition of the monthly magazine Limes⁴ asks the following question: during these last years, did the Balkans get closer to the European Union, or is the European Union getting balkanized?

Observing the increasing difficulties of the citizens of the European Union to get access to transportation (increasing prices of public and private transport), to warm and soon doubtless to feed, we must put the following question: wouldn't that which is taking place in the European Union today be the replica of the processes that hit Russia, Bulgaria and other ex-Soviet republics in the 1990s? With as a consequence a more

⁴ Eichberg Federico, *L'allargamento dei Balkani*, in Limes, 1/2012, pp. 11–17.

and more wealthy "superstructure" whose cosmopolitism allows to flee the local damage that this concentration of the wealth contributes to cause (insecurity, degradation of the environment), and a majority of the population which has difficulty with facing poverty?

2. The European continent is not without a RESOURCE, BUT IT IGNORES IT, OR PRETENDS TO IGNORE IT ...

> Freedom means the freedom to say that two and two make four. When this is granted, the rest does follow

> > Georges Orwell, 1984

The European Union remained an institution without political identity, without the culture of its community, up to the point to reject its hymn and flag!

It is thus the European continent, such as defined by its civilization that will be here the object of the attention. Because, as N. Carnimeo points it out in "Adriatico, Il Golfo che si fece Mare⁵", young Kosovars today do not look any more at Bari, but at Paris, London and Berlin. Do I have to remind that Europe takes root in Greek culture - this state that some now intend to expel from the EU - and in Roman one?

Our European States, the European Union itself, are losing their attributes of sovereignty (a limited, recognized and protected territory⁶). The troubles are common, even if they are not so visible everywhere, and if symptoms can be different.

However, it is false to say that the European continent has no resources any more. Europe is calcified, it became incapable to change because to change means changing the method of wealth distribution and allowance. And when those are in power who possess the wealth, who "have interests", and not those who represent the aspiration of the peoples, those first have no motive, and from then on no will, to change the state of things, as it was pointed out last year.

⁵ Carnimeo Nicolo, Adriatico, il golfo che si fece mare, ds Limes, 1/2012, p. 24

⁶ Coen Myrianne, Per ricostruire l'Unione Europea, Senso e Realta, in La Previsione Italiana tra Europa e Mediterraneo, Futuribili (Istituto di Sociologia Internazionale di Gorizia), Franco Angeli, 2009, pp. 218-230

Keep human resources

We know today that the density of population is inversely proportional to its level of economic welfare⁷. It is not without the motive that young Italians and Parisians who emigrate to Brussels note, with an equivalent quality of life, the enjoyment to be able to occupy the double of square meters, their daily "living space", for an equivalent rent to the one they would spend in their country of origin for a reduced by half surface.

The decades of immigration from "poor" countries to those of the European Union have taught us that the quality of life causes population movements. It is generally the most educated and the most dynamic part of it that goes away and impoverishes that much the states deprived of those.

In the European Union, in Greece, in Spain, the unemployment of young people is getting close to 50%, if not over this percentage, not sparing those with the highest qualifications. In the past, such a phenomenon was the "privilege" of underdeveloped countries ...

The latter go away somewhere else, to Europe as well as to Canada, Australia and Brazil, where they can find more opportunities without totally giving up their "European civilization", this civilization about which a minister of one of the EU states dared to state that "culture does not feed".

Cultivate the European character of the territory

European culture does not feed? Let us but have a look at our "luxury items" and those "quality products", produced par excellence in the way of life, lifestyle that remains about the only one to pull European exports in the world?

The cities well maintained, able to develop and modernize their European character (art, town planning, cooking, music, entertainments, but also social organization, ...) are those that defend successfully their balance of payments and their jobs, thanks to income from tourism, which is obviously still sheltered from the economic crisis.

As a matter of fact, the European civilization fascinates. In the European Union, the Russians take residence, as well as the Americans and soon the Chinese and South American people that can financially afford it. This only for the better quality of life in our cities, either to say at least in some of them, or better in certain districts of these latter. Because these

⁷ The costs of urban concentration are huge for the community. Considering the actual technological means, they are not justified any more in terms of quality of life.

last years, "quality spaces" in the EU, where one can not only live a good life but also circulate easily and in safety, are dangerously getting scarce.

Political accents that little by little begin to pay attention to the renovation of the historical buildings, that qualify the living environment, go in the right direction. But how many feints in order to escape it. An historical building is something else than a facade! And when we flood it into urban developments such those designed by developers who besiege our cities and are building the insecurity of our suburbs, we fail to protect, all the more to cultivate, what makes the quality of our "europeanship".

The territory is a resource, which does not ask inevitably for a big capital to show itself, to get go through, to be lived. But it requests that we do not mistreat it, that we respect it. The territory does badly get along with privatized, gigantic and short-term interests which behave toward it an imperative manner. On the contrary, it pays widely those who occupy it with intelligence, within the framework of socially concerted programs, and of long-term visions pursued and implemented with determination and perseverance.

It is not indeed often necessary to intensively invest capital to transform it into the factor of development, if not economically - that is included into the calculation of GDP (gross domestic product) - at least in terms of improving the quality of life, what can turn out to be of a much superior value. The quality of life that gets often translated into an increased economic availability for its inhabitants.

Moreover, let us turn attention to the fact that states, regions (the largest part of the Balkan territories, in particular) which remained until today isolated by the geographic location or ceaseless conflicts, have now more opportunities than others to promote the development of their territories, which corresponds to such a good use of the resources, for the highest benefit of their populations. However, it is obvious, that they avoid the stumbling blocks such as those evoked below.

Our use of the territory directly determines our quality of life. It can constitute a source of wealth, but also, directly or indirectly, a cause of poverty, should it be measured in economic terms or in terms of wellbeing8. The territory is a resource. Its misuse can functionally eliminate it forever (see the zones around Chernobyl or Fukushima).

⁸ The pollution of the ILVA steelworks in Taranto (Italy) where there are 20% more tumours among the local population is but one tragic example of it: Taranto, tumori in aumento esponenziale. Ilva sotto accusa, Sole 24 ore, 22 October 2012.

Yet how much wasting, rigidities, the lack of imagination or collaboration⁹, stupidities, ideologies badly applied to the management of the territory ... What should be said, for example, about these inner-city highways at the entrances of Brussels built with the money of taxpayers to make faster access to the city, but where the compulsory speed is now reduced to 70, if not 50 km/h, thus devouring time and reducing much of life quality, including that of the self-employed, with so much loss in productivity for the society.

What should be said about this private statutory company for highways in Italy that, after the first snow, closes its accesses sending up to 300.000 people during more than twelve hours to snow-covered mountain roads only for the sake of avoiding accidents that might get its own insurance in trouble? In whose name a State authorizes a private statutory company to monopolize safety and deprive its citizens of their time?

Let us further observe how, along with the crisis, these private and thus user-pay highways are now getting deserted for more and more blocked secondary ways, with increasing costs due to loss of productivity, but also in health at the expense of our societies¹⁰. If a highway is built, it is to be used according to an optimal economic and functional balance. Otherwise, it would be better not to build it. But this way of thinking, in Western Europe, is not obvious any more due to the lack of intelligence, to ideological rigidity, or to the benefit of private interests at the expense of citizens.

Seize the opportunities of synergies and collaboration

During the "Arab Spring", thousands of young Tunisian people "ran away" towards the European Union, towards Italy and towards France. But the EU for its part did not know what to do with them. They were handled and parked as simple economic refugees¹¹. However, a large number of them were graduated. We could even say that they had already selected themselves to engage in collaboration between our populations, that do

⁹ See also the excellent article by Alberto De Sanctis *L'Italia sta perdendo la guerra dei porti* in Limes 1/2012, pp. 25–34; turning attention to a huge waste of resources and extreme fragility of the results of all Adriatic ports when they compete with each other instead of negotiating rational and balanced collaboration.

¹⁰ Les automobilistes espagnols désertent les autoroutes payantes du pays ... Conséquence, 5 des 14 sociétés privées d'autoroute en Espagne se sont declarées en faillite (source Euronews, 12/10/12)

¹¹ Scandalo profughi, ds L'Espresso, 18/10/12, L'Etat (italien) a dépensé 1,3 mld (d'Euro) pour porter assistence à ceux qui fuyaient de Lybie et de Tunisie. Des fonds sans controle "qui ont enrichi un grand nombre (d'italiens)".

have everything and thus nothing more to buy, and theirs who still need to buy everything but either do have sufficient earned incomes, either networks of production and distribution to manage the economic takeoff of their countries.

Let us consider the fact that municipalities, regions, financial groups on both sides of our European borders dismissed these refugees with a very particular profile as if it was the matter of a ping-pong match. None had the quickness to gather those skills, to examine them, to think how they could offer potential collaboration with local entities from their own home submerged in the economic crisis, to contact training institutions in order to link necessary skills to concrete objectives, with the prospects for these newcomers to go back to their country of origin with a project, contacts, skills and, why not, necessary capital to begin a new life. Has not it been demonstrated that micro-credit generally brings success?

As a consequence, for more than twenty years, Western Europe has been collapsing under its excessive consumption (the cause of the collapse of its production today¹²), while being surrounded by gigantic zones (Russia, North Africa¹³) which still need to acquire everything, but where means, organization, infrastructure and trust are lacking. Even the enlargement of the EU did not succeed in giving all its member countries (see, for example, the persistently low standard of living in Bulgaria, in Rumania) development dynamics of mutual advantages (and contrary to Poland, the Czech Republic, Slovenia, ... should we underline).

In our overregulated European states, administered, politicized and often concealed by groups of interests united to their own advantage while not corrupt, we have lost the capacity to design, to imagine, to build, and nothing can be done with necessary diligence any more. As if development opportunities did remain indefinite in temporal terms, allowing the conditions to remain unchanged.

Working an extra hour without extra pay undoubtedly increases the productivity of a company, but it often decreases the workers' quality of life. If the improvement of public transport (faster and less expensive) al-

¹² Acciaio, In Europa crolla la produzione, Male Italia e Germania, ds Sole 24Ore, 21/9/12. & European car sales 'fall for 12 months in row', BBC News Business, 16/10/12

¹³ Nous regardons avec intéret l'Afrique du Nord dans le cadre de notre stratégie méditerranéenne, et, en particulier l'Egypte déclare à Repubblica Susan Sabanci, Dincer Présidente de la 2de banque turque AKBANK (29/10/12 Susan Sabanci è una banchiera il simbolo della nuova Turchia), and the author Eugenio Occorsio continues: En résumé, plus de Moyen Orient post printemps et moins d'Europe, c'est de la Turquie que nous arrive cette dernière humiliation pour notre continent européen en crise.

lows us to win this hour of life without increased expenses, this extra hour will be more acceptable ... since it is less harmful, or is harmful at all, to the workers' quality of life.

However, it is not for the lack of having predicated the virtues of liberalism and capitalism in the EU. ... Everything is the matter of intelligence and creativity, as well as priority and fairness demonstrated by relevant initiatives.

Use the capital wisely

In the European Union, as well as in its close geopolitical environment, capital resources are not insufficient, as demonstrated by luxury consumption that holds, and tax evasion (today one also speaks about fiscal exiles) being on the rise.

However, capital is neither possessed by nor available to those who could offer outputs to our companies and quality growth to our societies. In vain central banks and public authorities press the banks to return to their initial functions for which they have been set up.

This capital finds itself, in enormous amounts, in some other hands, on financial markets which, for twenty years, have been dragging those banks into bankruptcy, unless this merry-go-round is abruptly stopped. The collapse of Lehman Brothers was, as such, the indispensable thunderclap for putting an end to it.

Should it be necessary to remind ourselves that an economically valid use of capital is one of the main keys to the economic development for a society?

The press has lately published the date on corruption in Italy: public works would there undergo an additional cost of 40%. Should we get consoled by the fact that at the time of "mani pulite" (1992), those additional costs were estimated at up to 80%?

Such an additional burden of costs is placed on the shoulders of citizens, who are continuously requested to pay higher taxes ... then falls on consumption ... companies which do not sell any more do not produce any more ... those who do not produce any more dismiss their employees ... those who are getting unemployed do not consume ... This is also the prize of corruption. Italy has the merit to speak about it. In northern European states one has not yet arrived to the point to speak about it ...

As such, the merciless fight against large corrupted, fiscal swindlers as well as any other swindlers has not yet begun. We are just beginning to speak about it. And it is certain that a deeper problem is not to be found in the states that speak most about it, such as Italy these last months¹⁴. Today, the mafia has made itself invisible and is so powerful that it succeeds in silencing the press and terrorizing the population (which employee will dare to refuse committing a countable crime requested by his employer, at the risk of seeing himself demoted, if not dismissed?).

Indeed, those circles of corruption, fraud and large-scale coordinated tax evasion are nothing else than mafias that nobody yet dares to name, while they have all characteristics of it: they control the functional if not geographical territory (e.g. control the construction industry), intimidation (e.g. journalists who lose their jobs when they dare to deal with certain topics) ...

In Milan (Lombardy), these links between the traditional mafia (Calabrian Ndrangheta in this case) and white-collar mafia have recently become clearly evident. Should we but remember the quickly voted law in 2011 by the majority in the parliament of a northern European state, apparently on the initiative of a nearby state (sic!), which only had the effect (before it is to be soon modified again!) to allow three oligarchs with the smell of the Russian mafia to escape a public trial for forgery, corruption and criminal conspiracy. However, this was met by indifference on the part of the local and international media. What could those three persons reveal in public, so that it was necessary to adopt such a "special law" in order to prevent them from speaking aloud? Underneath this strategy, as a compensation for the foreign state, there was a huge arms contract ... And what kind of profit (in short, average and long-term one) from such an operation held almost in secret will be earned for the citizens of our European "democracies"?

As Barbara Spinelli observes¹⁵, a democracy cannot delegate to others the distinction between what is legal and illegal, wondering about the circumstances in which a government decides about the taxation of lower and average incomes, while at the same time being reluctant when it is the question of adopting an anti-corruption law, which could imply something more than a simple draft.

Should I turn attention to the fact that one of the main criticisms directed at the European Union is the way it increases in so many ways

¹⁴ The classification of Transparency International does not measure corruption, but the perception of corruption in a state. The relevant tables favour paradoxically the states that succeed in corrupting in silence, away from the eyes of the press. On the other hand, they disfavour those states that, in broad daylight, are fighting against corruption ...

¹⁵ Spinelli Barbara, *Una Legge vera contro I corrotti*, La Repubblica, 17 October 2012.

the income gap between "those who have" and "those who have not"? In the European Union, dissatisfaction is expressed in the streets on a daily basis. Doesn't corruption serve as a boulevard for increasing this gap at full speed.

Is it certain, however, that billionaires who need to protect themselves behind barricades try to avoid many kidnappings in the countries being in the state of a permanent social revolution (let us recall Colombia until recently and Mexico today) and take their children to school in armoured cars, live better than citizens in the well-to-do districts of European cities, whose bank accounts are certainly less furnished because their companies respect (at least until recently) the social laws that guarantee a certain equity in wealth distribution?

3. BE RATHER REBORN THAN FADE

No state, no group of states like the European Union, can indefinitely survive on the waste of financial capital, environmental capital and human resources. No continent can survive those imbalances, abuses and misappropriations that damage the economy of resources. And certainly not, without overturning into the ravine, at the time of globalization, confronted with more dynamic, less rigid and often better managed societies.

Yet Europe, the European continent, our European states do have so many resources that they ignore, or pretend to ignore. If they continue in this way, they will inexorably face the future of underdeveloped countries.

It is thus the moment for liberalism, and capitalism that ensues from it, to demonstrate that it is more effective - as it doesn't stop claiming - than organized, even interventionist economies that are challenging it. And not only financially more effective, but with an effective return by priority for human beings living in its territory who, more than the quantity of bills present in their wallet, look at what those allow them to acquire in terms of better well-being and quality of life.

From now on, it is more than necessary to become again serious, as were the fathers of our European constitutions in the 19th century (constitutions how much mistreated since then), before the expansion of the continent that got on until the dawn of this 21st century.

This is what is requested by the citizens affected hardest by this economic and social crisis of the West, who are more aware of the situation than others (the Greek, Spanish, and until recently Icelandic, who seem to have found their solution to the problem ...).

In order to avoid decline, our states and thus their leaders must cooperate and get back to serve their citizens, listen to their requirements and try to satisfy them.

What's to be done to make this way today in danger prevail? Reduce the democratic deficit.

The basic conditions?

- Neutralize occult actors, should those be deregulated finance, illegal agreements (financial, industrial, administrative), corrupt politicians or administrators, criminal organizations infiltrated in our institutions, secret services diverted to the service of powers, and of more or less identified state and/or non state actors;
- Restore the conditions for a pluralistic freedom of information:
- On those bases, favour the development of an honest and competent leadership, capable of collecting the aspiration, needs and requirements of citizens, forging a long-term vision to move closer to the reality of their aspiration and select men and women capable of implementing it;
- Establish clear, shared and available to the general public (shared and communicable) the objectives, as well as a timetable for implementation which takes into account the reality and absorption capacities of changing society;

The means?

- Favour any organized form of social participations, 'profit' and ' non-profit ', at every institutional level, including transnational;
- Develop, on the basis of a long-term vision, the whole territory by creative policies in public infrastructure (accessible and available for all):
- Guarantee a distribution of wealth that respects the "sense of justice", based on a model of sharing that could be inspired by the one which prevailed in the 1960s and provided a basis for the development of the European Union;
- Create the conditions (jobs, other functions in society, education, ...) to favour the potential of all individuals, both young and elderly people, according to their strengths and specificities;
- Guarantee a form of legality which allows the dynamism of the individual to deploy, while at the same time guaranteeing protection and respect for each.

Summarized, rebuild information and education to favour the emergence of a leadership which can guide the revival of regional, national and European institutions in a way that the latter guarantee and favour the implementation of those indispensable conditions for the survival of European civilization on the international scene.

Time is short, but what is essential remains – the purpose is clear and represented by a credible leadership, a leadership whose acts and activities are obviously coherent with the declared and pursued common objectives.

Only democracies are able to share their sovereignty where and when it serves its citizens. Under those shared conditions, it matters little what institutional shape of the European continent will prevail. As far as all actors align themselves with two fundamental principles: a shape of democracy as mode of organization of persons, and cooperation as mode of organization of institutions.

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GLOBALIZATION IMPACT ON THE ECONOMIC GROWTH AND DEVELOPMENT OF WESTERN BALKAN COUNTRIES WITHIN THE EU INTEGRATION PROCESS¹

Abstract: Impact of the globalization process is still present among EU member state economies, as well as Western Balkan countries. Although many of these countries are in different phases of the transition period, the situation remains unstable in the EU vestibule and causing more pressure to Western Balkan countries to harmonize the latest volatilities that are affecting economic growth in the region. The aim of this paper is to analyze Western Balkan countries' economic and social development and to indicate new challenges and strategic views of social welfare and human security in Western Balkan countries within the EU integration process. In this paper, we will present recent economic changes in the countries of the Western Balkan region through globalization and EU integration process impacts. This research includes an analysis of the key economic factors and priorities that will encourage the Western Balkans in the EU integration process, emphasizing the significance of economic development and stability. The main aim of this paper is to underline contemporary economic perspectives and growth through the impact of regional cooperation and EU integration process.

Keywords: economic growth, Western Balkan countries, economic perspectives, globalization, EU integrations, human development.

Introduction

Globalization is the process by which markets integrate worldwide. Over the past 60 years, it has accelerated steadily as new technologies and management expertise have reduced transportation and transaction costs and as tariffs and other man-made barriers to international trade have been lowered. More and more developing countries have been experiencing sustained growth rates of 7-10 per cent; 13 countries, including China, have grown by more than 7 per cent per year for 25 years or more. Al-

¹ This paper is part of the research projects Nos. 47009 (European integrations and social and economic changes in Serbian economy on the way to the EU) and 179015 (Challenges and prospects of structural changes in Serbia: Strategic directions for economic development and harmonization with EU requirements).

though this was unclear at the outset, the world now finds itself just past the midpoint in a century-long process in which income levels in developing countries have been converging toward those in developed countries. Now, the emerging economies' impact on the global economy and advanced economies is rapidly rising.

The Western Balkan countries understand the EU integration process as a structured framework that can facilitate their path towards the EU. The challenge of European integration can stimulate the advancement and functioning of democratic institutions capable of managing a rapid and complex transition involving areas such as cultural, economic, institutional and political life. The efforts made towards EU integration will create the conditions for a modern market economy and boost these countries' capacities to compete within the EU and also in world markets (Qorraj, G., 2010).

More recently, however, a new wave of research work has directed attention to the impact of economic globalization, in which flows of goods and services and direct foreign investment across national borders, are perceived to generate competition between nation states, thereby creating coercive forces for convergence across countries in legal and other institutions (Brady, D., Beckfield, J., Zhao, W., 2007). Again, the argument that there is a *strong* tendency to convergence under globalization, particularly in the direction of a "US model," has recently tended to lose steam. Nevertheless, the proposition that globalization generates coercive forces towards institutional (and regulatory) convergence remains highly influential.

One of the key economic issues of our time facing both developed and developing countries is how globalization impacts their economies. In particular, it is of crucial interest to determine whether globalization promotes or harms economic growth in countries operating in global markets. Closely related to the question of the impact of globalization on economic growth is the issue of globalization's effects on income distribution within all participating countries. In theory, globalization can either alleviate or worsen income inequality. There is no clear consensus on how globalization affects income inequality. Some economists claim that a recent rise in income inequality in many regions has coincided with liberalized trade and capital flows (Cornia, 2004).

1. ECONOMIC GROWTH AND DEVELOPMENT PROSPECTS FOR WESTERN BALKAN COUNTRIES

The financial indicators of Western Balkan countries, which mostly belong to transition economies, show that they are situated in the shadow of the eurozone crisis. The growth in the transition region is expected to substantially slow down from 4.6 per cent in 2011 to 3.1 per cent in 2012 before modestly increasing to 3.7 per cent in 2013, as the eurozone debt crisis affects the region via trade, financial as well as remittance linkages. Although the most recent data suggests that negative spillovers from advanced Europe may be leveling off, negative credit growth and declining exports will continue to impede the expansion. The further worsening of the eurozone crisis or an oil supply shock are both possible and pose significant downside risks for the region as a whole. In addition, domestic risks have risen in some countries. The transition region grew last year slightly more than it was expected in October and January, and its performance also turned out to be somewhat better than in 2010, as the eurozone crisis came in late enough in the year so as not to derail the full-year performance. Western Balkan countries recorded weak growth. While most Western Balkan countries grew faster last year than in 2010, their recovery was limited by the outbreak of the eurozone crisis and the region's linkages with the Greek economy.

As we can see in Figure 1, GDP per capita for the period 2010–2013, with the estimates, Slovenia is the leading country, as a member of the EU, followed by Croatia. GDP per capita for each country will not be substantially increased until 2013.

30 25 20 15 **2010** 10 2011 **2012 2013** Romania (Joatia Montenegro Slovenia

FIGURE 1. – GDP per capita for the period 2010–2013 (with forecast) in SEE countries in USD

SOURCE: Regional Economic Prospects in EBRD Countries of Operations: May 2012 EBRD Office of the Chief Economist.

According to Figure 2., the balance of trade in goods for the period 2010-2013 in WB countries, Romania, Croatia and Serbia, will be the worst positioned countries. This especially refers Serbia whose balance of trade declined rapidly from 2012 to 2013.

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FIGURE 2. Balance of trade in goods for the period 2010–2013 (with the forecast) in SEE countries in USD

SOURCE: Regional Economic Prospects in EBRD Countries of Operations: May 2012 EBRD Office of the Chief Economist.

When we look at total external debt stock as a per cent of GDP in Figure 3., we can single out Montenegro and Macedonia as the only countries with negative values. By contrast, Slovenia, Croatia, Bulgaria, followed by Romania and Serbia, are the countries with the highest percentage.

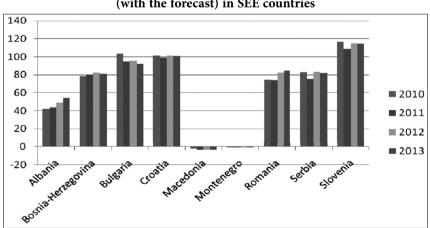


FIGURE 3. Total external debt stock, % of GDP, for the period 2010–2013 (with the forecast) in SEE countries

SOURCE: Regional Economic Prospects in EBRD Countries of Operations: May 2012 EBRD Office of the Chief Economist.

GDP growth in the transition region is expected to slow down substantially to 3.1 per cent in 2012 and 3.7 per cent in 2013. The more precise forecast for each country can be found in Table 1. The 2012 forecast is essentially unchanged since our January and October forecasts, which have already been considered, show a very similar external environment as assumed in the current baseline. The crisis in the eurozone will continue to impact negatively those economies in the transition region that are most intertwined with those of the eurozone. The recession in the eurozone will continue to affect the exports of the transition WB countries with a lag, as economic contraction gradually transforms into lower orders. Export growth is expected to remain negative in the first half of this year and perhaps beyond. Output in the transition region will also suffer from ongoing credit contraction due to cross-border deleveraging. As European parent banks continue to deleverage, subsidiaries in the transition countries will notice reduced cross-border funding and therefore extend less credit. Together, trade and financial transmission channels of the debt crisis imply that growth in the WB regions will noticeably slow down this year. On the whole, however, the transition region would fare substantially worse than in the baseline, even if the relative deterioration under this scenario for the region as a whole would not be as large as in the case of the worsening of the eurozone's debt crisis.

TABLE 1. - GDP growth (average) with the forecast

2010	2011	2012	2013
3.3	3.1	1.2	1.8
0.7	1.8	0.4	0.6
0.4	1.7	1.2	2.5
-1.2	0.1	-0.6	1.7
1.9	3.0	1.3	2.6
2.5	2.7	0.4	1.6
-1.7	2.5	1.2	2.6
1.0	1.6	0.1	2.6
1.4	-0.2	-2.0	-1.1
	3.3 0.7 0.4 -1.2 1.9 2.5 -1.7 1.0	3.3 3.1 0.7 1.8 0.4 1.7 -1.2 0.1 1.9 3.0 2.5 2.7 -1.7 2.5 1.0 1.6	3.3 3.1 1.2 0.7 1.8 0.4 0.4 1.7 1.2 -1.2 0.1 -0.6 1.9 3.0 1.3 2.5 2.7 0.4 -1.7 2.5 1.2 1.0 1.6 0.1

SOURCE: National authorities via CEIC data service (Regional Economic Prospects in EBRD Countries of Operations: May 2012 EBRD Office of the Chief Economist).

2. Effects of Economic Globalization and Regional INTEGRATION OF WESTERN BALKAN COUNTRIES

Economic globalization implies the increasing economic interdependence of national economies across the world through a rapid increase in crossborder movements of goods, service, technology and capital. Whereas globalization is centred around the rapid development of science and technology and increasing cross-border division of labor, economic globalization is propelled by the rapid growing significance of information in all types of productive activities and marketization, and the advance of science and technologies. Depending on the paradigm, economic globalization can be viewed as either a positive or a negative phenomenon.

Economic globalization comprises the globalization of production, markets, competition, technology, and corporations and industries. While economic globalization has been occurring for the last several hundred years (since the emergence of trans-national trade), it has begun to occur at an increased rate over the past 20-30 years under the framework of the General Agreement on Tariffs and Trade and which made countries to gradually cut down trade barriers and open up their current accounts and capital accounts. This recent boom has been largely accounted by developed economies integrating with less developed economies, by means of foreign direct investment, the reduction of trade barriers, and in many cases cross border immigration.

It can be argued that economic globalization may or may not be an irreversible trend. There are several significant effects of economic globalization. There is statistical evidence for positive financial effects as well as proposals that there is a power imbalance between developing and developed countries in the global economy. Furthermore, economic globalization has an impact on world cultures.

In theory, financial globalization can help developing countries to better manage output and consumption volatility. Indeed, a variety of theories imply that the volatility of consumption relative to that of output should decrease as the degree of financial integration increases; the essence of global financial diversification is that a country is able to shift some of its income risk to world markets. Since most developing countries are rather specialized in their output and factor endowment structures, they can, in theory, obtain even bigger gains than developed countries through international consumption risk sharing - that is, by effectively selling off a stake in their domestic output in return for a stake in global output (Prasad, E. S., Rogoff, K., Wei, S. J., Kose, M. A., 2013). Economic integration between countries is a continuum from shallow to deep integration. Shallow integration normally focuses on trade liberalization for goods, whereas deep integration refers to explicit government actions that reduce the market-segmenting effect of domestic policies and regulations, other than tariffs and formal nontariff barriers. The vision as well as the

challenge for Western Balkan countries is to implement deep integration policies that will make each market more contestable (IBRD, 2008).

The benefits of deep integration go beyond those of merchandise trade. The benefits arise from the objective of creating a single economic space, and include greater contestability, a larger market, greater economies of scale, and so on. Benefits would manifest, for example, in intraregional supply chains and higher FDI. These benefits would be magnified by an increase in the efficiency of those services sectors that supply crucial backbone services. Deeper integration would also enhance intraregional trade to a greater extent than a pure trade focus would.

The global economic crisis, which has experienced its escalation in the 2008., had serious implications for investment flows. World economic activity slowed in the second half of 2008 and in 2009 we had a decline in the real growth rate of gross domestic product (GDP) of 0.6%. World trade flows are reduced in the last quarter of 2008, while in 2009, for the first time since 1982 the world trade decline of 11 per cent was recorded (Filipović, S., Andrejević, A., Vučenov, S., 2012).

TABLE 2. - Summary and projections of world economic developments, in %

	2009	2010	2011	2012
World GDP	-0.6	5.0	4.4	4.5
- Developed economies	-3.4	3.0	2.5	2.5
- Eurozone (EU 16)	-4.1	1.8	1.5	1.7
- Emerging and transition economies	2.6	7.1	6.5	6.5
- Central and Eastern Europe	-3.6	4.2	3.6	4.0
- Commonwealth of Independent States	-6.5	4.2	4.7	4.6
World trade in goods and services	-10.7	12.0	7.1	6.8
Imports				
- Developed economies	-12.4	11.1	5.5	5.2
- Emerging and transition economies	-8.0	13.8	9.3	9.2
Exports				
- Developed economies	-11.9	11.4	6.2	5.8
- Emerging and transition economies	-7.5	12.8	9.2	8.8

SOURCE: IMF (2011), World Economic Outlook Update, January 2011. According to: Filipović, S., Andrejević, A., Vučenov, S., Impact of Global Crisis on Attraction of FDI in Serbia, Proceedings of Educons University for Social Science, Sremska Kamenica, 2012.

3. REGIONAL INTEGRATION OF WESTERN BALKAN COUNTRIES WITHIN THE EU INTEGRATION PROCESS

Regional co-operation in the Western Balkans is a complementary process of European integration. Within the framework of regional co-operation, the Stability Pact was launched as an engine to pull the entire region torn by crises away from the vicious conflicts between neighbours and outbreaks of ethnically motivated violence (Erler., 2004) stated that worldwide attention was focused on this plan that was the first ever to use the promotion of regional co-operation as a strategy for both consolidating peace and preventing crises (Qorraj, G., 2010).

Support to the process of enlargement and EU integration is noticed by institutional, financial and technical help from the EU Commission. Assistance is essentially provided under the Instrument for Pre-Accession Assistance (IPA). Under these funds, the total sum allocated for these purposes during the period from 2007 to 2013 was 11.6 billion euros.² The Commission gradually shifted financial support to assist individual projects in the global approach across the various sectors, focusing on key areas of the country's reform agenda, from 2010. These financial flows had further impact on the GDP level in the countries of the WB region. As it was shown in Table 1, some countries with GDP growth in the SEE region were more affected by the eurozone crisis during 2012, but in the projections for 2013 most countries in the region have positive growth. All countries are now going through the expansion of recovery at a different tempo. However, the EU enlargement countries are faced with major socio-economic challenges. Unemployment remains high and still rising in most countries. The employment rate of labor is low, especially among women and youth, while widespread informal employment remains a challenge. The exports from the Western Balkans contribute to recovery, dominated by low value added products, including goods, which are exposed to the volatility of prices and strong competition from emerging markets. Most countries keep expanding general prudential macroeconomic policies. The fiscal consolidation and reform of the labor market are still among the most urgent short-term priorities, which mainly reflect similar problems to those with which the EU is currently faced.

Help from the present Regulation on IPA proved to be efficient and effective. The proposal for a new financial instrument presented in December 2011 will rely on the experience from the implementation of the

² Regulation (EC) No. 1085/2006.

present instrument. On this basis, the new instrument will cover and support meeting the criteria related to access and backup for socio-economic development. In its dialogue with recipient countries, other donors and civil society, and also by drawing lessons from past experiences, the Commission is considering the ways to strengthen ties between financial aid and certain priorities in the strategy of enlargement, as well as financial assistance to make more strategic, more focused, more flexible and simultaneously, simplified procedures. In this context, the elements discussed include long-term and comprehensive planning assistance covering all policy areas, greater focus on the needs and priorities of users, rewarding progress in the accession process, the use of IPA funds to influence on the obtaining more resources from other donors from the private sector and for the strengthening the role of civil society. The tangible results are the best advertisement for the EU enlargement policy. The successful outcome of negotiations with Croatia could be a powerful example of economic flexibility in Southeastern Europe and concrete achievements in terms of key issues, such as energy supply and transportation networks. It is essential to explain to the public that implementing the EU enlargement agenda could contribute to the EU achieving the goals related to the economic crisis, jobs, environmental and climate change, security and migration, while accelerating the reform agenda could lead to the improvement of living conditions in the enlargement countries. At the other hand, regarding the assistance of EBRD, as one of the largest investors in the private sector, its main areas of focus are supporting the financial sector and small and medium production enterprises, improving infrastructure, and developing natural resources.

The concept of internal globalization of the Western Balkans is completely coordinated with the idea of globalization and integration of this territory into the EU. The idea of internal globalization of the Western Balkans, i.e. regional integration before EU accession is supported by two practical reasons: 1) the time we need to become EU members is not going to be short, and we should use that time efficiently; 2) it is essential to prepare the region to globalize and integrate with EU.

Conclusion

Globalization is an important economic force that affects most countries in the 21st century. However, theoretical controversies regarding the impact of globalization on the economies of the countries participating in international trade exist. Theoretically, globalization can either promote or harm economic growth in these countries. It can also lead to a greater or lesser within-country income inequality. All important questions can only be answered by empirical research. Empirical research to date on the effects of globalization on income inequality yields inconclusive results. While some studies support the hypothesis that globalization leads to a greater income inequality, others contradict this conclusion. When studying the relationship between globalization and within-country income inequality, it is essential to define at the outset an appropriate measure of globalization. This initial step must be made since there is no uniquely accepted definition of globalization. On the other hand, advancement in the EU integration process and regional cooperation can be viewed and related to growing changes and reforms that show a positive trend. Nevertheless, the uncertainties linked to the unpredictable speed of changes that should take place in the near future and match the criteria needed for the accession process, are still very present. Looking at the events in recent history mostly related to political situations, but also to the global economic crisis of 2007-2008, we have seen that economic stability and development, along with other political and social dimensions, are yet a very important factor that will determine the speed and clear path for structural and regulatory reforms, at the national and sub-regional level in the countries of the SEE region.

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ABASEMENT AND SELF-ABASEMENT IN THE INTERNATIONAL SYSTEM

The history of the international system is a history of abasement and thus of self-abasement. The United Kingdom, for example, has been abasing, in the recent centuries, politically and morally a large part of the world. It goes on debasing other countries, but above all it is abasing itself. The United Kingdom has become a kind of vavasour, i.e. a vassal owing allegiance to a great lord and having other vassals under him. The great lord of the UK is the US; its vassals are the former colonies.

Haji Mustapha describes the English attitude in India around 1786: ".... A thorough contempt for the Indians taken to be no better than a dead stock that may be worked upon without much consideration, and at pleasure".1 The same Englishmen were intoxicating the Chinese with opium to make them dependent and therefore be better able to dominate and exploit them.

The Anglo-Saxons are now, with the help of practically all other Western countries humiliating Iraq and Afghanistan - the leaders and the people. One has only to look at their barbarian treatment, directly or through surrogates, of Saddam Hussein, Muammar Gaddafi or Usama bin Laden. They show no respect for the religion, culture and way of life of non-Western nations. In fact, Westernization, Americanization means humiliation, it means to take dignity, honour and self-esteem from people and to corrupt them morally. What is proclaimed a humanistic mission and is conducted in the name of human rights, freedom and democracy is in fact a nihilistic policy aimed at creating a moral void with new corrupt elites. If not immediately then at least when the Western conqueror and protector and exploiter leaves because of the defeat or loss of interest or just a change of interest, which make him move towards other parts of

¹ Pankaj Mishra, From the Ruins of Empire. The Revolt Against the West and the Remaking of Asia, 2012.

the world, towards new material, political and ideological objectives, these vassalized regimes collapse, leaving an enormous mess.

The West has debased three quarters of the world over the past few hundred years alone, whole continents – the whole of Africa, with perhaps the exception of Ethiopia, most of Asia, except perhaps Japan (which itself has debased large parts of Asia), Latin America but also North America and, of course, Australia. What some call the Islamic or Islamist terrorist threat, is it not largely due to the centuries of humiliation of the Arab world by the West?

Another example of a recent policy of humiliation by the West is the way Serbia was treated by the North Atlantic Alliance countries in 1999 and even during the subsequent years with their mercilessness bombing of a defenceless country. Indeed, the American war style exhibits contempt, disgust and cowardice. One could see this style already at work against the indigenous American population and much later in Hiroshima, Vietnam, Iraq or Afghanistan. This perfidious way of destroying and killing is exacerbated with the ever more massive use of drones.

One may call this Western attitude and behaviour superiorism, since the West thinks of itself as acting in the name of a superior religion, superior civilization, superior values and virtues, superior science and technology, superior military art as well as superior intellectual skills. This superiorism cannot but breed condescension, arrogance and hubris, a kind of implicit assumed right to domination, exploitation and even extermination.

After several centuries of abasement and self-abasement, these Western policies are continuing, often now without an adequate or at least with a shrinking power base. This is true particularly for the United Kingdom and France whereas the United States has at least preserved its military superiority.

Abasement always engenders self-abasement: by abasing the other one abases oneself; by inflicting moral harm on him one degrades one's own moral being. This is the history of hegemony, imperialism and colonialism. The Western powers lost their integrity, their moral self, their dignity, their honour and their self-esteem in the conquest, occupation and exploitation of Africa and large parts of Asia. The same is true for the ruthless behaviour of Japan in Korea, China and elsewhere. The US actions in Vietnam, in Iraq or in Afghanistan have intensified the moral degradation of the United States, leading it into Guantanamo Bay, Abu Ghraib and Bagram and epitomizing its moral decay.

Some philosophers understood long ago that contempt or disdain breed a policy of humiliation. David Hume wrote: "Man is the greatest enemy of man. Oppression, injustice, contempt by these they mutually torment each other"2

A decent society requires the opposite of contempt, namely esteem, recognition, existimatio. John Locke opposed esteem to discredit. Jean-Jacques Rousseau argued that contest for power leads to domination which itself engenders contempt (by the rich for the poor). Immanuel Kant said that respect for the other means the recognition of human dignity. Georg Wilhelm Friedrich Hegel and Johann Gottlieb Fichte also insisted on the importance of the recognition of the other. More recently Avishai Margalit has maintained that the absence of humiliation is the most important condition for a decent society.3

What a decent society needs is humbleness instead of arrogance and contempt. In fact what is required is a society based on radically different ethical foundations - first at the national then at the international level. But before society can change man must change - from homo rapiens, homo necans to a man who refrains from killing - other men as well as animals. For as long as man will kill animals he will kill humans. So we will have to move from the level of the individual to national society and on to international society. Unless of course there will emerge a world society with an infinitely higher ethos altogether.

² David Hume, Dialogues Concerning Natural Religion, 1779

³ Avishai Margalit, The Decent Society, 1996

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INTERNATIONAL BUSINESS DURING AND AFTER THE CRISIS: CHANGES, CHALLENGES AND DECISIONS

Abstract: The recent crisis quickly spread worldwide, because of today's highly integrated global economy. Moreover, the global crisis has had far-reaching implications for global trade and international business. International business entered the period of crisis in a remarkably good financial condition, that's why it was extremely difficult to generalize how the current financial crisis would affect international business.

The synchronization of the movement of the main indicators of foreign trade in the major regions of the world is a new feature of the crisis in international trade. Synchronically falling of exports and imports and their subsequent increase, is the result of a great economic interdependence of countries worldwide. An interesting characteristic of the financial crisis lays in the fact that crisis actually act against trade liberalization and provoke protectionist pressure through business restrictive and retaliatory measures.

Balkan countries stood well the stroke of the global financial crisis. It may sound paradoxically but this resistance is due to the fact that transitional economies are structurally undeveloped and relatively low external debts.

Key words: International business, international financial crisis, Balkan countries.

International trade today is different than it was 20 years ago. In the past years there has been an upward trend in world trade. Fast economic globalization during this period is also the result of the increased importance of the trade-investment nexus. Today, more trade takes place through a complex web of global production sharing networks (i.e. supply chains). Intra-firm trade as a share of world trade flows has massively increased in the past decade.

International business entered the period of crisis in a remarkably good financial condition, that's why it was extremely difficult to generalize how the current financial crisis would affect international business. As a result of the stock market inflation of recent years, large corporations have all raised capital in excess of their commercial or industrial requirements. Such excess capital is usually held as short-term financial assets (bank deposits, commercial paper) or else as holdings of shares in other companies. International business has strong balance sheets and mostly good margins of solvency.

The recent crisis quickly spread worldwide, because of today's highly integrated global economy. Moreover, the global crisis has had far-reaching implications on global trade and international business. The collapse of major financial institutions in the U.S., and later in Europe and the attempts to save them led to a loss of confidence in financial markets. The difficulty for multinational companies was that the margins of solvency, in the form of liquid assets, have drained away as households raise their saving rates. Fiscal deficits increased the net income of the corporate sector, and were increasingly directed towards refinancing banking systems. It was not possible for international businesses to avoid the consequences of the contraction of markets. In this situation even businesses that managed to avoid substantial falls in sales, because of their size and the scale of their international operations, were inclined to hold on to liquid assets rather than investing.

Once the crisis hit the real economy, it undercut the demand and supply of goods in global trade, reducing it by 2.9 per cent in 2009 for the first since 1982. The crisis immediately spread in all sectors of international trade and business. It captured the automotive industry, metallurgy, the production of many durable goods and then other sectors of international business. The crisis also affected the manufacturing and service sectors. Demand decreased in the service sectors which are sensitive to income, including tourism, financial services and retail trade. A decline in international business has led to a drop in demand for international transport.¹

The unpredictability of the crisis, the depth of a drop in production, trade and financial transactions; the coverage of the crisis in most countries of the world - all these factors caused a rapid reaction from the leaders of the major countries in the world. Governments realized that the markets cannot regulate themselves, and began to improve the regulations of the financial and business sectors.

A decrease in global demand caused by the crisis, together with a decrease in international business and a fall in world prices, caused a sharp decline in the value and volume of world trade. For the first time in many years, positive export growth rates were replaced by negative ones.

The trade collapse affected all countries and products, although to a different extent. The crisis clearly highlighted the fact that the globaliza-

¹ Evenet S.J., Hoekman B.M., Cataneo O., Effective Crisis Response and Openness: Implications for the Trading System, CEPR and The World Bank, 2009, p. 5-15

tion of international business and finance calls for global cooperation and global governance.

Balkan countries (which are not part of the EU), especially their banking systems, stood well the first stoke of the global financial crisis. It may sound paradoxically, but this resistance is due to the fact that transitional economies are structurally undeveloped and relatively have low debts. Macedonian banks are a good example in this sense.

First, the share of credits in GDP in developing countries is around 30-40% (in Macedonia 36% in 2007) in comparasion with developed countries with 132% of GDP and 71% in fast-growing Asian economies.

Second, in the majority of Balkan countries credit expansion is mostly financed by deposits and, to a lesser degree, international credits. The coefficient of credits or deposits is about 88% in Macedonia, which is much lower than 135% in developed countries, but more than in Asian countries where it is 88%.

Third there was no "boom" in real estate prices, as it took place in the USA and in other developed countries including Central and Eastern Europe. The mortgage loan was only 3% of GDP compared to 59% in the developed world and 14% in Asia.

Fourth, the banking systems in the majority of Balkan countries are capitalized to the extent that they are resistant to different kinds of shocks. The capital adequacy ratio of 17% in 2007 is higher than in all transitional economies of the EU member countries.2

The synchronization of the movement of the main foreign indicators for the world's major regions is a new feature of the crisis in international trade. A simultaneous fall in exports and imports and their subsequent increase is the result of great economic interdependence of countries worldwide. The share of foreign trade in the gross domestic product (GDP) of all countries in the world at the turn of this century, exceeded one-third. The established multinational chains and emergence of global international production have firmly bound together the economies of developed countries and tied them with high-tech industries in developing countries, not only at the state level but also at the industry level.

The global economic crisis of 2007-2010 has clearly shown that the global economy at the beginning of the 21st century is significantly different from the world economy of the 1960s, 1970s and even 1980s.3 The

² Петковски М. Финансиски пазари и институции – второ изменето и дополнето издание, Ss Cyril and Methodius University - Faculty of Economics, Skopje, 2009, p. 287

³ Haddad M., Shepherd B., Managing Openness: From Crisis to Export-Led Growth, Version 2.0, World Bank Publications, 2011, pp. 1-6.

crisis has shown that the current global system of industrial production and trade requires new approaches to balanced development.

Due to the globalization of international business, the downward and upward trend of international business is no longer the question of trade flows between countries. Goods move through the manufacturing process carried out by enterprises located in many countries, under the cover of one multinational company. Today, instead of speaking about Japanese, Chinese or French products we speak about products manufactured by multinational companies - multinational products. Products made by companies such as General Motors, General Electric, Samsung, Toyota and others have lost the national colours. The branches of these multinational companies are located in different countries, but all of them are connected to a single production chain.⁴ This is one of the main reasons why the crisis covered most of the world so quickly and unexpectedly for many (in a matter of weeks) and why companies were simultaneously captured in the crisis period.

Another consequence of the international financial crisis that has undoubtedly affected international business was the control of capital. Many countries adopted or strengthened controls over foreign capital inflows and outflows in order to stabilize their financial systems. Not only has the international climate of opinion towards capital controls changed. The financing capability of the IMF was limited by comparison with the financing requirements for alleviating the crisis. The IMF was therefore acting as a lead agency in facilitating other sources of finance. However, since other sources have been frozen by the crisis, an important element in additional financing included central bank swap facilities extended by the US Federal Reserve to central banks in Mexico, Brazil, and South Korea. In Europe, the European Central Bank has extended such facilities to the central banks in Hungary, the Czech Republic and other new member states.⁵ Capital controls were necessary to prevent multinational banks from drawing down central bank assistance in a country benefiting from

⁴ Joint Research of UNCTAD-Japan External Trade Organization (JETRO), International Trade After the Economic Crisis: Challenges and New Opportunities, Chapter 1: "Introduction of Trade Restrictive Measures Following the Financial Crisis", United Nation Publication 2010, p.1-3, www.unctad.org/en/docs/dictab20102.en.pdf.

⁵ Joint Research of UNCTAD-Japan External Trade Organization (JETRO), "International Trade After the Economic Crisis: Challenges and New Opportunities", Chapter 1: "Introduction of Trade Restrictive Measures Following the Financial Crisis", United Nation Publication 2010, p. 2-5, www.unctad.org/en/docs/dictab20102.en.pdf.

such swap facilities in order to assist bank subsidiaries in another less favored country.

Many multinational companies have their stocks quoted in more than one major stock exchange. This means that selling pressure frustrated by falling prices in one market was transmitted to other markets. Stockholders, who were unable to sell a sufficient amount of stock in one market because of its effect on prices, distributed their selling across more than one market, whereby selling pressure also frustrated the selling of new stock. The resulting inability to raise finance simultaneously in a number of countries acted as an informal capital control. The clays of multinational businesses that made money from restructuring their balance sheets in different countries were at an end. The prospects for making money in a more traditional way of production and technological innovation were not good. Financial austerity made it much more difficult to secure financial backing for management strategies driven by speculative theoretical projections. As the present crisis reveals, financial asset inflation was the source of much of the financial success of international business and most common means by which international business could emerge and thrive.

An interesting characteristic of the financial crisis lies in the fact that the crisis actually acts against trade liberalization and provokes protectionist pressure through restrictive and retaliatory business-related measures. The onset of the recent economic crisis and sudden decline of world business and trade volume also raised economy-wide consciousness to monitor and counteract against the resurgence of protectionism. Despite serious economic difficulties in the trade policies of the leading nations of the world, no manifestation of an avalanche of protectionism was seen.⁶

Protectionism has been contained within the legal obligations undertaken by WTO member countries. A typical example: in the U.S. and some EU countries a measure of buying national products was used. However, the policy of "buy American", "buy British" or "buy French" was mainly developed within the standards established by the WTO Agreement. There has been no significant use of quantitative restrictions. In some countries, import duties on goods which found themselves at risk were raised. But here also in most cases, the increase in import duties fit into the obligations of WTO member countries on the binding of tariff rates.

⁶ Joint Research of UNCTAD-Japan External Trade Organization (JETRO), International Trade After the Economic Crisis: Challenges and New Opportunities, Chapter II: "International Trade is Much More Intertwined than Two Decades Ago", United Nation Publication 2010, p. 2–5, www.unctad.org/en/docs/dictab20102.en.pdf

In other words, the WTO in the environment of the global economic crisis proved to be quite an effective international economic organization. However, the crisis revealed weaknesses in the WTO regarding the inconsistency of a number of WTO laws and their application to the new balance of power in international business.⁷

While the crisis has had major repercussions for the volume of international business, trade policy measures taken around the world have thus far been rather moderate. However, in the world of international trade, measures by one country can quickly invite retaliation and challenges from the others.

The EU and the United States are the key players for other countries to emulate them and thus their domestic and international business policies will be hugely important for international business to climb out of a global trade recession. Cooperation and leadership by the United States and the EU is imperative for getting international business and the global economy humming again. This means tight cooperation and leadership at the multilateral level are crucial for revitalization of international business.

The protracted negotiations within the Doha Round demonstrated the need to reevaluate the nodal positions of the international trading system and to determine the newly grown "players" in it. While the Doha Round negotiations stagnate the number of regional and bilateral FTAs has significantly increased, particularly over the past five years. Countries are increasingly viewing FTAs as an effective way of enhancing trade liberalization and maintaining a transparent and predictable business environment, particularly against the background of the stalled WTO negotiations. FTAs also play a role in creating the basis for new international trade and business rules in the areas that are not covered by the WTO and Doha Round, such as investment and intellectual property. The formulation of FTAs in a manner consistent with the WTO frameworks is thus as important an agenda as the WTO rules themselves.8

Since February 2010, as reported by the WTO, 271 regional trade agreements have been in force.9 This trend suggests that the business sec-

⁷ The Recent Economic Crisis, Protectionism and Trade Performances of the LDCS, CEPR and The World Bank, 2009, pp. 50-53.

⁸ Suominen K. A New Age of Protectionism, The Economic Crisis and Transatlantic Trade Policy. The German Marshall Fund of the United States, Washington DC, 2009, pp. 3-15

⁹ World Trade Organization, Report to the TPRB from the Director-General on the Financial Crisis and Trade-Related Developments, Geneva: WTO, 2010.

tor is increasingly looking at FTAs as a more effective market opening than multilateral trade negotiations. The EU and the United States remain the major players in today's FTA landscape. From this perspective of an increasing number of FTAs, it will be essential for governments to promote the business sector's understanding of the nature and operation of FTAs, and make efforts to improve the content of FTAs if an problem arises, including through negotiations. The value of FTAs lies not in their conclusion, but in their effective use by the private sector.

However, as international business becomes more diversified, the type of trade liberalization and the rules demanded by companies are expanding beyond the existing WTO framework. It is possible that the pace of such changes in the international business environment will increase even more when the world comes out of the financial crisis and recession. At the same time, a trend towards increased cooperation in the area of competition policies, not covered by the WTO framework, can also be observed. Against this background, it can be foreseen that there will be a greater push toward expanding the scope of future global trade talks to include those "new" areas.

What will the new post-crisis period be like? It appears that the long-term trends in international trade will continue to operate and generate international business. Bu, naturally, there will be new developments in world trade. What will these trends be like? It can be assumed that the crisis will accelerate the development of new trends in the commodity structure of international business, the role of knowledge-intensive goods in production, trade and consumption will grow rapidly. A new legal organization of foreign trade will develop. Multilateral international trade institutions will be reformed. There may be other consequences, which are difficult to predict. It is important to try to see the future and be prepared for it.

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GLOBALISATION AND ITS ASPECTS IN THE BUSINESS OF SPORT

For all its virtues, globalisation is not without its drawbacks: widening chasms between rich and poor [...]. Peril is riding tandem with so much promise. Which is to say, globalisation is like sports: For all the winners there are necessarily, losers as well (Wertheim, 2004, p. 79).

1. Sport as a Globalised Business: An Introduction

Sport has a huge influence on our lives. After work, it is the largest form of mass civil participation, transcending geography, politics, class, race, sex, culture, and religion. It attracts immense audiences, and has a great economic influence, power and reach into communities. Sport occupies a unique place in the world – universally popular – it is played and watched in many different forms across the globe. There is a growing recognition of the role that sport can play in advocating education, health, peace, values, equality and social and economic development. Its potential is increasingly evident and in all its many and varied forms is an activity with one of the greatest holds on society (Petrović, 2010). Moreover, the economic dimension of sport has already been reflected in numerous documents published by the European Commission and the United Nations.

However, sport does have a number of distinctive characteristics that may influence the way in which it internationalises and the extent of its globalisation. These distinctive characteristics suggest that sport has been studied from the numerous aspects aimed at general development and regional specialism addressing issues of managing sports events and their economic impacts, including budget planning and event organisation, the unique strategies for global expansion in sports businesses, challenges encountered by sports and sports-governing institutions, building of the theoretical models which capture the international dimension of sport and sports events, costs and benefits of sporting activities and sports

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events, demand for sport and sports broadcasting, labour market implications of professional sports, and numerous problems arising from the "drifting off" phenomenon, for those which drifting off from their ethics, due to doping, match fixing, corruption, etc, some crucial determinants of which are economic (see e.g., Andreff & Szymanski, 2006). Moreover, as pointed out by Desbordes & Richelieu (2012), globalisation has had a profound impact on the sports industry, creating an international market in which sports teams, leagues and players have become internationally recognised brands.

There has been an explosive growth in the sport industry in the last decade. According to Trenberth & Hassan (2012), the successful outcome for all the industry stakeholders is guaranteed only with an understanding and engagement of the business management functions and processes comprising governance, strategy, financial management, marketing and sponsorship, event and facility management, human resource management, public relations and so on. The sport environment or context in which these functional areas are managed which includes economic, political, technological, legal and social factors set in the context of the global marketplace, must also be taken into account when analysing the sport as a business.

Contemporary sport as sophisticated and complex international business has become a significant global industry with enormous commercial potential. Today's global sports industry is worth between €350 billion and €450 billion, according to a recent A.T. Kearney study (www.atkearney. com) of sports teams, leagues and federations. This includes infrastructure construction, sporting goods, licensed products and live sports events. While the economic size of the professional sports events themselves is not large, their importance to gross domestic product (GDP) is significant. It can be said that the global sports industry is growing much faster than GDP rates around the world. The worldwide sports events market defined as all ticketing, media and marketing revenues for major events, was worth €45 billion in 2009. Football remains the king - global revenues for this sport equal €20 billion yearly – in Europe alone, football is a €16 billion business, with five biggest leagues (the U.K.'s *Premier League*, Germany's Bundesliga, Italy's Serie A, Spain's La Liga and France's Ligue 1) accounting for half of the market and the top 20 teams comprising roughly one-quarter of the market (Petrović et al., 2012).

In recent years, the world of professional football has been referred to more and more as an industry in its own sake. Its characteristics have been getting closer to those of services or the entertainment business. The ranking of football as a business activity has risen in the economies of those countries where football is promoted as national sport. In many of these countries, it represents today a large percentage of a nation's GDP, due to the fact that football events also drive a considerable number of other sectors, such as media and different services. Moreover, football today is an international business - professional players are transferred frequently around the globe, international professional leagues have been created, and the UEFA European Championships or the FIFA World Cup finals are the top media events (see e.g. Beech & Chadwick, 2004; Horne & Manzenreiter, 2002; Dauncey & Hare, 1999). In fact, professional football has successfully outmanoeuvred many other team sports to have been accepted as the number one sport with regard to media attention and audience reception worldwide (Horne & Manzenreiter, 2002).

2. THE GLOBALISATION OF SPORTS EVENTS

One, out of two most global features of the sports economy today are represented by sports (mega)-events, as professor Wladimir Andreff explained; indeed, as he continued, since the beginning of the 20th century, there has been a rapid growth in the number of world or big international sport events per year; there were 20 sports events in the year 1912, 315 events in 1977, 660 in 1987 and 1,000 in 2005 (Bourg & Gouget). Almost an average of three events per day average! The globalisation of sports events reaches its highest point with genuine global sports events such as the Olympic Games and the football World Cups.

The past twenty years have witnessed to a significant shift towards sports and the hosting of sports events of all scales, not in research only, but also in politics and industry. At the same time, the number of sports events has soared since the 90s. There has been more football events, as mentioned by Desbordes (2012), more Champions League matches, more competitions such as the Confederations Cup, more exhibition matches, dominantly in Asia and so on, as indeed there are in other sports. Today, the sports events have become central stages on which professional athletes represent their nations in competing for excellence. Furthermore, they provide host countries with a universally legitimate way to present and promote their national identities and cultures. By looking at the football phenomenon, the role of governing bodies in its relationship to football events has to be considered explicitly. To this end, it is necessary to understand the role of the governing bodies, FIFA and UEFA and the environment for major-sports events created by governments worldwide. This

is not merely an economic matter, as "... football has always been one of he most convenient sports for serving political aims. [...] Through successful performance of national teams it provides a reliable platform for displays of national capability and the instilling of national pride" (Butler, 2002, p. 43). Additionally, by exploring the pathways and bidding processes towards staging, for example, the major-sports events, national governments point clearly out their overall philosophy towards sport and their commitment to it. The sport has assumed a new relevance in recent decades, attracting attention not just from masses of people, but also from political and other quarters, including, increasingly, commercial interests.

Also, the role of sport industry and sports events in sustainable development should not be underestimated; it is an industry with unparalleled global reach and power. Globally, sport-related turnover amounts to 3% of world total economic activity. In the United Kingdom, for example, sport-related turnover equals that of the automotive and food industries. Major events such as the football World Cup are watched around the world and the International Olympic Commission alone earns almost US\$2 billion from sponsorship and TV rights. At the same time, the corporate practices of this worldwide industry can and do have widespread impact, socially and environmentally – as quoted by Mr Eric Falt, Former Director of the Division of Communications and Public Information, the United Nations Environment Programme (UNEP) - the role of sport is very specific in business terms.

Due to the high significance of sports events in practice, it does not come to as a surprise that the scientific world has begun to address the phenomenon of a sports event. Professional sports events possess unique characteristics, both in how they operate and how they are allowed to exist, that distinguish them from any other industry. Live sports events especially offer a compelling proposition to different industry participants – from free-to-air broadcasters seeking viewers and advertising revenues and pay-TV broadcasters looking for loyal subscribers, to sponsors moving away from traditional media, event organisers, athletes and spectators. Therefore, one of the most important insights achieved by the research done until now is that management in sports industry and of sports events in particular, must be seen as an interdisciplinary task field requiring efficient and effective cooperation among diverse parties (Petrović et al., 2012).

On the one hand, it is obvious that the organisation and management of sports events has now become a matter of crucial importance, especially, due to the fact that a sports event cannot 'organise itself' - on the contrary – it becomes a part of global marketing and communications strategy (Desbordes, 2012); on the other hand, professional football is a global business, rapidly expanding and developing on a worldwide scale. Of course, football does not rule the world; but, it is nonetheless a significant element in a country's influence and prestige. It plays an important role in its economy and can help confirm its national identity. As the 'incarnation of a state' (Boniface, 2002 p. 12) and the symbolic image of a nation – almost universally appreciated – makes a considerable contribution to the image and the popularity of a country, in the same way as cultural factors do.

3. New Technology Challenges for Sports Events

The sports events have become a significant characteristic of the modern Information Society (IS). The information society development is largely determined by the ability to increase general access to the information and communication technologies (ICTs), to the Internet in particular, which has a direct impact on the quality of citizens' life and competitiveness of enterprises within the single information space. The most significant aspect of increasing the global competitive advantages for every developed country is in its ability to completely benefit from all the possibilities offered by the use of ICTs. From the EU perspective, the policy of information society building has shifted in the past decade from purely infrastructural issues to socio-economic goals being achieved with the support of the Internet and electronic means of communication. The governments of the Member States are increasingly integrating ICTs into various aspects of business and social life, coordinating their IS development strategies with policies designed to stimulate economic growth, job creation, adjustment of educational systems, improving ICT accessibility and interoperability, reducing digital aversion, decentralising public administration, generating pressure on the efficiency of public spending and finally, increasing citizens' participation and facilitating cultural homogenisation across the EU (Mitrović & Petrović, 2012; Petrović & Mitrović, 2012).

The role of ICTs in sport has been intrinsically involved in the development of sports events. Customer expectations and the demands of the media have initiated all kinds of innovation and its use in advancement of the presentation and control of the sports events. By introducing call-centre services, for example, the ticket selling procedure has become easier and grand plasma screens have made the action replay possible on the ground (Masterman, 2004). Apparently, the state-of-the-art technologies have also much added to the communication potential of the sports events by increasing opportunities for an event to be seen by an amplified

number of spectators and, at the same time, to increase revenue with various types of sponsorship agreements and advertising campaigns. The Web technologies inevitably play an important role, especially the Internet, as the latest and the most important invention, becoming evidently a major vehicle for the marketing communications, not for ticket sales only, but for the event broadcasting and merchandise sales.

The service society, which characterises the economy of the OECD countries, requires a tangible product combined with a certain set of services to be successful (Normann, 2001). In order to differentiate themselves, many companies are moving beyond services into 'experiences' or 'entertainments' (Levitt, 1983; Wolf, 1999). But football evokes more than service, experience and entertainment. Even football managers have difficulties clearly identifying their product. According to Dolles & Söderman (2005) this problem is partly the result of every individual having his/her own experience and expectation of the game or events around the match - a 'something else' associated with the football experience. It is not one single product, service or entertainment that a football events offers.

That is, the game of football has been transformed into a media event for the benefits of millions spectators few of whom were in attendance at the live event. TV recordings also serve as permanent library records. Such mediatised events affect even the stadium or arena they are attached to, attaining the power to transform ordinary places into special sites. Today, stadia of the top football clubs, for example, represent the state-of-the-art in sports-leisure multiplex architecture, equipped with the most sophisticated digital technology and huge TV screens. Stadia are also loaded with various businesses-like VIP lounges, kindergarten areas and eating/dining places. The proliferation of information technology has for sure made it possible to serve the needs of fans all over the world. They can consume a sports event either real-time or recorded from virtually anywhere. As a result of this, the opportunities for the promotion of sport, and the benefits for sport and its partners, are significant (Dolles & Söderman, 2011). In regard to this, the financial crises appear to have had only limited impact on the sport industry.

4. THE GLOBALISED "LIAISON" BETWEEN SPORT AND COMMERCE

As professor Trevor Slack declares, "one of the most visible aspects of modern sport is its strong links to commercial enterprises", while he adds cautiously but confidently that, although the several attempts to estimate the value of commercial interest in sport are highly subjective, what can be deducted from them "is that there is a large commercial involvement in sport and the level of involvement is growing". Indeed, the world of sports is going thorough a period of great upheaval. Today, the sport industry is moving towards 'sportainment', the merger of sports and entertainment (www.andrerichelieu-sportsmarketing.com), facing transformations through the media, technology and globalisation. In the context of the globalisation, this transformation of the sport industry challenges managers to find the right strategies and actions to combine sports, commercial and financial dimensions.

Today, the sport industry shows a completely different picture than in 1950s and 1960s (see, e.g. Andreff & Andreff, 2009), which is a result of the rise of the emerging economies, coupled with the changing focus of the firms' strategies towards accessing foreign markets and relocating labour-intensive production. As mainstream academic literature often suggests that sport should be studied in specialist 'niches' on the grounds that it is 'not generalisable'; indeed, sport does have a number of distinctive characteristics, which may influence the way in which it internationalises, professionalises and commercialises (Dolles & Söderman, 2011).

Therefore, one of the most visible aspects of modern sport is its strong links to commercial enterprise. In short, the relationship between sport and commerce seems complicated. The sports industry is bound up in a global network of interdependency chains marked by various crossborder transactions; as such new competitors are challenging established producers. The trade of goods and equipment around the globe, as well as the construction of sports complexes, race-courses and arenas, has also developed into a multi-billion dollar business. Stadiums and arenas beer the names of businesses that play to buy the naming rights to these venues. Commercial sponsors' logos appear on the athletes clothing and equipment, on the facilities in which they compete. Media companies spend vast sums of money on rights to broadcast sports events, and advertisers pay to promote their products and services in the commercial breaks during the screening of these events. Cities invest large sums of money, often at the expense of other more important social projects, to stage major sports events or to attract professional teams to their area.

In a very different context many centuries ago, Horace came close to a succinct summary of the seductive nature of modern sport for the entrepreneur: "He has gained every point that has mixed profit with pleasure", while André Gide went even with deeper to the heart of the matter: "M" est d'avis ... que le profit n'est pas toujours ce qui mène l'homme; qu'il y a des actions desintéresseés.

Nevertheless, what is clear, increasingly from a rather messy that mélange of situations that comprise the contemporary 'liaison' between sport and commerce, is that many modern sports in their new commercial existence [...] never had no father and mother, nor 'nothing' but were raised "by a speculator, with lots of others."

5. CONCLUDING REMARKS

The purpose of sport is no longer limited to entertainment, often intermingling with trade, business and politics. Talent, speed and innovation are transnationally recognized in the business of sport. An international dimension of aspects of globalisation as a phenomenon has been beneficial for sport industry appears to have intensified. To name a few, the increased involvement of global media conglomerates (e.g., Disney, News Corporation, Time Warner) in acquiring sport properties (i.e., franchises, leagues, sport stadia); the growth of international sport management firms (e.g., IMG) and their involvement in all facets of sport events from the management of athletes, the creation of events, and the media production of these events; transnational corporations in the sport industry drawing on developing countries' workforce to produce sportswear and sport equipment; international sport federations that are increasingly finding new sources of capital from the sale of broadcasting rights (e.g., IOC, FIFA, IAAF); and the increasing flow of athletes and coaches where country of birth and origin are no longer a limitation on where an athlete plays or where a coach coaches, as Wright (1999) noted.

In an academic context, there has been an increase in academic programmes at universities and colleges worldwide and in the number of organisations at the continental and regional levels and within countries (e.g., Europe, North America, Australia and New Zealand, Asia). There has also been a proliferation in the number of journals related to the management and business of sport originating from various countries (e.g., Europe, Australia, and New Zealand, Egypt and Arab, Asia, France, Japan, Korea) (Thibault, 2007). Evidence of the globalisation of sport, it seems, is all around us.

In the regulatory context, it seems unnecessarily to remind all of us that the Fédération Internationale de Football Association (FIFA) is more 'global' than the United Nations (UN) since the FIFA has a membership of 208 countries while the UN's membership is 192 countries (FIFA, 2012; UN, 2012).

Along similar lines, the International Olympic Committee is also larger in scope than the United Nations. Giulianotti & Robertson (2009, p. 108) noted that "Olympism has a global political reach, with 203 National Olympic Committees affiliated to the IOC, giving 11 more national members than the United Nations". In addition, Tomlinson & Young (2006, p. 2) have written "in participatory terms, the World Cup and the Olympics offer a platform to all nations, and most of all to small nations of the world, that is unrivalled by any other cultural or political body, even the United Nations".

To conclude, how sport is prominent in the world is the best pointed out that the Vatican set up a sports department in August 2004 under the leadership of the late Pope John Paul II. In the announcement of this sports initiative, a spokesperson from the Vatican notes that "the church ... is called upon without doubt to pay attention to sports, which certainly can be considered one of the nerve centres of contemporary culture and one of the frontiers for new evangelisation" (The Associated Press, 2004, paragraph 7).

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Music and the Peace Building Process

"Music hath charms to soothe the savage Breast" 1

"Can there be «Music for Peace»? is the question posed by Gerald Phillips in a recent article published in the International Journal of World Peace² He reminds us that he "question as to the importance and power of art has been argued for thousands of years. [and that] Arthur Danto points out that the philosophical disenfranchisement of art has been a systematic and consistent theme of the Western philosophical tradition since Plato's Republic."3 He goes on to say, "But if art, if music, has no effect on the world, why is it that religions, states, political parties, special interest groups, and commercial enterprises of every kind have all sought, at one level or another, to control and prescribe (and even proscribe) the activities of composers and artists?"4

Every day throughout the world musicians are harassed, threatened, and imprisoned for expressing their opinions through music. Governmental, non-governmental and religious organizations routinely ban entire songs, or selected lyrics, from being performed publicly or from being broadcasted - although the latter is becoming more and more difficult thanks to the Internet - for a variety of reasons ranging from concerns of a threat to public order to the undermining of traditional values. The web site Freemuse⁵ provides an extensive record of these violations. The recent sentencing of the Russian feminist punk-rock band Pussy Riot to two years of prison for having "performed a "punk prayer" in the Cathedral of

¹ English proverb from the poem "The Mourning Bride" by William Congreve, 1697, http:// www.phrases .org.uk/meaning s/252000.html accessed on 10/10/2012 1:16 PM.

² Gerald L. Phillips, Can there be "music for Peace"/, International Journal of World Peace, Vol. XXI, № 2, June 2004, 63-74.

³ Idem, 64. Arthur C. Danto, The Philosophical Disenfranchisement of art, New York, 1986, 2-3, cited by G. Phillips, note 2.

⁴ Idem, 65.

⁵ www.freemuse.org accessed on 10/5/2012 10:15:24 AM.

Christ the Savior in Moscow and asking the Virgin Mary to "drive away Putin, "complete with highly critical and profane language," is only the latest, well-publicized, example of the attempt by a government to control artists

So, can music promote peace? Several prominent contemporary classical musicians have attempted to promote peace through music. Sir Georg Solti founded the "World Orchestra for Peace" in 1995, on the occasion of the 50th anniversary of the foundation of the United Nations, to "reaffirm," in his words, "the unique strength of music as an ambassador for peace." Talking about his idea for this orchestra, Sir Georg Solti said:

"All my life I have grown up in war, in revolution, both fascist and communist. It taught me passionately to believe in peace. When we started the concert idea, I wanted to prove-which I prove now so brilliantly we are about 40 nations in this orchestra together. We're living in such harmony, playing so beautifully, we prove that we can live in peace. I wish politicians, left and right, could do the same."7

Sir Georg Solti passed away in 1997, but his orchestra lives on and continues to perform with an all-st cast of orchestra members coming from the best orchestras around the world.

In 1958, at the height of the Cold War, the American pianist Harvey Lavan "Van" Cliburn won the first International Tchaikovsky Competition. In the mecca of classical music in Russia, the performance hall of the Conservatory of Music of Moscow, Cliburn's rendition of Tchaikovsky's Piano Concerto № 1 and Rachmaninoff's Piano Concerto № 3 earned him a standing ovation that lasted eight minutes.8 As one of the future winners of the Van Cliburn competition, Olga Kern (2001), who was born 18 years after Van Cliburn won, would say, "What touched the Russian public the most was that they had never heard a foreign pianist perform the most Russian of all Russian music with such a deep understanding, connection and feeling for the "руская душа" – the Russian soul."9 Van Cliburn had

⁶ Forbes News: http://www.forbes.com/sites/thorhalvorssen/2012/08/17/russias-pussy-riotguilty-verdict-unmasksputins-dictatorship/ accessed on 10/5/20 12 10:27:45 AM.

⁷ http;//www.worldorchestraforpeace.com/ accessed on 10/15/2012 10:34 AM.

⁸ This information and the following comm ents on the Van Cliburn competition are public knowledge, but my memory was refreshed by the recent PBS presents A Surprise in Texas: The Thirteenth Van Cliburn International Piano Competition, that premiered on Public Television channels in the USA on September 1, 2010: http://www.pbs.org/programs/van-cliburncompetition/ accessed on 10/10/2012 11:25 AM.

⁹ Idem.

been taught well by the famed Russian born pianist and piano teacher Rosina Lhévinne, his teacher at the Juilliard School in New York. The jury agreed that he was the unexpected winner of the competition. It is said that they sought permission from the Soviet leader, Nikita Khrushchev, to give him the First Prize. Khrushchev is said to have asked: "Is he the best?" "Then give him the prize!"10

This may had not been a turning point in the Cold War, but it was undoubtedly a significant step. Music is an international language, transcending political and cultural boundaries. Van Cliburn himself fully understood the importance of his win and the impact it could have on the U.S. - U.S.S.R. (cultural) relations. The Van Cliburn Foundation was established by a group of music teachers from the Fort Worth, Texas area and a multitude of other donors, with the stated goal "to promote excellence in classical music worldwide" in particular, but not only, through its flagship program: the Van Cliburn International Piano Competition established in 1962. The Cliburn Foundation's website acknowledges that. "Cliburn's international victory instilled a fresh sense of artistic pride in many Americans, while opening the doors to a new era of cultural relations between East and West."11

In the summer of 1990, Leonard Bernstein and the American pianist, composer and conductor Michael Tilson Thomas¹² co-founded the Pacific Music Festival in Sapporo, Japan. 13 This was an international summer training school for musicians "modeled after the Tanglewood Festival, where both conductors [had] studied, taught and performed."14

The Pacific Music Festival - PMF - focuses on Peace. In fact the Pin the abbreviation of PMF, officially stands for Peace. When Bernstein created the festival with Michael Tilson, his wish was to contribute to world peace through music. By bringing together young musicians from around the world, he hoped to "bring fresh interpretations to traditional repertoire, transcending national boundaries and languages."15 The PMF is still thriving today. It had a very successful 2012 season. In 2011 - the last year for which we have data - 114 musicians from 21 countries and regions

¹¹ http://www.cliburn.org accessed on 10/15/2012 10:37 AM.

¹² At the time he was the principal conductor of the London Philharmonic Orchestra.

¹³ Allan Kozinn in the New York Times, 01/19/90, p. 18.

¹⁴ Susan Heller Anderson in the New York Times, 06/08/90, p. 8.

¹⁵ http://www.pmf.or.jp/en/about/whats/ accessed on 10/10/2012 11:23 AM.

were selected from a pool of 1363 applicants and performed before a total attendance of 40,114.16

Leonard Bernstein was also a strong supporter of Amnesty International, almost from its inception in 1961, and he was a militant in favor of Nuclear Disarmament as well. In 1985, on the 40th Anniversary of the nuclear bombing of Hiroshima and Nagasaki, he took the European Community Youth Orchestra on a Journey for Peace throughout Europe and to Japan.

In 1999, Daniel Barenboim, the renowned pianist and conductor, himself Jewish, and Edward Said, a public intellectual and professor of English and Comparative Literature at Columbia University, considered one of the founders of Post-Colonial criticism, and an ardent defender of the rights of the Palestinian people formed the West-Eastern Divan Orchestra,17 composed initially of musicians from Israel, Palestine and other Arab countries. The Orchestra found a permanent home in Seville, Spain, in 2002 and has incorporated Spanish musicians in the orchestra. While Barenboim and Said's idea behind the orchestra was received with applause in the West, several critics have come forth in the Middle-East.¹⁸

Ghada Karmi, a leading Palestinian activist, who currently, among other activities, teaches a course on Conflict and Peacemaking Palestine/ Israel at the University of Exeter, argues that "reconciliation and togetherness are consequences of a settlement, not antecedents to it." But does Daniel Barenboim claim that his orchestra will bring peace to the Middle-East? When asked, he replies that it is "an orchestra against ignorance." ²⁰

While there is no doubt that, as Rachel Beckless Willson argues in great detail, "the very constitution of the orchestra opposes current politi-

¹⁶ http://www.pmf.or.jp/en/about/history accessed on 10/10/2012 11:23 AM.

¹⁷ http://www.west-eastern-divan.org/ accessed on 10/15/2012 10:52 AM. The name comes from a collection of poems of Johann Wolfgang von Goethe inspired by the Persian poet Hafez. This work, written in a period where the orient was a source of inspiration in the arts in Europe, is considered a symbol of what a fruitful exchange between the Eastern and western cultures could be.

¹⁸ Rachel Beckles Willson, The Parallax Worlds of the West-Eastern Divan Orchestra, Journal of the Royal Musical association, 134:2, 319-320.

¹⁹ In an article published in Arabic in the journal AI Hayat in August 2003, and entitled Can Jews and Arabs Use the Arts and Work Together for Peace. An English translation was posted on the site of www.levantinecenter.org, but is no longer accessible. My quotes are from Beckless Wilson, 320.

²⁰ Antony Tommasini, MUSIC REVIEW; Barenboim Seeks Harmony, And More Than One Type, The New York Times, December 21, 2006.

cal positions held in the Middle .East in at least three ways,"21 it is also true that Daniel Barenboim and Edward W. Said "agreed that [the West- Eastern Divan Orchestra] had demolished Arab stereotypes about Israelis and Israeli stereotypes about Arabs."22

Daniel Barenboim was, and still is, fully aware of the limitations of this particular endeavor. He has repeatedly played down the "political significance [of the Orchestra] by asserting that its utopian quality was a function of music. "In music," he explained, "one had to be aware not only of oneself but also of 'the other,' so that music was 'in this case not an expression of, what life is, but an expression of what life could be, or what it could become."23

The West-Eastern Divan Orchestra might be a utopian concept, but no more, and certainly no less, than the great utopic Peace movement of the 1960's that culminated with the Woodstock festival in 1969. The Geneva World Peace Festival, originally a music festival for Peace, has evolved into the "Geneva World Peace Forum," held every year in Geneva and other cities around the world to promote dialogue between representatives of the civil society, international institutions (in particular the U.N.), and governmental and non-governmental institutions.

Part of the criticism towards the West-Eastern Divan Orchestra regards the choice of its repertoire, almost entirely anchored in the western tradition,²⁴ but other orchestras such as the Polyphony Youth Orchestra that consists of Palestinian and Jewish Israelis also perform essentially classical Western music. The Polyphony organization whose goal is to "Bridge the Divide through Music" offers education programs in music to more than 2000 children and teenagers. Nabeer Abboud-Ashkar, an Israeli Arab born in Nazareth, is the co-founder of Polyphony. A trained classical violinist, he explains how classical music helps to promote a bet-

²¹ Beckless Willson, 325: "first it displaces the Israeli regime's segregationist policies for its Arab citizens and neighbours. Second, even while attempting to speak up for Palestinians it sidesteps the anti-normalization position taken by many Palestinian groups.[...] Third, [...] the orchestra breaks up the freeze on relations between Israel and Egypt, Israel and Lebanon, and Israel and Syria. This has not only broad political symbolism, but also social and professional consequences for individuals."

²² Rachel Beckles Willson, Whose Utopia? Perspectives on the West-Eastern Divan Orchestra, 1/21, http://www.music.ucsb.edu/projects/musicandpolitics/archive/2009-2/beckles_willson. html accessed on 10/6/2012 9:45:50 AM.

²³ Ibidem

²⁴ This point is debated and analyzed in great details in both Rachel Beckles Willson's articles, with an up to date (2006) bibliography on the topic.

ter understanding between Arab and Jewish youth in Israel: "Students in Israel are given the opportunity to learn from some of classical music's most well-known figures, perform live concerts worldwide, and find a unity of purpose that goes beyond borders."²⁵

Other orchestras in Israel use a repertoire that mixes Western classical music with Oriental Arab and Jewish traditions to create an entirely new repertoire. The *Arab Jewish Youth Orchestra*, for example, founded in 2002, consists of 12 Arab and 12 Jewish musicians from Israel and has the strategic goal of promoting "understanding and tolerance among two people in conflict." In recent years more and more initiatives by musicians of different genres of music have come to light. *Musicians for Peace*, 77 for example, is the collaborative effort between Arab Christians from Nazareth, a Jewish pacifist from Jerusalem, and European musicians committed to peace. They too mix Western and Middle Eastern musical instruments to perform songs in English, Arabic and Hebrew. Their first CD is entitled RUACH, which means win or spirit in Arabic and Hebrew. Their goal is to "spread peace in the world through recording performance, travel study, networking and prayer." 28

Hip Hop artists or rappers, who are often criticized for a music that appears to promote violence, can use their talent to promote peace. The Narcicyst, pseudonym of Yassin Alsalman, an Iraqi-Canadian journalist and hip-hop artist, raps in English and sometimes Arabic on current socio-political issues. Along with Offendum, a Syrian-American hip-hop artist, and Mana, an Iranian-American hip-hop artist who performs in Farsi and English, the Narcicyst participated in an event organized by the United States Institute of Peace on October 27, 2010, entitled *Rhymes of Peace: Arab Hip Hop Artists on Youth and Media.*²⁹ Mana summarized very well what music can do to promote peace: "The best way music can bring peace is to bring peace of mind."³⁰

 $^{^{25}}$ http://www.aaiusa.org/blog/entry/polyphony-youth-orchestra/ accessed on 10/10/2012 10:03 AM

²⁶ http://www.euromedalex.org/node/9129 accessed on 10/10/2012 10:12 AM.

²⁷ http://www.mideastweb.org/culture/musicians_for_peace.htm accessed on 10/10/2012 10:28 AM.

²⁸ Ibidem

²⁹ http://www.usip.org/events/rhymes-peace-arab-hip-hop-artists-youth-and-media 10/10/2012 10:57 AM.

³⁰ Ibidem

While in this paper I have largely discussed examples related to the Israeli-Palestinian conflict, music is used in peacebuilding efforts around the world, in Tanzania, in Sri Lanka, in Venezuela, in the Philippines and so on.31

For Pl to, "musical training is a more potent instrument than any other, because rhythm and harmony find their way into the inward places of the soul, on which they mightily fasten, imparting grace, and making the soul of him who is rightly educated graceful, or of him who is ill-educated ungraceful; and also because he who has received this true education of the inner being will most shrewdly perceive omissions or faults in art and nature, and with a true taste, while he praises and rejoices over and receives into his soul the good, and becomes noble and good, he will justly blame and hate the bad, now in the days of his youth, even before he is able to know the reason why; and when reason comes he will recognise and salute the friend with whom his education has made him long familiar."32

Until very recently, however, most "peace builders" were sceptical as to the use of the arts, not only music but all of the arts, in conflict prevention and resolution. But as the event organized on November 8, 2011, by the United States Institute of Peace brought to light, more and more "peacebuilders embrace the use of the arts in their work, a sub-field of arts and conflict is beginning to develop."33 And Brandeis University (where Leonard Bernstein taught from 1951 to 1956) is the first institution of higher education to offer a program in Peacebuilding and the Arts, at The International Center for Ethics, Justice and Public Life. The program brings together artists, peacebuilders, and cultural workers who "reflect on their practices, inquiring into the ways in which the arts and cultural work can and do contribute to reconciliation in historically divided communities."34 As Maria Montessori said: "Establishing lasting peace is the work of education, all politics can do is keep us out of war."

³¹ Michael Shank and Lisa Schirch, Strategic Arts-Based Peacebuilding, Peace & Change, Vol. 33, № 2, April 2008, 217.

³² The Republic, translated by Benjamin Jowett, http://www2.hn.psu.edu/faculty/jmanis/plato/ republic.pdf, page 88, accessed on 10/15/2012 11:11 AM.

³³ http://www.usip.org/events/contlict-prevention-resolution-forum-arts-and-peacebuilding accessed on 10/10/2012 11:32 AM.

³⁴ http://www.brandeis.edu/ethics/peacebuildingarts/recasting/index.htrnl accessed on 10/10/2012 11:58 AM.

III NEW BALKANS IN A CHANGING WORLD: DIRECTIONS, CAUSES, CONSEQUENCES

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NEW BALKANS IN A CHANGING WORLD

The main characteristics that single out the long-term project of the European Center for Peace and Development (ECPD) of the University for Peace established by the United Nations: "Balkans in the 21st Century - Paths to Building Peace and Stability in the Balkans", from other projects world round, with similar purpose and goals, are its strategic and research character. In accordance with this consistent commitment, hitherto seven ECPD International Conferences on National and Inter-Ethnic Reconciliation, Religious Tolerance and Human Security have endeavoured to affirm a constructive, non-ideological research approach to the issues of true strategic significance for the Balkans or, more precisely, to the people of the Balkans. Because, in the meantime, and mainly from outside and from political spheres, numerous models of re-organisation and development have been suggested for and imposed on the Balkans, but not enough attention was paid on the reality and the needs of the Balkan man on the crossroads. For ECPD and all those who actively helped in its work, and participated in the work of the international conference, the focus of attention was the human dimension in the dynamic formation of the new Balkan reality. Because of this, at some moments, it could appear that this collective effort does not conform with the governing and "politically correct" regional paradigm for the arrangement of the world in multiple transition, and thus lacks hopeful prospects. However, this ostensible marginality is beginning to show more as a substantial centrality and, accordingly, as an advantage of the approach taken by ECPD and its associates from the very beginning. The following 8th International Conference should represent a step forward towards objectifying this centrality through a new quality in the consideration of SEVERAL significant topics which participants have already dealt with analytically in former years. This new quality should primarily be conveyed as a self-conscious maturity, but also as an inquisitive open-mindedness in collective efforts consistently guided by principles postulating recon-

ciliation, tolerance and human security in the Balkans, and the entire world.

Namely, the Balkans could, in a way, be viewed as a diminished model of the contemporary world and the developments that have been shaping it in the recent past. In the course of the past two decades, in the Balkans, all social paradigms which more or less neglected the basic needs of people and human communities have been tested and mainly defeated, such as the right to peace, security, equality, dialogue, uniting in order to achieve common interests and welfare for all. Controversies of the economic and financial globalisation, disintegrative processes in the times of great integrations, increasingly pronounced regionalization under the dome of objective time and spatial planetarisation, desecularisation as a reaction to ideological secularism, the growth of nationalisms and particularisms in the period of proclaimed internationalism, serious violations of human individual and collective rights in the times of their elevation to the pedestal of the supreme criterion in international relations. All this directly or indirectly has marked the Balkan reality. The participants of former ECPD International Conferences have endeavoured to find guidelines which would, through the evident crisis of existing paradigms and proposed models for the Balkans, whereas respecting regional, European and global coordinates, lead to establishing the foundations of a New Balkan which would respond to the needs of the Balkan people, and simultaneously offer a universal productive paradigm for regulating interpersonal, inter-state and international relations for the Third Millennium. At the time when the ideological East and West disappeared, but survived the civilisation confronted Orient and Occident, the Balkans is still the eternal Limes. This is where the line of confrontation is, but also the area of permeation of social, spiritual and cultural values which make this region at the same time both in the best and the most problematic way European. It is not by chance that the protagonists of the idea and initiative of the UN "Civilisation Alliance" got particularly interested in the Balkans. With respect to hitherto results and insights, ECPD and its International Conference may give invaluable contribution to directing search for sustainable, new, comprehensive and organic formula for the Balkans and all the people of the Balkans. If this search were successful, its result would be without doubt relevant in a much wider sense, because if it is to be really functional, it is essential for it to be true and not only declaratively based on universal principles and values, that is, the same principles and values ECPD has always focused on in its activities. This is the reason why presently ECPD crosses multiple borders of the Balkans at which not only people and goods are halted, but also ideas.

More specifically, the forthcoming International Conference should represent a step further in relation to the previous one, at which the concept of the New Balkans was adopted. This concept is not a programme or abstract theory, but a realistic dictation and demand for research of this time and the world which is changing rapidly. Although it is still difficult to predict the final global configuration which the present developments and processes will bring, and all implications of this new configuration for the Balkans and in the Balkans, observed tendencies oblige a realistic and to whatever extent possible anticipative consideration. With this goal, the 8th International Conference, with the outlined topic "New Balkans in a Changing World", will be dedicated to the problematisation of the unavoidable phenomenon of globalisation in its most significant dimensions (technological, economic, security ..). Special attention will be dedicated to the challenges different subjects of international relations are faced with through the financial and economic crisis, ranging from the Great Powers and EU, through regional groupings, to smaller and less developed countries, endeavouring to anticipate the consequences of unfavourable economic developments at all levels of social structure, national as well as supranational and transnational. The attention of participants will, understandably, be focused on the current reality in the Balkans. The agenda will be devised so as to ensure competent views on the reality based on the insight into all most important aspects, starting from political and economic, through legal and safety, to cultural and spiritual, without overseeing the international geo-political, geo-economic and geo-cultural framework. In accordance with the basic idea of all former ECPD International Conferences, the participants are expected to critically assess all results and conclusions achieved in the course of deliberations, as well as all new ideas introduced with reference to old issues, in function of their reflection on the domain of human security, by which only, the potential productivity for the creation of an ambient in which security and dignity of each human being will be respected and guaranteed, may substantially be evaluated.

The 8th ECPD International Conference will be considered successful according to the extent it achieves in demonstrating that each paradigm and each "new order", for the Balkans as well as the entire world, are bound for failure if they do not lead to permanent provision of conditions for a harmonious COEXISTENCE of people and their communities. "The New Balkan" in this aspect represents a great challenge, but also equally a great opportunity.

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THE BALKANS – AN INDICATOR AND ANTICIPATION OF EURO-ATLANTIC CONTRADICTIONS

"Yugoslavia is the laboratory of future European challenges." Roland DUMAS (1991)

"With surplus in the north and deficit in the south, the eurozone is now echoing mutual accusations, like the deceased multiethnic Yugoslav state 25 years ago. European leaders should bear this in mind."

O. TEMPELMAN, "Yugoslav Syndrome Threatens EU".

De Volkskrant, Amsterdam, 15 October 2012.¹

While the United States is increasingly losing its interest in Europe and the Euro-Atlantic alliance and is turning to the Pacific basin and Far East with the world's second power China as its rival and, at the same time, economic and financial partner, the EU is becoming increasingly oriented towards its eastern and southern neighbours. This can also be evidenced by the fact that during the US presidential campaign the EU was hardly mentioned, except in the context of an undesirable example that should be avoided at any cost. Although the time of its undisputed hegemony that marked the 1990s has passed, the United States is still the world's leading power. Rather than its two-century long continuity, it is the stability and transparency of its institutions that make the dollar practically the only currency of global finance, trade and investment.

Faced with the fact that it no longer represents the US strategic priority, the EU is becoming aware of the need to take a diplomatic initiative towards the east and south, as well as to independently strengthen its security. In south-eastern Europe where these two neighbouring regions represent the most important zones of contact, the future of one of the

¹ That same day the francophone channel of France's State Television La 5 devoted its much viewed programme C'est dans l'air to the topic "Is there a lasting peace in Europe?" For the most part, it was devoted to the tragic precedent of Yugoslavia's collapse, EU contradictions, as well as the Kosovo problem and obstructions to Serbia's accession to the EU.

most sensitive regions for the stability of Europe and the Mediterranean remains questionable.

It is difficult to deal with the Balkan problem without considering global contradictions, especially due to the fact that south-eastern Europe was too often the indicator and designed remote-control trigger of global turbulences. Professor Kido from Nagoya University has not said lightly that his motivation for learning about social and historical processes in the Balkans has been derived from the need to understand what can be expected to happen in Japan itself. On the other side, French economist and analyst Jacques Attali² says that "the international community is caught between balkanization and globalization".

Just like so many times before, the responsibility of the world's major factor is proportional to the consequences whose denouements start with Balkan plots.

It seems that global recession and confidence crisis, whose implications can still hardly be perceived, leave an impression of something already seen in Europe's most disputable regions. In recent years, destructuration, based on ethnicization and post-communist tribalism and heartily supported by the liberal democracies, has taken on a new dimension, but not only in the Balkans. If the German debt could be thrice rescheduled in the 20th century (in 1924, 1929 and 1953),3 how is it possible that the southern and other parts of Europe have agreed to be increasingly conditioned by the post-democratic disciplinary carcan? The driving force of destructuration in the Western Balkans has been a debt noose, a causal relationship that is being increasingly self-affirmed in a broader regional and continental context.

By providing support to the comunitarism and destructuration of one of the Balkan social communities over a long period, the Western allies seem to be drawing the caricature of Europe's future.

² J. ATTALI, Une brève histoire de l'avenir, Fayard, Paris 2006; Ibid., Demain, qui gouvernera le monde, Fayard. Paris 2011.

³ George Soros advises Germany to write off the debts of south European countries or leave the eurozone and EU ("Lead or Leave Euro', Soros Tells Germany", Financial Times, 10 September 2012); G. Soros, The Tragedy of the European Union and How to Resolve It, cf. The New York Review of Books, 7 September 2012; E. TODD, "Annulons le dette du Vieux Monde!", Le Point No. 2046 (1 December 2011).

STEREOTYPE AND STIGMATIZATION AS THE SELF-MYSTIFYING LEVER OF DOMINATION

When one seeks responsibility instead of causality, it is necessary to point to someone's guilt.

It is usually observed that only Serbs hold the international community responsible for the collapse of Yugoslavia. On the other hand, ex-Yugoslavs consider Serbs to be the sole culprit for the tragic disintegration of the common state. What they all have in common is the opinion that responsibility lies with the other party. "What can be changed if there is always someone to blame for our stupidity", says Croatian author Miljenko Jergovic.

As a common denominator and instrumental in the creation of social cohesion, the stereotype is not a new phenomenon nor is it a characteristic of Balkan peoples or ex-Yugoslavs only.

As if it were possible to separate one phenomenon from its international and geopolitical context, the stereotyping of the Balkans and balkanization is a general feature of the post-Cold War era. The disastrous effect of such stereotyping is self-deception that prevents the perception of one's own weaknesses and rectification of cardinal fallacies and errors.

During the current crisis, the stigmatization of the Balkans as a region and Serbs as a nation was extended to southern Europe and the Mediterranean. The unsavoury abbreviation PIGS (Portugal, Italy, Greece and Spain) refers to those who stink of garlic to beer drinkers.

The most disastrous consequences are derived from reducing responsibility to a unilateral one, so that almost all weight is concentrated on it. This is the way to exteriorize any suppressed guilt. This is also the way to singularize one's own public and collective consciousness as the altérité of violence and consider everything else as an anti-civilization syndrome and the negation of the value system that helps one recognize the exclusive civilization circle of a post-modern society. Thus, the recognition of barbarism and stigmatization of its personalization provide the broadest powers for punishing and legitimizing violence in order to protect common values, while the dogmas and methods of their protection are not disputed. This promotes ideologization which, like any ideology, serves for the self-justification of successful students by incriminating bad ones, who are not recognized or identified as the participants in the proclaimed civilization model.

In times of crisis, automystification, which helps create and preserve the myth of legitimate violence in the name of a higher-value model, leads

more often than usual to the repetition of one's own and others' errors of the past. Anachronism and lagging in development dynamics are identified as altérité, which is considered unworthy of a higher-value model. Its achievements are only applied as a conditioning pattern, while everything outside its value system can be negated, which is even desirable. By creating the system of singularizing and stigmatizing differences, the club of Western leaders withdrawn into its evolutionary dynamics loses its critical distance from its own model. In times of burgeoning prosperity, the side effects of this kind of subjectivization are less evident and their consequences are not always direct. In times of stagnation and crisis they become disastrous and almost unforeseeable, resembling the self-sufficiency and arrogance that led Europeans to the greatest cataclysms in the not so distant past. By exteriorizing the demon of the common past, the increasingly inward-turning club of Western leaders is losing sight of its own weaknesses, maintaining the dangerous illusion of superiority and plunging into regression and recidivism in respect of suppressed and voracious irrationalities.

The EU Commission's report of 10 October 2012 concerning the candidacy of Balkan countries, Turkey and Iceland, acknowledges their progress in the key areas. It also emphasizes the need for further progress in the development of democratic institutions, the fight against corruption and organized crime and, in particular, the separation of the executive, judicial and legislative branches of government. Bearing in mind an equal approach to the admission of Balkan countries to the EU in principle, as well as the fact that Croatia will join the EU in July 2013, after 12 years of negotiations, it is becoming increasingly certain that the integration of other Western Balkan countries is not a European priority and that it can be very slow and selective, so that it cannot be expected in the near future.

Therefore, Serbia will continue to pursue rapprochement with Russia. In December, it will sign an agreement for the South Stream project whose construction will start in December. Being at odds with the EU standards on the independence of the central bank vis-à-vis the executive branch of government, the Law on the National Bank of Serbia shows that inconsistencies in the area of international law and an intransigent stance on the issue of Kosovo and Metohija are not the only obstacles on Serbia's EU accession path.4

⁴ According to the latest public opinion survey, 48 per cent of Serbia's population support EU accession and 33 per cent are against it. However, 70 per cent expect the imposition of new conditions by the EU, which points to resignation and skepticism towards the process of EU integration.

In the context of the eurozone financial crisis and EU economic and institutional crisis, the Balkan region is becoming a playground for competing Russian-Euro-Atlantic influence.⁵ The Western alliance is trying to compensate this residue of the past, as a balance of failures and weaknesses, with Turkey's increasing influence in the Balkans as part of its return to the territory of the one-time Ottoman Empire from which it was definitely expelled exactly a hundred years ago.

THE COLLAPSE OF FINANCIAL NONSENSE – DEBTOR EUROPE AND CREDITOR EUROPE

The increasing crisis of the financial economy, whose focus is being increasingly shifted from the western to the eastern side of the North Atlantic, so that it is also affecting the US economy and global economic equilibrium⁶, makes the expansion of the process of Euro-Atlantic integration to the Western Balkans increasingly complex and less certain in the near future. The debt crisis with Greece in its epicentre⁷ may lead to

⁵ Arta SEITI, "Serbie et région balkanique: une alternative à l'intégration européenne?", Tribune No. 280 – *Revue Défense N@tionale*, http://www.defnat.com/site_fr/tribune/fs-article.php?ctribune=336.

⁶ It is held that the subprime mortgage crisis of 2009 started ten or so years earlier (1998-2000) during the Clinton Administration, at the zenith of US hegemony, when excessive stock market liberalization led to the paroxism of adventurous capitalism. With the complicity of the US government and Wall Street, as well as the privatization of enormous profits and socialization of losses there began the era of global plutocracy. The question that increasingly imposes itself is for how long the blind market forces, which the high priests of Wall Street are riding, will maintain the initiative at the expense of the rest of mankind. J. Safir, Inflation monétaire ou inflation structurelle? Un modèle hétérodoxe bi-sectoriel, FMSH-WP-2012-14, July 2012. Even Joseph Stiglitz, the former apostle of economic liberalism and Nobel laureate, has unexpectedly become a severe critic of market globalization and uncontrolled financial speculation on which he puts blame for global recession and increasing inequality in income distribution (J. Stiglitz, The Price of Inequality, Norton, 2012). Just another confirmation as to how the prevalent system of deregulation has turned into an uncontrolled force against which it is increasingly difficult to react; N. Baverez, F. Caron, J. Cornette, J. Marseille, O. Wieviorka..., Les crises du capitalisme. Du crach de la tulipe à la récession mondiale, Perrin, Paris 2009, pp. 191-192; K. Galbraith, The Predator State, New York, Free Press, 2009; J. Habermas, Zur Verfassung Europas, Der Spiegel, 5 December 2011.

⁷ In 2011, Goldman Sachs Bank of New York helped the Greek Government to misrepresent the country's balance sheet for a fee of \$ 500 million, thus enabling Greece to join the eurozone, which cost it very much and will cost it even much more. After becoming the President of the Central European Bank, Mario Draghi resolutely denied that he had worked for Goldman-Sachs at that time. The EU has appointed him, Mario Monti and Lucas Papademos (all three belong to the "G&S shadow government", as they are called in the United States), the

the collapse and fragmentation of the eurozone due to which EU cohesion may be brought into question. Like at the time of the Eastern Crisis in the late 19th century, the EU's contradictions and inconsistencies demonstrate causal reaction on its most sensitive margin. The question of the compatibility of countries belonging to another civilization circle points to the boundaries of the eastward and southward expansion of the Western social model.8 The specific convergence of the two Europes is reflected in the fact that a good part of the Balkan region is still in the ante-modern and proto-democratic stage, while the European Union lives mostly not only in the postmodern⁹ or trans-modern era, but also in the post-democratic era.

As an important and sensitive part of this region for whose integration the EU has increasingly less motivation and capacity, the Western Balkans is becoming the intersection of opposing influences whose reconciliation will be increasingly harder. Thus, the picture is increasingly similar to the one at the time of the Berlin Congress.

Greece, Romania and Bulgaria are NATO members, just like at the time of the Berlin Congress when they were ruled by the monarchs brought from the Western, Germanic countries. Serbia and Montenegro are the only countries that have not been fully integrated into the system of Western administrative structures, while Bosnia and Herzegovina and Kosovo and Metohija are under the Western protectorate administration.¹⁰

bankers who are the most responsible for the outbreak of the financial crisis, to the top positions. There is no government in the world, including the most powerful ones, which dares to defy the bankers ruling the planet (S. Cohan, Money and Power, How Goldman Sachs Came to Rule the World, 2011, 658 p.). As one of the greatest financial crisis profiteers, it reported the doubling of its profits on 14 April. Only in the third quarter of 2012, G&S's profits amounted to \$1,458 billion (nearly one thousand five hundred billion dollars).

⁸ In this respect, the argument given by Dutch economist Rens van Tilburg is indicative. Namely, he suggests the liberation of Greece from its elites (= a privilege system) as the only way out of the vicious circle. R. Tilburg, Bevrijd Griekenland uit de elite, De Volkskrant, Amsterdam, 4 October 2011.

⁹ T. Kuljic, *Postmoderna i istorija*, Sociologija No. 4 (2003), pp. 289–302.

¹⁰ The audit institution of the European Union (European Court of Auditors) has published a report on the disastrous results of EULEX in Kosovo, which represents the highest expenditure per capita and most massive intervention based on the use of soft power, as the EU's influence is called in the zones of influence in close proximity. Considering €116 per capita versus €33 per capita for Bosnia and Herzegovina and €28 per capita for Serbia, it has been stated that during a 3-year period, this civil intervention failed to make any more significant progress in filling a legal vacuum, that is, the organization of security, customs and the judiciary despite the €1.7 billion investment made over the mentioned period. It has also been stated that insufficient progress has so far been made in fighting crime and corruption

Germany and France, Europe's leading duo, 11 have evidently underestimated the significance of the Greek deficit into which the eurozone is falling like into a bottomless pit. Congruence between these two countries is being increasingly brought into question, while the dissonances of 17 eurozone member countries are increasing. Sooner or later, the threeyear long shipwrecking of one of the smallest eurozone economies will place the crucial issue of its efficiency and usefulness on the agenda. If it is confirmed that the EU is unable to protect one of its smallest members from recession and bankruptcy, what can be expected when much larger candidates for similar or even greater erosion are in question. This refers primarily to Spain, which will be the first to bear the brunt, and then to Italy. When the world's leading economies are unable to prevent the collapse of such a small country like Greece, what can be expected from a chain reaction it will certainly trigger? As the indicator and primer of accumulated contradictions, this small Balkan country shows the reverse side of the hitherto Western self-confidence even after three decades of EU membership.¹²

From Differences to Regression

The countries that have been characterized by continuous dynamics in the development of social relations, the achievement that has taken the form of social compact and the specified balance between social strata

which are still widespread in many areas. Faced with obstruction from the Kosovo government, which tries to avoid EU patronage in all possible ways, 1400 lawyers, policemen and gendarmes have failed to justify the investment and meet the expectations, thus raising the question of the aims of EU involvement in Kosovo in the future, as well as its exit (withdrawal) strategy. "European Union Assistance to Kosovo Related to the Rule of Law Together with the Commission's and European External Action Service's Replies", cf. Special Report No. 18/2012 (pursuant to Article 287(4), second subparagraph, TFEU), Frankfurter Allgemeine Zeitung; Le Figaro, 30 October 2012.

Over the past months, as demonstrated at the 18–19 October EU summit in Brussels, understanding and cooperation have given way to verbal squirmishes and polemics, which points to increasing differences and inflexibility. Facing elections, Germany is increasingly conditioning its role as a creditor, while France is increasingly reluctant to accept that conditioning of debt regulation at the expense of its sovereignty. The requests for debt "pooling" and solidarity with indebted countries, on one side, and federalism, centralization and giving up a part of national sovereignty, on the other, result in the heightening of the tone and making the possibility of reaching a compromise more and more remote.

D. Graeber, Debt: the First Five Thousand Years, Melville House, 2001; G.w. Gardiner, The Primacy of Trade Debts in the Development of Money, in: Randall Wray (ed.), Credit and State Theories of Money: The Contributions of A. Mitchell Times, Cheltenham, Elgar, 2004.

and groups and state institutions, are unable to maintain their dynamics with their own resources. In order to maintain development dynamics it is necessary to expand the market and use natural and human resources. However, this is increasingly difficult to achieve using economic and market resources. The heavy indebtedness of developing countries creates dependence which may easily turn into political diktat and conditioning that serve the interests of geostrategic predators.¹³ Growing demand for natural resources, especially energy products, creates the need for stricter control over their sources.¹⁴ "States have no principles; they only have interests", says cynically George Soros, the well-informed billionaire and model stock-market speculator earning ruinously exorbitant profits. The stronger the states, multinational companies and banks, the greater their interests and vice versa - this is the rule of high profits that has nothing in common with the hierarchy of values and humanistic rules. Thus, the principled imperatives are primarily imposed on small and underdeveloped countries, thus tightening the noose of blackmailing and conditioning around them. Powerful and developed countries have no real interest in accelerating the development of those lagging behind them, all the more so because they know that such action strengthens competition against their distressed economies. Countries that have managed to develop internal regulations have efficient tax, market, social and other norms, which determine precisely the rights and obligations of social factors. Such regulations do not provide so much room for earning huge profits as loose legislation and its arbitrary implementation in less developed countries whose social body has not yet developed normative protection mechanisms against the abuse of the levers of state and informal power. Therefore, countries with undeveloped regulations represent a natural zone for the expansion of market and political predators from the most advanced countries. Media control and humanitarian and civilizing rhetoric, which instrumentalizes the right to competency, create a cocktail

¹³ The new "exceptionalism" of American leadership has so far been considered from several aspects, but to a lesser degree by those who have experienced its effects. Therefore, it is necessary to get acquainted with the more or less critical self-awareness of such a specific geostrategic messianism; cf. S. Hoffmann, La Dilemme américain, suprématie ou ordre mondial, Economica, Paris 2001; Ibid., L'Amérique vraiment impériale, Audibert Loius, 2005; Ibid., Une morale pour les monsters froids. Pour une éthique des relations internationales, Boréal Express, 1982; Ibid., La nouvelle Guerre froide, 1983; Ibid., La nouvelle version de l'exceptionalisme américain, Esprit No. 2 (2003), pp. 6-20.

¹⁴ China stands on the threshold of securing petro energy supplies. On its way to buy TNK-BP, Russia's Rosneft may become the leading oil company on the world's stock exchanges.

in which it is increasingly difficult to distinguish the enforcement of regulations from the abuse of overall intervention.

Interferences which increasingly lead to military intervention after which investors, building contractors and multinational oil companies rush to earn profits from smoking and dusty ruins. Developing countries are lagging even more relative to representative institutions, the division of executive power and the other civil institutions. The gap between executive power and social body can only be bridged by the continuing process of democratization, which can hardly be finished in a few years. ¹⁵ At the same time, there remains considerable room for the abuse of executive power and a wide range of reasons for further arbitration and manipulation.

Whatever causes dramatic shifts towards the emergence of democratic processes in the Near and Middle East also exists in the Balkans, in a much smaller area, but its contradictions are even more intertwined. Even if integration processes are accelerated, accumulated contradictions will not be overcome, all the more so because they are enhanced within the EU itself, especially in the eurozone. The stigmatization of bad students from the last bench - Greece, Ireland, Portugal, Italy and Spain - can hardly postpone the denouement for even greater imbalances and mortgages for a long time - although even the EU's most successful economies are not immune from them. The focal points of uncertainty appeared ten or so years after the Berlin Congress (1878) and after the collapse of communist utopia and fall of the Berlin Wall (1989). The legislation adopted subsequently adopted at the Maastricht, Dayton, Lisbon and other conferences, introduced the so-called New World Order. 16 Germany's leading role in a seeming balance with the French partner is based on the common currency whose cover would not have been possible without the strong economic and monetary

Twenty years after declaring the end of history, Stanford University Professor Francis Fukuyama returned to integral history from its prehuman times (F. Fukuyama, *The Origins of Political Order.* From Prehuman Times to the French Revolution). Fukuyama, the former neoconservative from one of the Reagan administrations, who is now getting closer to Obama, is especially interested in the conditions under which other parts of mankind can accede the Western model, which implies a strong state, rule of law and accountability in the observance of public interest, since it is hard to find the coincidence of these three factors, which appeared outside the Western civilization circle in the 18th century (F. Fukuyama, *The Future of History: Can Liberal Democracy Survive the Decline of the Middle Class?*, Foreign Affairs, January/February 2012; Ibid., Le début de l'histoire, Paris 2012). The question of expanding this circle or be inward-turning is becoming increasingly important as the dynamics of a modern-day crisis is turning into the chronic stagnation and destructuration of the Western model under the impact of uncontrolled market forces.

¹⁶ T. TODOROV, Le nouveau Désordre mondial. Reflexions d'un Européen, 2005, 160 p.

base of the Germanic countries. The power of this currently stable base has been insufficient to stabilize heterogeneous economies and prevent the bursting of financial profit balloons due to excessive loans and speculation. The EU integration of the Western Balkans depends increasingly less on Europe's rusty and dilapidated pocket; instead, it increasingly depends on the destiny of the European market and monetary union.¹⁷

In the absence of development dynamics, which can hardly be imagined outside the process of EU integration, it will be increasingly harder to maintain stability and security in the Balkans. 18 Extending over an area the size of France, some 11 states and statelets, most of which are involved in smaller or bigger border, minority and other disputes, can hardly be sustainable without support and supervision which - under protracted crisis conditions - may lead to uncontrolled turbulences. With some seven new statelets occupying half the area - instead of the former economic complementarity and some kind of administrative and cultural cohesion, there remain resentments, frustrations and tensions in the region where mafias cooperate successfully with each other, while state nomenclaturas maintain tensions rather than restore exchanges and facilitate communications. Multinational corporations from developed countries take advantage of a legal and normative vacuum in the fragmented and neglected region in order to benefit from institutional entropy. Abuses and devastations, which can hardly be imagined in a well-organized social environment, can go unpunished in corrupt, crime generating and plutocratic Balkan statelets. This is the era of new colonialism, which was probably possible only in some parts of Africa in the past. However, it is now more pronounced than in the Europeanized Turkish vilayets and pashaluks a century ago.

The fragmented and antagonized Balkan region lacking development dynamics is inevitably turning into the renewed Eastern Question, 19 an unamortized powder keg that may further complicate the European crisis. The intertwined conflicts of interest provide a fertile ground for manifold

¹⁷ J. Sapir, Pour l'Euro, l'heure du bilan a sonné : Quinze leçons et six conclusions, FMSH-WP-2012-12, June 2012; Ibid., Inflation monétaire ou inflation structurelle? Un modèle hétérodoxe bi-sectoriel, FMSH-WP-2012-14, June 2012.

¹⁸ B. Bojovic, Les Balkans à l'aune de le crise européenne, Bulletin des sciences sociales No. 8, L'Harmattan (2011), pp. 43-62.

¹⁹ B. Bojovic, La Russie, la Question d'Orient et les Serbes, in: The Image of Russia in the Balkans, International Conference, "Under The Patronage Of The Rectrix Magnifica Of The University Of Warsaw", Paris-Warsaw-Bucharest, 2011; Ibid., Исшочно йишање – од расилеша до нової зайлейна (1878–2011), Proceedings of the International Scientific Conference "Russia and the Balkans", Moscow-Podgorica 2012 (printing underway).

foreign influences, their competition and further challenges. So, the frictions in the Caucasus region and Central Asia, or even more so in the Middle East may have further-reaching effects on the mountainous seismic Balkan region.

Should the great powers pursue the proclaimed principles and not only their interests, international agreements and conventions, as well as the resolutions of congresses and conferences will certainly last longer. Instead, their duration depends exclusively on their enforcement and maintenance. Power and force do not pay attention to John Locke's dictum that peace cannot be kept by force; it can only be kept by justice.²⁰

THE RESIDUE OF UNILATERAL ARBITRATION AND THE EVOLUTION OF THE BALANCE OF POWER

At the time of the Berlin Congress, Bismarck's Germany played a decisive role in Western arbitration, which was aimed at resolving the Eastern Question in the Balkans. The Europeanization of the so-called European Turkey took the form of the division into spheres of interest among the Western powers. Twenty or so years after this externally enforced "balance", the Balkan countries independently finished the process of Europeanization in the wars of 1912-1913. Unusual discretion demonstrated in marking this important anniversary is symptomatic of the situation at the far end of Europe or, in other words, at the source of a century-long experience. Having become one of the world's leading economic powers with the highest growth rate after China, Turkey announced a change in the balance of power not only vis-à-vis its Balkan hinterland, but also visà-vis the entire European continent.²¹

After its unification Germany assumed an essentially different role in the EU;22 its balance with France became a simulacrum in the form of the fig leaf of its actual domination. Accounting for about 20 per cent of the EU population and with disproportionately greater economic dominance, Germany is increasingly turning to partnership with the world's leading

²⁰ J. Locke, Deux traîtés du gouvernement, Paris 1997.

²¹ H. Bozarslan, Sociologie politique du Moyen Orient, La Découverte, Paris 2011; "La situation en Syrie peut-elle entraîner la Turquie dans un conflit?", 18 October 2012, http://www.lemonde.fr/europe/article/2012/10/18/la-situation-en-syrie-peut-elle-entrainer-la-turquie-dansun-conflit_1775987_3214.html.

²² T. Beichelt, La nouvelle politique européenne de l'Allemagne: L'émergence de modèles de lègitimité en concurrence?, FMSH-PP-2012-03, March 2012.

powers rather than with those in Europe.²³ Its protected market area is the EU and it plays a decisive role in the destiny of the EU. During the coming decades, the growth rates of the EU and Germany will hardly maintain their hitherto pace. Whereas the United States is showing the first signs of growth, which is expected to stabilize at some 3-4 per cent a year, the EU can hardly expect a growth rate of 1-2 per cent in the coming period.²⁴ One of the decisive factors of such dynamics is a difference in population growth rates. It is expected that the US population will increase by 100 million over the next 30 years, while the EU population will decrease by about 40 million during the same period.²⁵ Turkey will have more inhabitants than Germany and the same applies to its economic growth - it will be higher relative to the EU growth rate than the difference in dynamics between China and the United States. In contrast to the United States, the EU hardly has such instruments of power that will enable it to offset such lagging behind its increasingly stronger south-eastern neighbour. Balkan countries are located in the centre of the region that will certainly be affected by this shift in the balance of power. The fragmentation of the region in which Germany has played a major role and which it views by all odds as a symbolic compensation for its defeats and humiliations in the two world wars, creates conditions for growing competition between external interferences. Turkey has an opportunity to display greater realism and impartiality in comparison with Western arbitration. In this way, it can only contribute to the validity of its European vocation.

²³ The failure of the EAND-BEA merger has prompted the British and French partners to question Germany's role in the EU and accuse Germany of sabotaging the creation of the European giant that would be the only one which could surpass Boeing's supremacy. France, Spain and Italy request Germany to observe the assumed financial obligations. Germany is held responsible for a sharp increase in electricity prices in the EU due to its unilateral abandonment of nuclear power plants. A confidence crisis is expanding in concentric circles around the German leadership.

²⁴ Whereas France's economic growth stands at 0.3 per cent according to the OECD optimistic forecast (http://www.hbmanagement.fr/actus/locde-revise-les-provisions-de-croissance-en-2012-a-0.3), the latest 2013 economic growth forecasts were downgraded relative to the earlier expectations, so that they now stand around a zero growth rate. It is expected that Germany's growth rates for 2012 and 2013 will be 0.8 and 1.0 per cent respectively.

²⁵ A 7-minute documentary film, which raised concerns at the gathering of over 300 cardinals and bishops in the Vatican, pointed to the inevitable marginalization of Christian Europe in favour of expansionary Islam, using the relevant demographic rates and their projections. Its alarming and militant approach, presented by one African cardinal, shocked and infuriated many moderate prelates in the Vatican. J.-M. Guenas, Islam: une vidéo suscite la polémique au Vatican, Le Figaro, Paris, 16 October 2012 (http://www.youtube.com/watch?y=0ZNfgAB cXU8&feature=player_embedded).

The return of Turkey²⁶ to the region where non-Muslims constitute over 80 per cent of the population and the EU's diminishing possibilities to continue with the integration of this region open up new prospects for the traditional role of Russia which, some hundred years ago, was considered to be the most reliable ally of the Christian population in the Balkans among the great hegemonic leaders competing against each other.

The US strategy after the Cold War consists of strengthening and narrowing the ring around Russia and controlling energy supply routes. In either case the Balkan region is one of the weakest links of that out of date mechanism. During the past period, the whole region, especially its western part, experienced unprecedented regression. During that period, the consequences of Western arbitration were slowly mitigated in times of recession and general confidence crisis. Whereas the EU's increasingly evident convulsions are taking the form of something already seen in the region, the Balkan peoples are increasingly looking for the causes of their regression in Western arbitration instead of taking responsibility for it.

The basis of such projections can be perceived by referring to the modern sociology of "subjectivization/desubjectivization" which deliberately and consciously negates the other as a prerequisite for violence for the sake of violence. The emergence of the anti-subject has been understood as an antipode to the right to be recognized and accepted as the subject, which is peculiar to the human being. Finding oneself in the position of the "anti-subject" implies dehumanization, *naturalization* and *animalization*, as well as the objectivization of the other", which refers not only to an individual cultural entity and its specificity, but even more so to a social one. In this way there emerges the so-called "floating subject" (*sujet flottant*) which enables de-subjectivization and facilitates destructuration. "Subjectivization" leads to the "subject", like in Touraine and Joas, which can be viewed as the actor ready to find the method of acting. Conversely,

²⁶ The commander of the US troops in KFOR, Colonel Jeffrey Liethen, has stated that US troops will not withdraw from Kosovo this year despite the fact that there are no funds for maintaining and refurbishing the facilities at Bondsteel Camp in the US military budget. The Albanian lobbists in the United States have appealed to Washington to have Turkish troops replace US ones at Bondsteel Camp and take over the US role in KFOR after the withdrawal of US troops, because Ankara is a "reliable Kosovo ally!".

²⁷ M. Wieviorka, Du concept de sujet à celui de subjectivation/dé-subjectivation, FMSH-WP-2012-16, July 2012, 5/14; Ibid., La Violence, Paris 2005.

²⁸ H. Joas, La Créativité de l'agir, Paris, Cerf, 1999 [2008]; A. Touraine, Pourrons-nous vivre ensembles? Égaux et differents, Fayard, Paris 1997; A. Touraine, F. Khosrokhavar, La recherche de soi – Dialogue sur le Sujet, Fayard, Paris 2000, pp. 369–406.

desubjectivization leads to the stratification and distortion of the subject, to the anti-subject or no-subject and, thus, to destructuration and autodestruction behaviours".29

The stigmatization of only one of the many factors in the bloody civil war accompanying the collapse of Yugoslavia, does not have to come only from the partiality of the participants in conflict; on a broader scale, its function is to divert attention from multi-sided complicity in the tragic collapse of a specific path to socialism. Continuing such one-sidedness even after twenty years enables the continuity of tensions, whose alleviation will be increasingly more difficult under conditions of Europe's new crisis and its increasing proportions.

Just like some hundred years ago, at the zenith of their hegemony, the Western allies demonstrated arrogance which accelerated the beginning of the darkest period of their past. By supporting ethnicization in the most sensitive part of Europe as the side effect and collateral damage of European and Euro-Atlantic integration, and by isolating and stigmatizing one of its peoples in an attempt to build up an alibi divert attention from outside instigators by constructing alibis, them they have reduced the stability of the region to a minimum.

Under conditions of a progressive market deregulation, legal vacuum and the weakening of state institutions arising from uncontrolled market Darwinism,³⁰ the Balkans seems to be destined to play the role of European avant-garde. It looks like a crystal ball in which the EU can first see its own perspectives. The contribution to the regression of this sensitive region and failure to integrate it confirm that the responsibility for the decisive events is proportional to the real impact of local and global factors. As a crucial indicator and the trigger held in the extended hand of a great mediator, the Balkans remains the region where Europe can see - if it wishes - the hologram of its future like a hundred years ago.

Two decades after the inglorious unilateral arbitration in the disintegration of the then most advanced Balkan country, the EU is bending under the weight of its own contradictions, which increasingly resemble those it once stigmatized, cynically condemning Yugoslavia to disappear just like handling a company bankruptcy case. Credited with the abolition of the death penalty in France, Robert Badinter chaired the commission

²⁹ W. Wieviorka, Du concept de sujet à celui de subjectivation/dé-subjectivation, FMSH-WP-2012-16, July 2012, 6/14.

³⁰ As part of globalization, the process of stratification and decomposition of nation states cannot be avoided even by the world's greatest powers over the medium term.

that decided the fate of the multiethnic Yugoslav federation in less than two months. At that time, French Foreign Minister Roland Dumas referred to Yugoslavia as the "laboratory of future European problems".

It is no longer disputed that the biggest failure of the European Union was just that i. e. its role in such bankruptcy proceedings. It is also increasingly certain that the EU has found itself in the waste land experiencing a new form of recession and bankruptcy caused to an even greater extent by itself.31 Caught between market and legality, technocracy and democratic institutions, the subsidiarity principle - as one of the EU's fundamental tenets - has turned into a pointless and almost abandoned phrase. Decisive decisions are not made within legal democratic institutions any more; instead, they are made behind closed doors by the bodies bearing obscure abbreviated names: FESF, MES, BCE, ABE or FMI, just as countless agencies justify their existence by expanding useless networks of overpaid technocratic bureaucracy. Serbia is subjected to blackmail in order to recognize the independence of one part of its territory cut off by force as a prerequisite for its EU accession - EU member countries are faced with a choice between two alternatives - to abandon their sovereignty or abandon the eurozone and, thus, the EU itself. EU citizens are faced with the deprivation of the right to influence the decisions of their institutions; they are powerless over deindustrialization, recession,

³¹ The eurozone crisis is very similar to the debt crisis of 1982, which was channelled by the International Monetary Fund by allowing indebted countries to avoid bankruptcy at the cost of protracted recession. Latin America paid a high price for "salvation". Such a country in Europe was Yugoslavia. Today, Germany is playing the same role in Europe as the International Monetary Fund did then. In 2009, it assumed this responsibility when its Chancellor Angela Merkel introduced the division into debtor and creditor countries in the eurozone. The total deficit and recession burden was transferred to debtor countries, including some of Europe's leading economies, while at the same time avoiding pointing to creditors' responsibility for it. However, it is flagrant - ranging from the Maastricht Treaty as the originator of the euro to the erroneous reaction to the financial crisis of 2007-2008, underestimation of the proportions of the crisis and implementation of insufficient measures for its overcoming. Fearing inflation, Germany overlooked a much more dangerous threat - deflation, which is threatening the world economy and against which some of the world's major countries are taking appropriate measures. The debt crisis suits the German economy and it has selfishly and short-sightedly imposed budgetary discipline leading to recession. The capital of debtor countries spills over to Germany by being taken out of the country and by payment of increasingly higher interest rates. At the same time, Germany imposed drastic restrictive measures and prevented necessary financial measures required by other EU members. As time goes by, Germany is increasingly responsible for the policy being persistently imposed on the eurozone and EU.

unemployment and increasing social tensions.³² As the side effects of losing influence over their fate, which has already been seen in the Balkans, Flanders, Scotland, Catalonia, Lombardy... are turning to economic nationalism and ethnicization, requesting to dispose of their own budget like Slovenia and Croatia at one time.

In profiling itself on the fundamentals of the current crisis, the EU has an opportunity to become diametrically opposite to its initial equality and consensus project. That will not be an open society; instead, that will be a hierarchic system based on the balance of power between creditors and debtors under the dominance of the German hegemonic leader. Economic differences will increase in favour of strong ones and to the detriment of weaker ones. In the past, the United States based its "benevolent" hegemony on the Marshall Plan which raised Europe from wartime rubble. Germany is now losing its historical chance to become a benevolent dominator; instead, it is turning into an increasingly selfish and cruel dominator keeping debtor countries in some kind of debt slavery.³³

By means of a detailed analysis and the table showing the deficits of Europe's and the world's large economies,34 George Soros very convincingly presents numerous advantages of Germany's exit from the eurozone and EU, both for the rest of the EU and the German economy. It would be very useful to conduct a study on the future EU accession of the Western Balkans, then Ukraine, Belarus and Caucasian countries, and later on probably Russia, which could offer unprecedented possibilities for the Euro-Asian economy. In this way, Germany's exit could be manifoldly compensated in the economic, political, cultural and social aspects.

While twenty or so million Western Balkan inhabitants are ghettoized and caught between post-communist plutocracy and post-democratic technocracy, Europe is at the crossroads between repeating the lessons learned in the Balkans and sobering up from self-sufficient and narcissoid self-deception imposed by political and quasi-intellectual conformism of their sterile elites, controlled media, and eroded and compromised

³² H.M. Enzensberger, Die politische Enteignung der Europäer, Der Hauptstadtbrief, Berlin, 6 September 2012.

³³ G. Soros, The Tragedy of the European Union and How to Resolve It, The New York Review of Books, 7 September 2012.

³⁴ Public administration deficit expressed as a percentage of gross national income (GNI): eurozone without Germany 5.3; Britain 8.7; Japan 10.1; USA 9.6; eurozone with Germany 4.2; public deficit in GNI: eurozone without Germany 91; Britain 82; Japan 230, USA 103; eurozone with Germany 88. G. Soros, The Tragedy of the European Union and How to Resolve It, The New York Review of Books, 7 September 2012.

institutions. By threatening the southern parts of Europe with restrictions and blackmailing Serbia and the Western Balkans by imposing political diktat,³⁵ in egocentric conceit, one loses sight of the fact that the economic power of the northern parts of Europe is largely based on unreasonably encouraged consumption in the southern parts of the EU, so that Serbia – without which there is no Balkan integration – is at least as much necessary for the EU as the EU is necessary for Serbia. When the time of arrogant euphoria and the depersonalization of punished and stigmatized differences, has passed, it will be possible to achieve genuine dialogue as well as a balance between reason and cooperation. However, the question remains as to whether a high price will be paid like the one imposed on Europe by a similar kind of superior and unreasonable arrogance, or will the European peoples win the right to dispose of their own destiny as the only way to overcome uncontrolled madness using the power of reason and democratic institutions, the true values of humanism and tolerance.

³⁵ Arta Seiti, Serbie: une gouvernance placée sous le signe de l'incertitude, Tribune No. 274 – Revue Défense N@tionale, http://www.defnat.com/site_fr/tribune/fs-article.php?ctribune=330.

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EUROPEAN VALUES AND BALKAN IDENTITIES

Abstract: Culture and creativity represent the significant engines of personal development, social cohesion and economic prosperity. Values are defined as the hierarchical sum of a value system. They can be subjective and vary across cultures. There are various types of sociological values, including moral, ethical, ideological-political, spiritual, doctrinal, ecological, aesthetic and other values. Values represent the principles to which existence and action must adjust because it is the question of identifiable principles adopted as being ideal, desirable and necessary. They are referred to and regarded as the benchmarking values used in individual actions in society, in larger communities, or within a group of international entities. Generally accepted values, such as democracy, freedoms, rule of law, noble state interests, or the values of Europe, that is, European ideas and the European Union determine the aims, methods and ideals towards which a society or community expire. The historical development of European values is longer than two and a half millennia. The global value-based European idea rests on three main pillars: humanism that originates from ancient Greece, the law, language and citzen status of the Roman Empire, and the universalism of Christianity. These European axiological values also incorporated those of the Renaissance, Rationalism and Enlightenment, as well as the influences of Celtic, Germanic, Slavic and Arabic cultures. The mentioned values make up a specific corpus providing a basis for the development of European identity and upgrading of the European axiological mechanism, which initiated the adoption of political decisions on European integration. The fall of communism in 1989 also created conditions for the geopolitical enlargement of the European Union and integration of the former people's democratices into its structure. With their specific values and diversified identities, the Western Balkan countries are trying to fit in European integration processes. The Balkan region represents a specific mosaic of ethnicities, identities and iconographies whose position was contrary to the European idea in some situations and some periods. However, in essence, European values and Balkan identities and iconographies have remained compatible, reciprocal and complementary since the time of the last great empire, Roman Empire, and the advent of the great spiritual empire, Christianity. To what extent have the people in the Western Balkans adopted European values and what are the aggravating and mitigating circumstances of their dialogics? This also provides a basis for the prospects of the Western Balkans in the process of European integration, involving the reciprocal political, economic and social permeation, inculturation and acculturation of Europe and the Balkans. In this context, values, culture and identities play an important role of a leveller in the diffusion of European standards and the strengthening of multiculturalism and preservation of Balkan identities.

1. The Notion of Value and Culture

According to a simplified definition, which proceeds from the existence of of an individual, human values are above all the qualities that make up a human being in terms of his overall health, physical and psychological condition. In this context, it is the question of the elements of the material making up the human structure (Blais, 1980). The value of an individual, or any living being, lies in the ability to act towards his environment in one way or another. This is the ability to perform a certain function regardless of whether it is a biological, physical, creative, scientific or other vocation. His value is manifested and determined on the basis of his ability to create and perform. This value implies a certain activity that fulfils one's life, one cycle or one process. Value is closely linked to an individual and his behaviour. It identifies an individual and legitimates his gestures. Value is better than faith. It leaves no room for doubt: it implies a complete acceptance of an object or idea, which our mind considers to be absolutely true. Value imposes itself upon the mind as objective certainty, which is characteristic of a greater or great number of people (Legendre, 1993). Value can be viewed as (a) a designation, (b) an option, or (c) a wish. The treatment of value as a designation is explained by the fact that it represents an emotion, which means that it must be confirmed as a conscious desire for something that is generally accepted and good. For example, values such as homeland, freedom and national identity are generally accepted and positive. As an option, value implies a necessary choice among several possibilities that may be simultaneously offered. Such a statement implies the hypothesis that there is a hierarchy of values or, more exactly, there are extremely important and less important values. Finally, as voluntary preference, value indicates that it is an act through which a certain choice is made, proceeding from intellectual motives that are freed from a practical value. Values can also be defined as an element of the summary content comprising faith, aspirations, options, ideas, emotions and principles, which identify human community and through which the latter expresses itself. This is the quality, merit, usefulness or reciprocal meaning of an individual, object or human community. As emphasized by Legendre, value is a substantive and fundamental element of a personality, society, organization, field of knowledge or activity. An extensive and relatively fluid conception of values assimilates the overall value system into the regulatory part of culture (Galand/Lemel, 2007). In contrast to the notion of value, the notion of culture is more creative.

2. European Values and Identity

The determination of European values and identity is a very complex issue. They are interrelated and interdependent. Identities and values can be open and closed. Closed identities and values dissociate themselves from the external world by their borders. Europe possesses historical values and identity, which are in a state of constant dynamics, improvement and shaping. However, their foundations were laid in the epochs of ancient Greece, the Roman Empire, Christianity and the Enlightenment, as well as during the development of capitalism, liberalism and communism, which has been continued to this day. Specific historical processes and stresses, such as the division of the Roman Empire; rift (schism) between the Catholic and Orthodox Churches: the fall of Rome and then of Constantinople; the expansion of the Ottoman Empire in Europe; Martin Luther's Reformation; an increasingly evident division between the Western and Eastern Roman Empires and their gradual evolution between the developed and more progressive West and less developed and despotic East. Civilizationists were probably right to conclude that the Western civilization should be considered different from the East European one, despite their identical roots. The European Union was also created in the West. However, if the Balkans is a certain metaphor for the East, then its image in the eyes of the West is always negative. The Balkans is viewed as part of the Eastern civilization, as a brutal scene of inter-ethnic conflicts/ wars and crimes, as an obscure region where ideology and religion are in permanent conflict with each other, which has so far caused numerous human victims, destruction, and the expulsion and massacre of people, as the region characterized by despotic and totalitarian Soviet-style regimes, including one-party rule, nomenclature, internal enemies, political prisoners, prohibition of freedom of movement, intensive party propaganda, domination of the masses and marginalization of individuals, as well as the state-controlled economy, ownership and market.

However, due to negative past experiences, these European and Western identity values have not been perceived by the Balkan peoples in the same way. This especially refers to Balkan nationalists and anti-Europeans. Europe is like a spoiled courtesan and this has been proved by its colonization of the Balkans and hypocritical policy towards this region; it used to be selfish and unfair towards some nations, while at the same time demonstrating a double standard towards other nations and religions from the East, thus promoting itself as a Catholic club of nations. Such an opinion about Europe has certainly been encouraged by a mythical and

favourable opinion about oneself and one's own people as a Biblical and celestial people (Macedonian and Serbian nationalists), special and ancient people (Croatian and Bosniak nationalists). All Balkan peoples dream of territorial expansion and hold that their current borders are unfair and should be moved to the territory of their neighbours. After the wars of the 1990s, all Balkan peoples experienced a reciprocal catharsis, but there are still a bitter taste, disappointment and lack of ideas due to great poverty, unemployment and the slow pace of transition. Therefore, the aim to join the European Union, which is increasingly imposing obstacles, has been met with euroscepticism both in the West and the East.

2.1. Geography and Geopolitics

Europe has been created and developed on the basis of its values. During its long history, it experienced periods of prosperity when it reached great heights, as well as periods of turpitude, disappointment, mass exterminations, camps and crimes. Europe also experienced the violation and boycotting of its principles and values by Europeans themselves; it was also the victim of hegemonistic and imperial ambitions but, eventually, proved that dictatorships, totalitarianism, fascism and genocide were incompatible with its essence. On a number of occasions, Europeans were faced with the dilemma about the scope and borders of the European civilization and often initiated a debate on its culture and values. Just like in the case of the terms value and culture, there is no indisputable definition of Europe's quality. There is more talk about political, historical, geographic and cultural perspectives. There is no doubt that Europe has many qualities, cultures, values and ideas. From a geographic viewpoint, Europe is above all a continent, or almost a continent, because its eastern border, which separates it from Asia, is unclear. Therefore, geopoliticians often use the term Euroasia, although this world's heartland cannot be perceived as one continent. It is clear that geography is not much inclined towards Europe but, on the other hand, Europe does not owe it anything. On the contrary, geography owes Europe if one bears in mind that great medieval geographical discoveries started from European ports.

Insofar as an analysis of the geographical identity of Europe is concerned, it is possible to take at least two explicative approaches. One approach is concerned with explaining physical geography and is confined to describing Earth's surface. Another approach, which is considered geographically conventional, is based on the study of institutions by which the geographical identity of an entity is determined.

As for the first approach, the following dilemma immediately imposes itself: is Europe a continent? According to the classical definition, a continent is a large area of land surrounded by seas and oceans on all sides. According to this definition, Europe is not a separate continent like Africa, Australia, America, Antarctica and Euroasia (Delsol/Mattei, 2010). But are Europe and Asia so different that they can represent separate continents or, more precisely, are the Ural Mountains the border that clearly divides these two entities? Namely, this mountain range was designated as such much later by the political intervention of Peter the Great's official geographer Tatichev with the view of creating the perception of Moscow as Europe's metropolis in the East. With their height of 1,800 metres above sea level, the Ural Mountains are not the real border of Europe and the same applies to the Caspian Sea, whose western coast has Asian characteristics, steppes and other Asian flora and fauna. Thus, it follows that Europe's eastern border is not so clear-cut. According to the mentioned criteria, Europe is not a separate continent, which suggests that it imposes itself as the sum of peninsulas, classified into two groups. The first group comprises the Finnish-Scandinavian peninsula in the north, while the second one comprises the Mediterranean peninsulas, that is, the Iberian, Apennine-Italian, Greek-Balkan and Anatolian peninsulas (Delsol/Mattei, 2010,16).

As for conventional geography, Europe has so far undergone a greater number of changes. After a number of geopolitical changes, it was significantly modified. According to UN experts, its eastern border is the Black Sea and Caucasus. Moreover, the former Soviet Union and several of its republics (Ukraine, three Baltic republics, Belarus, Moldova and Kaliningrad) were treated as a separate non-European region. According to the new classification made after the collapse of communism in 1989, Russia, Belarus, Ukraine and three Baltic countries are European states. On the other hand, Armenia, Azarbaijan, Georgia (West Asia), Kazakhstan, Tajikistan, Turkmenistan and Uzbekistan (South and Central Asia) remain non-European countries, although they were in the Soviet orbit.

2.2. History Models the Pillars of Europe

Europe is the invention of ancient Greeks. The Greek poet Hessiod was the first to use the name Europe in the late 7th century BC, while as early as the 5th century BC the famous historian Herodotus, who is considered to be the *father of history*, wrote that no one knew where the name Europe came from, or who gave it the name. According to one myth, once upon a time there lived a princess whose name was Europa. She was the daughter

of King Agenor and lived in Tyre, on the Asian side of the Mediterranean (present-day Lebanon). One night, she dreamed that two countries ruled by two women quarrelled over her. One country in Asia wanted to keep her for itself, while the other country wanted to take her into the sea on the orders of Zeus, the supreme ruler of the gods. After waking up, the princess went to pick up flowers near the sea. All of a sudden, a tame white, winged bull appeared in front of her. That was actually Zeus in the guise of a white bull. He carried her off on his back to the big island of Crete where she bore him many sons - the future Cretan nobility. Over the centuries and with the rise of Christianity to dominance there have been attempts to give a Christian name to this Europe from a pagan myth, but without success. Europe has remained Europe with its pagan roots and the Christian future.

Out of the three substantive pillars of the European idea, the first has its roots in the epoch of ancient Greece, the second in the epoch of the Roman Empire and the third in the epoch of Christianity. Each of these epochs - in addition to the Renaissance, Enlightenment, Rationalism, Liberalism and liberal democracy, Western civilization, as well as the influences of the Celtic, Germanic, Slavic and Arab civilizations - has imbued Europe with specific values and has contributed to the creation of its identity, identity code and culture.

Ancient Greek heritage includes above all else a taste for democracy or, more precisely, government by the people and equality of citizens in the polis (city-state) and public affairs. Europe is the most democratic continent, but democracy in Europe also underwent periods of regression. Great battles for democracy have been waged since antiquity up to the present. Ancient Greeks were the first European scientists and philosophers. They sought truth and wisdom. Euclid, Pythagoras and Archimedes achieved such scientific knowledge that it is still taught in schools. Like Socrates, ancient Greeks tried to know man in order to know themselves. Do you know yourself enough? - asked this philosopher his contemporaries. They respected their gods, but put man at the centre of the universe. They taught Europeans how to develop virtues and human potency, and be humanists. With the spread of Christianity, which taught Europeans to be humans first and then believe in God, they did not forget lectures on ancient wisdom and the significance of reason and critical mind. Ancient Greeks held that humanism should encourage man to preserve both the mind and the body. The Olympic Games were conceived just for this purpose; ancient Greeks cultivated human beauty and body, while their temples have served as architectural models over the centuries.

The **Roman Empire** was some kind of continuation of ancient Greece after the latter's diffusion. Roman emperors conquered the Iberian Peninsula, Gaul, Brittany, and western Germania, the region between presentday Hungary and Greece. Across the vast territory of the Roman Empire the same, Latin language was spoken and the same weapons were used. In 212 AD Emperor Caracalla issued an edict declaring that all free men in the Roman Empire were to be given full Roman citizenship. This was the first example of equal citizenship status on European soil.

The Pax Romana was a broad, homogeneous corpus under one person's leadership, whose original unification was the subject of many debates, memories and comparisons. The Roman Empire gave medieval Europe its culture, its law (Roman law), its fashion, especially the tunic, and one city with universal dimensions owing to its architecture, spirit, poetry and civilization.

Insofar as **Christianity is concerned**, it has never been a fact; rather, it has been a myth, an appeal, an idea, or a wish. Namely, religion holds a very important place in the creation of the European idea and civilization. It must be noted, however, that if Europe has been shaped by religion, then it has also been divided by religion. Such divisions among European countries and regions arising from successive schisms between confessions and religions and resulting in a specific cultural confession are still present. Later on, Christianity, which emerged from within the bosom of the Roman Empire, disintegrated together with it, thus setting up European religious centres. This was followed by the division of the Roman Empire into eastern and western parts - the Eastern Roman Empire, later known as the Byzantine Empire, and the Western Roman Empire, headed by the Catholic Church. The Catholic Church was also faced with a new confessional division, which was the result of the Reformation. This division created new cultural entities differing from Catholicism in terms of religious organization and religious dogmas, as well as customs and political borders.

The contribution of Christianity to a European culture and identity is certainly a conforming thesis. There is no doubt that in a widely secularized European society, our European culture is not so explict any more.

3. BALKAN IDENTITIES AND ICONOGRAPHIES

Similarly to European identities, Balkan identities were developed during the history of this region, under the influences of Athens, Rome and Jerusalem, as well as Arab, Slavic and Ottoman civilizations. The development of this region was also influenced by the division of the Roman Empire and the rise of the Byzantine Empire, medieval Balkan kingdoms and empires, spread of the Ottoman Empire and Islam, rift with the Western Catholic Church, the Enlightenment, wars of liberation against Turkey, 20the century wars, collapse of communism in 1989, ethnic conflicts in the former Yugoslavia... At present, the content of Balkan iconography generates more emotions, passions and feelings due to the insufficiently precise sociological definition of the term "iconography", on one side, and the geopolitical notion of the Balkans, on the other. However, such confusion and dilemma are also enhanced by the very fact that so far the discipline of iconography has not been dealt with too much, while the subject of this paper, the Balkans, is still used as a negative and unpleasant metaphor for tragic ethnic conflicts. Insofar as the science of iconography is concerned, it must be noted that its reputation was especially contributed by Jean Gottman (La politique des États et leur géographie). In his opinion, iconography represents the sum of especially strong and persistent elements of different genres of life, which are not elements of conservatism by definition. It is the question of persistent elements related to symbols, which may be also very abstract and were named iconographies by Gottman (1952, 157). Iconographies often show the vitality of a civilization, especially in periods of foreign conquests when it is necessary to preserve ethnic, national, spiritual and religious identity. Iconographies are not immobile. They are always in a process of evolution, that is, in step with the spirit of the times.

The term "iconography" is derived from the Greek word *eikon – image* and is treated as a science dealing with the description, interpretation and identification of paintings and sculpture according to their attributes, symbols and emblems. It depicts a famous person, epoch, product, brand, image, trend, ideology, movement... There is also *religious iconography*, which represents a *group of signs and symbols in the sphere of religion or, more precisely, a group of images in a picture book.*

3.1. Balkan Orthodox Iconography

The Balkan peoples and their civilizations represent a genuine social and cultural matrix of iconography. Myth and religion, as the primary forms of soul, are characteristic of all cultures, especially archaic ones to which South Slavs also belonged. After their arrival in the Balkans in the 6th century, they came into contact with the Byzantine Empire, the most important successor of the great Mediterranean civilization, whose culture differed to a great extent from the South Slavic one. Thus, the Byzantine

Empire undertook a number of initiatives to convert the newly arrived Slavs not into brothers by birth, that is, Romans and Greeks, but into brothers in faith, that is, Christians.

The Byzantines correctly perceived the importance of language, one of the most significant iconographies of every civilization and communication. They accepted the Slavic language of the newly arrived Slavs, supported the creation of the Slavic alphabet and translation of the holy books and liturgy into the Slavic language. This lofty action was carried out by two holy brothers from Thessaloniki, Cyril and Methodius, and their disciples led by Clement of Ohrid. Thus, the most powerful and most universal iconography - language - enabled the infiltration, adoption and spread of another broad European iconography - Christianity. This was accomplished by the Christianization of the Slavs in the 9th century.

The period of transition from ruling over the Balkans to the period between the Byzantine and Ottoman epochs was marked not by a conflict between Islam and Orthodox Christianity, but by a schism between Catholicism and Orthodox Christianity (1054) as some higher political and cultural premium of the European spiritual civilization. For the then Orthodox elite it was more acceptable to be ruled by the Ottoman Empire and the Sultan in Constantinople than to be subordinated to the Roman Papacy, which viewed Orthodox Christianity as its great rival. Just this indifferent attitude of the Porte towards Orthodox Christianity contributed to the cohabitation of Islam and Orthodox Christianity. The Porte relied on these two confessions to rule the multi-ethnic and multi-confessional empire more successfully, In that way, the Porte exerted influence on the spiritual integration, solidarity and strengthening of Orthodox iconographies.

During the rule of the Ottoman Empire, people communicated among themselves within their church communities and were influenced to a much greater extent by common law and obligations towards their millets than by their state and the Porte. The central authority was thousands of kilometres away to the East, in Istanbul, while state governors, police and askers were viewed negatively due to their involvement in the collection of taxes, crushing of revolts, plundering and crime. All this affected the millets' sense of responsibility towards the state. On the other hand, the Pax Ottomanica was unable to secure any protection, social welfare or safety. When the Ottoman Empire started to crumble, increasing corruption and a clash of interests between the young Orthodox bourgeoisie, state administration and Ottoman military apparatus contributed to the further worsening of the image of the state as a whole. Therefore, it is understandable why state identity is less rooted in the mentality and political culture of the Balkan peoples. The Ottoman Empire failed to create iconographies that millets would accept and to preserve the state structure. In those historical roots we can probably find problematic responsibility, reservation and distrust towards the authority of the state and related institutions, which tried to strengthen it by state instruments. Nevertheless, the 20th century has shown that the role of the state is irreplaceable, especially in the Balkans, but this role was often usurped by royal dynasties, conservative bureaucratic apparatus, or a military and political mechanism.

The fall of communism in 1989 and the disintegration of SFR Yugoslavia during the 1990s brought about the revalorization of religion in the Balkans and its grand entry into politics. It seems as if God and Allah had full revenge on Marx and Engels. As if the Balkans once again embraced its destiny, while Fukuyama's hypothesis of the end of history, proposed in his famous essay The End of History? (1989, The National Interest), proved to be incorrect, since history not only reactualized itself and accelerated its pace, but also started to reproduce itself so much that an ordinary Balkan citizen was unable to consume it at once and by force. The forgotten social communities started to wake up slowly as a nation, a religion or a clan, while Marxist self-managed social collectives and communities went into oblivion. History succeeded in conquering geography and politics on a large scale. However, nationalist political elites were faced with the dilemma - how big is the territory of Greater Serbia, Greater Croatia, Greater Bulgaria, Greater Macedonia, Greater Albania or Greater Kosovo? These romantic dreams and powerful armed forces caused the wars in the Balkans. Should the blame be put on cultural, religious, confessional and ethical differences or, to be more precise, on the excessive ambitions of national leaders and elites? Is it true that the Balkan region was the scene of inter-religious, inter-confessional and inter-ethnic wars during the 1990s? Is it possible in this case to refer to Samuel Huntington's theory of the clash of civilizations, which will mark the twentieth anniversary of its publishing this year? There is no doubt that, since the fall of communism and the collapse of the former Yugoslavia, the Balkans has remained the scene of iconographic rivalries. Regardless of various arguments attempting to justify historians and analysts, the conflicts in Croatia, Bosnia and Herzegovina and Kosovo actually represented a clash between people with different iconographic identifications, an ethnic war between people identifying themselves through different symbols, customs, languages, confessions or religions. Therefore, it can be concluded that the Balkan re-

gion continues to exist as an inversion of soft optimism. As a synonym for an old mountain, the Balkans still carries great weight regardless of light promises made by its politicians that they are willing to carry out reforms and democratize their systems.

3.2. Iconography in Yugoslav Society

As the most recent and most painful example of the typical segmentation of the Balkans, the Yugoslav experience of the 1990s shows that the entire rich iconographic history of the Marxist federation could not preserve it within the framework of the 1974 Constitution. The cement of Yugoslavism, reinforced by the unified market, joint currency, joint armed forces and decades-long joint history failed to resist the spirit of the times. Therefore, the AVNOJ's federation collapsed in record time, leaving a great number of displaced, expelled and killed people in the war-affected areas.

In the former Yugoslavia, socialist realism was developed under the influence of the then Soviet Union; it was imposed as a productive generator of Yugoslav communist iconography. Beginning with the basic ideological and symbolic creations relying on Marxist-Leninist teaching and ideology, the Bolshevik and Yugoslav revolutions, as well as communist and old leftist iconography favoured a whole range of iconographic symbols and contents such as red colour, the five-pointed star, sickle and hammer, international anthem and other revolutionary songs, Yugoslav national coat-of-arms, three-colour flag, national anthem, Communist Party and League of Communists of Yugoslavia, Western-style partisan movies like "Valter Defends Sarajevo" and "The Unbreakables", cartoon novels about "Mirko and Slavko", ideological platitudes such as brotherhood and unity, Serbo-Croatian language as the official language of the Yugoslav community, as well as the Yugoslav People's Army (JNA), collectivization, workers' and peasants' cooperatives, self-management, selfmanagers, iconographies linked to Marshal Tito's personality and work, his life and revolutionary path - from a brave revolutionary, prisoner of Lepoglava, which was his school - to a legendary strategist and the father of the nation to whom young people handed a baton carried in a relay race each 25 May. Josip Broz himself was turned into a peculiar icon. Each republic had a city with the prefix "Tito's" (Titovo Uzice, Titov Veles, Titograd, Titovo Velenje, Titova Mitrovica...); in each republic or province one industrial complex, school, high school, square or street were named after Marshal Tito. There were many books devoted to the life of Josip Broz and his passion for art, sports, lathe work, fishing, hunting, collectibles and the like. Songs devoted to Tito, such as: "Comrade Tito, from

your way we pledge not to stray away!", were also sung. After his death, he was acclaimed by the people with the slogan: "After Tito - Tito" (Pero Simic, Tito - fenomen stoljeca, 2009).

3.3. Post-Communist Iconographies

We perceive iconography as a kind of culture of living and creation, as a product of the dialogue of an individual with his environment in the broadest sense of the word. Iconography is above all a product, a process, a practice, a communication system. For iconography the following syntagm holds true: "If you don't engage about it, it will engage on your behalf".

The broad process of ethnic identification which, in some cases, degenerated into nationalism, started after the fall of communism and the implosion of the Yugoslav federation. In all Balkan regions, national euphoria permeated all spheres of social activities and creativity, including specifically religion and its confessions, politics, history, ethnology, art and literature. Such events were also reflected in the creation of new iconographies and the revival of forgotten ones or those marginalized by the previous regimes and elites. A brilliant analysis of political symbols was given by Ivan Colovic (Politika simbola, 2000). Namely, in some cases, in Macedonia, Serbia, Bosnia and Herzegovina and Montenegro, iconographies obtained a double or triple meaning. Macedonia was faced with the rivalry of iconographies in inter-ethnic relations as well as bilateral relations with its neighbours, primarily Greece and Bulgaria. Serbia was faced with rivalry and confrontation with the iconographies related to Kosovo, Krajina in Croatia and Bosanska Krajina in Bosnia and Herzegovina. The disintegration of FR Yugoslavia ended with the independence of Montenegro. All this enhanced rivalry over iconographies between Serbia and Montenegro as well as rivalry over the border between Croatia and Slovenia. In addition to these rivalries, there remained the unresolved issues concerning the iconographies of the Macedonian Orthodox Church and the Montenegrin Orthodox Church, on one side, and the Serbian Orthodox Church and other Orthodox Churches, on the other.

The collapse of Marxist ideology also brought about the collapse of Marxist iconographies. The need for iconography as a form of identification with a certain ideology, romantic fascination that relied on nationalism, encouraged various leaders, ranging from those leading sports fan groups to political semi-dissidents and covert nationalist intellectuals, to turn to history and historical iconography, and draw inspiration from

them for their political action and symbols up to the spread of animosity towards other ethnicities, confessions and religions.

3.4. Europe and the Balkans Through Iconography in the 21st Century

In the 16th century, the term West was used as a metaphor for sunset and decline, related to the verb occidere. It seems as if modern historians have encouraged anachronous approaches by relying on the specificities of one Western culture such as the Greco-Roman and Judeo-Christian traditions with respect to demography, organization of society, economy and mentality. Therefore, the contemporary West was often called Old Europe. In the 19th century, the term West was used in a purely practical sense and with an ideological connotation. According to Lauren Testot (Comprendre hegemonie Occidentale, 2008), Western culture is based on five crucial elements: man's laws, not God's; antique law (the idea of an individual's being a citizen, not a subject); secularization and progress instead of the Church (private ownership...), and the creation of democratic institutions. Accordingly, the West has been defined on the basis of its territories, which have the contents that make it up. According to the 20th century definitions, the West comprises NATO member countries, but after the fall of communism in 1989 this term gave way to liberal democracy systems, including the European Union and the United States. The movement toward the unification of European states, initiated by Schuman, Adenauer, De Gasperi and other European leaders in 1950, spread on the basis of two logics. The first involved the deepening of the unification process of European states by creating institutions with a federal connotation (the European Commission, Court of Justice, European Parliament and Central European Bank). The European Union's second logical axis was its enlargement to include the whole continent, especially after the fall of communism and the iron curtain.

The appearance of nationalism was the result of liberalization from the tutorship of one-party rule and the state. According to Jacques Rupnik (Le dechirement des nations, 1995, p. 12) there are three primary causes for the appearance of nationalism: (a) the end of the Cold War and transformation of the international order; (b) post-communist ideological vacuum and (c) the economy caught between globalization and the recomposition of economic systems.

(a) International turmoil. The collapse of the Soviet Union marked the end of an unjust yet stable and predictable international order. Yugoslavia and Czechoslovakia were created on the ruins of the defeated empires in the name of the right of nations to self-determination. We do not ask ourself about the boundaries of the logic of self-determination. In 1957, Hans Morgenthau (The Paradoxes of Nationalism, 1957, p. 481) tried to define the paradox of nationalism: nation B invokes the rights against nation A, but refuses to grant the same rights to nation C, always in the name of an imperative for survival. Willson's idealism identified the nationality principle and justice. Hans Morgenthau perceived the relationship between the oppressed and oppressor only in inversion. At a conference in Oxford, which was held in 1920, Élie Halévy insisted on the danger of implementing the nationality principle without a corrective or counterweight such as natural borders or European equilibrium. In his opinion, simple ideas are revolutionary ideas and lead to war, since they cannot only be imposed by the exclusion of other ideas. (Le problème des nationalités, 1992, p. 126)

- (b) Ideological vacuum: nation, religion, civilization. This is another cause for the appearance of nationalism as the consequence of the detrition of communism and its iconographies. In the absence of ideology and the devaluation of ideological iconographies such as brotherhood and unity, self-management and Tito's personality cult, including relay race batons and youth days, the new political elites are turning to the past, religion, history, historical figures, legends and myths. This issue was also addressed by the authors such as Ivan Colovic, Vjekoslav Perica and others. These iconographies were especially effective in strengthening patriotic and nationalist campaigns during the armed conflicts in the former Yugoslavia. They were present among the peoples from all ex-Yugoslav republics and provinces. The other dimension of iconography is turned to the West and its iconographies such as Western consumer society, efficient economy, fast food, postmodernism, design, as well as democracy, institutions, separation of powers, transparency of information, pluralism, NGOs, EU symbols, freedoms, minority rights, euro, Eurovision, desire to join European and Euro-Atlantic integration processes, education system, architecture, design, marketing, etc.
- (c) Economic globalization and political fragmentation. The third factor of nationalism is just globalization and political fragmentation. In principle, the world market and Homo Economicus are the opposite of ethnic particularism. However, as emphasized by Joel Kotkin, the 21st century economy will be dominated by global cosmopolitan tribes (Tribes: How Race, Religion and Identity Determine Success in the New Global Economy, 1993). Ethnic diaspora-based networks will become the factor of success. The Protestant ethic and the spirit of capitalism moved to Japan, China, India... At the time of German reunification, Chancellor

Kohl proposed that one West German mark should be exchanged for one East German mark, which bordered on economic absurdity, but that was an effective political symbol. Could this be some kind of nationalism of the German mark vis-à-vis new compatriots from the East?

4. The Balkans – Europe's Soft Underbelly

During the 20th century, the Balkans was constantly shaking the world with its unpredictability, conflicts and tragedies. From the Slaughter of the Knezes on the eve of the First Serbian Uprising, through the violent suppression of the Krusevo Republic in 1903, disputes over Macedonia between Serbia, Bulgaria and Greece during the Balkan Wars, as well as the First and Second World Wars, to the ethnic conflicts during the 1990s, the Balkans created a very unfourable image of itself and its peoples. Just due to this negative reputation, the term Balkanization came to be used to describe processes of inter-ethnic divisions and wars, as was the case in Africa. The Balkans was very little talked abut for a long time, from the end of the Second World War until 1989, the year when the 20th century ended in the opinion of some analysts, including Jacques Rupnik. For a long time, this region was mysteriously peaceful and silent, even too silent, and then it burst in the 1990s. It seems as if Europe feared the Balkans. As if it did not want to risk due to the fact that the region, which turned into the personification of political instability, secret societies, deportations, expulsion of ethnic groups and ethnic cleansing, conflicts, assassinations, some kind of "Europe's powder magazine", "soft underbelly" of the continent, was not worthy of the process of European integration. During the 1980s and 1990s, Yugoslav intellectuals were asking themselves how to Europeanize the Balkans. After the crisis in Bosnia, Kosovo and Macedonia, Europeans began to ask the same question – how to Europeanize the Balkans? This question was a logical outcome of the awareness about the interdependence of Europe and the Balkans. An intensive globalization process further increased this interdependence.

The failure of communism shows that the half-century-long ideology, coupled with republic-controlled nationalism in the Yugoslav federation and other Balkan countries, was adjusted to the complex Balkan mosaic of identities. At the time of Josip Broz, the strict single-party regime, based on the use of force and censorship, was able to control all efforts toward increasing national euphoria and degrade both the Church and manifestations of nationalism by skillfully using propaganda and socialist-realist

iconography. This communist B minor further enhanced the already complex identity of the Balkans. In contrast to the then Soviet Union, SFR Yugoslavia recognized religious freedom in full, ranging from free religious teaching, through the free formation of professional priests' associations, to the free functioning of 17 different autocephalous churches and other religious groups (Radovan Samadzic, Belgrade, 1981). However, all these organizations were strictly controlled by the authorities and maintained close cooperation with them.

The fall of communism in 1989 and the disintegration of the former Yugoslavia during the 1990s were marked by the revalorization of religion and confession in the Balkans and its grand entry into politics. It seems as if God and Allah had full revenge on Marx and Engels. It seems that the Balkans was once again faced with its destiny, while the hypothesis advanced by Fukuyama in his famous essay The End of History (The National Interest, 1989) that history would end in the Balkans, proved to be incorrect because history was not only actualized, but also accelerated its pace and began to reproduce itself so much that an ordinary Balkan citizen was unable to consume it at one time and by force. The forgotten social communities started waking up as a nation, religion and clan, while Marxist self-managed socialist collectives and communities went into oblivion. Thus, history conquered geography and politics. Political national elites were faced with a dilemma - what is the area that should be occupied by Greater Serbia, Greater Croatia, Greater Macedonia, Greater Albania or Greater Kosovo? These romantic dreams and powerful armed forces led to the outbreak of the wars in the Balkans. Should the blame be put on cultural, religious, confessional and ethnic differences or, better said, on the excessive ambitions of national leaders and elites? Was the Balkans the scene of an inter-religious, inter-confessional and, at the same time, inter-ethnic war during the 1990s? In Samuel Huntington's view, whose theory of the clash of civilizations will mark the twentieth anniversary of its publishing this year, there is no doubt that, since the fall of communism and the disintegration of the former Yugoslavia, the Balkans has remained the scene of iconographic rivalries, while the armed conflicts in Croatia, Bosnia and Herzegovina and Kosovo, as well as the crisis in Macedonia - regardless of various arguments put forward by historians and analysts - represented, in essence, clashes among peoples with different iconographic identifications, a war among different ethnic groups that can be identified through various symbols, customs, languages, confessions or religions.

Conclusion

The development of European values and identities is based on three substantive pillars of the European idea - ancient Greece, the Roman Empire and Christianity, in addition to the influences of Celtic, Slavic and Arab cultures, as well as the Renaissance, Enlightenment, Humanism, Rationalism, French Revolution of 1789, Napoleonic wars and the spread of new ideas, technological innovations, capitalism, liberalism, world wars, formation of the European Union and NATO, Cold War, revolutionary year 1989, globalization, 2001 terrorist acts. All these events have shaped European values and Europe's freedom-loving, critical and democratic spirit and iconography. As part of the European continent, which spent several centuries under Ottoman rule, the Balkans has dramatically experienced all political stresses. History has not been kind to the Balkans and the same applies to politics. Nationalism was the cause of two world wars and the implosion of the Yugoslav federation. As an expression of identity, nationalist iconographies flooded the former Yugoslav territory, while inter-ethnic wars were also the wars among the ethnic entities believing in different iconographies. Is it possible that this was the war of iconographies in Huntington's sense of the word? It is possible, but the responsibility for conflicts in the multiethnic federation should be borne by the then Yugoslav leadership which failed to democratize the federation and organize free, nation-wide elections instead of organizing them at the republic level. The collapse of the Yugoslav federation was not the result of inter-ethnic hatred, but of an interaction between the decomposition of the communist system and that of the federation system. Hatred later appeared as the result of war atrocities. Reconciliation among former compatriots and their functionality can be achieved in a new political environment, as well as by adopting new European standards, laws, institutions and iconographies. The Balkans has given Europe the idea of humanism and its name through ancient Greece and Europe reciprocated 25 centuries later by offering the Balkans its new iconography, modern democracy, election system, media and other European values and iconographies. Thus, in synergy, Europe and the Balkans have explained their belonging to the European continent and, in particular, its new democratic content. No matter whether they wish to admit that or not, but the Balkans is being gradually Europeanized; European standards and values are being adopted; the Balkans is adapting itself to the European Union and its imperatives; the Balkan countries are undergoing reforms and developing political systems inspired by liberal democracy; they are opening

their liberal markets and are adopting European experiences, implementing a pluralist political system and democracy, consumer society and civil initiative, learning about tolerance and dialogue, and are patiently waiting to accede the European Union. Simply said, the one-time Homo Balkanicus is becoming the Homo Europeus of the Balkans without losing his identity, culture and autonomy.

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METHODOLOGIES FOR INDICATORS FOR THE MEASUREMENT OF A KNOWLEDGE-BASED ECONOMY AND ITS IMPLEMENTATION IN THE BALKAN COUNTRIES

Abstract: Knowledge, today's main economic resource and basic factor of economic growth, leads to serious structural changes in the economy and society and affects the way we work and live. There is no internationally agreed framework for measuring the scope at which an economy should be considered as knowledge-based. Likewise, there is no standardized methodology which can be applied so that the knowledgebased economy is fully described, although the economic science makes a lot of effort to create such a methodology. Currently, there are few methodologies created by international organizations such as OECD, World Bank, EU, and many other separate efforts of single countries such as Canada, Australia and Malaysia which are discussed in this paper. Although most of the methodologies are corresponding and rely on common assumptions and premises, they differ according to which organization or country institution has developed them and for which aims they are being used. OECD methodology is focused on the effects of applying knowledge in economic activities, its origin and its impact on productivity and growth. The methodology of the World Bank known as Knowledge Assessment Methodology - KAM, is considered as one of the most relevant in the world and departs from the fact that the application of knowledge is a key resource for the growth. KAM is based on few different indexes of which the most used one is the Knowledge Economy Index - KEI, a relative measure for the level of the knowledge-based economy. Since 2000, EU has developed its own methodology which provides indicators for following the progress of EU towards a knowledge-based economy. Known as the European Innovation Scoreboard - EIS, it has 25 indicators in five categories, grouped in two dimensions (input and output), from which the Summary Innovation Index - SII is derived. This methodology is the most important one to apply in Balkan countries that want to join the EU and generally coordinate their economic growth and development with those of EU. Unfortunately, there is no systematic approach to this issue or formally adopted methodologies in most of the Balkan countries, except for those which are already EU members. Most of the other Balkan countries collect some or most of relevant statistical data in an organized statistical way, but they are not further processed as to produce indicators for measuring the level and/or scope of the knowledge-based economy in a particular country.

Key words: knowledge-based economy, measurement, methodology, indicators, EU, Balkan countries

Introduction

Today economies are faced with the process of growing globalization and existence of the global economy where knowledge as a productive and developing factor is crucial. The biggest parts of economic activities are directed towards the production of goods and services, where knowledge is the key component. The economies are in the stage of development defined as a knowledge-based economy or are moving in that direction. Knowledge has the features that significantly differentiate it from other economic resources and factors. One of the most important features is that the marginal product of additional units of knowledge is increasingly influenced by the law of increasing returns.

The central factor around which production, distribution and consumption are organized in a knowledge-based economy is knowledge itself. Economic theory made a major step by including knowledge and technical progress into growth models, particularly in neoclassical models. The role of knowledge in growth has already an empirical verification, but due to existing statistical and methodological problems, "knowledge" includes everything that affects growth, but is not calculated as capital per unit of labor. Researches are showing the high level of knowledge participation in the growth of advanced economies. The calculations and estimates suggest the contribution of knowledge to the potential growth of more than 50 per cent. Some problems arise during the creation and selection of methodologies and indicators for measuring the scope at which an economy should be considered as knowledge-based. This paper deals with this issue, in particular, and the possibilities for its implementation in Balkan countries.

1. On the issue of measurement

There is no internationally agreed framework for measuring the scope at which an economy should be considered as knowledge-based. Likewise, there is no standardized methodology that can be applied so that the knowledge-based economy is fully described, although economic science makes a lot of effort to create such a methodology which will help to determine and quantify the indicators significant to prove the existence of a knowledge-based economy. The efforts to measure knowledge are undertaken at two levels. The first is at a micro level, i.e. company, and the other is at a macroeconomic level. Since knowledge has informal and immeasurable aspects, if direct measurements are impossible to be undertaken,

then the measurements are approximate and indirect. The combination of accounting and non-financial indicators for measuring the level and changes in the flows of knowledge is most frequently used at a micro level. At a macro level, there are different efforts at developing the indicators of measurement. That would be the special field of our interest.

Currently, there are few methodologies created by international organizations such as the OECD, World Bank and EU, as well as many other separate efforts of single countries such as Canada, Australia and Malaysia, which are discussed in this paper. "Measuring 'knowledge' is a complex, if not impossible, undertaking and relating knowledge to economic effects is more complex."1 The exact and accurate measurement of traditional indicators of the economy, although it is never satisfactory to the end, regularly determines the decisions of governments and other participants in economic activities, including companies, employees and consumers. "But to the extent the knowledge-based economy works differently from traditional economic theory, current indicators may fail to capture the fundamental aspects of economic performance and lead to misinformed economic policies." There are, for example, many obstacles to measuring the level of human capital in the same accurate way as fixed capital, as well as it is hard to quantify and valuate knowledge. There is no instrument to measure the implicit knowledge of individuals or the flows of knowledge distribution, either the relations of creating a new knowledge and economic results.

Even though nowadays we know that knowledge increases productivity and production, it is hard to define to what extent and when it happens. Also, there is no possibility to reduce knowledge to the "knowledge unit" like in the case of labor and capital, so that companies cannot have the evidence of the state of knowledge or its increase. That could lead to the non-existence of systematized market information for knowledge. The OECD (1996) holds that there are four reasons why the measurement of indicators of knowledge could not be comprehensible and easily understandable like traditional indicators: 1. there is no stable formula for the explanation of inputs during knowledge creation and its transformation into knowledge products; 2. inputs during knowledge creation are hard to define since there is no counting system for knowledge; 3. knowledge lacks a clear price system that will be used as the basis for knowledge price

¹ Fred Gault: "Measuring Knowledge and Its Economic effects: The Role of Official Statistics", National Academy of Science, Washington, DC, Jan. 2005, p. 13.

² OECD: "The Knowledge-based Economy", OECD, Paris, France, 1996, p. 29.

aggregating; and 4. the creation of new knowledge does not necessarily imply an increase in the level of knowledge, and knowledge outdate could not be documented.

Still, the need for measuring of knowledge-based economies is enormous. Knowledge leads to serious structural changes in the economies and societies that affect the way people work and live. Economies turn into service sectors where knowledge and skills are main resource. This relatively new situation should be shaped through adequate measurements of its inputs and performance. State institutions and government policies which should be based on facts and evidence need appropriate and reliable information. For decades statistics has been delivering such information for support to fiscal, monetary, industrial, labor and other policies, but the need for new information related to the production and use of knowledge has become urgent. Existing methodologies, although corresponding and reliable, have not yet been universally applied.

2. METHODOLOGIES OF INTERNATIONAL ORGANIZATIONS

Few methodologies for indicators for the measurement of a knowledge-based economy are developed within the international economic organizations. Although most of them are corresponding and rely on common assumptions and premises, they differ according to which organization has developed them and for which aims they are being used.

2.1. OECD methodology

One of the first and still very used one is that of OECD, developed and advanced since the mid-1990s. It is focused on the effects of using knowledge in economic activities, its origin and its impact on productivity and growth. Data are assembled for 16 countries during a 16-year period³ for the multifactor of productivity, level of knowledge within the domestic business and public sectors, amount of foreign knowledge, state of human capital, physical capital of public infrastructure, total amount of inward and outward FDI, share of high technology in total exports and imports, etc. It showed that the factors of knowledge are important for productivity and growth and so its measurement as well. The need for the development of new indicators becomes crucial. "To fully understand the workings of

³ OECD: "Sources of Knowledge and Productivity: How Robust is the Relationship?" – Working Paper by Khan Mosahid and Luintel Kul B., 2006/6, OECD, Paris, France, 2006.

the knowledge-based economy, new economic concepts and measures are required which track the phenomena beyond conventional market transactions." Indicators were divided into 5 groups:

- 1. Measuring knowledge inputs where the principal indicators are collected and standardized: a) expenditures on research and development (R&D); b) employment of engineers and technical personnel; c) patents, and d) international balances of payments for technology. Some of these activities are classified by the source of funding (government and industry) and by sector of performance (government, industry and academia). Major emphasis has been placed on the input measures of R&D expenditures and human resources. Despite significant advances in recent years, these traditional indicators still have a number of shortcomings with respect to mapping the knowledge-based economy.
- 2. Measuring knowledge stocks and flows needed in order to improve the measurement of the evolution and performance of the knowledge-based economy. It is easier to measure inputs into the production of knowledge than the stock itself and related movements. In the case of traditional economic indicators, the transmission of goods and services from one individual or company to another generally involves the payment of money, which provides some signs. Knowledge flows often does not involve money at all, so that alternative markers must be developed to trace the development and diffusion of knowledge. This comprises the measurement of: a) stock of knowledge capital; and b) flows of embodied and disembodied knowledge; with the use of a lot of techniques.
- 3. Measuring knowledge outputs because the standard R&D-related measures do not necessarily display the successful implementation or amount and quality of outputs. These input and flow indicators form the starting point for measuring knowledge outputs and gauging the rates of return to knowledge investments. Rough indicators have been developed which translate certain knowledge inputs into knowledge outputs in order to describe and compare economic performance. These measures categorize industrial sectors or parts of workforce as more or less intensive in R&D, knowledge or information. The measures are based on the assumption that certain knowledge-intensive sectors play a

⁴ OECD: "The Knowledge-Based Economy", 1996, p. 31.

key role in the long-run performance of countries by producing spillover effects, providing high-skill and high-wage employment and generating higher returns to capital and labor. In that sense, the categorization of low, medium and high technological sectors is made on the basis of R&D costs and intensity. The same is done with the working places.

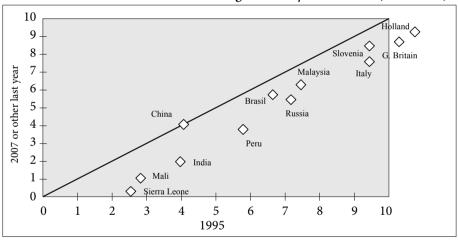
- 4. Measuring knowledge networks initiated the issue of developing indicators which are needed to capture the innovation process and distribution of knowledge among the key actors and institutions in the economy. This essentially involves measuring "national innovation systems", including the ability of countries and systems to distribute knowledge among different actors and institutions. It measures the flows of tacit knowledge, consolidation of a national innovation systems and power to distribute knowledge through: a) the distribution of knowledge among universities, public research institutions and industry; and b) the distribution of knowledge within a market between suppliers and users.
- 5. Measuring knowledge and learning was challenging the traditional measurement of the development of human capital in terms of proxies, such as years of education or experience. The OECD position is that such measures do not reflect the quality of education or learning nor economic returns to investment in education and training. Indicators are developed for relating human capital directly to economic growth based on micro relations between corporate employee trainings and its impact on human capital.

Due to a great importance of IC technologies, the separate methodology with definitions, classifications, statistical methods and models was accepted within the OECD for relevant indicators.

2.2. World Bank KAM methodology

The appropriate methodology relying on the newest achievements and its own experience was created by the World Bank. As one of the most relevant today, it is developed within the World Bank Institute through the so-called Knowledge for Development Program - K4D. The methodology starts from the fact that the application of knowledge is one of the key sources of growth. The first to be developed is the Knowledge Assessment Methodology - KAM, as a tool to estimate the current state in every country, based on different variables. It is designed to help the understanding of achievements and weaknesses of every single country in the process of transition to a knowledge-based economy. It also identifies the challenges

and opportunities faced by every country, including the directions for use of policies. The latest 2012 version of KAM consists of 148 structural and qualitative variables such as annual GDP growth, Human Development Index; trade and non-trade barriers, quality of regulatory framework, rule of law, papers published in technology magazines per million people, number of patents per million people, population literacy rate, enrolment in secondary and high education, number of Internet users per thousand people, etc. They are used to explain the so-called "four pillars of knowledge economy", and they are the economic incentive and institutional regime of the country, education and skills of the population, information and communication infrastructure, and the innovation system. Over 150 countries in the world can be compared by using this methodology on the basis of the latest parameters. All 83 indicators are ranked from 0 (weakest) to 10 (strongest) and concern the relative performance of the economy. A graphic model (basic scorecard) in the form of diamond is created for better understanding.



GRAPHIC 1. - Presentation of Knowledge Economy Index - KEI (1995-2007)

SOURCE: WB: KAM, 2008, p. 4

KAM relies on several different indexes of which most cited and most used is the widest aggregate Knowledge Economy Index – KEI, which measures the existence of knowledge economy. The index summarizes the relevant performance of economies through the integration of aggregate sub-indexes (system of economic stimulation index, innovation index; education index; and IC technologies index) with 12 variables. The index can give a timely comparison of the progress of any economy in the world since 1995 (see: Graph 1).

The graph shows the data for aggregate KEI on the horizontal axis (for 1995) and vertical axis for the last available year. The diagonal axis has equal indexes for both periods so that the countries above it show relative progress, and those below relative regress compared to other countries. The most advanced knowledge economies in the upper right corner of the graph have the highest score (index).

According to the latest World Bank data, the ranking of knowledge economies in 2012, measured by KEI are shown in the Table 1. As could be seen, KEI for Balkan countries ranges from 4.53 to 8.01 and all countries except Greece have improved their relative position.

TABLE 1. - Knowledge Economy Index (KEI) 2012 Rankings (selected countries)

U	•	, ,	U	•	,
Country/Economy	2012 Ranl	k KEI 20	12 2000 Ra	nk Change fr 2000	om
Sweden	1	9.43	1	0	
Finland	2	9.33	8	6	
Denmark	3	9.16	3	0	
Netherlands	4	9.11	2	-2	
Norway	5	9.11	7	2	
N. Zealand	6	8.97	9	3	
Germany	8	8.90	15	7	
USA	12	8.77	4	-8	
Japan	22	8.28	17	-5	
Slovenia	28	8.01	28	0	
Greece	36	7.51	31	-5	
Poland	38	7.41	35	-3	
Croatia	39	7.29	43	4	
Romania	44	6.82	53	9	
Bulgaria	45	6.80	51	6	
Serbia	49	6.02	144	95	
Russia	55	5.78	64	9	
Macedonia	57	5.65	73	16	
Brazil	60	5.58	59	-1	
Turkey	69	5.16	62	-7	
Bosnia/Herzegovina	70	5.12	143	73	
Moldova	77	4.92	69	-8	
Albania	82	4.53	96	14	
China	84	4.37	91	7	
Indonesia	108	3.11	105	-3	
India	110	3.60	104	-6	
Mali	126	1.86	119	-7	
Nepal	135	1,58	125	-10	
Myanmar		145	0,96	137	-8

Source: KAM 2012 (www.worldbank.org/kam)

The KAM methodology and KEI index are widely used today. "The methodology on which the KAM is based continues to evolve to better reflect the creation, applications, and growth-inducing power of knowledge

... economic development and knowledge are closely related. In fact, the correlation between the accumulation of knowledge, as measured by the KEI and levels of economic development, is around 87 per cent. Countries with higher KEI values tend to have higher levels of economic development, and vice versa." At the same time, this positive correlation does not establish a causal relationship between the KEI and economic development. In fact, it is very plausible that high-income countries, because they are more affluent, are able to afford more investments in knowledge.

2.3. European Union Its methodology

The European Union has developed its own methodology on the basis of the requirements of the Lisbon Summit of the European Council in 2000. It was focused on high technological innovations and provided the indicators for tracking the progress of EU toward the goal - to be the most competitive and most dynamic knowledge-based economy in the world. The methodology originally called European Innovation Scoreboard - EIS authentically had 16 indicators which were "designed to comprise the main impetus for the knowledge-based economy plus a few measures of the innovative output." They were grouped into four categories: human resources, knowledge generation, transmission and application of knowledge, and innovative finance, production and markets. EIS serves for the development of composite indexes for assessing the performance of the knowledge-based economies of the member states and their comparison with those of the USA and Japan. In the original EIS, the indicators of human recourses were composed of the data of four sub- indicators; those for knowledge generation of three, transmission and application of knowledge indicators of five sub-indicators and innovative finance, production and market indicators of six sub-indicators. All was extracted from the data collected statistically at the national and EU levels and then the indicators are calculated and comparisons are made.

First measurements in 2001 shows that big differences exist within the EU member states, that Scandinavian countries are most advanced knowledge-based economies and they catch up the USA; as for large economies, Germany has the best results, while the UK and France show

⁵ WB: "Measuring Knowledge in the World's Economies - KAM and KEI", K4D Program, WB, Washington, DC, 2008, p. 7.

⁶ EU: "Innovation in a knowledge-driven economy", Commission of the EC, COM (2000) 567 Final, Brussels, 2000, p. 27.

variable results. The methodology of EIS was expanded and advanced in 2005 and 2006 when the number of the indicator categories was increased from four to five and they were grouped into input and output dimensions. The number of sole indicators was modified and increased to 25. Since 2008, the methodology has been revised and the number of dimensions has increased to 7 and has been grouped into 3 main blocks covering enablers, firm activities and outputs. "These dimensions bring together a set of related indicators to give a balanced assessment of the innovation performance in that dimension. The blocks and dimensions have been designed to accommodate the diversity of different innovation processes and models that occur in different national contexts."

The current methodology of the *Innovation Union Scoreboard* (IUS) was introduced in 2011 for the 2010 performance. Based on the previous European Innovation Scoreboard (EIS), "the new tool is meant to help monitor the implementation of the Europe 2020 Innovation Union flagship by providing a comparative assessment of the innovation performance of the EU27 member states and the relative strengths and weaknesses of their research and innovation systems." The IUS better capture the performance of national research and innovation systems considered as a whole and largely follow the methodology of the previous editions in distinguishing between 3 main types of indicators and 8 innovation dimensions, capturing in total 25 different indicators (Table 2).

TABLE 2. - Innovation Union Scoreboard (IUS) Indicators 2011

Main t	ype / innovation dimension/ indicator				
1. Enal	1. Enablers				
1.1. Hı	ıman resources				
1.1.1	New doctoral graduates per 1000 population aged 25-34				
1.1.2	Percentage population aged 30-34 having completed tertiary education				
1.1.3	Percentage youth aged 20-24 attained at lest upper secondary level educa-				
	tion				
1.2. Op	en, excellent and attractive research systems				
1.2.1	International scientific co-publications per million population				
1.2.2	Scientific publications among the top 10% most cited publications world-				
	wide as % of total scientific publications of the country				
1.2.3	Non-EU doctoral students as a % of all doctoral students				

⁷ EU: "European Innovation Scoreboard (EIS) 2009 – Comparative Analysis of Innovative Performance", Pro Inno Europe Paper No.15, European Commission, EU, Brussels, 2010, p. 10.

1.3. Fin	nance and support			
1.3.1	R&D expenditure in the public sector as % of GDP			
1.3.2	Venture capital (early stage, expansion and replacement) as % of GDP			
2. Firm	activities			
2.1. Fin	rm investments			
2.1.1	R&D expenditure in the business sector as % of GDP			
2.1.2	Non-R&D innovation expenditures as % of turnover			
2.2. Lin	akages & entrepreneurship			
2.2.1	SMEs innovating in-house as % of SMEs			
2.2.2	Innovative SMEs collaborating with others as % of SMEs			
2.2.3	Public-private co-publications per million population			
2.3. Int	ellectual assets			
2.3.1	PCT patents applications per billion GDP (in PPS€)			
2.3.2	PCT patent applications in societal challenges per billion GDP (in PPS€)			
	(climate change mitigation; health)			
2.3.3	Community trademarks per billion GDP (in PPS€)			
2.3.4	Community designs per billion GDP (in PPS€)			
3. Out	outs			
3.1. In	novators			
3.1.1	SMEs introducing product or process innovations as % of SMEs			
3.1.2	SMEs introducing marketing or organizational innovations as % of SMEs			
3.1.3	High-growth innovative firms			
3.2. Ecc	onomic effects			
3.2.1	Employment in knowledge-intensive activities (manufacturing and ser-			
	vices) as % of total employment			
3.2.2	Medium and high-tech product exports as % total product exports			
3.2.3	Knowledge-intensive services exports as % total service exports			
3.2.4	Sales of new to market and new to firm innovations as % of turnover			
3.2.5	License and patent revenues from abroad as % of GDP			
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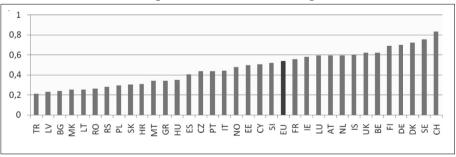
SOURCE: EU: "Innovation Union Scoreboard 2011 - Research and Innovation Union scoreboard", European Commission, EU, Brussels, 2012, p. 10-11

The Enablers capture the main drivers of innovation performance external to the firm and it differentiates between 3 innovation dimensions: 'human resources' which includes 3 indicators and measures the availability of a high-skilled and educated workforce; 'open, excellent and attractive research systems' which includes 3 indicators and measures the international competitiveness of the science base; and 'finance and support' which includes 2 indicators and measures the availability of finance for innovation projects and the support of governments for research and innovation activities.

Firm activities capture the innovation efforts at the level of the firm and it differentiates between 3 innovation dimensions: 'firm investments' which includes 2 indicators of both R&D and non-R&D investments that firms make in order to generate innovations; 'linkages & entrepreneurship' which includes 3 indicators and measures entrepreneurial efforts and collaboration efforts among innovating firms and also with the public sector; and 'intellectual assets' which captures different forms of intellectual property rights (IPR) generated as a throughput in the innovation process.

Outputs capture the effects of firms' innovation activities and it differentiates between 2 innovation dimensions: 'innovators' which includes 3 indicators and measures the number of firms that have introduced innovations onto the market or within their organizations, covering both technological and non-technological innovations and the presence of high-growth firms which corresponds to the new EU2020 headline indicator; and 'economic effects', which includes 5 indicators and captures the economic success of innovation in employment, exports and sales due to innovation activities.

The overall performance of each country and EU as a whole is summarize in a composite indicator – *Summary Innovation Index* (SII). It has a value between 0 and 1 and enables quick overview of aggregate innovative performances at the national and EU levels, as well as comparison with other countries in Europe and the world. It is possible because the existing data and reports enclose the member and candidates states of the EU, Norway, Switzerland, Australia, Canada, USA, South Korea, Russian Federation, China, India, Brazil, South Africa and Japan (Graphs 2 and 3).



GRAPHIC 2. - European countries' innovation performance 2011

SOURCE: EU: "Innovation Union Scoreboard 2011 – Research and Innovation Union scoreboard", European Commission, EU, Brussels, 2012, p. 17

USA Korea Canada Russia India South Africa 0 0.250 0.500 0.750 1.000

GRAPHIC 3. – EU27 innovation performance compared to main competitors

SOURCE: EU: "Innovation Union Scoreboard 2011 - Research and Innovation Union Scoreboard", European Commission, EU, Brussels, 2012, p. 18

Based on the SII value the countries fall into the following groups: 1. Innovation leaders (20% or more above EU27value); 2. Innovation followers (less than 20% above but more than 10% below EU27value); 3. Moderate innovators (less than 10% below but more than 50% below EU27 value); and 4. Modest innovators (below 50% of the EU27 value).

The methodology also calculates the growth rates of the SII of the countries. For the calculation of the average annual growth rate in innovation performance a generalized approach is adopted and used. It is based on calculations for each country and for the EU27 using data over a five-year period.8

2.4. Implementation of IUS within the Balkan countries

The EU is implementing the IUS methodology for the Balkans countries which are members or have a status of candidate countries. Among them Bulgaria, Romania, Macedonia and Turkey fall into the group of modest innovators, Serbia, Croatia and Greece into moderate innovators and Slovenia falls into the group of innovation followers. There are still no data available for Albania, Bosnia and Herzegovina and Montenegro.

Here are the main features of some Balkan countries, based on the value of their SII and its components (dimensions) as well as its separate indicators and SII growth rates.

⁸ EU: "Innovation Union Scoreboard 2011 - Research and Innovation Union Scoreboard", European Commission, EU, Brussels, 2012, p. 12.

Bulgaria is a modest innovator with below-average performance. Relative strengths lie in human resources, firm investments and economic effects. Relative weaknesses include open, excellent and attractive research systems, linkages & entrepreneurship, intellectual assets and innovators. High growth is observed for Community trademarks and Community designs. A relatively strong decline is observed for PCT patent applications in societal challenges. Growth performance in firm investments and intellectual assets is above the average.

Croatia is a moderate innovator with below-average performance. Relative strengths include human resources, finance and support, innovators and economic effects. Relative weaknesses lie in open, excellent and attractive research systems and intellectual assets. High growth is observed for non-R&D innovation expenditure and Community trademarks. A strong decline is observed for PCT patent applications and license and patent revenues from abroad. Growth performance in firm investments is well above the average.

Greece is a moderate innovator with below-average performance. Relative strengths lies in human resources, linkages & entrepreneurship and innovators. Relative weaknesses are in finance and support, firm investments and intellectual assets. High growth is observed for Community designs. A relatively strong decline is observed for non-R&D innovation expenditure and knowledge- intensive services exports. Growth performance in open, excellent and attractive research systems, finance and support, linkages & entrepreneurship and intellectual assets is well above the average.

Macedonia is a modest innovator with below-average performance. Relative strengths are in human resources, innovators and economic effects. Relative weaknesses are in open, excellent and attractive research systems, finance and support, linkages & entrepreneurship and intellectual assets. High growth is observed for the population with completed tertiary education, international scientific publications, Community trademarks and medium-high and high-tech product exports. A strong decline is observed for non-EU doctoral students and R&D expenditure in the public sector. Growth performance in human resources, firm investments and economic effects is well above the average.

Romania is a modest innovator with below-average performance. Relative strengths are in human resources, firm investments and economic effects. Relative weaknesses are in open, excellent and attractive research systems, linkages & entrepreneurship, intellectual assets and innovators. High growth is observed for Community trademarks, Community designs and license and patent revenues from abroad. Growth performance in finance and support and Intellectual assets is well above the average.

Serbia is a moderate innovator with below-average performance. Relative strengths are in human resources, open, excellent and attractive research systems, finance and support and economic effects. Relative weaknesses are in firm investments, linkages & entrepreneurship, intellectual assets and innovators. High growth is observed for R&D expenditure in the public sector, public-private co-publications and Community trademarks. A strong decline is observed for non-EU doctoral students. Growth performance in finance and support and intellectual assets is well above the average.

Slovenia is an innovation follower with below-average performance. Relative strengths are in human resources and linkages & entrepreneurship. Relative weaknesses are in intellectual assets and innovators. High growth is observed for Community trademarks and international scientific co-publications. A strong decline is observed for non-R&D innovation expenditure. Growth performance in open, excellent and attractive research systems and intellectual assets is well above the average.

Turkey is a modest innovator with below-average performance. Relative strengths are in open, excellent and attractive research systems, finance and support, innovators and economic effects. Relative weaknesses are in human resources, firm investments and intellectual assets. High growth is observed for most cited scientific co-publications, R&D expenditure in the business sector and Community trademarks. A strong decline is observed for Community designs, growth performance in human resources, open, excellent and attractive research systems, finance and support and firm investments is well above the average.

Balkan countries in general are modest and moderate innovators having relatively higher than average growth rates. This enable them to be in the position to catch up relatively faster, but they are still very low in the overall EU ranking, which means that, according to IUS methodology, their economies are well behind the level of development of knowledgebased economies in the EU.

There are many more methodologies in the world which are applying by single countries for their own use. Some of them are those of: Canada⁹

⁹ Gault Fred: "Measuring Knowledge and Its Economic effects: The Role of the Official Statistics", National Academic of Science, Washington, DC, Jan. 2005.

which starts from the role of the methodology in measuring of knowledge and its economic effects; Australia's complex methodology focused on measuring the degree in which the economy and the country's society are knowledge-based; Malaysia¹¹ which adopt national methodology for measuring its transition from production to a knowledge-based economy, etc. Most of them, although different, relay on the experience and practice of existing international organization methodologies.

Conclusion

Knowledge is becoming the main economic resource and product as well as the basic factor of economic growth. Many national economies are in the stage of development which is defined as a knowledge-based economy. There is a need to measure its existence and dynamic development. There are many measurement methodologies of international economic organizations and individual countries in the world. Some of the most relevant ones are those of the OECD, World Bank and EU. Comparative data from the World Bank and EU methodologies known as Knowledge Assessment Methodology - KAM and Innovation Union Scoreboard (IUS), show relatively similar results of measuring the knowledge-based economies for the countries to which both methodologies have been applied, which increases their validity. Balkan countries do not apply their own national methodologies for measurement of the knowledge-based economy and consequently they do not measure it. Those of them which are EU members successfully use and apply the common EU methodology (IUS) at the EU and national levels. Others benefit as candidate countries being involved in the IUS measurements, but there is no national systematic approach to this issue except as part of the process of adoption of EU legislation of candidates' countries. Most Balkan countries collect some or most of relevant statistical data in an organized statistical way, but they are not further processed to a national level as to produce the indicators for measuring the level and/or scope of knowledge-based economy in a particular country.

¹⁰ Trewin Dennis: "Measuring a Knowledge-based Economy and Society - An Australian Framework", Australian Bureau of Statistics, Canberra, 2002.

^{11 &}quot;Measuring the Knowledge-based Economy – Paper on ITC Statistics: Malaysian Perspective", Department of Statistics, UN Economic and Social Commission for Asia and the Pacific, Bangkok, Malaysia, Nov. 2002.

According to the European Union's IUS methodology, among the Balkan countries Bulgaria, Romania, Macedonia and Turkey fall into the lowest group of modest innovators; Serbia, Croatia and Greece into the lower group of moderate innovators; and Slovenia falls into the higher group of innovation followers. There are still no available data for Albania, Bosnia and Herzegovina and Montenegro. All this highly corresponds with World Bank KAM methodology rankings. Hence, Balkan countries in general are modest and moderate innovators, but have relatively higher than average growth rates. Thus, they are in the position to catch up relatively faster, but they are still very low in the overall EU ranking, which mean that, according to the KAM and IUS methodologies, their economies are well behind the level of development of knowledge-based economies in the EU.

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RECONCILIATION THROUGH APPRECIATIVE INQUIRY

Conflict leaves deep-rooted resentments and negative preconceptions about the members belonging to the group on the other side of the conflicting parties. One new method through which a new peaceful future can be envisioned and reconciliation achieved is Appreciative Inquiry. It is an inquiry process that seeks to apprehend and articulate those possibilities that lead to a better future. More than a method or technique, the appreciative mode of inquiry is a means of living with, being with, and directly participating in the life of human systems in a way that compels one to inquire into the deep generative principles and potentials of social existence. Educational institutions can be powerful grounds for achieving reconciliation via Appreciative Inquiry.

Introduction

The significance of reconciliation after a war has ended can hardly be undervalued. As a term, reconciliation has as many meanings as uses. It is filled with emotional, personal and subjective burdens. This is one of the reasons why it is difficult to define, explain and put it into practice. It is sensitive and touches the psyche of both the individual and the collective, brings a past to attention that sometimes people do not want to remember, and imposes a moral constraint strengthened by structural, social and cultural patterns. The Latin definition of reconciliation is meeting back together. The action is to reconcile, which means to reestablish harmony or friendship, and to repair disunion and animosities. There is a presumption that some kind of relationship, contact and mutual understanding existed, and that it could not have been shallow or weak, otherwise there would not be a need for reconciliation; it simply would not be worthwhile. Parties without a mutual and shared past or joint history do not reconcile, they conciliate.

The foundational activity of reconciliation is working with relationships. Two relevant assumptions are contained in such an understanding. The first is that relationship is the basis for both the conflict and its long-term solution. This approach, though simple in its orientation, has wide implications: reconciliation is not pursued by seeking new ways as to disengage or minimize the conflicting groups' affiliations, but instead is built on mechanisms that engage the sides of a conflict with each other as humans-in-relationship (Lederach 1997). An important part of this understanding is that social systems must be looked at as a whole and the various parts are understood in terms of their relationships within that whole system. It also implies it shares one of the basic principles of Appreciative Inquiry, to holistically seek the potential for a healthy, thriving set of relationships within the existing mechanisms and ways of relating, anticipating a positive outcome and being aware of the language used, inquiring into the solution, rather than the problem. Secondly, reconciliation requires that the mutual exclusion of the "other" which is a result of conflict must be broken down so as to create an encounter between the parties in conflict.

Both of these assumptions, search for the seed of the emergence of the possible more harmonious social reality within the potential that is hidden within its present state, and looking at the whole are the some of the basic principles of Appreciative Inquiry.

SO WHAT IS APPRECIATIVE INQUIRY?

Appreciative Inquiry is a new way of viewing the organizations and human systems in general. Appreciative Inquiry emerged as an organizational dynamics theory that is recent in its development and offers a radical shift in our understanding of organizations and social systems. It is a theory that emerged from practice when David Cooperrider developed an organizational intervention that is based on the power of shared vision of a social system to create reality based on that common vision for his doctoral thesis. The acceptance and boom in popularity of the theory of Appreciative Inquiry that is the base of the organizational change methodology he developed is in line with the move in the sciences in recent times which has a common denominator in the search for a theory of wholeness. These "new sciences" give us a radically different way of making sense of our world, and the theory and practice of Appreciative Inquiry has its conceptual roots in the new sciences (Wheatly 1994). While in the old paradigm an organization (or world) was considered to be like a machine that could be dismantled, analyzed and put back together in a better way; the new paradigm presents an organization that is a living system, constructed by means of the language that we use to describe it and that we experience the organization and the human system in line with the images that we hold of it. This has particular significance for how problems are approached. Appreciative Inquiry suggests that by focusing on deficit, we simply create more images of deficit and potentially overwhelm the system with images of what is 'wrong'. The alternative approach, when faced with a problem or concern, is to focus on the positive. Arising out of this new paradigm, Appreciative Inquiry is more than a new methodology; rather, it "becomes a way of seeing and being in the world. In other words, when using the Appreciative Inquiry frame, problems and solutions are not seen as separate, but rather as a coherent whole made up of our wishes for the future and our path towards that future" (Watkins, Mohr et al. 2011). Appreciative Inquiry can be an effective strategy for promoting the establishment and restoration of flourishing social systems, base of which are relationships between members of the social system. It has the potential to contribute to the praxis of making peace (Nordenbrock 2008).

A Sociological Framework: Reconciliation AND CONFLICT TRANSFORMATION

The work of John Paul Lederach has been that as peacemaker and educator who has drawn upon his sociological training to develop an integrated framework to guide working for peace in situations of war and large scale societal conflict. The framework of John Paul Lederach is in many ways coherent with the principles and framework of Appreciative Inquiry. Several points present within Lederach's framework of conflict transformation are worth highlighting (Lederach 2003): 1. Conflict is viewed as an opportunity to bring about the transformation of a conflict-affected social situation, creating one which reflects peace that is based on justice. 2. The focus of the inquiry and the intervention is on human relationships and the web of relationships present within the social system in conflict. 3. The starting point of such an intervention and the design of constructive social change processes is an analysis of the personal, relational, structural and cultural aspects of the conflict. 4. "Conflict transformation suggests that a fundamental way to promote constructive change on all these levels is dialogue".

In the writings of Schreiter and Lederach, there is agreement that reconciliation must be understood as being both a goal and a process.

The theory and practice of Appreciative Inquiry also recognizes the importance of the process employed being an expression of the desired goal. If you have a goal, you must reflect that positive focus in the process employed. In a similar way, Appreciative Inquiry would recognize that if reconciliation within the community is the goal, then the process to pursue that goal must reflect the community acting in a way that embodies a community that is already reconciled. The actions of the community must reflect the stated desire or goal.

CONFLICT TRANSFORMATION WITH APPRECIATIVE INQUIRY

Reconciliation is a conflict-handling mechanism which can be categorized in the group of conflict prevention and transformation. Lederach makes a contribution to the foundational theory underlying the practice of reconciliation through the framework of conflict transformation. Transformation is a more participatory and proactive stage in conflict intervention and goes further than resolution. It takes the conflict into a new and dynamic reality in which the positive and constructive issues are enhanced (Galtung 2000). Conflict transformation is in specific juxtaposition to the more commonly used phrases of conflict management or conflict resolution. The change in language represents a significant shift in the approach of responding to conflict. It is a move away from an approach that seeks to "merely" resolve a particular issue. Rather, it views conflict as an opportunity for engagement in constructive change efforts that seek to build healthy relationships and communities. It incorporates the principles of Appreciative Inquiry by focusing on the best of what could be and imagining the commonly desired scenario rather than seeking for the problem in order to find the resolution. Lederach offers this definition: "Conflict transformation is to envision and respond to the ebb and flow of social conflict as life-giving opportunities for creating constructive change processes that reduce violence, increase justice, in direct interaction and social structures, and respond to real-life problems in human relationships" (Lederach 2003).

As such, conflict transformation is more than a set of techniques, it is a set of lenses for viewing conflict, while recognizing in conflict the opportunity to create a response that can construct a new and better personal and social situation. Applying principles of Appreciative Inquiry to conflict transformation reconciliation is neutral in the sense that it does not see parties as adversaries, as "good" or "evil', but as parties with comprehensible differences, needs and interests which clash against each other. Consequently, reconciliation is more about mending antagonist relationships. It contends for a new future, for an opportunity to rebuild ties, envision joint projects, create commonalities, and foster dialogue and empathy, which at the same time are indispensable tools and personal skills for conflict prevention. Peacemaking and the work on reconciliation require that we see the centrality of relationships. In a situation of violence or conflict, there needs to be a recognition that all choices and behaviors affect others and have consequences which construct the pattern of relationships; this requires "taking personal responsibility and acknowledging relational mutuality" (Lederach 2005). As "we move from isolation ... towards a capacity to envision and act on the basis that we live in and form a part of a web of interdependent relationships, which includes our enemy" (Lederach 2005). The dialogues we have connect us and enable us to understand and experience the interdependence. Appreciative Inquiry theory supports the importance of narratives and goes one step further in saying that our narratives actually create the reality of who we are (Cooperrider, Whitney et al. 2008). Within every organization or system of social relationships there is an inner dialogue and the change theory of Appreciative Inquiry is that for change to occur, it is necessary to change the inner dialogue of the social system. To transform a conflict means to reframe the goals of the conflict parties, defining some other goals, lifting a conflict ("disembedding") out of the bed the parties have prepared for that conflict, through the discourses creating new goals and visions to ensure that the incompatibility looks insurmountable, embedding it at a more promising place (Galtung 2000).

ROLE OF EDUCATIONAL INSTITUTIONS IN RECONCILIATION

Educational institutions, where there is a chance of direct interaction, and a setting which is conductive to opening to new ways of viewing by providing a frame for understanding the world may be powerful grounds for reconciliation. One of the basic pillars of education is preparing the individual and thus the community to know, to do, to be and to live together, or as Reardon writes: "Education is that process by which we learn new ways of thinking and behaving, a very significant process component of the transition - transformation processes. Education is that process by which we glimpse what might be and what we ourselves can become" (Reardon 1988). In conflict ridden regions, post war environments, school

and other educational institutions can provide a platform at which appreciative discourse that aims at reconciliation can be designed at a large scale, providing inclusion and reciprocity of the parties involved. Therefore, there must be a pedagogical element and weight on peace and conflict. If conflict is a daily and usual relation amongst human beings, and if it is highly probable that conflicts lead to violence, an understanding on peace and conflict is needed. If one of the conflicts that a person is living in is violent and armed, causes high human tolls, shatters human relationships, sows distrust, promotes fear and hostility in society it is even more vital a search for a constructive role for education. We can title this need Peace Education

Lederach analyzes and identifies the principles and steps for conflict management that were used for handling conflict in the life of the early church community (Elyas 1999), that are very much in line with Appreciative Inquiry and can also be used in an educational setting:

- Recognize and define the problem. When the conflict is not acknowledged, it tends to fester under the surface until it gains enough emotional energy to come to the surface in a larger and more emotional conflict. As such, the fear that discourages acknowledgment and the engagement with others in a conflict becomes a self-fulfilling outcome.
- Create the appropriate forum for processing matters. It is necessary to address the issue or conflict in the appropriate setting.
- Let diverse viewpoints be represented. For accepting and owning the common new vision on behalf of all parties all voices should be heard.
- Document diversity. This step follows closely on the previous. Lederach writes that giving everyone a chance to speak is referred to in the mediation field as documenting diversity. The assumption is that everyone has the opportunity to speak, but also that everyone listens closely. In an emotional situation of conflict, the listening is often an overlooked requirement
- Use the gifts of the community. The creation of a forum that provides for diversity and seeks common understanding can create powerful vision that values diversity and seeks common purpose and understanding.

Home is the first and most important venue along with school, where to informally educate individuals to foster reconciliation. A family that builds a home founded in a transformative and constructive communication, re-humanization, peaceful language and empathy, love and respect not just for them, but for their neighbors and community is getting ready for going on the journey of reconciliation. There are several practices that can support this process:

- Be respectfully curious about neighbors and community;
- Create spaces for dialogue, mediation and trust-building when disputes occur;
- Be observant of the type of education and teaching styles children are receiving in schools. Inquire how they foster peacebuilding and reconciliation. Create a group of parents that represent the educational interests of their children and have constant communication with the educational institutions.

Peace Education is a self and collective reflective and growing process that takes part in the classroom but also outside of it, in formal and informal educational settings, with facilitation from teachers or resource persons, friends, family and through didactic and interactive sharing and experiencing. In this context, and paraphrasing Freire (1974), education is a transformative, revolutionary and progressive agent, different from a reactionary one. There is an intervention and radical change while stagnation and unjust and violent, social and cultural system naturally disappears as ultimately undesirable to any of the parties. Peace Education is a lifestyle, not merely a subject matter. In this lens, education is a self and collective reflective, growing process that leaves the classroom and takes multiple shapes in both formal and informal spheres.

Lederach likens the moral imagination, which a true Peace Education should incorporate, with creativity of an artist. Just as an artist is able to see that which is not yet and to give birth to a new creation, a peace maker must trust the divinely given creative capacity within the human spirit if they are to inquiry into the situations of violence and conflict and imagine a way to move beyond the grip of violence and give birth to a new creation; a vision in which the future is not a slave to the past (Lederach 2005).

"Below and above, outside and beyond the narrow walls with which violence wishes to enclose our human community, we must live with the trust that creativity, divinely embedded in the human spirit, is always within reach. Like a seed in the ground, creative capacity lies dormant, filled with the potential that can give rise to the unexpected blossoms that create the turning points and sustains constructive change" (Lederach 2005).

Conclusion

Ouite simply, no peace is possible until we are able to imagine the possibility of peace and to begin to envision how that peace can be constructed in the web of relationship which are now marked by conflict. A familiar story that illustrates the point is the famous "I Have a Dream" speech of Dr Martin Luther King, Jr., which presented a vision that for many became the motivation for working to create a society with racial equality. It embodies the spirit of Appreciative Inquiry in more of its principles, for instance the Anticipatory Principle: Image Inspires Action - Human systems move in the direction of their images of the future. If we could gain wider acceptance and support and commitment to implementing the powerful principles Appreciative Inquiry embodies for reconciliation, and incorporate the elements into the social design of educational systems we could not only rebuild stronger and more harmonious communities after a conflict but also contribute to a sustained change and transformation to a peaceful society.

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Western Balkans and the European Union

Abstract: A permanently unstable region on the margins of Europe with the real doubt if it entirely belongs to Europe is the most common general definition which is characteristic of the Balkans. "Balkanization" is a negative paradigm in international relations. The aspirations of Western Balkan countries to accede to the European Union are clearly displayed as a strategic goal on their behalf. At the moment, the European Union is faced with a crisis, which leaves no space for enlargement, at least in the foreseeable future. Will the European Union succeed to impose the European values on the Western Balkans, or will the instability of Western Balkans countries infect the European Union? Nationalism, which is present in the internal politics of Western Balkan countries and is not excluded in European ones, is of crucial negative importance for the common "European interests". In today's dynamic world, Europe needs to build "Europeans"! Are the EU countries ready to adopt supranational interests for the benefit of Europe as a whole and is the Western Balkans ready to contribute towards the final completion of the European society?

Key words: Western Balkans, European Union, Republic of Macedonia, European values, nationalism, membership

The problems faced by the European Union

Over the past fifty years, around the continent, the European Union has built a region of peace, stability and freedom. The European continent has been turned from a "Continent of War" into a "Continent of Peace". Beside the ten new members which gained access in May 2004, new members are predicted and expected for the European Union plans to enlarge itself.

The number of the EU member countries reached twenty seven, with the last enlargement in 2007 when the Republic of Bulgaria and the Republic of Romania became part of the Union. Western Balkan countries are at the doorstep of the European Union. There are favourable trends to make this possible: the EU has emerged as the unchallenged international actor in the Balkans. The region exhausted by a decade-long conflict is recovering its stability and capacity to cooperate. The EU has no other equally plausible enlargement agenda in sight and could use the direct

involvement of some of its member states in the region to facilitate the accession process.1 Albania, Bosnia and Herzegovina, Serbia, Montenegro and Kosovo, Croatia and the Republic of Macedonia have expressed their desire to gain access to the European Union, while the European Union has stated its readiness to welcome them as soon as they are ready for access. "Together for European Macedonia"2, "Coalition for European Montenegro" and "For European Serbia" are very frequent slogans that we can encounter in the campaigns of political parties in the Western Balkan region. On the other hand, the motto of the European Union is "United in Diversity". The strategic goal of every Western Balkan country is to accede the European Union.

With the help of EU-founds the necessary reforms for the convergence of these countries to the European Union are being conducted. The crisis in the Western Balkans after the disintegration of the Yugoslav federation is still present and make these societies very fragile regarding the chapters which refer to the reforms envisaged by the European Union. A large number of issues have been resolved, but those regarding corruption, organized crime, selective justice, freedom of speech, administrative capacity and inter-ethnic relations still remain open and unsolved. The European Union is committed to the implementation of reforms that will guarantee long-term stability in the whole region. "Balkanization" is a negative paradigm in international polemics due to the inconsistencies existing in the systems of the countries that belong to the Western Balkans.

THE INTEGRATION OF WESTERN BALKAN COUNTRIES INTO THE EUROPEAN UNION

The dynamics of international changes brought about a crisis within the European Union. It is now faced with the hitherto most severe economic crisis, but many experts on this subject have come to the conclusion that this is not just an economic crisis and that the European Union is faced with a systemic one. According to many analyses, its enlargement is not on the agenda at the moment. The European Union is now focused on solving its internal problem, which is not simple at all. Namely, the EU is

¹ The Western Balkans and The EU: 'The Hour of Europe' edited by Jacques Rupnik Chaillot Papers | June 2011 (p. 7).

² http://www.barece.com.mk/index.php/mk/novosti/99-project-together-for-european-macedonia-programme-2010.html.

³ The coalition in the Republic of Montenegro which won the last parliamentary elections in 2012.

faced with a an economic crisis of large proportions; the problems with immigrants are becoming increasingly larger; the same applies to trafficking, increasing unemployment of young people, nationalism and interethnic intolerance. The messages sent by the European Union clearly state it wishes to enlarge, but it does not want to import the aspirant countries' problems.4 EU member countries wish to accept the countries that once constituted Yugoslavia as well as Albania in order to stabilize the region, while the idea of Balkan countries is to take advantage of the integration process and build modern and functional states. This year, the annual EU enlargement schedule report came out at the time when most EU member countries are faced with a recession and rise in unemployment. In its latest report on the Republic of Albania, the European Commission acknowledges progress relating to political parties. The parliamentary elections scheduled for next spring will be an important test for the new Election Code as well for the final decision on the country's EU candidate status which will be made in December.

As for the Republic of Serbia, the improvement of relations between Belgrade and Pristine is the key that opens the door for this country to the European Union. In March 2012, the Republic of Serbia obtained the candidate status.

As for Kosovo, the European Commission states that it will focus its attention on the judicial system and fight against organized crime and corruption. The biggest problem is posed by poverty and unemployment. The beginning of Stabilization and Association Agreement negotiations are also envisaged.5

This year the European Commission prepared a positive report relating to the implementation of reforms in the Republic of Macedonia. The issues relating to the freedom of speech, oversized administration, selective justice and corruption remain open and require continuing efforts and political will to be resolved. We know that, apart from the implementation of reforms, the issue to be resolved by the Republic of Macedonia and its southern neighbour, the Republic of Greece, is about the name "Macedonia". This time, the European Commission did not deal with this problem apart from integration, which means that the European Union is openly assuming the key role in a diplomatic effort to find solution to this dispute. This move is regarded by many analysts and politicians as being

⁴ The statement by Commissioner Stefan Fule given for Radio Free Europe on 23 September 2012.

⁵ Ibid.

positive and will influence the governments of the two counties to find an acceptable solution. The Macedonian government representatives have softened their rhetoric and those who support a reasonable compromise are no longer regarded as the enemies of the state.

The Republic of Montenegro is also making progress, but there is a remark relating to traditional investigations into organized crime in which the suspects are high-ranking political figures.

The biggest drop is seen in the Republic of Bosnia and Herzegovina. Its progress towards the European Union stopped due to a 16-month political crisis. After the elections in this country in 2010, its weak democratic institutions did not take any steps towards reforming the Constitution.

The problems faced by the Western Balkans are well known and are very often debated within scientific circles, but today there is a new challenge faced by the European Union itself - to find solution to its crisis. The same European Union, which was viewed by countries as "the solution to their problems", is now faced with economic and systemic crisis of large proportions. The presence of nationalism in Belgium, Catalonia, Scotland and Bastia, the collapse of the Greek economy, widespread economic crisis, especially in Spain and Portugal, unemployment of young people, migration and the inability of EU members to handle it, the roles of Germany and France and the like are just some of the serious problems to be addressed by the European Union because a number of measures might have not been implemented in the right way.

History has clearly shown, especially over the last 250 years, that to make a nation it is first necessary to create a state. In its organization, the European Union sui generis must elevate the common European interests above nation-state ones. Today, under crisis conditions, each country is preoccupied with the protection of its own national interests. They tend to transfer power from European institutions in Brussels back to their own national governments, taking advantage of every change that has been made. It is clear that the decision on the accession of candidate countries to the European Union as equal members is a political one.

CONCLUDING CONSIDERATIONS

Everything that has been written here is directed towards the conclusion that a new stage in the development of relations in Europe, in which the decisions of its political elites to be made over the next three years, is in sight. What does this mean? This means that it is necessary to have such leaders who are ready to accept the challenge of interdependency and the building of nations which respect themselves and cherish their own specificities but without negative nationalistic traits. The European must be created today by the European Union. This can be achieved through structural changes which will make the European Union a federation, but political leaders of all countries must take an active part in building the "common home with a base on diversity".

As for the Western Balkans, the European Union has already pointed to a great number of reforms that must be implemented, including the abolishment of employment in the government administration exclusively with the "party membership card"; differentiation between the state and political party in power (so far, whenever one of the two biggest political parties in the Republic of Macedonia assumed power, it filled the government administration with its party members at all levels), observance of the freedom of speech, impartial judiciary, judicial system that is independent from government's influence and power, real and not fake fight against organized crime and corruption and, in particular, the improvement of inter-ethnic relations, which can be achieved only by conducting healthy policies to be proposed by the country's leaders, which will inspired not only by populism, but also by the interests of the state. It is necessary to begin implementing civil society policy, whereby the number of citizens belonging to different nationalities will not be just the number delegated under the peace agreements like the Ohrid Framework Agreement and Dayton Peace Agreement, but will be based on the merit system criteria, as the prominent Chinese politician Deng Xiaoping once said: "It doesn't matter whether a cat is white or black, as long as it catches mice." This must become the agenda of the political elites in the Western Balkans. If we want to increase the level of democracy and political culture, our politicians must change the rhetoric of separation with that of integration, which requires the creation of a political party on an ideological basis and not on an ethnic one.

The European Union still provides assistance to the Western Balkans. The crisis facing the European Union should only be an indicator for the aspirant countries of the Western Balkans to resolve their problems by themselves. The aspirant countries must also realize that the prolongation of reforms can cost them a lot; instead of making empty promises they must implement reforms in order to join the European Union. Western Balkan countries must be aware of the fact that reforms are primarily good for them and that they are of secondary importance to the European Union.

Nationalism must be overcome. Loving our nation must not stop us from acknowledging, respecting and recognizing other nations.

Besim VESELI

A Comparison of the Multiethnic Model AND POLITICAL SYSTEM BETWEEN BOSNIA AND HERZEGOVINA AND THE REPUBLIC OF MACEDONIA

Abstract: The implementation of the Dayton model for Bosnia and Herzegovina and the model of the Republic of Macedonia emanating from the Ohrid Framework Agreement shows vast differences in the functionality of these two models. Their comparison is another confirmation that the Balkans is a multiethnic region, populated with various ethnic communities, where no entity dominates over other ones, and where the citizens of both countries have a dream, and that dream is to live together and be part of the European family.

Two accords for two countries

Bosnia and Herzegovina and the Republic of Macedonia are two ex-Yugoslav republics. The Republic of Macedonia managed to escape the bloody war that took place during the 1990s, while Bosnia and Herzegovina paid the dissolution of the SFRY with blood¹. Between 1992 and 1995, there was warfare on all sides, no one knew who was at war against whom, but the international community was the one that managed to force the parties involved parties to sit down at the negotiating table in Dayton² where the parties signed the Dayton Peace Agreement after 15-day negotiations. Thanks to this agreement, Bosnia and Herzegovina managed to avoid the territorial division along ethnic lines and to keep the same borders as those when this country formed part of the ex-SFRY, which were recognized by international law; also, it became the most multiethnic country in the region until the crisis in the Republic of Macedonia in 2001. The Republic of Macedonia managed to escape the bloody Yugoslav whirl, but did not manage to escape a multiethnic conflict that broke out in early 2001 and lasted until the signing of the Ohrid Framework Agreement on

¹ Open Society Foundations, Мултикултурализмот во Македонија модел во настанување, Skopje 2005.

² Holbrooke Richard, Put u Dejton, Belgrade, Dan Graf, 1998.

13 August 2001, which was preceded by long and hard talks³; in the end, the parties agreed to sign this agreement under which the Republic of Macedonia managed to remain a unitary state and served as an example for many countries in the region from the multiethnic aspect.

What these two agreements contain in fact?

- A) The Dayton Peace Agreement envisages the functioning of Bosnia and Herzegovina as a federation divided into two parts: the Federation of Bosnia and Herzegovina, which occupies 51 per cent of the total territory of this country and where Bosniaks and Croats live, and the Republic of Srpska, which occupies the remaining 49 per cent of the territory and is predominantly populated by Serbs.
 - Under the Agreement, the Bosnia and Herzegovina political system functions with a one-third majority, where three ethnic groups enjoy the same rights both with respect to human rights and with respect to the political system, state institutions and the like.
- B) The Ohrid Framework Agreement anticipates the sovereignty and territorial integrity of the Republic of Macedonia, as well as its unitary character, which is inviolable and protected. There are no decisions on ethnic territorial issues⁴.

After the crises, both countries adopted the new Constitutions, although Macedonia only made constitutional changes. As for the observance of human rights, the Constitution of Bosnia and Herzegovina (Article 2) stipulates that both ethnic groups in Bosnia and Herzegovina will enjoy the highest level of internationally recognized human rights and fundamental freedoms⁵. For that reason, supremacy is given to the Convention for the Protection of Human Rights and Fundamental Freedoms over all other laws in Bosnia and Herzegovina. Article 2 also stipulates that the enjoyment of all rights and freedoms is guaranteed to all persons in Bosnia and Herzegovina without discrimination on any ground such as race, sex, religion, political affiliation, national

³ Ljatifi Veton, Преговарање за постигнување на Охридскиот Договор, Skopje, FIOOM, 2008.

⁴ Ohrid Framework Agreement, Собрание на Република Македонија, 15 August 2001, Skop-

⁵ Constitution of the Federation of Bosnia and Herzegovina, "Official Gazette of the Federation of Bosnia and Herzegovina", 1/94, 13/97.

origin and the like. It also guarantees that all refugees and internally displaced people can freely return home. All relevant bodies in Bosnia and Herzegovina should collaborate and provide unlimited access to the ICTY or any other organization authorized by the UN Security Council. As for human rights, the 1991 Constitution of the Republic of Macedonia (Article 9) stipulates that the citizens of the Republic of Macedonia are all equal before law and the Constitution regardless of race, sex, religion or political affiliation⁶. As I already mentioned, the two countries are not equal with respect to their political systems. Thus, I will start with the bicameral legislative body of Bosnia and Herzegovina, which consists of two Houses7:

- a) House of Peoples and
- b) House of Representatives.

The House of Peoples consists of 15 delegates – two-thirds come from the Federation of Bosnia and Herzegovina and one-third from the Republic of Srpska. Bosniak and Croat delegates elected by Bosniaks and Croats in the Assembly of the Federation of Bosnia and Herzegovina, while delegates from the Republic of Srpska are elected by the National Assembly of the Republic of Srpska. Nine members of the House of Peoples constitute a quorum provided that at least 3 Bosniak, 3 Croat and 3 Serb delegates are present.

The House of Representatives consists of 42 members, two-thirds of whom come from the Federation of Bosnia and Herzegovina and onethird from the Republic of Srpska.

The members of the House of Representatives are directly elected by their constituencies in accordance with the electoral law, whereby this law should be adopted by the Parliamentary Assembly. All elected members constitute a quorum.

The legislative authority of the Republic of Macedonia is unicameral. The Assembly of the Republic of Macedonia consists of 120 delegates, who are directly elected for a four-year term. The representative and legislative character enables the Assembly to be the fundamental or central organ of parliamentary democracy in the Republic of Macedonia⁸, as well as highest state organ.

⁶ Constitution of the Republic of Macedonia, Official Gazette, 1991.

⁷ Office of the High Representative, "Bosnia and Herzegovina", 2000.

⁸ Skaric Svetormir, Siljanovska-Davkova Gordana, Уставно право, edition УКИМ-Skopje, 2007.

As for the executive power in Bosnia and Herzegovina, long talks took place in Dayton as to whether the executive power should be with a one-third majority,9 but in the end the parties agreed that there should be the Council of Ministers. So, the Presidency appoints the President of the Council of Ministers, who assumes the function after prior approval from the House of Representatives. The Chairman can appoint almost all ministers and they are responsible for the implementation of the policies and decisions of Bosnia and Herzegovina. They submit the annual report to the Parliamentary Assembly at least once a year. Not more than twothirds of the Ministers can be appointed by the Federation's territory. The Chairman can also propose deputy ministers who can accept the function after prior approval from the House of Peoples. The Council of Ministers will resign if the Parliamentary Assembly votes no confidence.

The executive power in the Republic of Macedonia functions differently from that in Bosnia and Herzegovina, so if in Bosnia and Herzegovina there is the Council of Ministers, in Macedonia we have the Government Cabinet from where the political party winning in parliamentary election has the right to appoint the Prime Minister-designate to form the Government. Under the 1991 Constitution, the President of the Republic gives consent to the Prime Minister-designate to form the Government¹⁰.

The history of various governments shows that, apart from Macedonian political parties, the winning Albanian political parties also participated in government, which means that there is no written rule that an Albanian political party should be a part of the ruling coalition but, in order to avoid any ethnic misunderstanding, it has been practiced so far that Albanian political parties also participate in government, together with other minor parties belonging to various ethnic communities. Insofar as the appointment of ministers is concerned, there is a big difference between the two countries. Namely, in Bosnia and Herzegovina the number of ministers in the Council of Ministers should be equal, while in the Republic of Macedonia the ministers appointed upon prior agreement of the coalition partners.

As for the judiciary, the Dayton Peace Agreement stipulates the establishment of the Constitutional Court consisting of nine members. Four judges are elected by the Federation, two judges by the Republic of Srpska, while the three remaining judges are appointed by the members of the Eu-

⁹ Dejtonski Sporazum, "Proximity Peace Talks", Nasa Borba, Belgrade, 1996.

¹⁰ Skaric Svetormir, Siljanovska-Davkova Gordana, Уставно право, УКИМ Edition, Skopje 2007.

ropean Court for Human Rights (which has its seat in Strasbourg); these judges cannot be from the neighboring countries.

Constitutional judges are appointed for a four-year term and can be re-elected. They can be elected to their positions until they reach the age of 70. The majority of judges constitute a quorum.

In the Republic of Macedonia, under the 2006 Law on Courts, the judiciary consists of the following courts: the Supreme Court, Court of Appeals, Basic Court and Constitutional Court. We took the Constitutional Court in both countries as an example because it is the unique organ that is authorized to bring the relevant decision whenever constitutionality in these countries are violated. The Constitutional Court of the Republic of Macedonia consists of nine judges who are elected by the Assembly of the Republic of Macedonia. Under the Constitution, the Assembly elects six judges with an absolute majority of votes. It also elects three judges belonging to other ethnic communities in the Republic of Macedonia with an absolute majority of votes. The election procedure differs from the one in Bosnia and Herzegovina, because here many bodies propose constitutional judges11. So for example, the President of the Republic has the right to propose two judges, the Court Council two and the Assembly five. Judges are elected for a non-year term and cannot be re-elected.

As mentioned at the very beginning, Bosnia and Herzegovina is the country consisting of thee entities. According to the national census conducted in 2005, Bosniaks account for 43 per cent, Serbs for 34 per cent and Croats for 17 per cent. We are all witnesses today that their human rights are guaranteed under the Dayton Peace Agreement.

Under the Agreement, the territory of Bosnia and Herzegovina is divided into cantons, so that the Federation comprises:

- Una-Sana Canton I
- П Posavina Canton
- Ш Tuzla Canton
- IV Zenica-Doboj Canton
- V Bosnian Podrinje Cantona
- VI Central Bosnia Canton
- VII Herzegovina-Neretva Canton
- VIII West Herzegovina Canton
- IX Sarajevo Canton
- X Canton 10, Livanj

¹¹ Ibid

The Republic of Srpska is more centralized and is divided into regions, i.e.:

- Ι Region of Banja Luka
- Region of Doboj Π
- III Region of Bjelina
- IV Region of Sarajevo and
- VI Region of Livanj¹²;

There are no border crossings between the regions and the cantons, or between the Federation and the Republic of Srpska, which means that the citizens of Bosnia and Herzegovina can move freely throughout the territory. The official languages at the country level are Bosniak, Serbian and Croatian and their use is guaranteed under the Dayton Peace Agreement. All three entities are guaranteed education in their mother tongue, from elementary to higher one. The Agreement also stipulates the establishment of parallel relations with the neighbouring countries.¹³ In 2006, the Republic of Srpska signed a cooperation agreement with the Republic of Serbia. The most interesting provision of the Agreement is the rotating Presidency. Under the Agreement, the Chairman of the Presidency of Bosnia and Herzegovina is elected for a four-year term. The first is a Bosnian, the second is a Serb and the third is a Croat. The hitherto practice has shown that the rotation principles functions perfectly.

THE MULTIETHNIC MODEL OF THE REPUBLIC OF MACEDONIA

Situated in the Western Balkans, our country has undergone various stages. Its most memorable event was the crisis in 2001. From the proclamation of its independence until the crisis in 2001, its ethnic minorities, especially the Albanian one, repeatedly requested the recognition of their fundamental rights. Thus, the Albanian community requested that the University of Tetovo should become the third state university, that the Albanian language should also become the official language, that the new, third Albanian TV channel should be opened and so on. However, the state authorities never considered these requests. Protests were staged ending in arrests; riots took place in Gostivar in 1997, then in Bit Bazar

¹² Office of the High Representative, "Bosnia and Herzegovina", 2000.

^{13 &}quot;Constitution of the Republic of Srpska", Official Gazette of the Republic of Srpska, Nos. 21/92, 28/94, 8/96, 13/96, 15/96, 16/96 and 21/96.

and so on. In 2001, the situation escalated into a conflict, which adversely affected the country's prospects for Euro-Atlantic integration and internal order.

Was this conflict necessary? What factors and actors caused this conflict in the country? Was there a way to avoid it? Many citizens in the Republic of Macedonia ask political actors these questions. As I have already mentioned, the crisis broke out at the very beginning of 2001 and lasted until the signing of the Ohrid Framework Agreement (OFA) on 13 August, 2001. How this agreement was reached? At the very beginning of the crisis, the international community sent a clear signal to the parties involved to sit down at the negotiating table to reach the final decision. In its view, the place of the Republic of Macedonia place is in the NATO and EU, without warfare between the ethnic communities¹⁴. The appeals did not reach the sides involved, so that everyday fights continued resulting in victims, internally displaced persons, etc. At the beginning of July, the EU, NATO and United States intensified their visits to the Republic of Macedonia. The former EU High Representative for Common Foreign and Security Policy and NATO General Secretary George Robertson kept visiting the country every week, pressurizing the parties to reach agreement as soon as possible. By the end of August, the parties signed the OFA under which the Republic of Macedonia became the most multiethnic country in the region, in addition to having a unitary character.

What did the annexes to this agreement bring?

Constitutional changes,

Changes in legislation and

The implementation of confidence-building measures

The greatest constitutional changes took place in Annex A or, more precisely, Article 7, which highlights the use of language in the country.

Article 7

1. The Macedonian language, written in Cyrillic alphabet, is the official language throughout the Republic of Macedonia and in its international relations.

¹⁴ Ljatifi Veton, Преговарање за постигнување на "Охридскит Рамковен Договор", Skopje, FIOOM, 2008.

- 2. Any other language spoken by at least 20 per cent of the population is also an official language, written in its alphabet, as specified below.
- Any official personal documents of the citizens speaking an official language other than Macedonian should also be issued in that language, in addition to the Macedonian language, as stipulated by law.
- 4. Any person living in a local self-government unit where at least 20 per cent of the population speak an official language other than Macedonian may use any official language to communicate with the regional office of the central government responsible for that municipality; such an office must reply in that language in addition to Macedonian. Any person may use any official language to communicate with the main office of the central government, which must reply in that language in addition to Macedonian.
- 5. In the bodies of the Republic of Macedonia, any official language other than Macedonian ¹⁵ may be used in accordance with law.
- 6. In local self-government units where at least 20 per cent of the population speak a particular language, that language and its alphabet will be used as an official language in addition to the official language spoken by the Macedonian population in that municipality; local authorities will democratically decide on their use in public bodies¹⁶.

Under the Agreement, the University of Tetovo became the third state university; the opening of the third channel devoted to ethnic communities is also anticipated within Macedonian Radio and Television.

The OFA anticipated the proportional participation of all ethnic communities in state institutions and the formation of the Committee for Inter-Community Relations, which has been perfectly functioning to the present day. Annex B anticipated changes in local self-government, requesting the Parliament to adopt the revised law on local self-government within 45 days. Such a law was adopted just after the signing of the OFA, stipulating the autonomy of municipalities, law on local finances, law on municipal boundaries, law on the police stationed in municipalities, etc.

¹⁵ Assembly of the Republic of Macedonia, "Охридскиот Рамковен Договор", 13 August 2001.

¹⁶ Assembly of the Republic of Macedonia, "Охридскиот Рамковен Договор", 13 August 2001.

Annex C stipulated the full implementation of the Agreement and confidence-building measures after the crisis in 2001 in the following way¹⁷:

1. International Support

1.1. The parties invite the international community to facilitate, monitor and assist in the implementation of the provisions of the Framework Agreement and its Annexes, and request such efforts to be coordinated by the EU in cooperation with the Stabilization and Association Council.

2. Census and Elections

- 2.1. The parties confirm the request for international supervision of a census to be conducted.
- 3. Refugee return, rehabilitation and reconstruction
- 4. Development and decentralized government
- 5. Non-discrimination and equitable representation and
- 6. Culture, education and use of languages

CONCLUSION AND THE FUTURE OF THESE TWO EX-YUGOSLAV REPUBLICS

Apart from the threats and announcements of some political actors that these two countries are faced with a division along ethnic lines; still, these announcements did not get support from their citizens. The future of these countries is in the NATO, EU and other international organizations. According to many domestic and international experts, these countries should function in accordance with its Agreements, i.e. the Dayton Peace Agreement for Bosnia and Herzegovina and the Ohrid Framework Agreement for the Republic of Macedonia. Both countries pursue a strong international integrative policy where it is known that, thanks to the reforms of the judiciary, public administration, struggle against crime, human trafficking and the like, both countries succeeded in having the visa regime lifted by the EU. The Republic of Macedonia even managed to become a EU candidate country. We all are the witnesses and we are aware of the bad past of these two countries. However, we are the witnesses that the Governments of Bosnia and Herzegovina and Macedonia are putting their efforts to ensure a better future for their citizens. If Slovenia, as a former Yugoslav republic, has been a EU member since 1 May 2004, and

¹⁷ Ibid.

if Croatia is going to become a member of this great family in the near future, why Bosnia and Herzegovina and the Republic of Macedonia cannot afford the same right to become a part of this family if we all know that every citizen of this country shares the same dream – to ensure a better future for their children.

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THE IMPACT OF RENDERING SPECIAL RIGHTS TO THE ARMED FORCES ON THE RECONCILIATION PROCESS IN MACEDONIA

Abstract: After the 2001 crisis, the Government of the Republic of Macedonia and ethnic Albanian representatives signed the Ohrid Framework Agreement which granted special rights to the minorities in the regions where they represented more than 20% of the population. Since then the implementation of the Agreement has been one of the governmental priorities and has ensured inter-ethnic coexistence in the country. The Constitution and many laws have been changed, and many new ones have been approved on behalf of different ethnic communities in the country. In 2012, the government proposed a new law stipulating the special rights of the police and army forces and granting greater benefits and damages to policemen and soldiers who defended Macedonia's sovereignty during the 2001 crisis. The biggest Albanian political party, which is also a part of the governmental coalition, Party for Democratic Union, requested the inclusion of National Liberation Army members and their families in the law, otherwise threatened to leave the government. According to them, the passing of the proposed law would endanger inter-ethnic relations and relations within the governing coalition, which would result in their withdrawal from the government and initiating early parliamentary elections along with local elections in the spring.

The Macedonian legal framework after 2001 is both exceptional and exemplary as regards the political and social rights of other ethnicities in the country. There is no any legal basis to request more. Asking to grant the same rights for the paramilitary forces as for the members of the Macedonian armed forces can only be seen as a whim of the ethnic Albanian party.

Was this decade of a false hope of reconciliation or just the lull before a new storm?

1. WHAT IS RECONCILIATION?

Ideally, reconciliation permanently prevents the use of the past as the seeds of renewed conflict. It consolidates peace, breaks the cycle of violence and strengthens newly established or reintroduced democratic institutions.

As a backward-looking operation, reconciliation achieves the personal healing of survivors, reparation of past injustices, building or rebuilding of non-violent relationships between individuals and communities, and acceptance of a common vision and understanding of the past by the former conflicting parties. In its forward-looking dimension, reconciliation means enabling victims and perpetrators to continue to lead a normal life and, at the level of society, to establish a civilized political dialogue and an adequate sharing of power.

In practice, such all-encompassing reconciliation is not easy to realize. The experience of a brutal past makes the search for peaceful coexistence a delicate and intricate operation. Reconciliation is not an isolated act; rather, it implies constant readiness to leave the tyranny of violence and fear behind. It is not an event, but a process, which is usually difficult, long and unpredictable, involving various steps and stages. Each move demands changes in attitudes (e.g. tolerance instead of revenge), in conduct (e.g. joint commemoration for all those who died instead of having separate, partisan memorials) and in the institutional environment (e.g. integrating the war veterans of both sides into one national army instead of keeping ex-combatants in quasi-private militias). Above all, the approach must be that every step counts, that every effort has value, and that in this delicate domain even a small improvement is significant.¹

There is a certain danger in talking about reconciliation in terms of strict sequences. The process is not a linear one. At each stage, the lapse back into more violent means for dealing with conflict is always a real possibility. And the stages do not always logically follow each other in any set order. The role of the public authorities in planning and setting up a reconciliation program is crucial, but opinions differ regarding the direction that official policies should take.

2. SITUATION IN MACEDONIA

After the 2001 crisis, the **Government** of the **Republic of Macedonia** and ethnic **Albanian** representatives signed the Ohrid Framework Agreement which granted special rights to the minorities in the regions where they represented over 20% of the population. Since then, the implementation of the Agreement has been one of the governmental priorities and has ensured interethnic coexistence in the country.

¹ David Bloomfield, Teresa Barnes, Luc Huyse (eds), Reconciliation After Violent Conflict: A Handbook, International Institute for Democracy and Electoral Assistance (IDEA), p. 19, < http://www.idea.int/publications/ reconciliation/upload/reconciliation_full.pdf.

The key processes for reconciliation in Post-Ohrid Macedonia were the amnesty for the former National Liberation Army rebels, granting amnesty to persons involved in the 2001 conflict until 26 September 2001, except those who had committed war crimes and crimes against humanity and the reconstruction of destroyed property during the crisis. Furthermore, in August 2004, the Parliament also approved legislation to redraw the local boundaries, giving ethnic Albanians, who account for about a quarter of the population, greater local autonomy in the areas where they predominate. The recognition of the Republic's progress away from the brink of civil war came in December 2005 when the leaders of the European Union (EU) agreed that it should become a candidate for membership. The Constitution and many laws have been changed, and many new ones have been approved on behalf of different ethnic communities in the country making it one of the most democratic constitutions in Europe. Also, in 2002, the ICTY Prosecutor requested Macedonia to send the materials relating to five specific investigations and prosecutions of the crimes allegedly committed by the National Liberation Army (NLA) and the Macedonian forces in 2001 to the International Tribunal in order to bring the alleged perpetrators of war crimes and crimes against humanity in 2001 to justice.

If one is to do a retrospective on the most sensitive questions, such as the participation of minorities during the period 2001-2005, the data clearly indicate that the level of participation of minorities in the public administration and public enterprises, at the central and local levels, has substantially improved. Considerable efforts have been made to address the key principle of "equitable representation of non-majority communities" in the Framework Agreement. Strategic measures were adopted in 2003 and training programs were specifically designed. The proportion of minority members in the administration rose from 16.7% in December 2002 to 20.5% in July 2005. For instance, the proportion of ethnic Albanians rose from 11.6% to 15.3% during the same period. Progress has been most significant in the security sector. In the Ministry of the Interior, the proportion of members of non-majority communities rose from 12.1% in December 2002 to 19.5% in July 2005. More specifically, the proportion of uniformed police officers belonging to non-majority communities is higher. There are detailed plans for a more equitable representation in the armed forces where the proportion of minorities rose from 8.5% in December 2002 to 16% in December 2004. The proportion of ethnic Albanians in the armed forces rose from 3% in 2002 to 10.2% in 2004, while

other minorities account for 5.8%.² This has been followed by a significant increase in the number of students pursuing higher education thanks to educational changes during the period 2001–2005.

Last year there was a number of incidents making ethnical coexistence uneasy. The names of many schools in the quarters populated by Albanians were changed without the required procedure, which is considered an act of provocation and the violation of the relevant laws and the Constitution. The intonation of the Albanian anthem at public events in Macedonia, killing of 5 young Macedonians by radical Muslim forces and different interpretation of the use of the Albanian language are all unnecessary and dangerous acts of provocation to peace and stability of Macedonia. If this persists, instead of reconciliation and integration into the EU and NATO, Macedonia may slide into ethnocracy.

Eleven years after the modification of the Constitution so as to include the provisions of the Ohrid Framework Agreement, it is additionally 'supplemented' by politicians through their free interpretation of the regulations, tending to become more important that the Constitution. This opens up space for ethnic policy that is different from the 'rule of law', which represents the foundation of a democracy. The syndrome of 'two governments in one', one Macedonian and one Albanian, and the commitment to the extended implementation of the Badinter principle' in the Constitutional Court's decision and government election are not in the function of democracy, but of ethnocracy. Ethnocracy threatens our young democracy with ethnic tensions and the struggle for political dominance over the relevant ethnicities, which will stop reforms. The only proven remedy against this is to build a strong civil society decontaminated from the politicization of ethnic groups, in which individual rights will become more important than minority ones.

3. The law stipulating special rights for the armed forces and members of their families

On January 18, 2002, the Parliament of the Republic of Macedonia adopted the law granting special rights to the members of the Macedonian

² UNDP, Early Warning Report. Skopje: November 2004. pp. 28. available at www.ewr.org.mk.

³ The Badinter principle is that ethnic-related proposals in the national assembly and city councils, as well as in other local government bodies should be supported by a majority of both ethnic groups.

⁴ Abbrahim Yasin, The Politics of 2010, University of Oslo, 2010.

armed forces taking part in the defense of Macedonia's sovereignty and territorial integrity against Albanian paramilitary forces in 2001, as well as to members of their families. However, this law had many weaknesses and its scope of application was very limited: the members of the armed forces were granted only few symbolic rights - preferential enrollment in higher education without payment of tuition and preferential employment in government institutions.⁵ The most sensitive moment - damages for non-pecuniary loss for disabled veterans was not even mentioned in the text, while compensation for the loss of a family member was humiliating.

Over the past years, the implementation of the Law has created discontent by both the Macedonian and Albanian parties. The Macedonian party was dissatisfied with the limited rights granted to the members of the Macedonian armed forces and police, especially with the Supreme Court's decision to reject the requests for damages for non-pecuniary loss made by veterans or their families and, on the other hand, with the request of Albanian paramilitaries to be equalized with the defenders of the country and be paid damages and veteran pensions.

Since the Law failed to produce the expected results and only partially achieved its scope, its amending it was indispensable.

In 2012, after several civil initiatives⁶, the parliamentary group VMRO DPNE submitted the draft law to the Macedonian Parliament regarding to the granting of special rights to the members of the armed forces and their families. The law would be applicable to the members of the Army of the Republic of Macedonia (ARM), members of the police forces and military reserve members, who fought during the armed conflict in 2001. The law would not apply to the members of extremist paramilitary groups fighting against the constitutional order.

The reaction of the Albanian political structure was immediate. DUI threatened to leave the Government if special rights were not granted to the veterans of the disbanded ONA as well. According to them, the adoption of the draft law would threaten inter-ethnic relations and relations within the ruling coalition. This would result in their leaving the Govern-

⁵ Art. 7 of the Law on Special Rights of Members of the Armed Forces of the Republic of Macedonia and Their Families, "Official Gazette of Republic of Macedonia", No. 02/02, January 15, 2002.

⁶ The civil initiative supported by the Association "Dostoinstvo" (nongovernmental and apolitical civil association formed by the members of the Macedonian armed forces that took part in the conflict in 2001) gathered 30,966 signatures to support amendments to the current Law.

ment and initiating early parliamentary elections, together with local ones in spring.⁷

According to the Albanian news portal "Portalb", during the briefing for journalists, Secretary General of DUI Ademi Abdulakim stated that the draft law submitted by VMRO was contrary to and in violation of the May Agreement⁸ between these two political parties, which may prompt DUI to leave the Government.

While the associations like "Bedem", "United Macedonian Forces" and "Heroes of Macedonia" supported the new legal solution, the Albanian National Democratic Party regarded it as the "populist and anti-Albanian policy of the Government of Republic of Macedonia".

When the new draft law was brought up for discussion in parliamentary procedure,, Talat Xaferi (DUI), a member of the Parliamentary Commission for Labor and Social Policy, manifestly demonstrated his opposition – he first tried to impede the adoption of the law with marathon speeches and discussions. Several days later, he employed a new method: every 15-minute speech was followed by a 15-minute silence and if someone tried to block such a behavior of the DUI member, he would extend the silence for one more hour. The rules governing the work of the parliamentary commissions do not prevent such conduct, bit it does not mean that they should be abused. "The members of the Commission should demonstrate fair and serious behavior vis-à-vis the work of the Commission itself" – said Cvetanka Ivanova, President of the Parliamentary Commission for Labor and Social Policy.

Nevertheless, the Democratic Union for Integration stated that it would continue using all institutional mechanisms to prevent the adoption of this law. "Our work is based on the principles and this is not blackmailing. The law is controversial because it is unilateral, exclusive and arbitrarily imposes the will of a single ethnic group. This approach is contrary to the principles of multi-ethnic democracy in ethnically diverse countries, such as Macedonia" – stated Emira Mehmeti, spokesperson for DUI, at a press conference.

⁷ http://www.time.mk/read/1d5e099ab5/7d829cca06/index.html.

Political agreement between the two ruling parties VMRO DPNE and DUI that DUI will not leave the ruling coalition and provoke an institutional crisis just before the NATO summit but, in turn, a new law regulating relations between ethnic communities should be adopted, new list of laws based on the Badinter principle should be created and a new solution for the status of the Albanian paramilitaries taking part in the conflict should be found. DUI also requested that the cases brought before the AIA International Tribunal for crimes against humanity should be transferred to national courts.

The Macedonian political bloc regarded this law as a fair solution and urged the Albanian political parties not to react emotionally but rationally and appreciate its advantages. The draft law is neither unconstitutional nor against any ethnic group. It demonstrates support for the families of the soldiers who lost their lives while defending their homeland. At the same time, it does not violate the rights of any other individual to whom it does not refer. Generally, the Macedonian legal framework after 2001 is both exceptional and exemplary when the political and social rights of other ethnicities in the country are concerned. There are no legal basis for requesting more. Asking for the same rights for the paramilitary forces as for the members of the Macedonian armed forces can only be seen as a whim of the ethnic Albanian party.

However, the ethnic Albanian political bloc appealed to the Parliamentary Commission for Procedural Issues to give an authentic interpretation of the draft law of VMRO DPMNE and ipso facto limit the discussion in the Commission for Labor and Social Policy which blocked the debate about the amended law even before it began.

Conclusion

Not only the citizens of Macedonia need a multiethnic concept to work out, but also Europe needs it for the stabilization of the post-conflict, transitory and ethnically diverse countries of the Western Balkans. The EU needs Bosnia and Herzegovina, Kosovo and Macedonia to succeed in multiethnic state building in order to show that multi-ethnic state building can be a successful model and work in multi-ethnic societies even when there are uneasy interethnic antagonisms.

Ethnic conflict managers from among the domestic elites and the international community estimated that the future-oriented dimension of reconciliation would be crucial for the immediate stabilization of an interethnic conflict situation. By giving hope for a better future for all Macedonian citizens, symbolized by EU and NATO integration, the key actors in the conflict aim to "buy" time in which stable and peaceful inter-ethnic relations can develop. The reforms conducted in the areas of the public administration, judiciary ad economy aim to provide better living conditions for all citizens. If Macedonia becomes a NATO member, this will be a great boost and will guarantee its external integrity - the factor that will further stabilize the ethnically-based conflict situation. If favorable economic, political, security, and social conditions are created, interethnic relations will be "ripe" for a real reconciliation and lasting and sustainable peace.

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IV EUROPEAN INTEGRATION AND BALKAN COOPERATION

Wofgang WOLTE

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THE SIX WESTERN BALKAN COUNTRIES ON THE ROAD TO EU MEMBERSHIP

Mr. Chairman, Ladies and Gentlemen, Friends,

First and foremost, I would like to thank the European Centre for Peace and Development, its director Nagoslav Ostojic and the Centre's staff for giving me the opportunity to speak before you today on the topic "The Six Western Balkan Countries on the Road to EU Membership" - a sensitive and far-reaching subject indeed, although the main elements have been fairly well defined.

The problem of enlargement of the Community must be seen in a wider context. All through the European integration process there has been at least a latent contradiction between enlarging the community and the need for streamlining and strengthening the working methods of the institutions: Deepening versus widening.

The "conflict" between these two objectives has been perceived as a problem, or at least a source of preoccupation for decision-makers.

Austria, as well, when it set out on the path towards membership, saw itself confronted with this issue. Indeed, alternative formulas to full membership were offered to Austria. I remember a meeting with the then President of the European Commission, Jacques Delors, in December 1988. In a brief meeting with an Austrian delegation, headed by the President of the Austrian National Bank, Delors said that he was planning to offer Austria an alternative to full membership. A few weeks later, he presented the idea of a European Economic Area in the European Parliament in Strasbourg.

Yet all studies regarding Austria's economic, political and social situation indicated conclusively that the country's economic and political future could only be safeguarded as a member of the European Community. Consequently, the Federal Government pursued the membership approach. And on July 17th 1989, Foreign Minister Alois Mock presented Austria's formal application for membership in Brussels.

As subsequent events and developments have shown, widening and deepening have proven to be possible, reasonable, politically desirable, and manageable. The idea of Europe as a sort of "closed shop" is, for all intents and purposes, without foundation.

On the other hand, in establishing the parameters for accepting new members in the European fold, the capacity to integrate candidate countries in the European Community of nations was anchored in European constitutional documents. In other words: new members were not be coolly accepted but rather welcomed as friends and partners, whenever the necessary conditions were fulfilled on all sides.

The Treaty of Lisbon that entered into force in December 2009 contains the following pertinent paragraphs:

ART. 49 TEU

Any European State which respects the values referred to in Article 2 and is committed to promoting them may apply to become a member of the Union. The European Parliament and national Parliaments shall be notified of this application. The applicant State shall address its application to the Council, which shall act unanimously after consulting the Commission and after receiving the consent of the European Parliament, which shall act by a majority of its component members. The conditions of eligibility agreed upon by the European Council shall be taken into account.

The conditions of admission and the adjustments to the Treaties on which the Union is founded, which such admission entails, shall be the subject of an agreement between the Member States and the applicant State. This agreement shall be submitted for ratification by all the contracting States in accordance with their respective constitutional requirements.

ART. 2 TEU:

The Union is founded on the values of respect for human dignity, freedom, democracy, equality, the rule of law and respect for human rights, including the rights of persons belonging to minorities.

These values are common to the Member States in a society in which pluralism, non-discrimination, tolerance, justice, solidarity and equality between women and men prevail.

Art 6.1 TEU:

The Union recognises the rights, freedoms and principles set out in the Charter of Fundamental Rights of the European Union of 7 December 2000, as adapted at Strasbourg, on 12 December 2007, which shall have the same legal value as the Treaties.

The provisions of the Charter shall not extend in any way the competences of the Union as defined in the Treaties.

The rights, freedoms and principles in the Charter shall be interpreted in accordance with the general provisions in Title VII of the Charter governing its interpretation and application and with due regard to the explanations referred to in the Charter, that set out the sources of those provisions.

These provisions are based on the well-known accession criteria (Copenhagen criteria) which are subsequently recalled:

- political: stability of institutions guaranteeing democracy, the rule of law, human rights and respect for and protection of minorities;
- economic: existence of a functioning market economy and the capacity to cope with competitive pressure and market forces within the Union;
- acceptance of the *acquis communautaire*: ability to take on the obligations of membership, including adherence to the aims of political, economic and monetary union.

I thought it worthwhile to recall the complete text of these basic documents as they contain the guidelines and conditions for future phases of enlargement.

These provisions should be supplemented by the following, equally important, pronouncements of the EU-Western-Balkan-Summit, the Thessaloniki Declaration.

One of the paragraphs contains the following perspective:

"The countries of the region fully share the objectives of economic and political union and look forward to joining a EU that is stronger in the pursuit of its essential objectives and more present in the world."

"The speed of movement ahead lies in the hands of the countries of the region."

"We acknowledge that the Stabilization and Association Process will remain a framework for the European course of the Western Balkan countries, all the way to their future accession."

"We reconfirm the support to the Stability Pact for South-Eastern Europe in its complementary role to the Stabilization and Association process and in implementing its agreed core objectives."

The signatories of the Salzburg Declaration of March 2006 "reaffirmed their full support for the agenda set out at the Thessaloniki summit in 2003 as well as for the Stabilization and Association process which will be the framework for the European course of the Western Balkan countries. In this respect, the EU confirms that the future of the Western Balkans lies in the European Union."

A caveat should be added, however: "the EU also notes that its absorption-capacity has to be taken into account." And further: "The participants agreed that each country's progress toward the EU continues to depend on individual merits in meeting the conditions and requirements set forth in the Copenhagen criteria and the Stabilization and Association process, including full cooperation with the International Criminal Tribunal for the former Yugoslavia."

All these provisions confirm and reconfirm the position of the European Union and, hopefully, of the candidate countries. In order to avoid difficulties after the accession, we must accord sufficient time for the candidate countries to prepare themselves properly for membership. By the same token all measures must be taken to ensure that the European Union is prepared to welcome new members.

In retrospect, we can hardly close our eyes before the fact that Bulgaria and Romania were admitted against the fair judgment and appraisal regarding their capability to shoulder the burdens of membership. Undoubtedly, it would have been better to permit the two countries to prepare themselves more fully and comprehensively despite a longer waiting period. We know, of course, that the most compelling reason for admitting Sofia and Bucharest was their essentially peaceful process towards democracy after shedding the shackles of the past. In any case both countries are now full-fledged members of the European Union with all the corresponding rights and obligations. Both can count on the solidarity which is a crucial element of the Union's set of values.

Against this broad background I submit the following questions for closer examination:

- What is the situation in the present and future candidate countries of the Western Balkans?
- Is the repeated call for closer regional cooperation being heeded?

- Is the latest progress report by the Commission succinct enough in pointing out potential shortcomings? Is it positive enough in recognizing progress and achievements?
- What is the role of the media in following developments in the region? Are their observations and commentaries objective, basically positive, overly critical?
- Is the support and assistance from the European Union for the enlargement process sufficient to fulfill its objectives? Is it well used and if not, what should or could be changed in the administration of programmes and measures?

I am confident that we will be able to discuss these and other questions, if not this fall, then at least in the Centre's forthcoming conferences, possibly as early as in October 2013.

Thank you for your attention!

Vern Neufeld REDEKOP

PROFESSOR, UNIVERSITY OF SAINT PAUL, CANADA

ECONOMIC DEVELOPMENT BASED ON RECONCILIATION-POSSIBLE SCENARIO FOR BOSNIA AND HERZEGOVINA

PRESENTING PROBLEM

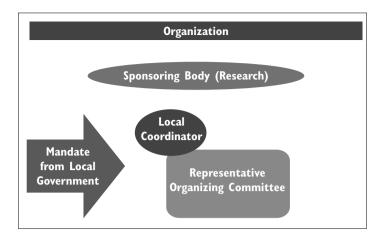
After the violent conflicts of the 1990s, participation in the misery systems of unemployment, substance abuse, post traumatic stress disorders, etc. continues to be high. Sixty per cent of young people wish to leave. Distrust and resentment contribute to divisions in society and over 30% of the economy is in the grey market or black market. There is also the debilitating mentality of dependency in which it is up to "someone" else to solve problems. The challenge is for individuals and communities to find ways to take action so that they can address their own problems on their own.

GOAL

The goal is to organize three-day community conversations with a representative group of 24 to 48 community representatives so that they can determine which actions to take to address the problems and then mobilize their communities to take constructive action. Achieving the goal depends on an organizational structure, a conceptual framework, and a process.

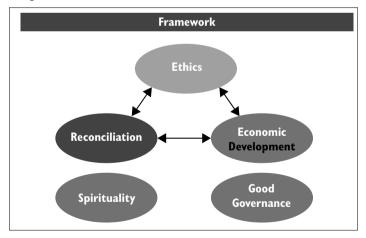
Organizational Structure

The European Center for Peace and Development (ECPD) as the Sponsoring Body would approach the Local Government of a community to get a mandate to undertake the initiative. They would hire a Local Coordinator who would take responsibility for implementing the project. The Local Coordinator would work with the Local Government and ECPD at appointing an Organizing Committee that would be representative of the ethnic groups and sectors of society needed to achieve broad-based change. Each member should have the confidence of their respective group along with a commitment to collaborate with other groups.



CONCEPTUAL FRAMEWORK

In order to achieve the goal, it is important that the community be given options that can help them imagine a plan of action. These options should be based on lessons learned from other communities as well as the best insights from research. At a primary level, it is important for the community to critically examine the nature of human and economic development, the values and ethical vision needed to achieve such development, and reconciliation as a means and goal to address the divisions that impede development.



At as secondary level, it will be important to examine the question of spirituality as an animating element to inspire individuals and the wider community to move ahead with a shared passion to achieve mutual growth and harmony. Based on the work of the Harvard research project on Native Development, it will also be important to examine the kind of governance structures that enable human creativity and economic life to flourish.

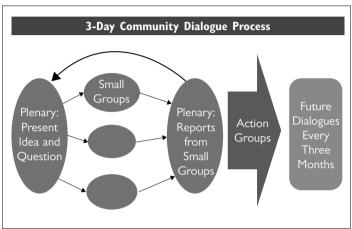
COMMUNITY CONVERSATION (DIALOGUE) PROCESS

The Organizing Committee will set a date for the three-day process and invite an agreed upon list of participants. Collectively the participants will reflect the make-up of the community; in particular it should include people on both sides of groups that have a history of division. One-third of the participants should be young people. Other sectors of society would include entrepreneurs, political leaders, religious leaders, teachers, journalists, members of civil society (NGOs), police, and health professionals. In most cases, a participant would both represent an Ethnonationalist group and a sector of society. Participants would agree to read a framework discussion paper in advance so that they would be aware of the issues.

During the three-day process, they would start out in a large group where they would be presented with an overview of the goals and what would be happening. They would be given a chance to comment on this and make some adjustments if there would be a consensus to do so. Then would start a series of sub processes in which the group would be presented with a concept from the framework along with a question pertaining to their community. They would be randomly divided into groups of eight for a facilitated conversation in which they would generate ideas in response to the question. A scribe in each small group would take note of all of the suggestions. They would then gather together and each group would report on what they came up with. They would then proceed to the next concept and question. After each small group session, one member of each group would move to another group so that all the participants would have a chance to work with all of the other participants in a small group setting. This would benefit the creativity of the groups and would build relationships among participants.

During the three days, scribes would take note of potential actions that could be taken by the community. On the third day the group would decide on which actions were of highest priority and the most doable. Participants would volunteer for the action groups charged with a mandate to accomplish something over a three-month period. The Local Coordinator would work with the Action Groups, making certain that they would meet in a timely manner and communicating among them what each group was doing.

After three months there would be another community conversation at which action groups would report and another theme from the framework would be addressed. Where this was first tried in Canada, the first community conversation was of an introductory nature; the second focused on governance, and the third focused on public spirit and forgiveness.



The Organizing Committee would develop a strategy to communicate the results to the wider community and to find ways for the participant base in the community conversations to grow.

ECPD as the sponsoring organization would monitor what is happening and academics associated with the organization would reflect on the ideas developed by the community conversations for implications for the wider region and application to other communities. As the community would identify areas where more information and expertise would be needed, ECPD would find the resource people who could work with the action groups or make brief presentations at the community conversations.

Action Groups would use a method of Appreciative Inquiry to gather information and make recommendations for community action. They might identify systemic roadblocks to development that would need to be addressed by another level of government. Addressing these roadblocks could have positive implications for other communities as well. The goal would be to put into place the structures, conditions and strategic plans that would enable individuals and communities to enjoy sustained and sustainable human development.

RESOURCES

Resources would be needed for the following:

- Hiring a local coordinator, possibly part time or perhaps someone could be seconded from an existing organization that would share the goals of the project.
- Hosting the community conversations (venue, food, and supplies like paper, flipcharts, etc.)
- Bringing in resource people and researchers (transportation and accommodation).
- Doing an evaluation.
- Communicating results.

POTENTIAL FOR GROWTH

If several communities where to engage in the same process, they could send observers to each other's community conversations; they could exchange reports; where there were shared interests they could work together, and eventually, they could have a regional conference in which they could participate in a community conversation that would look at issues of regional development.

It should be noted that the World Bank and the United Nations have been working on a description of economic and human development that focuses on a wide range of criteria that contribute to well-being. These go beyond many of the traditional economic indicators. There are many things contributing to the well-being of individuals and communities that can be achieved without the expenditure of funds. On the other hand, once a community has dealt with a number of issues identified in the framework, it is anticipated that economic growth will be one of the results.

Ian BANCROFT

RECOGNITION OR RELATIVISATION? - Dealing with the Past in the FORMER YUGOSLAVIA

Though the possibility of a repeat of the wars of the nineties has been largely extinguished, the potential for isolated outbreaks of low-scale violence in the former Yugoslavia should not be excluded. Nor should the quality of the peace attained be ignored, as the absence of violence does not necessarily guarantee the existence of positive and constructive intra- and inter-community relations. Bosnia and Herzegovina, for one, continues to grapple with the legacies of mass violence, particularly acts of genocide and crimes against humanity. The Balkans has been a laboratory not only for various forms of international intervention, but for various approaches to transitional justice. This short paper highlights three profound barriers to reconciliation in the former Yugoslavia; the tension between recognizing and relativising victims, the dynamics of apology and forgiveness and the sometimes negative impact of the discourse of European standards.

Only by recognizing every victim of the wars in the former Yugoslavia can interethnic wounds be fully and permanently healed. Recognition, however, remains a contested element of the process of reconciliation; one ridden by a persistent tension between the need to recognize all victims, on the one hand, and perceptions of particular crimes being relativised, on the other. It is often argued that to seek recognition for the victims of one party to the conflict in some way serves to relativise the crimes perpetuated by that very same party. Recognition of all victims, however, does not imply the equalisation of the severity of the crimes committed, nor does it in any way serve to diminish culpability for those very crimes. Instead, it reaffirms the sanctity of each and every individual victim of the war, irrespective of their ethno-national identity. Whilst neither theory nor practice provides a clear-cut solution for overcoming such dilemmas of recognition, the transformation of conflict requires that the collectivisation of guilt be diluted in order to vanquish inter-ethnic paralysis and prevent individual victims from being denied recognition purely because of their ethno-national identity.

The commonly employed dichotomies of war - of "defenders" versus "aggressors", of forces of "good" versus those of "evil" - are often always far too simplistic to capture and comprehend the inherent complexities, particularly of a war such as that fought in the former Yugoslavia. Overcoming these dichotomies requires that individual crimes and individual victims be recognised regardless of their ethno-national identity. This is where peace-building initiatives have an important role to play in order to overcome the perpetuation of divisions on ethnic lines. The potential costs of "dragging up the past" by no means outweigh the benefits to postwar societies of compelling all parties to explore their respective historical roles and responsibilities - not only during the early 1990s, but deeper into history – in order to challenge the forces of historical revisionism.

From the Serbian parliament's resolution condemning the 1995 Srebrenica massacre to an unprecedented speech by Croatian President Ivo Josipović in Bosnia-Herzegovina, the Balkans has witnessed a recent wave of remorse and reflection; one that has been complicated somewhat by the acquittal of Ante Gotovina and the election of Tomislav Nikolić in Serbia. The shared attitudes and approaches of Josipović and his then Serbian counterpart, Boris Tadić, towards questions of reconciliation and forgiveness allowed both to issue reciprocated apologies that do not attempt to equalise the seriousness of the crimes committed, but rather to emphasise that all innocent victims of war crimes deserve equal respect, regardless of their ethnicity. The often vociferous reactions to these specific apologies, however, highlights some of the difficulties that constrain courageous attempts at securing broadly recognized and legitimate forgiveness; both of which are integral to efforts to transform conflict.

Indeed, the role of the region's political elites in this process raises important questions about whether acts of forgiveness or apology can be made on behalf of entire ethno-national groups, particularly where many members of a "group" or "community" do not seek forgiveness nor to apologize, or when members of another do not wish to forgive. Despite Serbia's adoption of the Srebrenica resolution, the authenticity of this apology has been openly and frequently questioned - with various references to delays in apprehending Ratko Mladić, the omission of the word genocide in the actual resolution, the tabling of a second resolution condemning all crimes in the former Yugoslavia, and suggestions that Serbia's primary motivation was improving its EU-membership prospects. These conundrums of forgiveness and apology require a sustained debate - founded on mutual recognition, regardless of ethnicity - that involves those often neglected and maligned voices; particularly the victims themselves. The political elites of each country in the region have a responsibility to facilitate this process to ensure that seemingly intractable conflicts can finally be overcome.

Though enabling politicians to justify often-contentious policies, the discourse of 'European standards' has also allowed leaders to distance themselves from – and avoid taking responsibility for – specific decisions and outcomes. Serbia's resolution on Srebrenica was seen, and indeed even justified, by some as a necessary step expected of the country on its path towards the EU. Many politicians supported the initiative not because it was right and necessary in and of itself, but because it conformed to European expectations. The discourse of 'European standards' and European conditionality can, therefore, actually serve to undermine the very process of reconciliation - in essence, favouring speed over sincerity.

To be truly effective at inducing reform and reconciliation in the western Balkans, the EU needs to go beyond the overly simplistic discourse of European standards to explain why and how Europe has achieved and sustained these standards. Europe must also emphasise that European standards are an aspiration that Europe itself continually strives to achieve; not a given that can automatically be taken for granted. In the aftermath of the Second World War, millions of young people had the opportunity to interact with their counterparts in other countries; interactions that continue today between France and Germany, and Germany and Poland, respectively. Such exchanges continue to provide young people, in particular, with innumerable opportunities to explore one another's countries and cultures, helping to break-down stereotypes, prejudices and images of "the Other".

The Alps-Adriatic Region - comprised of parts of Austria, Croatia, Germany, Italy and Slovenia - continues to build trans-national initiatives to promote cultural exchanges and peace education, despite being at the very heart of a Europe that has successfully contended with many of the obstacles of war. Young people in the former Yugoslavia, however, have been largely deprived of such opportunities, despite reconciliation posing a prime obstacle to building sustainable peace in the region. As the rise of right-wing extremism shows, Europe must be more aware of its own shortcomings and the continued need for substantive peace-building efforts.

Miodrag VUKOVIĆ

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IMPORTANCE OF THE DEMOCRATIC COALITION "FOR EUROPEAN MONTENEGRO" VICTORY FOR FURTHER POLITICAL PROCESSES

Only a month ago, early parliamentary elections for the state Parliament were held in Montenegro. The previous Convocation of the Parliament shortened its mandate as a political response to the fact that in July Montenegro opened its negotiations with the EU. Political and state structures in Montenegro have estimated that the new state structures should be responsible for the final phase of accession of Montenegro to European integration, with a new democratic legitimacy in full term. The assessment was fully reasonable. Otherwise, the negotiations on one or two chapters would commence and preparations would be made for the rest and then, next year, the need to hold regular parliamentary and presidential elections would arise, which would in itself require communicating with the EU institutions, and would stop or at least postpone the time required to prepare and hold elections. This way, at the very beginning of the negotiations, Montenegro will enter the same with the new legislative and executive powers, the authorities with restored democratic capacity and the ambition to be completely dedicated to the obligations imposed on the negotiations per se, in the next four or five years.

THE COALITION VICTORY

The Democratic coalition "For European Montenegro" won the elections. The Democratic coalition won the elections, which has shaped Montenegro for twelve years, spreading from one elections to the next, and owing to which the state provided the political and, to the possible extent, given the global economic crisis, economic stability. The coalition of democratic parties won. Those are the parties which have been clearly committed to all forms of integration of Montenegro into broader supranational structures, belonging to civic and national political entities since the beginning of the program. The basis of this coalition was the strongest civil party in Montenegro, now and before, the Democratic Party of Socialists, along with its long-standing coalition partner, SDP, and the increasing number of ethnic parties that gather Albanians, Bosniaks and Croats. Due to this fact, Montenegro is a distinctive country in the region and beyond. The state, which restored its statehood six years ago, in a democratic referendum, unlike most countries in the region and the Balkans, made a political and economic transition or, more precisely, is still undergoing the shaping of the final transition processes, but in the manner different from all other countries in the region. The old state that nourishes a lot of values, and in its millennium duration, the smallest state in the Balkans, never selfish and always ready to coexist with other countries1 under a single condition, to be recognized as equal, faced with the need to close the circle six years ago. It was an independent and internationally recognized state until the disappearance due to the violent aggression of others, when creating the first state of southern Slavs, in 1918. In the first Yugoslavia, it was neither a state nor was it allowed to mention anything that carries the prefix "Montenegrin", until, in the second and the third, it selflessly invested all of itself in order for these state projects to show the possibility of a longer duration and historical justification. It did not happen through no fault of its own and Montenegro had to make a decision in the middle of the last decade. Whether to continue to live in provincial inferiority, to be a pendant to "the big brother" or regain its state and national dignity, the right to be on its own, to decide for itself. In a democratic referendum whose conditions, beyond the established democratic norms and practices, were shaped by the Montenegrin political opposition and the European Union, through the direct involvement of its officials in the procedure, in the meantime emancipated and mature, not only sufficient, but European sufficient and to the necessary extent, Montenegro won the democratic victory and it all started "from the scratch."

Struggle for gaining state and independence

In the early 1990s, Montenegro, with a noticeable delay, entered primarily the process of political transition, replacing one system with the other, different in many ways, unknown, demanding. While other countries had already accelerated the processes of democratic transition by adopting European values, Montenegro, doubly handicapped, commenced the pro-

¹ Lecturer at the Faculty for State and European Studies in Podgorica. Copyright exposing the Symposium organized by the ECPD's (November 2012, Belgrade).

cess later and tried to overcome it, burdened by at least two serious facts. Montenegro, whilst being the old state, in those years had neither the state nor national capacity sufficient to even dare and do what other countries of the former Yugoslavia have done, and had the help provided by Europe at the same time. At the beginning of the 1990s, all states constituting the former Yugoslavia had left more or less dramatically the former common state alliance, the Socialist Federal Republic of Yugoslavia, gaining state and national independence. And Europe, trying to stop the religious and civil wars and conflicts, offered to all six republics to become independent states, recognized by Europe and the world, and if some of them later decided to make new civil alliances, no one would forbid them. It was necessary to stop the start of the dramatic events in the Balkans and the bloody breakup of the mentioned Federation. Five of the six republics, and Montenegro among them, agreed to the aforementioned European offer, the plan of Lord Carrington. Only Serbia was against, although it had previously promised and even suggested to Montenegro to do so by communicating that it would also accept the offer. At the very conference in The Hague, Serbia changed its opinion. Montenegro was not aware of this fact, because the former President of Montenegro, authorized to sign such a plan by the state Parliament, had a strange flight trajectory - the airplane of the federal administration had "sudden" technical problems and landed in Prague for two hours, which caused the Montenegrin President to appear last in the hall where planetary issues were addressed, and had no time to witness the changing whims of the Serbian President. Five republics said YES and one said NO. Additionally, this one seriously threatened the smallest Montenegro "because it betrayed" patriotic Serbian interests, threatening it by different types of uprisings. Slovenia saying YES was not a problem for Serbia "because just a few tens of thousands of Serbs live in Slovenia." It was not a problem for Serbia that Croatia had said YES "because hundreds of thousands of Serbs live in Croatia, more than a million." It was not a problem for Serbia that Bosnia and Herzegovina had said YES "because about million Serbs also live in Bosnia and Herzegovina." It was not a problem either that Macedonia had decided to be an independent state, but the problem was to forgive Montenegro because it had opted to be an independent state, "which had stabbed its brotherly Serbia in the back, betrayed patriotic Serbian interests, turned back to the interests of forty thousand citizens of Montenegro declaring themselves as Serbs, and it was not forgiven to Montenegro as though it had asked Serbia again what to do before leaving for The Hague. And patriotic games against Montenegro had commenced, performed by pa-

triotic and Greater-Serbian Belgrade. The policy of aggression against Montenegro and everything Montenegrin practiced for decades escalated by the Serbian capital towards the smallest state in the Balkans. "Hidden pages of history between Serbia and Montenegro" started to be read. It turned out that the "new behaviour in relation to Montenegro" was really the continuity of the policy guided for almost two previous centuries, based on the project of creating Greater Serbia, the policy started by "Načertanije" as half-official Government document of the Serbian state from the first half of the 19th century", which was the basis for all subsequent projects of the Serbian governments in relation to Montenegro and whose goal was the annexation of that small state with lies, deception and blackmail, designed through the procedures in the political relations with the visible imperialist ambitions of Serbia towards Montenegro, through actions of the church and enforced disappearance of the Montenegrin autocephalous church in the early 20th century and its merger with the Serbian Orthodox Church by holding the Podgorica National Assembly (later enriched by the attribute of large Serbian National Assembly) at which the Petrović dynasty was dethroned, following by the deletion of Montenegro from the map of European states and its patriotic inclusion but actually violent annexation to the Serbian state. Montenegro had to seek the way out of this threatening situation. The Montenegrin leadership, politically aided by the Democratic Party of Socialists, a predominant ruling party in the state at that time, attempted to find defects in Lord Carrington's plan, which was adopted by the party itself, "by means of the subsequent analysis which led to convening the extraordinary sessions of the Montenegrin Parliament in order to cancel the earlier decision to accept the offer...." So, Montenegro met the requirements of Belgrade's imperial appetite, causing the disappointment of a small number of Montenegrin citizens. All this had to happen because Montenegro had been taught for two decades that it was the Serbian state, that the Serbian Orthodox Church was the official one, "that all those who say that Serbia has no sea lie because Serbia had the sea while Montenegro existed," that Montenegro was the Serbian Sparta and that it could not function without its big Serbian brother. Both Europe and the former Yugoslav republics were disappointed with this move of the then Montenegrin Government, Democratic Party of Socialists. More precisely, just over 10% of the Montenegrin electorate, which insisted on independence, was disappointed, but the state was preserved, so was peace and Serbia's extreme aggression was avoided.

CHOOSING THE RIGHT WAY

Many people still wonder if it "could have been different back then". There is a number of those who are ready, not intellectually and without any analysis of the general situation at that time, to argue that the authorities made a mistake and that everything could have been different in Montenegro today. They are not right since the subsequent events refute their opinion that it should have been done differently at that time, but they are right that everything would have been different in Montenegro today if the Montenegrin authorities had fought with history and the relevant life facts. Even though it sounds dramatic, Montenegro would not exist today, or would be destroyed and crippled due to huge material damage and human casualties, just like the countries that declared independence. Each of them had their own big or small war with absurd human and material losses. Montenegro was the only one which succeeded in saving itself amidst the Balkan drama. It was the only one that has been and has remained Europe's partner, while all other countries posed the problem for Europe. Montenegro was the only one where there was no war. Montenegro was the only one where people could fine peace, running away from good policies pursued by their countries. Montenegro was the only one which, at one time, had refugees from all neighbouring countries in its territory. These refugees accounted for more than 12% of the total population (this would be equivalent to more than 10 million people coming from different places, in several days, to the large Republic of Germany and found refuge).

Montenegro endured all this. When it comes to the lack of defence mechanisms which other countries possessed and Montenegro did not, it was about the lack of national and state capacity to take the independence path without risking its survival. In the 19th century, first countries and then nations were established. Italy was first established as a country, and then Mancini showed up with the concept of the Italian nation. As a state, Germany was also established in that period, while the German nation was established thereafter. In the 20th century, nations created states. After the First and the Second World Wars, nations created states – the disintegration of the Soviet Union, the example of Baltic states, the disintegration of the former Yugoslavia (SFRY), the examples of Slovenia, Croatia, Macedonia. Montenegro was the only one not to have finished in 19th and 20th centuries what the above mentioned states did – created conditions for their own stable independence and autonomy. It was necessary to wait for "better times".

Moreover, Montenegro entered the process of political transition fraught with difficulties from its past, its state duration, and its history. The process of political transition started by leaving the value system inaugurated by communism, that is, socialism and an effort to achieve new democratic values. Prior to the transition process, there was only one political party in Montenegro, the League of Communists of Montenegro, and every seventh adult Montenegrin was a member of that party. With the transitional political explosion, plurality of Montenegrin society, establishment of tens of political parties and interested entities, emergence of what contains in itself social pathology, appearance of so-called syndicalist pluralism, basic changes in the social and state structure in Montenegro have started, with all failures, mistakes and omissions. It has been known and still is that the first Montenegrin Parliament, composed of some 15 national and civic parties, had 125 MPs, and that the dominant atmosphere was flammable and characterized by anticommunist rhetoric, which was politically marketable in that period. Simple insight in the biographies of 125 MPs showed that only three of them had never been members of the League of Communist of Montenegro. In the past, the leaders and members of the most extreme pro-Serb political parties, advocates of Montenegro's survival in a broader community, together with Serbia, diehard unitarists and unionists, those who supported them at that time, who transmitted and still transmit Greater-Serb ideas in the Montenegrin political arena, had been the secretaries of the basic municipal and higher organs of the League of Communists of Montenegro. What it looked like to hear the former communists using ugly and anti-communist rhetoric and not to have lived in those times when there were few "Havels" in Montenegro who even tried to do something different from what was done under the circumstances. Therefore, Montenegro did not have enough state capacity to resist attacks of greater-Serb nationalism.

EXIT FROM SUBORDINATION AND ISOLATION

On the other hand, under the pressure of the Serbian regime, Montenegro established a third Yugoslavia as a federal state, together with Serbia. Even though Serbia never harmonized its constitutional organization with the new union, but continued to live in accordance with the Serbian Constitution of 1990, which was the Constitution of an independent state, adopted two years before the Constitution of the Federal Republic of Yugoslavia; even though, in a constitutional sense, the Federal Republic of Yugoslavia was a complex state consisting of only one member state - Montenegro, which adjusted its 1993 Constitution to the FRY Constitution, Montenegro suffered due to the fact that the new community was not recognized by the world. It was isolated and anathematized. Its isolation was long and very difficult, challenging the political and economic sustainability of the countries it was comprised of. Thus, Montenegro lived in two hoops during its first years of transition. Its first, democratic limits were derived from the previous system. The huge and even dominant number of unity supporters, voters who consisted of old ideologists, were still the slaves of failed projects, or Yugo-nostalgic, or suddenly publicly declared as Serbian nationalists and promoters of the Greater Serbia project, which could not have been realized without the suppression of any democratic pro-Montenegrin ambitions. The second one, isolation from the world as the punishment for giving up the projected plan of creating six independent states, what Europe had asked for and what Montenegro had accepted and then had rejected, practically trying to save itself. Those were the years of great misunderstandings between Montenegro and Serbia "within the new union, when Montenegro fought to preserve its existence, political and legal system and state order". Those were the years of conflict between the Montenegrin authorities and Serbian regime, headed by Mr Milošević, the regime which ignited Balkans with its policy. By keeping peace in the state, the Montenegrin authorities started an open conflict with the Belgrade regime, which used new Yugoslavia to choke Montenegro and promote its "greater state" ambitions. While Mr Milošević was a partner to Europe and the broader international community, one of the signatories of the Dayton Peace Agreement, which ended the war in the Balkans, and he himself was one of the authors of that war, Montenegro pointed its finger to the Belgrade regime indicating that it had been and still remained the problem for the whole region and especially for peace in the region. One should survive those ten years both politically and economically. The world understood the political fair which Mr Milošević made together with his greater Serb class and in Montenegro with the greater Serb opposition, and started to support the democratic structures in Montenegro and Serbia, which finally caused the fall of the Serbian regime at the beginning of the last decade. But not even then Montenegrin torments ceased. Many of them held that the emancipation process of the state and national habitus, which was necessary for Montenegro to become an independent state with no great shocks, was slow. With the failure of the FRY, after the guerrilla constitutional coup in 2000, organized by Mr Milošević's structures in Montenegro and Serbia, the new, allegedly demo-

cratic authorities came to power in Serbia. They were composed of the opposition parties with different political and ideological profiles shaped for many years. For many years Montenegro was refuge for "Serbian political brigands, leaders and their associates from the Serbian opposition parties, those who come to power in Serbia after the democratic revolution in 2011". During that period, the Belgrade regime presented Montenegro as the country that destabilized Serbia and exposed to serious threats to be punished for it. After the failure to redefine the relations between Montenegro and Serbia during the previous years – although the true intention of Montenegro was to save Yugoslavia, the fallacy that Yugoslavia could have any democratic capacity lasted the longest in Montenegro longest (while Serbian intellectuals such as Dr Latinka Perović were warning that every Yugoslavia was an euphemism for Greater Serbia), and after the attempts of the former Montenegrin authorities were rejected by the Belgrade regime in the same way as King Nikola's attempts had been rejected by his contemporaries in Belgrade to create a joint state, under pressure from Europe and with its active role, Montenegro was forced to stay in a state union with Serbia, even though the active Montenegrin authorities promoted the idea of an independent and autonomous state of Montenegro for the first time in those years. Thus, the union that had no chance to survive due to the fact that it was composed of two member states with two completely different political and state projects regarding the region and international relations, was created once again. At that time, Mr Koštunica's politics was dominant in Serbia. Mr Koštunica was allegedly a democratic nationalist and not a national democrat, but he was also the man who did not recognize the right of Montenegro to exist as an independent state nor Montenegrins as a separate nation, nor anything that was specifically Montenegrin, because everything is a part of the "Serbian national corpus", which was absolutely not ready to allow Montenegro to go its own way, although Mr Koštunica, the new Serbian President, was acknowledged by the world as the political figure of the year, which people understood as a signal that "Lale" (a nickname for the people from Vojvodina) were right warning that "whoever enters into marriage fast will suffer slowly after the divorce". The State Union with no head and tail was projected to last for three years. That it had no perspective at all was confirmed by the fact that the Constitutional Charter was being created for a year and the State Union lasted for three years. It had no basic characteristics of a complex state. It was neither a federal state or a state community. Some theorists dare to say that it was a realistic union, but this is highly questionable. This state union had no capital and no symbols; instead, it

hastily had to borrow the symbols of the former Yugoslavia; moreover, no institution function as planned because it was badly planned. After three years of torture, Montenegro decided to become independent, sovereign and internationally recognized, and go on its own path by a majority vote in a democratic referendum, which was not practiced anywhere in Europe until then. It decided to close the circle. Until a century ago, Montenegro was an independent and internationally recognized state. It entered self-lessly into various alliance with others and suffered because of that. When it freed itself from all illusions and matured enough in a national and state sense, it reached the decision to start from the beginning as an independent state.

While the process of constitutional shaping of the referendum will of Montenegrin citizens was underway and was accepted and congratulated by everyone and while Montenegro was recognized and accepted by international organizations, from the United Nations to the Council of Europe and others, in Belgrade there was a requiem for lost hopes, which has persisted to this day in Belgrade's nationalist circles that seem not to be able to stop singing the same old song with Greater Serbian, epic and bribery-manic verses and choruses over and over again. During Montenegro's political transition and making of these historic steps, its current authorities were obstructed from the same address and open assistance was send to its political opposition that was supposed to finish the job for the contractor. And today is the same as yesterday.

PAVING THE WAY FOR EUROPEAN INTEGRATION

It was its independence that revealed to Montenegro all delusions in which it, a very small country, consciously lived in for a century or more. Due to its selflessness and national generosity, it constantly suffered, but kept postponing a hard decision and getting rid of those delusions during the previous decades. At the same time, it proved to be easily adaptable to the new European values as an independent state, and during five years of its independence it succeeded in signing the First Agreement with the European Union and the Stabilization and Association Agreement, as well as in opening of negotiations with the EU. Some other countries were not faced with such constraints and problems like the Montenegrin state; it took ten or more years for the same task. Montenegro has continued to be a partner to Europe and has become an example in the region, the country to which as a success story every finger is pointed and the country that will join the European community of nations as a full-fledged EU mem-

ber after Croatia. It also realistically expect to become a NATO member first if all goes well, especially bearing in mind the financial and economic crisis and disagreements within the EU itself.

And Montenegro has carried all this on its shoulders, with the help of its friends from the international community, without major tremors. If there were any problems and difficulties during the past two decades, they all remained at the level of incident; they did not cause any disruption in the community and were addressed and resolved using democratic procedures. Montenegro is simultaneously working on the establishment of good relations in the region and beyond, while at the same time developing democratic relations in its own home. Montenegro has no serious unresolved issues with any of its neighbours. On the contrary, its relations with the neighbouring countries are taken as an example and a warning that communications in a different way are possible, instead of provoking fighting and bad relations.

The early parliamentary elections and the victory of the European coalition "For a European Montenegro" are just the proof that in the countries in the region, which are complex communities from a religious, national, ethnic, social and cultural viewpoint, like most of them are, rapid changes in the political establishment did not leave the same political traces like in old and stable democracies such as Western European ones. Since the 1990s, Montenegro has been politically shaped by one political party of civic provenance, which was in power during the first seven years of Montenegrin transition. All other political entities belonged to the opposition. In the middle of that decade, there was an open conflict with the then Montenegrin government and the Belgrade regime, which was too strong at that time (even for the international community), so that the hitherto only ruling party offered to all other political parties of civic or national orientation to form a bloc for the preservation of Montenegro, peace and religious and ethnic tolerance. For the first time in Montenegro a coalition government was formed, including the political entities that had Montenegro's democratic interest as a priority and respect for others as an obligation. Since then, through a referendum and the bloc for an independent Montenegro, that political structure has remained together and has always triumphed in all democratic tests where the people had to decide. On the opposite side there have always been political entities trying to slow down Montenegro's democratic independent path to international integration. These political entities would often come up with an idea that Montenegro should not exist, which is inconceivable in any democratic system. Montenegro has had the opposition in the country since the beginning and unfortunately still has. It has had, and still has the inauthentic, non-autonomous and dependent political entities installed on the side and supported in all possible ways so as to pursue someone else's interests in Montenegro. It is supported financially by the media and academic circles in Belgrade, by the Serbian Orthodox Church and, in the past, by the Yugoslav Army. Like before and during these elections as well, the democratic, pro-Montenegrin and pro-European coalition was confronted once again with the united coalition of political entities broadcasting political atavisms, demagoguery and populism, but the democratic coalition won, proving that during the past two decades Montenegro definitely fulfilled the task which had not been fulfilled due to the lack of ambition to do so in the 19th and 20th centuries and which other countries have completed. Today, Montenegro is a country that is resistant to the blows of conservative and historically defeated forces despite its young democracy, young democratic institutions and newly established democratic relations, and continues to follow its path for which everyone who is well-intentioned encourages it and wishes it

Longing for good neighborhood and internal stability

And should a different political will and an alternative political interest have won any of the previous elections, including the last ones, everything would have been different in Montenegro. Therefore a thesis on the good that was done in the political development of Montenegro during the past 10 years, owing to the constant victories of the same political ideas, is not a selfish one, let alone an unreasonable thesis, because in the opposite that would have been risky. In the Montenegrin political alternative, there are not only xenophobic, destructive and only rhetorically speaking democratic forces, but it is more than likely that they would be a companion of the democratic development in Montenegro for a long time. People say that what is crooked cannot be made straight. Even to some political entities having their heads in a neighbouring state and their legs in Montenegro, which dance ritual "dodole" dance calling the rain to fall in Belgrade and would like to have bread in Montenegro, if it were possible for them to gain the trust of the Montenegrin people as a good story, as Europe says, there would have been nothing left of Montenegro as an example in the Balkans. No simulation is needed to prove it. In some communities at the local level, some parties belonging to that alternative bloc are the local government, and in those cities they ignore the state of Montenegro,

ignore its state symbols, Constitution and laws up to the limits of bad taste and demonstrate the lack of basic political culture. The countries in the region should be looked at as well. Serbia should be looked at, and the policies that have changed in this country and Kosovo as a problem. Bosnia and Herzegovina should be looked at, and the alleged democratic victory of the concept of national instead of civic equality, and the fact that Bosnia and Herzegovina had been blocked in its development, that it is a hybrid state, that it is dysfunctional and that Europe and the world got tired of the political games of national chiefs in that state and start very seriously to threaten them with severe sanctions if they continue with their games. Therefore, it is not the question of twisted transition in Montenegro, as some claim due to the continuous victory of the democratic bloc; on the contrary, it is a promising process that should also encourage others in the region and Europe which cares about the region.

This is even more important, because it is known that all countries in the region, including Montenegro, have lately been faced with difficulties caused by the recent global economic crisis which has, in all of them jointly and individually, brought to the surface some economic, financial and other doubts that need to be dealt with in peace and that they need to try to overcome. It should be noted that all countries, including Montenegro, are quite tired from a long transition process, because it is difficult to abandon the old and have the same generations get accustomed to the new. The countries in the region, including Montenegro, are tired of their protracted and exhausting internal problems. One should not forget the consequences which are strongly felt in the region and which were left behind after the Balkan drama and hell, the war of all against all, with its senseless beginning and end. And in the end, mutual relations between states are not, at least not in any case, promising. Many are burdened with old and new problems. Maybe it should have been said at the beginning that the requirements of the European Union itself are neither uniform nor simple for many communities in this region and Europe itself would have a thing or two to be objected to when this region is concerned, and its different attitude towards the same problems for many years, its selective approach to their resolution and demonstration of a double standard when different countries are concerned.

Due to that fact we thought that the issue of continuity of electoral victories should be approached in a more subtle manner when the Balkan countries are concerned. The continuity of victories of the democratic coalition in Montenegro, based on the previously mentioned and easily verifiable and measurable facts, is a positive thing and it is not at the expense of the development of democracy, because each state is a story in itself in a historical, contemporary and, above all else, political sense. Unfortunately, we can also talk about the reversed case scenario. We can talk about the continuity of victories of the political structures that have been replacing each other in certain countries in the region which, apart from their names (feathers), have changed nothing. On the contrary, they have emitted and still emit supposedly different and fundamentally, ideologically and programme-wise the same, bad consequences, both when the country and its neighbours are concerned. Changes for the sake of changes do not contribute to democracy and the common interest, when this part of Europe is concerned. The bad needs to be changed, but in due time and when the need for it arises, and those that guarantee long-term stability and the achievement of the expected should be encouraged.

Slobodan LANG

PROFESSOR, DR, UNIVERSITY OF ZAGREB, CROATIA

PEACE INITIATIVE OF SOUTH - EAST EUROPE - What Should be Done?

I have brought everything I believe in and what I know to Belgrade. Although I am 67 years old, I have stage fright just like in 1967, when I was 17 years old and prayed for peace in the United States. After 50 years of my pacifist experience, I am afraid that I will not be able to express how much I wish to succeed in encouraging you to achieve the common good.

I came this October, on the day of liberation of Belgrade in the Second World War, in order to attend the 8th ECPD Conference because I need you for the reconciliation, tolerance and security among the Balkan peoples. Without each and all of you, now and tomorrow, it will be impossible to achieve necessary good deeds. Only you can turn words into deeds

I appeal to all in this hall to listen to me, devote their attention to me for a few minutes and ask themselves whether they wish to join these proposals, use their knowledge and take part in their realization.

Balkan history is the history of suffering, differences, colonies, divisions, hatred, wars and violence. I believe and know that this long and painful suffering has left still unrevealed wisdom. I have come here to ask you to reveal that wisdom and develop goodness in the Balkans.

Today, when all Balkan countries are free for the first time, let as intercede for:

- 1. All Balkan countries to sign the declaration on the non-violent settlement of all mutually unsolved problems;
- 2. All Balkan countries to jointly convene the world summit of heads of state, which will be devoted to the prevention of genocide, with the participation of the churches, academies of sciences and universities, humanitarian, pacifist and political organizations;
- 3. All Balkan peoples to become free peoples and free peoples are only those peoples who consider all peoples to be equal, responsible and capable of achieving good things for all.

We are humans because we know how to imitate the good or evil acts of others. Throughout the past century we were taught to imitate evil:

- Ivo Andric wrote about Bosnia as a country of ancient hatred and that good people, if they wish to remain good, should go somewhere else in the world:
- Josip Broz offered us to live here and be led by brotherhood and unity among different peoples, but among one's own people there remained hatred and divisions. That is Cain's brotherhood;
- Balkanization has become a worldwide term used to describe process of fragmentation, hatred, bloodshed and the incapability of cooperation.

During the last century, anyone and everyone could speak up for what they wanted except us because we were not free, in faith, as nations and peoples.

It is now our responsibility to speak up and show by our actions that we know how to build brotherhood among peoples within their own states and friendship and cooperation among peoples in all other states.

The future always comes, but nobody knows what it will hold, because it is necessary to know everything about everything, which can only be done by God. I do not know nor do I believe in false gods or ideologies that know the future. But I believe and know that each of us can create the future for love, our families, sciences, beauty and good.

During the past 50 years, I experienced numerous divisions and conflicts among peoples and nations, and also within myself regarding my views, beliefs and actions.

I have learned from ancient Greek philosophers, witnesses to concentration and Stalinist camps, legacy of my family and my own experience of war that nobody can take away our spiritual values.

The Balkans are the meeting point of all great Western religions, Judaism, Christianity and Islam.

The Balkan peoples have been exposed to wars, oppression, conquests, hatred, exploitation, inequality and disrespect for centuries.

All Balkan peoples have only now achieved their independence, freedom and equality in Europe and the rest of the world.

We are what we remember.

If we remember only evil, we also call on our children to continue our evil.

Our children will live their own lives and solve their own problems by imitating us. If we wish them to act somewhat differently, it is not sufficient to condemn the evil of our time; we must also do good which we wish them to imitate.

We must leave our experience of good to the future.

Therefore:

First, I propose for the well-being of all people around the world that the Presidents of all Balkan states convene a world summit at which all countries of the world will assume the responsibility for genocide prevention at any place, at any time and against anybody in the world.

Therefore, it will be possible to put together all knowledge and create the organization and find the way of acting if there is danger of genocide. It is necessary to hold a world summit every ten years, when acquired knowledge and experience will be considered and the approach to, policy and procedures in genocide prevention will be proposed for the future period.

Second, I propose for the well-being of all Balkan peoples to hold the first summit of the Presidents of all Balkan countries and that they sign an agreement on the non-violent settlement of all mutual differences and outstanding issues.

I call on you to convert the suffering our past into the building of our wisdom, thus enabling our children to attain a prosperous future.

The wisdom of the Balkans offers the prevention of genocide to the whole world, endangered regions, nations and groups.

His name was Balkan and hers was Europe.

The 2012 Nobel Prize for Peace was awarded to the European Union "for over six decades [having] contributed to the advancement of peace and reconciliation, democracy and human rights in Europe".

I have a vision that in twenty years the Balkan states and peoples, our children, receive the Nobel Price for Peace for initiating a successful prevention of genocide in the world and the attainment of non-violence, cooperation and good neighbourly relations among all countries, nations, religions and peoples in the Balkans.

I appeal to you to adopt this vision, accept these proposals and have the ECPD lead the conversion of dreams into reality.

Marjan MLADENOVSKI

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ETHNIC BALANCE IN MACEDONIA – A RETROSPECTIVE OF (OVER) DIMENSIONING

Abstract: Compared to other European countries, the Republic of Macedonia formed its state relatively late, in 1991. However, the beginnings of contemporary state characteristics began approximately at the end of World War II (1944), after which the Republic of Macedonia took an integral place in the Yugoslav Federation (1945–1990).

The Republic of Macedonia has a long demographic history with various ethnic groups, but the official data do not contain any ethic-based conflict. Therefore, the establishment and maintenance of the interethnic balance shouldn't have represented a challenge for the country. However, the prior events, especially those of 2001 showed that the Macedonian society did not recover from the so-called "Balkans Syndrome" relating inter-ethnic turmoil. Practically, the post 2001 period, instead of smoothened multi-ethnic relations, generated (or contributed to generating) parallel worlds, especially between Macedonian and Albanian ethnic communities. The widespread opinion is that the either side politicians are major factors for the deepening of discrepancies, that they put their personal political career, while at the same time neglecting the political well-being of the region.

REGULATING THE MAJORITY-MINORITY RELATIONS

Considering the fact that over 90% of the countries in the world are ethnically heterogeneous, it is inevitable to establish relations between the dominant social groups (majority) and other social groups (minority) that are inferior compared to the first one in a cultural, political and economic sense. The facts show that there are more than 800 minorities in the world today, excluding tribal communities in Africa, Asia and Latin America.

Regarding the majority-minority relations, here are many regulating examples, both in theory and reality. Sometimes they were democratically implemented and sometimes in a more totalitarian manner. According to the taxonomy suggested by McGarry and O'Leary, it is possible to distinguish:

Four methods of differential elimination (genocide, massive violent migration of the population, division and/or cession and assimilation and/or integration) and

- Four methods of managing differences (hegemony, third-party arbitrage, cantonizing process of federalization, power holding and management or consociation.)

Contemporary theorists (Kymlicka, Taylor, Walzer, Shapnner, Rawls) debate about social integration as a desired democratic concept, whereby they put their emphasis on the difference between liberal (citizen), collective (the model of the community) and liberal-pluralistic model of minority integration.

MACEDONIA AND WORLD WAR II (1941–1945)

The ethno-cultural diversity of South-Eastern Europe is particularly associated with the multinational empires that collapsed after World War I (Austro-Hungary, Russia and Turkey), which implies that ethnic coexistence has a long history in this territory. The division of Macedonia between Serbia (later known as the "Kingdom of Serbs, Croats and Slovenes"), Greece, and Bulgaria and, at that time, emerging Albania, was the reason that caused the assimilation and denationalization process against Macedonians, as well as their "minority treatment" by the mentioned countries in the inter-war period.

During World War II, almost every country in the Balkans had a border issue in a territorial sense. The official borders were altered in a violent manner - through occupation and annexation; when one nation is torn apart, the other own strengthens its own power, generating political protectorates, etc. Genocide, massive and frequently forced migrations were the main methods used against the part of the population that represented a minority.

In the merciless times of war on the Balkan Peninsula, minorities found themselves in new territories. At that time, the largest part of the Macedonian territory was under Bulgarian occupation on an "ethnic basis", and the other part (Western Macedonia) was occupied by Italy (that is, Albania) supported by, and according to the interests of the Axis powers. The Bulgarian authorities tried to assimilate Macedonians, that is, they tried to apply the process of "bulgarization", using as a tool the integration of Bulgarian culture, especially the integration of the education system, which was conducted in the Bulgarian language. At the same time, other minorities were not politically treated to such an extent (Albanian and Turkish ethnic minorities), and consequently, their education facilities were closed. In the manner of dissolving ethnic unity, apart from assimilation attempts, the Bulgarian authorities also applied the methods such as the forced migration of the Macedonian population, confiscation of their property and granting of such property to Bulgarian immigrants.

In Western Macedonia, the Italian authorities tried to implement Albanian as the compulsory language in education, an act that was introduced to provoke discord between children with a Macedonian, Albanian and Turkish ethnic background. Through propaganda activities, usually on a religious and radically-national basis, Italians formed the "volunteer" Ballista squad, which terrorized Macedonians, Albanians, Turks and all others who were labeled as a potential threat.

The inclusion of Macedonians in the anti-fascist revolution represented practically the struggle for national liberation, struggle that fulfilled its goal declaring ASNOM (Anti-Fascist Assembly for the Peoples' Liberation of Macedonia) in 1944, when officially and lawfully Macedonia commenced its statehood. Just a year earlier, in 1943, at the Second Assembly of ASNOM (AFAPLM), the Macedonian population was declared independent for the first time and Macedonia took part as a federal unit in the Democratic Federal Yugoslavia. Apart from other solutions at that time, brought by the executive entity of ASNOM, some of them were crucial. For example, the one that anticipates that Macedonia has to be formed as a state that belongs to ethnic Macedonians, while Macedonian citizens, regardless of their ethnic origin, enjoy every civil right, the right to be educated in their mother tongue and freedom of religion.

The available data show that at that time Macedonia was multi-national. According to the statement given by the President of ASNOM – Metodija Andonov – Cento, Federal Macedonia had 1.5 million inhabitants in 1945 of whom there were one million Macedonians and the rest were Turks, Albanians and Vlachs. In the eastern part of Macedonia there were also Bulgarian immigrants. The Muslim population was between 70 000 and 80 000. A notable fact is that in ASNOM all national minorities were included, even the Deputy President of the Government was an Albanian, according to some sources.

It is more than obvious that the concept of the Macedonian country announced the creation of a nation-state with a liberal model concerning ethnicity, which was in compliance with contemporary democratic principles at that time, proclaimed by the newly-founded United Nations and its declarations.

SFRY, Republic of Macedonia and inter-ethnic RELATIONS (1945-1991)

After World War II, the Republic of Macedonia formed part of the recently formed multinational Socialist Federal Republic of Yugoslavia. In the SFRY, the communist model was adopted, the same like in other East European countries. This model was based on the idealistic postulate of emancipating humanity, the postulate that exceeds the boundaries of the nationalist point of view. "Brotherhood and unity" between nations and minorities was a highly promoted maxim and assimilation among the six federal entities was intolerable. Also, the ethnocentric concept, applied by any party was highly repressed.

So, every minority's attempt towards autonomy was labelled as separatist. The basic paradigm was equity between people or, more precisely, "there are no majorities and minorities", even the terms majority and minority, were ideologically and politically unacceptable. The core of the socialist model was constructed upon equal jurisdiction and power distribution by marginalizing and destroying the instruments that approve those who are powerful, rich and mighty. Positive discrimination vis-àvis various minority groups was conducted through directives, frequently from the political top ("the supranational leader"). The importance of the elections (which, by the way, were not elections in the classical sense) and the percentage of the minorities was irrelevant. The status was dictated by the level of ideological acceptance of the socialist model, which initiated the formation of the autonomous provinces of the Albanian nationality (Kosovo) and Hungarian nationality (Vojvodina). Those who were labelled as "fifth columnists" (mostly Germans and Italians) were expelled over the state borders.

During that period, judging by many parameters was an experimental multicultural state, without a happy ending, probably because of the side effect that came from combining it with socialist totalitarianism.

However, compared to other countries with similar ideology, the SFRY was very open to ethno-cultural diversity, which was later severely criticized as a faded idea after the collision and escalation of ethnocentrism in the Yugoslav Federation.

The Republic of Macedonia consistently followed all postulates of the SFRY. At that time, the rights of minorities and their general status (called "national minorities" and "nationalities", and as of 1974 Albanians and Turks) became an integral part of the constitutional provisions. In accordance with the Constitution, all minorities were equal with the Macedonian population with respect to human rights and duties, minorities could their own language and alphabet, develop their own culture and found their own organizations. Minorities had the right to education in their own language in elementary schools, had their programme within the national media, newspapers in their language and were also included in the public administration...

In percentage terms, the dominant minorities in Macedonia during the period 1945-1991, with minor fluctuations, were Albanians and Turks. The number of Albanians was continuously increasing from 1953 (162 524 or 12.5 %) until 1991 as the result of their high birth rates (441 987 or 21.7%). The size of the Turkish minority decreased progressively from 1953 as the result of emigration to Turkey (203 928 or 15. 6%) until 1993 (77 080 or 3.8%).

Although the most dominant ethnic groups (Macedonians and Albanians) created the basis for ethnic tolerance trough history, there was no coexistence in the real sense of the word. Their differences with respect to ethnicity, culture, tradition, language and religion were more emphasized than the element of cohesion.

The big Albanian protests in Kosovo in 1968 and, later, in 1981, with the aim to have Kosovo become a republic within Federal Yugoslavia were the form used by Albanians in Macedonia to express their nationalist aspirations. The response of the Macedonian authorities to "Albanian nationalism and irredentism" came in form of certain restrictions (discriminatory and assimilatory actions in some sense) in the educational sphere, administrative dismissals based on "ideological differentiation", provisions that forbade Albanians to sell their land in Western Macedonia, regulations concerning personal names, measures taken in population policy aimed at stopping demographic expansionism and even sanctioning private expressions of "nationalistic euphoria".

THE REPUBLIC OF MACEDONIA AND INTER-ETHNIC RELATIONS (1991-2001)

The first few years of Macedonia's independence were marked by inspiring enthusiasm and energy in creating a proper country. In the of 1990, the first pluralistic elections were held and, only one year later, the pluralistic Parliament was formed, the first President was elected and an Expert Government was constituted for the first time. After the successful referendum on the independence status of the Republic of Macedonia on September 8, 1991, the Constitution was proclaimed and in 1992 the battle for international recognition began.

According to the 1991 constitutional provisions, Macedonia declared itself as a modern democratic society or, more precisely, the country based on the "nation-state" principle where all minorities enjoy equal status and are guaranteed the protection of their cultural, ethnic and religious identity. Distancing itself from the existing socialist phrases about equity, while at the same time complying to the liberal concept of integration, Macedonia placed emphasis on individual human rights. It also made a step further by extending a number of collective, rights, especially in promoting the protection of minority rights in accordance with the then highest international standards, fitting in somewhere between liberal and liberalpluralistic models of minority integration.

Since the proclamation of its independence, the Macedonian state has pursued a positive policy with a view to increasing the participation of all nationalities in many spheres: the police, armed forces, education and judicial system. Every nationality had the right to include its members in the educational process conducted in their mother tongue, both in elementary and secondary education institutions. Every minority member had a chance to enroll in every State University, with the particular lists provided for minorities; the opportunities for studying in Albanian and Turkish were provided at the Faculty of Pedagogy, Philological Faculty and Faculty of Dramatic Arts. Cultural clubs and cultural institutions for minorities were also established and partially financed by the state. Macedonia Radio Television provided the programme for each national minority in the country in their own language; later on, all minorities obtained their own TV stations with programmes in their own languages.

After the adoption of the Law on Political Parties, there were 55 political parties in Macedonia of which 15 (30.91%) belonged to various nationalities. They succeeded in delegating 27 (out of 120) members to the Macedonian Parliament in 1990 (minority delegates accounted for 22.5% of the total number) and 336 (out of a total of 1580) members to Local Committees (minority members accounted for 21.7%). When the new convocation of the Parliament was constituted in 1994, this percentage was lower (23 delegates or 19.2%), which resulted in the joint political presentation of the two biggest minority parties at the elections in 1998. As a result they obtained 25 delegates - Albanians, one Roma and a few Serb, Turkish and Vlach delegates.

The political parties of the minorities, especially Albanian ones, have been constantly included in the government coalitions since 1992 and onwards, holding 5 ministerial positions (since 1998 and the Vice-Premier) and a proportional number in public conditions. It was one condition for long-term national stability.

Despite all measures (which, honestly, did not provide the expected results) the Republic of Macedonia became a collateral damage caused by the problems generated by minority issues or, more precisely, their politicization. The programme of the Albanian political parties was mostly fulfilled, including the demand for obtaining more collective rights and expanding the existing collective rights. Practically, they asked for redefining the constitutional status of the Albanian ethnic group (proposing the model of a bi-national state), acknowledgement of the Albanian language as the second official language, education in the Albanian language at all levels, proportional participation of Albanians in every political and public institution, greater autonomy at the local self-government level... In this period, Albanians took some radical moves, which could have easily provoked an interethnic incident, like opening the unofficial Universities in the Albanian language in Tetovo and erecting the Albanian national flag in front of the City Council in Tetovo and Gostivar contrary to the Constitution. The reactions of the Macedonian authorities were varied: from tolerance to severe repression, often prompted by daily political needs. The key moment was the Kosovo crisis in 1999, when 270 000 refugees were registered in Macedonia (according to the Red Cross data), which represented the potential economic and social distress and destabilization of the demographic balance.

In this period, a general conclusion concerning interethnic relations and minority issues was that Macedonia was exposed to constant tensions between the Macedonian authorities, on one side, and the ethnic group demanding better status, on the other side. Other minority groups did not have enough strength to impose the issues that were vital for them, so that they accepted the role of silent observers in the creation of the integration process of national minorities.

THE OHRID FRAMEWORK AGREEMENT AND THE INTER/ETHNIC DIMENSION

The seven-month conflict between the Macedonian armed forces and Albanian extremist groups, which ended with about 70 victims on both sides, few thousands of refugees, destroyed homes and disrupted interethnic relations, was settled with the signing of the Ohrid Framework Agreement on 13 August 2001, under the pressure of international factors.

After the signing of the Agreement, Macedonia was never the same because the provisions set forth in this document generated enormous changes in a legal and politic sense, especially in the area of minority issues. Changes in the constitutional status of minorities in 2001 were manifold. The new Preamble changed the country's concept, while ethnic Albanians and other minorities were officially recognized in Macedonia for the first time. All languages in the country that were spoken by at least 20% of the population were declared official. In real fact, the Albanian language was adopted as the second official language. The proportional participation of minorities was adopted as the basic value of the constitutional balance. The status of all religious communities was at the same level as the hitherto status of the Macedonian Orthodox Church. The term "nationalities" was replaced by the term "communities" and all communities in Macedonia were covered by this term. The Badinter principle became crucial for the adoption of laws regulating concerning culture, education, use of language, personal documents and symbols of ethnic communities. According to this principle the ethnic-related proposals in the National Assembly (and later in the city councils and local government bodies) should be supported by a majority of both ethnic groups.

If the 1991 Constitution affirmed the European integration model for the protection of the rights of nationalities, the 2001 amendments affirmed the Macedonian unique model of a multicultural state in the region. Macedonia turned from a nation-state (in an ethnic sense) with pluralist democracy into a state with multiethnic consociative democracy, followed by a period of adopting the anticipated legislative measures and forming institutions oriented towards developing interethnic dialogue and multicultural society.

Macedonia and current interethnic relations

Today, the Republic of Macedonia is a multiethnic, multiconfessional and multicultural country, whereby various cultures are closer more than ever inside the same cultural circle, but more alienated than ever compared to any other culture. This indicates a strong ethnic division in almost every segment of social (and personal) life, especially between the Macedonian and Albanian communities. Smaller ethic communities position themselves in the middle, sometimes supporting the majority, sometimes supporting the biggest minority group (i.e. the Albanian community), depending on the current political climate, mostly on the dominant side.

It seems that the post-2001 period generated (or helped generating) parallel worlds, particularly evident between Macedonian and Albanian ethnic communities. Primary and secondary school students attend separate schools, college students attend separate Universities, both young populations visit different places and people migrate from multiethnic to mono-ethnic surroundings, political parties and media are also ethnically divided, businessman, writers, intellectuals have separate associations...

There are superficial warnings from the government and local authorities, as well as from international factors concerning such behaviour. In reality, it became quite acceptable that "one's own representative decides for his own people" in the case of key issues such as public representative responsibility, or the quality of public and government administration. This kind of disintegrative elements of interethnic cohabitation will cause a long-term negative effect on the Macedonian society.

Insofar as an interaction between ethnic groups is concerned, it occurs only in multiethnic surroundings, where this interaction is inevitable and it is very formal and poor. Generally speaking, the biggest ethnic taboo are mixed marriages, while business contacts between ethnic groups are totally acceptable. There is an obvious tendency to "throw the guilt" to another ethnic group concerning interethnic issues.

However, public conceit is not so dramatic and radical. A number of surveys and analysis has shown that major problems for both Albanians and Macedonians are social and economic issues and then interethnic ones. Both groups are aware that various social factors (above all, political parties, the media and others) have the merit for acquiring the wrong picture about "others". It is interesting to note that both sides share the same opinion - the greatest culprits for an increased ethnic distance are politicians, who are blinded by their power, so that their efforts are frequently counterproductive.

In the course of 2012 it was obvious that interethnic relations in Macedonia are highly inspiring for politicians, because they use it as a tool to gain legitimacy for their "own people". Once again, ethnic issues and events were opened and commented with great emphasis on ethnic differences. In 2012, a few provocative events were staged, triggering interethnic tensions, again between the Albanian and Macedonian ethnic communities. At first, the Defence (a member of the Albanian community) saluted the monument to the fallen soldiers from the Kosovo Liberation Army (UCK) in the village of Slupcane, Kumanovo, and just before this even he paid respect to the soldiers fallen in the same conflict on the Macedonian side. Although his intention was "visionary", the Macedonian side did not like it, so that

the Law on Fallen Soldiers was quickly adopted. It dealt only with the Macedonian side in the 2011 conflict and not with the UCK members. This provoked the Albanian response once again: they changed the Macedonian name of every school and every street into the Albanian one; they intoned the Albanian anthem in public education institutions and provoked the authorities in some other ways. So, a government official would speak in Albania or would block the work of the Commission that prepared the mentioned the draw law on fallen soldiers, all of which was in the service of the subjective implementation of Ohrid Framework Agreement. The Macedonian side responded by placing Albanian students into special shifts - the same happened to Macedonian students in schools having Albanian principals. There were also interethnic fights in public city buses.

Two interethnic events in Macedonia are especially interesting. Both happened in the last 12 months. The first was the population census in 2011, which was suspended in October due to irregularities in the Albanian environments. The second was more frightening. Namely, five young men of Macedonian nationality were brutally killed on Lake Smiljkovsko (Skopje), near the Kosovo border. Unofficially, the perpetrators were Albanians, but the motive (possible ignition of an ethnic conflict again?) remains still undisclosed to the public.

The mentioned events speak loudly that interethnic relations and issues take a central part in politicians' expositions and are also popular among Macedonian citizens; despite being exhausted and apathetic from a protracted economic crisis, they still manage to extract the mobilizing energy when ethnic differences come under the spotlight.

However, the current position of ethnic division is not only the result of the 2001 conflict; the nucleus of this issue should be sought way back when no one was paying attention to the multiethnic structure of society, which contributed to the creation of limited cultural identities, ethnic prejudices, and only a drop of interethnic trust. Anyway, one part of the guilt for this multicultural imbalance is borne by the state due to its inability to promote it the right way. The irresponsible ethnocentric behaviour of politicians and obstructed path to EU integration can have a negative impact on the Republic of Macedonia.

Conclusion

During more than four and a half decades of being a part of the Yugoslav Federation, from the declaration of its statehood status in 1944, through the declaration of its independence in 1991 up to the famous year 2001

and armed conflict, the Republic of Macedonia always cared about regulating the relations between the dominant majority (ethnic Macedonians) and the minorities coexisting in its territory. The regulation of the relations depended directly on the current standards concerning the integration of minorities, all of which was constitutionally backed. During the whole period, the Macedonian authorities tried to develop a "nation-state" model in which the minorities ("nationalities", "ethnic groups") would be integrated (partially also assimilated) into the Macedonian society. In reality, the results were not up to the expectations, thus occasionally causing ethnic tensions. During the 1980s, these tensions were considered as a warning; during the 1990s they were considered as a serious warning, but in 2011 they culminated. Since the armed conflict and the signing of the Ohrid Framework Agreement, Macedonia has introduced a specific multiethnic state model with consociative democracy, although, in reality, the signs of a bipolar state can be noted. The miscommunications between the Macedonian majority and dominant Albanian minority marked the entire period of Macedonia's independence. Despite the undoubtedly improved status of minorities in general (especially the Albanian one), Macedonia still remains vulnerable due to these interethnic issues, which can easily ignite the flame and provoke a conflict which the citizens do not want to repeat.

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Christo KAFTANDJIEV

How to Overcome the Negative Image OF THE BALKANS USING MARKETING COMMUNICATION MODELS

GOAL AND STRUCTURE OF ARTICLE

To analyze the ways to build a positive image of the Balkans using advertising models.

This goal defines the tasks and the structure of the article, namely:

- the positive role of marketing communications for the positive image of the world and the Balkans;
- semiotics as the tool for the analysis of communications;
- the Sign System of Architecture;
- people and their use in merging communicative approaches;
- other sign systems and the integration by them;
- signs in the arts and their role in peace-making.

THE POSITIVE ROLE OF MARKETING COMMUNICATIONS FOR THE POSITIVE IMAGE OF THE WORLD AND THE BALKANS

The Western world has imposed the view that the Balkans, as geographical and political phenomenon, is the symbol of backwardness, poverty, corruption, war and disunity. They even coined the term "balkanization" - "the division of a multinational state into smaller ethnically homogeneous entities. The term also is used to refer to ethnic conflict within multiethnic states." (http://www.britannica.com/EBchecked/topic/50323/ Balkanization)

This does not correspond to reality, since the biggest part of Europe and other continents are quite similar to our long-suffering region. Something more - the biggest part of atrocities done during the two world wars and the subsequent wars did not involve the Balkan nations at all.

Marketing communications can help to some extent to the pacification in the world and in the Balkans, in particular. Admen and marketers are very sober (and sometimes even cynical) minded professionals. If they can create positive ads, uniting cultures, this can be done also in political communications.

Semiotics as a tool for the analysis of COMMUNICATIONS

The analysis here is done from the standpoint of semiotics. Semiotics is the science that analyses the sign systems. It consists of four parts - alfabetics, semantics, syntax and pragmatics.

Alfabetics explores the various sign systems and their alphabets; semantics - the meanings; syntax - how to connect the signs in order to create the text and pragmatics - what is our attitude to reality and the signs we use to express this attitude.

The article is based mainly on alfabetics and syntax.

THE SIGN SYSTEM OF ARCHITECTURE

We are not only living and working in buildings; we also express different meanings by them. In our case, these are the meanings of various nations.

Typical examples in this respect are four ads of Bermuda as a tourist destination. The stylistic figure litotes is used in them. The litotes is the figure of reduction – opposite to hyperbole (the figure of exaggeration).

The size of the globe is reduced (litotasized) in these ads. But the size of cities, which are connected, rests the same. This way is demonstrated how close to each other are several US, and Canadian cities, and Bermuda.

Three joint agglomerations - Barcelona/Bogota; Madrid/Cali and New York/Medellin are created in ads for banking money transfer service. The communicative approach in this case is quite simple.

Everything (buildings and other artifacts - the Statue of Liberty, for example) is assembled in one place. This way the huge distance between the cities disappears and they begin to live together.

The communicative approach in four advertisements of FedEx with the following headline "Within walking distance" is similar:

- In the first we see the famous London Bridge and the Eiffel Tower in the neighbourhood;
- In the second ad, the Statue of Liberty was raised near the towers of the Indian Taj Mahal.;

- In the third the statue of Christ in Rio de Janeiro is placed on one of the towers of the Great Wall of China.;
- In the fourth the Eiffel Tower is very close to Niagara Falls.

Very creative is the communicative approach in four ads of Western Union with the headline "Transfer money in an instant". Here the community of cities is also demonstrated, whether they are at opposite locations around the globe. It happened because they were deployed below each other as in a mirror image.

PEOPLE AND THEIR USE IN MERGING COMMUNICATIVE APPROACHES

Merging can be expressed by the actions of different people. This one is one of the best communicative approaches since humans are the basic source of contradictions, misunderstandings, conflicts, wars, and ultimately - death.

We see in two ads for hot tubes and saunas with the headline "Extremely relaxing" how peacefully and happily cohabit punk person and policeman (in the first ad) and a Ku Klux Klan activist and an Afro-American (in the second). Maybe it is not a bad idea to produce a large quantity of these tubes and saunas and distribute them in the troubled areas.

The same work can be done by gum, which makes breath extremely fresh. So we can kiss even representatives of very exotic cultures - hippie girl and punk boy; Eskimos girl and African Zulu. If these ads do not lie, it is good to give the gum to all soldiers in the world.

Even some airlines contribute to world peace. We see in two ads of air company intermarriage and children as a result of the love between people of different cultures - for example India and the Emirates, India and the United States.

The admen did merging communications even in a more creative way:

- The Virgin and the Child are interpreted as black Africans in an ad. We may think that this is an Ethiopian or Coptic Christian iconography. But the reason is more prosaic - the persons were whites, but after eating a chocolate, they were transformed. The chocolate in this case connects two continents, and even two civilizations.
- Very original and connecting is the approach in an ad for Turkish Airlines with the headline "Europe meets the colors of Africa." Mona Lisa of Leonardo became typical African woman - even with neck rings.

Undoubtedly the most exciting ad is one of the Benetton ads of Oliviero Toscani. We see in the ad a black woman breastfeeding a white baby. This is probably one of the most powerful and convincing visual achievements in the field of integration of different races.

There is another ad of Toscani which is almost equal as visual persuasion and integration of different cultures. A homosexual family of blonde and black girls who have adopted an Asian baby is depicted in the ad.

We would go further with the connections. A human being and an alien are connected in an ad for glue with the headline "Eternity". Thus, the idea of peace goes to galactic dimensions - as in the American film "Alien".

Other sign systems and integration by them

Flags are one of the most typical signs by which the different countries are expressed.

Very original are two ads for tourism in Poland, using the idea of unification. The flag of Poland is red and white. The adman found these two colors in the French and the British flag and surrounded them in small rectangles. This way the idea that Poland is part of these powerful and highly advanced countries was actualized.

In three other ads the counties are related by only one flag.

The first ad expresses the idea of relations between France and the Netherlands. But we see only the French flag. It's with vertical color stripes. Dutch flag is with the same colors, but the stripes are horizontal.

The same approach is used in two other ads.

Very creative is the approach in an ad for the Red Cross. The adman united in one piece the biological signs for women and men with the help of the circle. The title of ad is "Doesn't matter". It directs us to the message of the ad, namely - the Red Cross takes equal care for both sexes.

Signs in the arts and their role in peace-making

We can also use works of art to unite cultures. The already analyzed ad for Turkish airline is a good example in this respect.

Very impressive in this respect are three ads for French and Spanish culture:

In the first the highly integrated visual part of the ad is created by the help of painting of French Delacroix and of Spanish Velázquez.;

In the second the visual is done by combining Spanish Goya painting and David painting.;

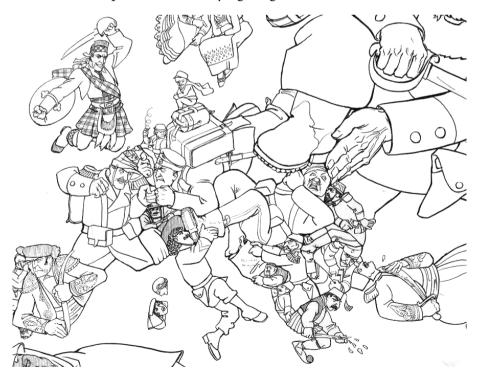
The third the visual is done by combining painting of French Degas and Spanish Velázquez.

Conclusion

Ads can unite but also can divide. Some ads are hostile and insulting to other cultures, but they don't form the dominant trend. The main reason is that marketing and ad specialists think only about the commercial profit.

Although they are enough cynical, these specialists understand very well that the big money comes from consumers in prosperous and peaceful societies. Therefore, the majority of marketing communications unites rather than divides.

It is better to communicate and to connect the different cultures than to fight each other. This is demonstrated in a perfect way by a caricature, which is mocking with the militarized Europe's nations during the First World War (Fig. 1). Here with the help of stylistic figure personification the different countries are depicted as furiously fighting solders.



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Repressive and Preventive (Legal and Political) Measures for Curbing Corruption – The Problem of Stabilization and Integration of Balkan Countries

Abstract: In its broadest sense of the word, corruption refers to the fraudulent conduct and abuse of power in attaining personal interest. From a penal and legal perspective, however, it defines acts of bribery and unlawful intermediation. Hence, in curbing corruption, contemporary legislatures mainly choose two pathways – building strategies for preventive legal and political measures and penal repressive measures: raising public awareness, implementing a code of conduct at workplaces, abiding by the principles of transparency, increasing work efficiency and effectiveness, improving the executive, tax and penal regulations and practice, as well as designing penalties schemes and specific penal measures to prevent and deter the occurrence of this unlawful act.

The starting point of this paper is the following thesis: adopting repression as the sole answer to corruption results only in elimination of the predicaments in individual cases, while the reasons, motives and circumstances leading to corruption remain untackled. Reflecting global trends in pursuing an effective preventive action against corruption, research indicates that curbing corruption should first and foremost be based on prevention, disclosing the reasons and circumstances leading to corruption, as well as their eradication, and resorting to repression merely as a corrective measure to be applied in individual cases.

Key words: corruption, prevention, repression, measures.

Introduction

Corruption in all its forms, ranging from the broad one, represented as an element of organized crime and the abuse of authority, up to regular "daily" corruption, can be regarded as the real cancer of modern society¹. Considering the spread of corruption, there is a threat that it can escalate from civil to state institutions, as well as to the bearers of the power functions.

As a phenomenon, corruption poses a serious threat to the basic rules and values of every democratic society. It is especially a governance problem which occurs when there is no delegation of responsibilities in

¹ Kambovski Vlado, Kazneno Pravo, Prosvetno Delo, 2003, Skopje, p. 508.

the state, or if internal control is dysfunctional or has no habit to report². As a phenomenon, corruption also poses a problem at the international level; it is also present in every single country, but its impact is greater in transition states. It affects every social organism, from top to bottom³.

Although it is necessary to create the environment of "zero tolerance" to corruption and its transformation from low-level-of-risk and highprofit into high-level-of-risk and low-profit activity, it is also necessary to introduce preventive and repressive measures in accordance with law and at the political level. The warnings about the incidence of corruption were adopted as a priority task of crime prevention and social policies a long time ago. This task involves all measures aimed at minimizing the proportions and weight of criminality either by limiting the conditions that facilitate the occurrence of criminal activities, or by controlling the environment or direct influence on the potential perpetrators of criminal acts and the public. A repressive reaction in the current social, political and legal environment is needed in order to strengthen discipline among function holders and restore the confidence of citizens in the institutions of the system⁴. It is extremely hard to detect and expose the cases of corruption of the elite, let alone to prove them, because there is rarely a loser who will take the risk and testify at trial⁵.

Therefore, most anti-corruption projects are focused on institutional reforms and campaigns intended to raise the public awareness of the economic consequences of corruption and suggesting an institutional solution⁶.

PREVENTIVE LEGAL AND POLITICAL MEASURES TO PREVENT CORRUPTION

There is no doubt that corruption is the most dangerous socio-pathological phenomenon occurring in public administration. It is the state of a

² Coalition All for Fair Trials, Programme for Monitoring Corruption-Related Court Cases in the Republic Of Macedonia, Skopje, 2008, p. 7.

³ Regional Center for Civil Action LINGVA - Kraljevo, Anticorruption Project for Encouragement, Kraljevo, 2003, p. 3.

⁴ Klitgaard Robert, Strategies against Corruption, http://unpan1.un.org/intradoc/groups/public/documents/CLAD/CLAD0035403.pdf, pp. 10-12.

⁵ For more detail see: Mrčela Marin, Novoselec Dragan and Rogić-Hadžalić Dubravka, Koruptivna kaznena dela, Drzavni zavod za statistiuku R. Hrvatske, Zagreb, 2009, http://www.dzs. hr/hrv/publication/korupcija/koruptivna_kaznena_djela_2009.psf, p. 17.

⁶ Tisne M and Smilov D, Temelna analiza na dokumentacijata za pomosta dadena za borba protiv korupcijata vo Jugoistocna Evropa, Series studies on policies, 2004, pp. 16-25.

severe infection of the administration, including ethical deviations and crime as a most egregious form of deviation.

One of more important aspects in the fight against corruption is transparency, which can best be described in the following way: to be clear in the process of decision-making and be open to the public in the performance of duties⁷. The complete application of the principle of transparency should have been the best guarantee of public powers to be used to achieve the benefit of the community. This principle is an essential prerequisite for efficient political control by citizens, while its consistent application results in reducing the need for other or additional controls. In a broader sense, the term "transparency" includes the publicity of the function and accountability of the organs. Emphasis is placed on⁸:

- 1. Publicity in the process of decision-making and decision implementation (employment, investment...);
- 2. Preventive anti-corruption activities (e.g. public procurement and contracting, granting approval for construction land, etc.);
- 3. Additional mechanisms of for making information available, improved public relations (use of media).

Generally speaking, responsibility means that a person or government representative must explain and justify his action in front of other person. The accountability principle means that nobody can be excluded from control and reconsideration. By applying this principle one can also prove whether other principles such as the rule of law, openness, impartiality and equality before law are observed. Accountability is necessary for making important assumptions about the efficiency and effectiveness of public administration. The well-established accountability system is the link between the administration and political system. It is that link which should bind the administrative part of government with the policy and citizens. Openness contributes to the protection of the public interest by reducing the possibility of corruption and mismanagement, as well as to the protection of individual rights. At the same time, openness reduces the possibility of abuse on the part of politicians, police and judiciary.

The efficiency of public administration is another important aspect of the fight against corruption. The efficiency of public administration

Decentrantrasation, Transparency Social Capital and Development, A Mittal Publication, Pirst Edition 2005, Md. Nazrul Islam, ISBN 81-7099-988-X, p. 114.

⁸ Transforma (2004), Raport cu Privire la Integritatea şi Transparenţa Administraţiei Publice Locale (Local Public Administration Integrity and Transparency Report), Bucharest: Pro Democracy Association and Transparency International.

means customer orientation, fast, efficient and economical provision of services and settlement of issues concerning the work of public administration9. Although efficiency is not something that fits into the logic of bureaucratic behavior, it is now more prominent due to the need for a constant improvement of the efficiency of public administration, since only this can be the fastest and most concrete way to solve the citizens' problems relating to public administration, compared to higher hierarchical levels, covering most animals, daily problems and citizens' needs.

The development of the code of ethics for the work of public administration and education of administrative officers how to work in accordance with this code under certain social circumstances provide good results in the fight against corruption. In this way and with a view to ensuring lawful, fair, transparent and responsible work using the members of the Government of the Republic of Macedonia, deputy ministers and other public officials appointed by the Government of the Republic of Macedonia as the example, the Government adopted the Code of Ethics for the members of the Macedonian Government and Public Office Holders Appointed by the Government of the Republic of Macedonia at its session held on 7 April 2010.. According to this Code of Ethics, official duties should be performed in accordance with the Constitution and law. The performance of daily tasks must be at a high professional level, in the simplest and most effective way, in the interests of citizens and other entities in the exercise of their rights, obligations and interests.

Political rights also provide a basis for the control of the state by citizens. Unfortunately, the low level of civic participation in political processes allows serious systematic corruption. Despite numerous public campaigns to raise awareness, institutional and legal reforms to improve public administration, research has shown that corruption continues to have large proportions. One of the main principles to be used for the successful participation of citizens is to raise the level of political culture in which citizens' common interests exceed daily political needs and require solutions to common problems through cooperation.

⁹ D.L Craythorne. "Municipal administration-The Handbook", Sixth Edition, Juta & Co. Mercury Crescent Wetton, 7780 Cape Town, South Africa 2006, p. 322

CRIMINAL LEGAL MEASURES TO PREVENT CORRUPTION

Since the reasons for the pursuit of corrupt acts are primarily related to the achievement of material or other benefit, which amounts to indirect proceeds, one of the ways of exerting influence precisely on the causes of this criminality is to take away the benefits so acquired and thus the funds held by offenders.

Although it anticipates imprisonment for the offences of this kind, modern criminal law anticipates the confiscation of the proceeds, or the received gift. If the perpetrator in his criminal activity is guided by costbenefit considerations of his action, it is then clear that the waiver of such a benefit can contribute toward fighting against this kind of crime. The presumption of the effectiveness of measures anticipating the confiscation of profits is the factor that causes the offence. Therefore, the confiscation of the property and proceeds acquired by a criminal act as the financial measure should be intensified in order to apply a severe blow against organized crime and corruption.

This will create an climate in which corruption will be considered a high risk and low-rewarding activity. In this connection, significant, internationally made significant progress was the adoption of the Council of Europe's Criminal Law Convention on Corruption in 1988. Among other measures to be taken at the national and international levels, the Member States should incorporate into their national legislation the legislative and other measures necessary for the confiscation and revocation of the instruments and income of the offenses covered by the Convention, or property whose value corresponds to that income.

The pronouncement and application of property measures as part of anti-corruption strategy should contribute toward increasing the effectiveness of the fight against corruption, which could be achieved if all income acquired by a criminal activity is confiscated and not used for the expansion of criminal activities¹⁰. The financial punishment of criminal activity should also be practiced as the secondary punishment, including a property sanction.

A short analysis in this section of the paper builds on the current issues of property sanctions and measures in criminal law. Apart from the fine, the system of property sanctions and measures includes the confiscation of property and compensation for damage caused by the offence,

¹⁰ Jorge Guillermo, Notes on Asset Recovery in the U.N. Convention Against Corruption, http://www.abanet.org/intlaw/hubs/programs/Annual0316.03-16.06.pdf, page 5

yet why the property right - although not directly related to the seizure of property or property interest - is not limited over a certain period of time, especially when this type of offence is in question. Professional bans must also be imposed if the perpetrators of corruption offences are to be prevented from the further abuse of their official position by committing acts of this kind and the realization of such profits. This will prevent the perpetration of such criminal activity by a concrete perpetrator and others, who will fear of the consequences of being prohibited to engage in their hitherto business and profession. At the same time, this will raise public awareness and confidence in the functioning of the system However, the application of the system of property sanctions and measures in the fight against this crime depends not only on theoretical research and analysis, but also on state regulations, the development of states, respect for human rights and international activities towards their the affirmation of modern penal law.

Finally, the struggle with this negative phenomenon, criminal law or even political-legal, economic and social problems depend on the economic situation in the country, branch of the economic structure and basis of the same political manipulation, social structure and traditions, as well as many other issues that exert influence on the occurrence, spread and immunity of corruption by legal and political measures.

Conclusion

Hence, on the basis of this brief review it can be concluded that the suppression of corruption depends primarily on the existence of a strong system of mutually linked and compatible measures, both preventive and repressive. The sublimation of the importance of legal and political measures in this paper is the result of their emergence and multi-importance which has been analyzed, the topicality and contemporary forms and methods of action, the impact of several factors in its development and existence of the implementation and failure of the existing appearance and existence of the implementation of the existing system and its prevention failure.

The analysis shows that suppression success depends primarily on the implementation of preventive measures and policy, strengthening of the awareness of citizens and officials to respect to the basic principles of governance and influence in order to combat the primary motives for the criminal activity of this kind by applying sanctions and measures aimed primarily at the profits generated by one's work or the causes of corruption.

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THE IMPACT OF THE GLOBAL FINANCIAL CRISIS ON THE TRADE FLOW IN THE REPUBLIC OF MACEDONIA

Abstract: If globalization is defined as a process which connects various local economies, cultures and societies by means of global communications, transport and financial means, then the global financial crisis has created the perfect conditions for the onset of a genuine process of globalization.

At first glance, the past three years seem to evoke a feeling of déjà vu of the Great Depression of 1926-1933. On its onset, the Global Financial Crisis started brewing as a financial meltdown in the world's wealthiest economies, then it affected the real economies of the developed countries by the reduction in aggregate demand, and its further spread affecting a large number of economies throughout the world.

The Global Financial crisis has left a profound impact on smaller economies as is the Republic of Macedonia. Apart from bringing positive effects in terms of economic growth, the intertwined relationship of the globalization and economy has one serious side effect – the recession's aftermath of the large economies. The paper provides an in-depth analysis of the current economic state of the Republic of Macedonia for the past three years.

Key words: Global Financial Crisis, recession, globalization, economic growth, Republic of Macedonia.

Global economic developments in 2007 were the result of several events that have contributed to the slowdown in global expansion. The financial crisis dealt a blow to the entire financial system of the United States and was a danger to other (developed) economies. The dramatic decline in the prices of metals, energy and food on world stock markets and the depreciation of the US dollar were perhaps the most significant developments that had an influence. Apart from economic factors, developments in the world economy in 2007 were largely determined by a number of non-economic factors – climate change and political instability in various parts of the world.

At first, it was going for the past three years resembling the Great Depression of 1926-1933. The global economic crisis first began as a financial crisis in developed economies, and affected the real economy in developed countries by reducing aggregate demand, and then was transmitted to a number of economies in the world. However, the recent economic crisis has its specifics and differences: first, the crisis was transferred faster due to the fact that finance and national economies are more integrated, second, economic policy-makers reacted faster with state intervention (fiscal one and through regulation) and third, the international community intervened in a relatively fast and coordinated way through the G20 Summit.

Western economies, as a global part of the world economy in 2010, are again faced with a decline or a second wave of recession, after a slight economic recovery recorded in 2009. Their fragile economic recovery was accomplished with incensement and declining in the shape of the Latin letter W. The general position of the world economy is at the level that good signals cannot be expected in the short ran. This affects small countries that gravitate towards Western economies.

Today it is clear that China occupies the first place in the world economy and the situation is similar in India and, in general, with the countries of BRIKS Group (including Brazil and Russia). Those are primarily natural resources-rich countries, whose economic models are based on industry and not on brokerage activities. This is a warning to all countries that are trying to mimic the patterns of the Western Hemisphere in the creation of their own original model to orient themselves to the traditional concept of value creation, not speculative concepts and broadcasting market values of securities. Only in production, values and a good model of corporate governance of companies guarantees a permanent, fundamental and long-term social stability.

The global crisis ended the epoch of liberal capitalism and opened a new era that strengthens state control while world domination will be taken over by Asian countries. With big changes in the dominance of the world's leading economies there began the process of true globalization. Powerful economies such as China, India, Brazil and other countries are increasingly affecting the world economy and taking the place of Western European countries.

The thesis that the current role of the state in the world economy will be strengthened in the near future, is unanimously accepted among economic experts. It is also a consequence of the crisis which broke out due to the poor regulation of financial markets and the fact that the crisis was best overcome by those states which only partially embraced the notion of liberal economy and free market like China. However, the impact of the state does not and cannot be equal in all segments of the national economy.

Analyses and studies show that the human potential in developing countries will soon exceed that of the countries in the developed world. With a large amount of skilled and cheap labor companies from those countries it is possible to generate the same output like Western companies in a very short time and at substantially lower prices.

If globalization is defined as a process that links different local economies, cultures and societies through global communication, transportation and financial resources, then the crisis globalization really create the right conditions to start.

Global flows and financial crisis had an impact on the country's economy. One of the most direct indicators of this impact is the change in GDP from 2007 to the present day. In Chart 1 one can see a drastic decline in the real rate of GDP of 6.1% in 2007, through negative growth of -0.9% in 2009. For the next two years there is an increase of 2.9 and 3.1%. But in the first quarter of 2012, GDP again recorded a negative growth rate of -1.4%, and in the next two quarters remained with a negative sign. In September 2009, the government officially announced the recession of the Macedonian economy.

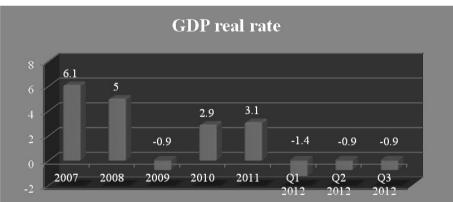
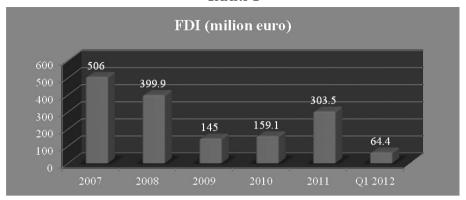


CHART 1

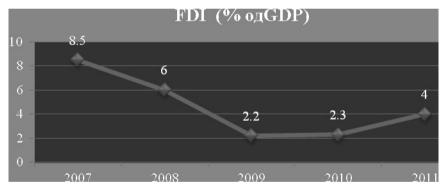
The financial crisis led to a decline in foreign direct investment in the world. This is reflected in the reduction of FDI in our economy, which is of great importance for a small economy such as Macedonian. 507 million euro of foreign direct investment are included in Macedonia in 2007. The next year FDI decreased on 400 million euro. The strongest impact of the financial crisis Macedonian economy had in 2009, when FDI fell on only 145 million. In the next two years when the economy is slowly recovering and FDI are starting to rise, but again in 2012, when the economy enters a recession, FDI decline sharply.

CHART 2



FDI placed in correlation with GDP we can see a share tendency to decline. As a result of this tendency, the Macedonian economy is necessary to based the process of on its own strength. This will have further impact on the economic growth of the country.

CHART 3



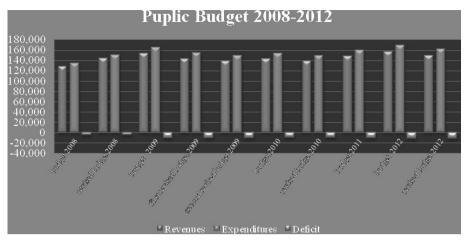
The need to rely on one's own forces in encouraging the growth of the economy leads to the allocation of additional funds for the capital investment budget. This leads to an incensement in budget expenditures and appropriately the budget deficit.

The budget should be the financial mirror of society economic and social moments. In order to conduct the promised activities to citizens by the government is necessary to:

- raise funds from the economy sufficiently and appropriately prescribed manner; and
- To use effectively and efficiently the gathered resources.

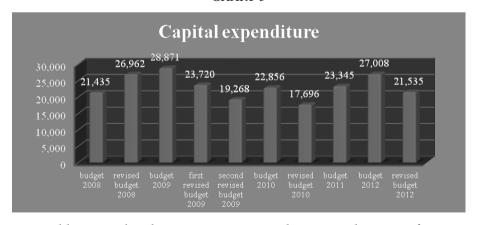
Such a tendency at first glance can be seen in the change of budget expenditures in the period 2008–2012 (Chart 4).

CHART 4



The global economic crisis led to a decline in real GDP in the Republic of Macedonia in 2009, which meant discontinuity in the relatively high economic growth rates of 6.1% and 5% achieved in 2007 and 2008 respectively. In 2009, when the Macedonian economy strongly feel the financial crisis can be seen that there have been two revised budgets. Reduction of budget expenditures is the result of decreased revenue, given the projected positive economic growth in 2009. And in 2012 there has been a serious revision of the budget due to the recession which entered the Macedonian economy. The budget deficit has continuously increased.

CHART 5



Public capital enhances private capital, raising the rate of return on investment and an increase in new private sector investment. But of course the extent of the impact of public capital depends on the economic

environment, mid-term and long-term macroeconomic policies and global economic impacts, especially financial impacts.

If trends in budget expenditures and budget deficit are analyzed in correlation with separate funds for capital investment can be seen that in years when the economy is in stagnation and recession planned capital expenditures are highest, but unfortunately reduced by budget revisions.

Under such economic conditions it is necessary to seek as little as possible to reduce capital investments have a multiplier effect. This will be achieved through rationalization of expenditure, their proper relocation.

SUMMARY

Process that until recently we call globalization was based on the dominance of the economic and social doctrines of the developed West. Such globalization has been promoted by major corporations and media, as well as international political and financial institutions such as the World Bank, IMF and WTO. Today the situation has changed significantly, the global economic crisis has shown that without concerted action of the entire international community has no effective response to global problems, so the IMF last year was forced to take a loan from China in order to distribute the finances of Western European countries in crisis. In such a situation it is clear that you will come to a strengthening of the influence of the "emerging country", different cultures, mentalities, different parts of the world. This process can be called multipolar globalization. Changes will not bypass any large multinational companies. Most of these companies come from the West and now its operations to be based on western capitalist model whatever country and that market work. If you want to achieve long-term success of large and specific markets such as India and China, they are forced to greatly adapt to local customs and habits. Therefore it is quite logical to assume that the unfolding of events will result in multinationals in future to grow and multicultural.

On the other hand, small economies like Macedonia, is making continuous efforts to engage in these global flows. Development of its economy sees among others and in attracting FDI. In this regard administrative relief, various incentives and promotion opportunities are offered by the government in order to attract foreign direct investment.

But at a time when the world's leading economies are in recession or crisis this problem is transferred very fast in the small economies. As we have already seen in such conditions national economies toward an increase in capital investment to be one of the engines to pull the process of economic recovery, normally followed by appropriate fiscal and monetary policies. Capital investments in recent decades have played a major role in the extent and manner of development of an economy. Capital investments represent an infrastructure foundation on which it is based development. For these reasons, capital investment has been given special attention in the preparation of budgets. Good infrastructure connectivity provides the basis for rapid economic development, opportunity for foreign direct investment and domestic reinvestment in industrial development.

Capital investments provide a significant effect on economic growth, productivity and the ability of the economy's structural transformation. All sectors of production one way or another affect infrastructure investments. For these reasons, governments have paid special attention to capital investments that are a significant part of the budget.

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INTEGRATION OF ALBANIA INTO THE EUROPEAN UNION AND THE CHALLENGES AHEAD

Abstract: In April 2009, Albania submitted its request for EU membership but in November 2010 the Commission issued its opinion on Albania's application for EU membership, including a set of 12 key priorities to be fulfilled in view of opening the accession negotiations. Such key priorities provided to Albania are the key conditions based on which the progress of the country is assessed and the progress reports prepared on yearly basis by the Commission are used to measure the progress of Albania towards meeting the requirements.

In 2010 Montenegro and Serbia in 2011 were granted the EU candidate status whereas Albania didn't meet the requirements for such status.

The good news of 2010 for Albania was that on 15 December Albanian citizens were granted the visa liberalization, a great achievement for an isolated country for so many years. There was finally an open window for its citizens.

According to the Progress Reports 2010 and 2011 the Copenhagen criteria were not fulfilled in particular the ones related to political criteria, rule of law etc. which means that none of the 12 key recommendations was fully met. It should be noted that the political stalemate was the most problematic issue which had caused further serious problems in the Albanian legislation concerning the laws requiring the vote of a reinforced majority, election of several crucial positions like the Ombudsman etc. This is just one of the many problematic issues that were noted in the progress reports.

The Strategy of Enlargement prepared by the Commission addressed to European Parliament and European Council dated 10 October 2012, suggests to the European Parliament and European Council to grant Albania the Candidate status but with conditions.

Introduction

The visa liberalization for Albania in December 2010 was granted under certain conditions. These conditions were that an Albanian citizen was supposed to travel with a biometric passport within 90 days from the departing date and with enough money to afford the trip to a Schengen country.

In total, 7,593,213¹¹ (by air, by sea and by land) Albanian citizens travelled to/from Albania throughout the year 2011. It must be highlighted that it is a record number for such a small country like Albania with the population of 2,831,741¹² and it is estimated that 7.7% is immigrant population (The final figures are to be expected in December 2012).

The question arises; how many Albanians did violate the rule stipulated for travelling to Schengen countries?

If there were any, the number should have been inconsiderate as no concern came from Schengen countries regarding this point.

What was the result of visa liberalization? Albanians who had created a life in the Schengen countries nearby Albania mainly Greece and Italy, countries affected by the economic crisis were all equipped with Albanian biometric passports and some of them returned from migration whose number is increasing since 2011 (No official figure of the number of immigrants back to Albania). With their return they brought to Albania the money they had earned in such countries, investing it in a business in the country.

PROGRESS REPORT 2011

The progress report 2011 mentions the consequences of the political stalemate damaging some of the key recommendations mainly:

- Parliament reforms and proceedings
- Appointment of the Ombudsman
- Approval of pending laws requiring a reinforced majority
- Hearing and voting processes for key institutions and the modification of legislative framework for elections

PROGRESS REPORT 2012

In the progress report 2012, it is pointed to a more positive approach of Albania towards meeting the EU requirements. The points mentioned above as deficiencies and at the same time four of the 12 key recommendations were considered a good progress. This was mainly a consequence of the political agreement of November 2011 between the ruling majority and opposition. In the 2011 progress report for Albania an analysis is re-

¹¹ Quarterly Statistical Bulletin, 2012 1&2.

¹² Taken from INSTAT, preliminary results of Census 2011.

quired in order to find the main issue that was in the roots of deficiencies encountered whereas in the progress report 2012 as well as in the Enlargement Paper it is clearly mentioned more than once that the political stalemate was the main issue that the political criteria and rule of law were not met. Apart of the political criteria, some others are progressing.

The Enlargement Paper the Commission mentions that Albania is well on its way towards meeting two key priorities:

- Public administration reform and improving the treatment of detainees.
- Notably the adoption of the law on administrative courts.
- Progress is noted also in the following issues:
- lifting of immunities for high-level public officials and judges,
- increase of seizures of criminal assets.
- the adoption of a comprehensive strategy on property reform, and
- Amendments to the criminal code strengthening sanctions for domestic violence.

Challenges Ahead

The progress of Albania to fulfill the 12 key priorities in particular the political agreement between the main political parties played an important role in the Commission's opinion to recommend the approval of the candidate status for Albania even though with conditions which consist in the following issues:

- A crucial point of the conditions set is the elections of 2013 which will be closely monitored by EU. As it is known and even mentioned in the progress reports of EU, the political stalemate in Albania started after the results of the 2009 elections.
 - In case the elections in 2013 are successful (fair and in line with European and international standards) this will prove that Albania can maintain a stable political situation in the country based on mutual cooperation of the main political actors Government and Opposition in Albania.
- Another condition set consists of the rule of law which is considered as crucial for Albania. In this regard, the Commission recommends maintaining the reform momentum, with particular focus on implementation of legislation and policies in the area of rule of law.
- Fight against the corruption. The progress report 2012 mentions that there was a moderate progress regarding anti-corruption poli-

cy as well as in strengthening the legal framework. The other deficiencies estimated with moderate or no progress are the following:

- There has been moderate progress in strengthening the legal framework.
- Progress was made through the adoption of necessary constitutional changes to abolish the unlimited immunity of high level public officials and judges.
- There was limited progress as regards the institutional framework and the establishment of specific mechanisms to fight corruption.
- There was no progress regarding the institutional role played by the Department of Internal Control and Anti-Corruption (DI-ACA). It does not have sufficient institutional independence, authority and administrative capacity to accomplish its tasks.
- Judiciary reform; independent, efficient and accountable. Even though in the progress report it is noted the approval of the pending Law on Administrative Courts by a qualified majority, there are still deficiencies which had some or limited progress:
 - Some progress with regard to independence and impartiality of the judiciary. The neutrality, efficiency and independence of the High Court and the Constitutional Court are still not fully guaranteed.
 - Limited progress was made regarding the efficiency of the judiciary though some steps have been taken to address the problem of unreasonable delays.

With regards to the reforms the Commission recommends to Albania:

- To further accelerate the implementation of the judicial reform strategy in order to ensure the independence, efficiency and accountability of its judicial institutions.
- Reforms in public administration and the judiciary need to be completed and the parliamentary rules of procedure revised.
- Another condition is to implement commitments in the area of human rights including the living conditions of the Roma community. The issues that require improvements are the followings:
 - Implementation of policies for child protection needs to be strengthened.
 - There is a need to adopt legislative measures for persons with disabilities and to review legislation in view of addressing potentially discriminatory provisions against LGBT persons.

- There is still discrimination against certain vulnerable groups, such as LGBT persons and Roma.
- No measures have been taken to address weaknesses in the overall legislative and institutional framework in the field of minorities.
- Fight against the organized crime is noted with some progress but still it remain deficiencies as follows:
 - The operational capacity of the forensic laboratory, especially DNA interpretation and a DNA database.
 - efforts in the area of anti-mafia need to be intensified substantially through closer coordination between law enforcement and judicial authorities, leading to effective recovery of illicitly obtained assets.
 - There is an urgent need for key institutions to step up coordination and information exchange and thus maximize their capacity to investigate serious and organized crime.
 - Continuing specialized training involving police officers, prosecutors and judges remains necessary.
 - Threat assessment and proactive investigations should be further promoted.
 - The number of convictions for money-laundering remains significantly low compared with the scale of the problem. Moneylaundering and corruption crimes do not fall under the competence of the Serious Crime Court.
 - Internal control should be enforced in order to address corruption in law enforcement.
 - Build a solid track record of investigations, prosecutions and convictions at all levels.
- Another condition for Albania is the implementation of property rights. Such issue is noted with some progress but there are still deficiencies such as:
 - Little progress was made in the fields of land registration and of restitution of property to former owners.
 - The process of initial registration of immovable property has not yet been completed.
 - Compensation and restitution claims by former owners are met at a very slow rate.

The Progress Report 2012 on page 16, it is mentioned that: "Delays in application and non-compliance with judgments of the European Court of Human Rights (ECtHR), particularly in relation to property rights and

the right to a fair trial, continue to be an issue of concern. During the reporting period, the ECtHR delivered judgments on eight applications finding that Albania had violated rights guaranteed by the European Convention on Human Rights (ECHR). A total of 98 new applications have been submitted to the ECtHR since September 2011, bringing the total of pending applications to 379". This means that it is required great progress in this specific and problematic issue in Albania.

Conclusion

All of the above mentioned challenges cannot be easily attained but for sure if Albania is granted the candidate status even with conditions, it will be a great motivation that will make the country fulfill the remaining key priorities which are not totally fulfilled up to now which are as well the conditions proposed to be set to Albania in the Enlargement Strategy and Challenges 2012-2013 for being granted the candidate status. Albania has to go through a long way to achieve the main challenges it has in front of it and a great effort is required by all the main actors in order to fulfill such conditions and go towards one direction: Albania part of EU with all the Balkan Countries.

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DECREASING NATIONAL HEALTH CARE COST BY DECREASING THE OBESITY RATE IN THE BALKANS

Abstract: Obesity is one of the essential public health care issues and challenges in the new millennium. Its prevalence has tripled in many countries of the European Region since 1980 and the number of affected countries is continuously rising. Overweight and obesity rates in the Balkans are alarming, mainly among children. Regarding this, we can say that this issue reaches epidemic proportions. Now we ask ourselves why this issue is so upsetting.

Obesity is one of the risk factors in causing various physical disabilities and psychological problems; excess weight drastically increases a person's risk of developing a number of noncommunicable diseases (NCDs), including cardiovascular disease, cancer and diabetes. The risk of developing more than one of these diseases (comorbidity) also increases with increasing body weight.

Obesity is already responsible for 2-8% of health costs and 10-13% of deaths in different parts of the European Region. This tendency could endanger the Balkans as well. In addition, if governments manage to decrease the obesity rate in the Balkans, they will achieve lower health care cost, which is a cost-effective policy during economic crisis.

Key words: obesity, overweight, body mass index, costs

Overweight and obesity – facts and numbers

During the past two decades, the increasing number of obese children and adolescents has attracted academic and professional attention and it is the subject of numerous scientific researches. Regarding this, there are available researches in defining obesity, causes, consequences, implications and effects of obesity on public health care costs.

Overweight and obesity are weight measures which are bigger than what is generally consider healthy for given height. These terms also identify ranges of weight that have been shown to increase the likelihood of certain diseases and other health problems.1

¹ http://www.athealth.com/consumer/disorders/definingobesity.html, visited in October 2012.

Overweight and obesity can be measured through the body mass index (BMI), which is calculated as a person's weight in kilograms divided by the square of their height in meters.² This index is useful because it can be linked with a person's body fat. Although BMI is the most common measure of body fatness, it doesn't directly measure the amount of body fat. Individuals with BMI between 25 and 29.9 are overweight and persons with BMI over 30 are obese.3

Other methods of estimating body fat and body fat distribution include measurements of skinfold thickness and waist circumference, calculation of waist-to-hip circumference ratios, and techniques such as ultrasound, computed tomography, and magnetic resonance imaging (MRI).

For the first time, in 2010, the Macedonian Institute for Public Health conducted a research for indentifying the percentage of children and adolescents who are overweight and obese. According this research, 11.5% of pre-school children are obese, 14.1% of second grade children are overweight, and 4.2% are obese. In the fifth grade the percentage of children who are overweight is 11.9% and 3.14% of them are obese. In the first year of secondary school, 5% of the teenagers are overweight.4

This picture is similar with the other countries from the Balkans. According to data from World Health Organization for 2012:5

- in Serbia 19.3% of children aged ≤ 5 years are overweight, 25.5% of male and 20.3% of female adults aged \geq 20 years are obese,
- in Montenegro 15,6% of children aged ≤ 5 years are overweight, 22.8% of male and 20.7% of female adults aged ≥ 20 years are obese,
- in Bosnia and Herzegovina 25.6% of children aged ≤ 5 years are overweight, 22.7% of male and 25.3% of female adults aged ≥ 20 years are obese,
- in Albania 23.4% of children aged \leq 5 years are overweight, 21.7% of male and 20.5% of female adults aged \geq 20 years are obese,

² Bertakis, K. D., Azari, R., (2006), The influence of Obesity, Alcohol abuse, and Smoking on Utilization of Health Care Services, Health Services Research, Vol. 38, No. 6.

³ http://www.athealth.com/consumer/disorders/definingobesity.html, visited in October 2012

⁴ Kjosevska dr. E., (2010), Zdravje na naselenieto, Institut za javno zdravje na Republika Make-

⁵ World Health Organization, World Health Statistics 2012, pp. 109-120, taken from http:// www.who.int/gho/publications/world_health_statistics/EN_WHS2012_Full.pdf, visited in October 2012.

– According to the obesity and overweight measurement criteria of the WHO, in Macedonia 16.2% of the children aged \leq 5 years are overweight, 216% of male and 18.9% of female adults aged \geq 20 years are obese. These results are shown in the following chart 1.1.

189 Macedonia 21.6 16.2 20.5 Albania 21.7 23.4 25.3 Bosnia and ☐ female adults 22.7 Herzegovina aged ≥ 20 years 25.6 who are obese ■ male adults 20.7 agcd ≥ 20 years Montenegro 22.8 who are obese childred aged ≤ 5 years who 20.3 are overweight Serbia 25.5

CHART 1. – Overweight and obesity among children aged \leq years and adults aged \geq 20 years

SOURCE: http://www.who.int/gho/publications/world_health_statistics/EN_WHS2012_Full. pdf, visited in October 2012

From the above chart above we can conclude that the most endangered country with obesity is Bosnia and Herzegovina, and the most vulnerable group is Serbian males. But the obesity as a problem isn't less alarming for the rest of the countries in the Balkans. Therefore, the need to be stronger preventive measures in terms of right guidance for nutrition and physical activity, as well as appropriate treatment by a physician, and last but not least, more intensive physical activity promotion. Bear in mind that the prevention of obesity and overweight should be done in early childhood, since the available studies have shown that the roots of obesity can be found in this period of life.

These upsetting circumstances have drawn the attention of acknowledging the drivers that cause obesity.

Drivers that cause obesity

There are several drivers that cause obesity and overweight. They can be grouped as technological, biological and environmental factors. But it is believed that more concise and summarizing classification is the one given by the White House. The drivers that cause obesity are grouped as:⁶

1. Environmental factors during childhood, with its subgroups

First of all, the occurrence of obesity is caused by decreased physical activity among people who spend more time sitting at work and home in front of the TV, PC and playing computer or video games, as well as by increased virtual kids' socialization through social media, induced by fastgrowing technology development.

Secondly, preferences for sweets, salt, high calorie food, prevalence of genetically modified food are also reasons for obesity occurrence.

Thirdly, imitating the behavior of parents, teachers, peers or other influential adults in consuming junk food is another reason for obesity among children. Also, the pedagogical measure expressed as a prize in sweets or other unhealthy food for eating a portion of healthy food can be a solid ground for obesity and overweight.7

2. Early life

In 2005 it was proven that mothers' overweight during pregnancy affects child obesity and overweight. Also it has been proven that there is a strong correlation between full time job, working hours and mother's education, on one hand, and child obesity, on the other.8

From this study, we can conclude that the most vulnerable groups of obesity are the members of households with low-income and lower level of education and urban children.

According to this, all the activities related to the struggle with obesity, which will be taken in the future, should be directed to the vulnerable groups mentioned above.

⁶ White House Task Force on Childhood Obesity Report to the President of USA, May 2010, pp. 6–7.

⁷ Schwartz, M. B., Puhl, R., (2003), Childhood obesity: A social problem to solve, Obesity Reviews, Vol. 4, No. 1, pp: 57-71.

⁸ Classen, T., Hokayen, C, (2005), Childhood influences on youth obesity" Economics and Human Biology 3, Elsevier, pp: 165-187.

OBESITY AS A RISK FACTOR FOR MANY NCDS

Obesity and overweight has numerous implications on child's and adult's health. It is a source of many physical obstacles and disabilities, and it can also produce psychological problems. Boosting obesity rate enhances the risk of NDCs occurrence in the Balkans. And regarding this, it is assumed that this will increase public health care costs.

The risk of obesity in the adult phase is greater if a person is obese in their childhood. So the EU and the other endangered countries are interested in preventing obesity in childhood. Childhood obesity has severe effects on childhood health. Obese children have greater probability of:⁹

- High blood pressure and cholesterol as adults, which are the most common risk factors for cardiovascular disease
- Increased risk of impaired glucose tolerance, insulin resistance and type 2 diabetes.
- Breathing problems, such as sleep apnea, and asthma.
- Joint problems and musculoskeletal discomfort.
- Fatty liver disease, gallstones, and gastro-esophageal reflux (i.e., heartburn).
- Obese children and adolescents have a greater risk of social and psychological problems, such as discrimination and poor self-esteem, which can continue into adulthood.

Obese children are more likely to be obese as adults. And obese adults are related with cardiovascular disease, diabetes and even cancer. If children are overweight, the obesity in adulthood is likely to be more severe.

Regarding this matter, the World Health Organization gave this data for the prevalence of raised fasting blood glucose and raised blood pressure among adults in 2012. The following table presents these data.¹⁰

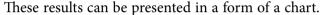
⁹ http://www.athealth.com/consumer/disorders/definingobesity.html, visited in October 2012

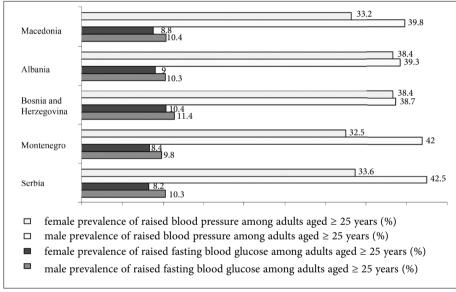
World Health Organization, World Health Statistics 2012, pp. 109–120, taken from http://www.who.int/gho/publications/world_health_statistics/EN_WHS2012_Full.pdf, visited in October 2012

TABLE 1.1. - Prevalence of raised fasting blood glucose and raised blood pressure among adults

	Prevalence of raised fast-		Prevalence of raised blood	
	ing blood glucose among adults aged ≥ 25 years (%)		pressure among adults aged ≥ 25 years (%)	
	male	female	male	female
Serbia	10.3	8.2	42.5	33.6
Montenegro	9.8	8.4	42.0	32.5
Bosnia and Herzegovina	11.4	10.4	38.7	38.4
Albania	10.3	9.0	39.3	38.4
Macedonia	10.4	8.8	39.8	33.2

SOURCE: http://www.who.int/gho/publications/world_health_statistics/EN_WHS2012_Full. pdf, visited in October 2012





SOURCE: http://www.who.int/gho/publications/world_health_statistics/EN_WHS2012_Full. pdf, visited in October 2012

From an economical point of view, this picture is upsetting governments. And why is it so? The answer is simple. Obesity leads to increasing health care costs. According to available studies, obesity is responsible for 2-8% of total health care costs and 10-13% of death in different parts of EU,11

¹¹ http://www.euro.who.int/en/what-we-do/health-topics/noncommunicable-diseases/obesity, visited in October 2012.

while in the USA, overweight and obesity health care costs are estimated at \$51.6 billion annually. And as a result of this study it was concluded that consequences of overweight and obesity on NDCs prevalence are significantly higher compared to smoking and alcohol abuse.¹²

Data about the effect of obesity on the total health care costs are not available for the Balkans, but because of the upsetting percentage of prevalence of raised blood pressure and raised fasting blood glucose, the picture about this matter would be similar with the one in the EU.

From here it is logical to assume that by decreasing overweight and obesity rate, governments will achieve significantly lower health care costs. And therefore this issue is very important, especially during economic crisis, when governments cut the national budget and they will also try to decrease the public health care cost.

This is the reason why EU pays great attention to this issue. And since all of the endangered countries (Serbia, Macedonia, Montenegro, Bosnia and Herzegovina, and Albania) intend to become EU member states, they should start paying more attention to obesity and its reduction. But first they should admit that there is a problem and this is exactly what the goal of this paper is – to draw attention to obesity in the Balkans. In the future researches should be done related to obesity and its effect on health care costs in the Balkans.

Dealing with obesity – Conclusions and recommendation

All the facts and figures clearly speak that Balkans countries are facing the same obesity and overweight problem as the one in the USA, Australia and the European Union.

Regarding this, it is necessary to form a National Task Force for nutrition and physical activity that will prepare National Program for nutrition, physical activity and health, composed of National Strategy and Action Plan. And in order to combat obesity it is needed to coordinate the joint work between governmental sectors, municipality, mass media and private sector, which will secure effective and long-term consumption of health food and required physical activity.

All affected sides should work towards fulfilling the following goals:

- Increasing obesity awareness in the Balkans

¹² Bertakis, K. D., Azari, R., (2006), The Influence of Obesity, Alcohol Abuse, and Smoking on Utilization of Health Care Services, Health Services Research, Vol. 38, No. 6.

- Making nutrition/healthy food available and decreasing the portion size
- Promoting physical activity
- Focusing on vulnerable groups

All of the above mentioned goals can be accomplished through mutual promotional campaigns in the Balkan countries intended to increase awareness of obesity occurrence and its side effects. This campaign should target different groups, such as: children, parents, the governmental and non-governmental sector, and experts, on national and local level, and should be implemented through schools, companies and health care centers. In the course of health food promotion, governmental sectors should consider regulation of audiovisual communication related to high fat, salt and sugar foods (HFSS) for commercial purposes. This can be succeeded with encouraging media from the Balkans to establish a Code of Conduct for audiovisual communications in accordance with Article 9.2 of the Audiovisual Media Service Directive (AVMS), which intends to support the self-regulation of food advertising to children and contribute to the promotion of a healthy lifestyle among children.

Workshops titled "Health food for children and adults" should be organized and visited by parents, teachers, members of the governmental and non-governmental sector, media, experts and professionals.

National menus need to be prepared by nutritionists and pediatricians for kindergarten and schools. These menus should be in accordance with European school patterns for daily consumption of fruit, milk and maximum 5 grams of salt per day. Also, this requires full involvement of all kindergartens, schools, restaurants and catering services. Furthermore, all menus in all restaurants should include a column stating the calories of each meal.

In order to achieve the last of the above mentioned goals related to combating obesity, it is required from governments to prepare a National Program aimed at increasing children's and adolescents' participation in physical activity to at least 150 minutes per week. This can be done with promotional campaigns named "In healthy body - healthy spirit", by organizing physical activities with famous persons out of schools, and organizing summer and winter camps for nutrition/healthy food and physical activities.

All of the above mentioned alternatives are directed at fulfilling the major goals related to decreasing overweight and obesity among people in the Balkans. By managing to decrease obesity rates, governments would achieve a painless reduction of health care costs.

V HUMAN SECURITY CONCEPT IMPLEMENTATION

Arthur Lyon DAHL

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RIGHT OF EACH HUMAN BEING TO ENJOY PEACE SECURITY AND WELFARE

When we think of human security, we usually think of physical security from violence, armed conflict or disasters. Yet in a broader sense, it can refer to protection of all those dimensions of life that allow the complete well-being and fulfillment of each individual human being over their lifetime.

What should be included in this broader concept of human security? Security can be expressed at many levels: physical, social, cultural, psychological, spiritual, etc. Security in this sense is a necessary condition for human development. Insecurity can interfere with individual development in many ways, such as by limiting the capacity to create wealth, to innovate, to collaborate, to manage an enterprise, or to build strong families and communities. It often threatens or removes human rights. The ultimate purpose of development should not be just to raise some economic statistic like GDP, but to improve the prosperity and well-being of individual people. Security should enable every human being to fulfill his or her potential in life both in cultivating individual qualities, personality and capacities and in contributing to the advancement of society. This should be a central purpose of all the states and communities in new Balkans.

As part of recent work to formulate a new index of development at the individual level, the following conceptual framework of dimensions of individual development was developed. It fits well into the larger framework of efforts by a number of countries and organizations to go beyond GDP (Stiglitz 2009) and to measure well-being and happiness, such as the pioneering work in the Kingdom of Bhutan (Ura et al. 2012) and the recent World Happiness Report (Helliwell et al. 2012). The aim is to map out the multiple levels at which each individual can develop his or her potential and cultivate qualities from the basic requirements common to all animal life up to the more abstract cultural and spiritual values that are for many the real purpose of human existance. Once such dimensions are

defined, it becomes possible to measure them, either directly or through the ways they are expressed in human behaviour (Dahl, in press; Harder et al., in press). Policies can then be put into place to facilitate or encourage the efforts of each person to acquire them and to use them for the benefit of society. This listing also helps to define all the ways in which government has a responsibility to create the legal framework and enabling environment for individual human development.

DIMENSIONS OF INDIVIDUAL DEVELOPMENT

Physical growth and health

Obviously, any impediments to the physical growth and health of a person reduce their capacity and may stunt their body. Requirements at this level include adequate food and nutrition, a sufficient standard of living, access to physical and mental health care, access to energy, adequate shelter and clothing, a clean and unpolluted environment, possibilities for rest and recreation to maintain physical fitness, special care for motherhood and childhood, assistance with disabilities and handicaps, and care for the elderly.

Security and safety

Even a healthy person can be threatened by outside factors, and the stress of insecurity is itself a significant handicap. It is necessary to ensure for every individual their life, liberty and security of person, protecting them from slavery, torture, arbitrary detention, military action, violent repression, and terrorism. It is also important to ensure the security of home and family and protection from domestic violence, to provide safety from disasters and excessive risks of physical harm, and freedom from crime and corruption in everyday life.

Education

Education is fundamental to individual development, with widely recognized right to literacy and access to knowledge. This means provision for formal, informal and continuing education up to each person's highest potential, allowing the full development of each human personality. Education should also have a social dimension leading to understanding and friendship among all groups, and providing work skills. In the modern world, everyone should have access to and participation in scientific advancement and technology development, and to information and communications technologies.

Work

Human beings are social organisms, and this includes both the right and responsibility to contribute in some way to society. Development is about each individual contributing to wealth creation. This implies the right to work, whether in paid employment, the informal sector, a subsistence activity, or through entrepreneurship. It means a just remuneration under favorable work conditions, with equal pay for equal work, providing the ability to meet one's own needs and provide for a family, with a social safety net if necessary. There should be reasonable working hours, with time for rest and leisure. Other supportive measures should include protection of a creator's rights to scientific, literary or artistic production, provision of extension services, technical advice, business management advice, legal advice, and accounting services, and an effective process for litigation, dispute settlement, and legal assistance.

Financial system

The financial system is not often thought of when it comes to individual development, but any economic activity by individuals as well as businesses depends on a reliable and adequate money supply, with means of exchange and convertibility, and the protection of the real value of income, savings, capital and pensions from inflation. In addition, any level of activity beyond a barter economy requires some access to financial services (payments, savings, credit and insurance), as well as protection from banking failures, fraud and undisclosed risks, and security from theft, identity theft, unlawful dispossession, kidnapping, piracy and extortion.

Justice and fairness

The foundation of all sustainable social organization is justice, including recognition and equal protection before the law, effective legal remedy with a fair and public hearing, and a presumption of innocence. Social justice also includes a low level of income inequality, the fair distribution of wealth, the possibility of upward mobility with effort, fair taxation, and the equitable sharing of responsibility for the cost of public goods.

Human rights and freedoms

Another way of looking at the dimensions of individual human development is through the recognized human rights and freedoms. The denial of any human right is damaging to human development. Apart from other dimensions described here, these rights include:

- the right to personal freedom and initiative, equality in dignity and rights, and the free development of one's personality;
- freedom of speech, the right to hold and express opinions, and to receive and impart information and ideas through all media regardless of frontiers;
- the right to peaceful assembly and association;
- freedom of thought, conscience and religion, and to change religion or belief;
- freedom to explore reality and to investigate the purpose of existence;
- the right to privacy of person, family, home, and correspondence;
- protection of one's reputation and honor;
- the right to own property;
- free movement and choice of place of residence;
- the right to a nationality, and to change nationality;
- protection from all sorts of discrimination including gender, etc.;
- equal access to public services, and the right to social security; and
- the right to take part in government, to vote, and to participate in political life.

Place in the community

The social development of each individual requires a number of factors that determine and ensure a place in the community where that person lives, starting with personal status and dignity, as well as social networks and friends to count on. The possibility of marriage and founding a family should be ensured, including the right to procreation and to raising children, support for a united family circle, protection of the family, and if necessary the possibility of divorce. Other community qualities important for the individual include respect for public order and morality, trust, reciprocity, resilience, and facilitating participation and empowerment. Such practical arrangements as mobility, public transport, and access to markets also enable individuals. There should be security in the event of incapacity, sickness, disability, widowhood, old age or other unavoidable lack of livelihood.

Cultural and spiritual identity

Among the intangible dimensions of individual fulfillment, there are the right to a cultural identity, heritage and cultural diversity; a sense of belonging (having and retaining cultural roots and knowledge); having a

value system, beliefs, ethics and morals; and the ability to develop the potential latent in human consciousness. It is important for a person to have a vision and purpose in life, and hope for a better life and a better world. These qualities are facilitated by opportunities to participate in culture and the arts, and by access to beauty and to nature. And ultimate integrated measure of all these dimensions could be overall evaluative well-being or life satisfaction.

Conclusions

This framework for human development at the individual level can serve as a guide for policy-makers in creating the enabling conditions for real progress in their countries and societies. Ideally, each of these dimensions should be captured in appropriate indicators (Dahl 2012) so that their evolution can be monitored over time and policy decisions and implementation actions taken accordingly. The vision of success in the new Balkans should be that each citizen is secure in all these dimensions of his or her development.

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HUMAN SECURITY FROM JAPANESE POINT OF VIEW

I am not a diplomat, rather a professor of the area studies of the Balkans. So I cannot explain the Human Security policy of the Japanese Government toward the Balkans. I would like to give my short presentation about my own research and educational experience of Human Security.

Our university, the University of Tokyo, launched the Graduate Program on Human Security in April 2004 as the unique program that bridges the humanities and the sciences. It is designed to nurture "human assets" which will make innovative contributions to our global society. The educational program is formed around eight constructive pillars:

- 1. Conflicts, Peace and Coexistence
- 2. Peace Processes and International Cooperation
- 3. Cultural Ecology
- 4. Self-Supporting System and Social Cooperation
- 5. Life and Human Dignity
- 6. Development and Poverty
- 7. Subsistence and Skill of Living
- 8. Sustainability Strategy

I taught the subject of Conflicts, Peace and Coexistence for five years taking the case of the attempts of reconciliation through history education and history textbooks in the Balkans. This is because the reconciliation of post-conflict societies is one of the main themes of Human Security and the region of the Balkans is my research field.

It is said that history textbooks are the mirror of our societies. They are considered as one of the causes of conflicts or wars in the Balkans, but at the same time also a means of reconciliation of post-conflict societies.

As Mr. Nenad Šebek from Center for Democracy and Reconciliation in Southeast Europe gave us their experience in the last year's Conference, CDRSEE, a NGO group in Thessaloniki, published the common alternative books of historical materials among Southeast European countries from Slovenia to Cyprus. These are not unified common history textbooks like the common text books between Germany and French. It is impossible for twelve countries to make a common textbook because they have their own national histories. If they shall make a common history textbook, they have to reach a compromise in their own historical view. To be important is to understand mutual historical view each other.

Four common alternative books of historical materials in English version published in 2005 after two and a half years' joint works by over 60 historians and history teachers. After that, a lot of versions by their own languages have published until now. The common alternative books of historical materials are epoch-making workbooks which encourage each country to review their own national histories from the view of regional history, although they are not given any official approval by their ministries of education. The attempts to make such common alternative workbooks, not a common history textbook is very interesting for us when we turn over the history textbook issues in East Asia in our mind.

These attempts are also related to the reconciliation of the Balkan countries after Yugoslav wars. Coming to term with the past has developed into a global phenomenon and a kind of universal principle since the end of the Cold War, going beyond German and Japanese case.

The Japanese embassy in Zagreb gave CDRSEE the financial support in case of publication of Croatian version. And Japanese version of these books will be published at the beginning of next year. CDRSEE is now preparing to publish the new common books of historical materials treating the age since World War II. I think that this is very important and interesting attempt for us. In East Asia having the issues of historical reconciliation even now, the Balkans is not only the region intended for Human Security policy, but also we could learn a lot of things from these reconciliation attempts in the Balkans.

Aleksandar PLAVŠIN

HUMAN SECURITY IN THE BALKANS

Abstract: This paper deals with the role of Human Security in the Balkans. It primarily shows that Human Security is a very important and contemporary topic at the international level. Apart from that, it is explained how Balkan region deals with the Human Security concept, how the interethnic conflict initiated war in Bosnia and how Serbia and Kosovo tackle all the challenges during the last twenty years. It is suggested that there are also noticeable interethnic problems in Macedonia. It emphasizes the importance of European Union integration for the general welfare. Finally, it is concluded that the lack of rule of law and institutions in the Balkan countries, as one of the main tool for encouraging human security, caused all the other form of human insecurity.

Key words: Human Security, tolerance, interethnic reconciliation, Balkan region

1. Introduction

Although at the beginning of the 21st century the economies of the Balkan states are progressing well, the impact of the global financial and economic crisis caused the reduction of development, increased unemployment and at the same time, produced new social problems in Balkan countries. Those problems directly influence human security.

Different experiences in the Balkans should always open up an opportunity for rethinking security. As a very original region of disturbing human security, the Balkans is a very good model for analyzing this topic. The Balkans is, unfortunately, familiar with all forms and kinds of human (in)security which will be described throughout the paper. It is said that a war is one of the main causes of human insecurity, what implicates that Balkans deals with huge insecurity during the years. Strong public institutions should be the basic platform for establishing human security in the country (one of the most important elements in the Balkans is inefficiency of justice and legitimacy). Indeed, the failure of public institutions to guarantee security has opened up a space for private actors such as mafia

and warlords of various kinds that further exacerbate the conditions that lead to insecurity. The deficit of this institution in the Balkans, especially in Kosovo, Bosnia and Herzegovina and Serbia caused huge consequences on the society in general. The main hypothesis of this paper is that lack of rule of law and institutions in the Balkan countries, as one of the main tool for encouraging human security, caused all other forms of human insecurity such as corruption, personal insecurity, uncontrolled pollution, health insecurity, food insecurity and underdevelopment. At the same time in each state there were parallel criminal states. The main cause of such state in this region is former autocratic regimes, which governments during 1990s formed inappropriate system of value. In this region people still feel the consequences of such bad statecraft. Somehow, there is still feeling that, for example, you could not do anything in state administration without corruption. A lot of young people are adopting such patterns of behavior (corruption, etc.) as a normal thing. And it is very dangerous for "health of countries" in the Balkan region.

2. Human Security as a very important and CONTEMPORARY TOPIC AT THE INTERNATIONAL LEVEL

The Human Security concept (Tadjbakhsh & Chenoy 2008) evolved at a time of great international shifts: the disintegration of the Soviet Union ended the Cold War, lifting the shadow of bipolar politics that clouded relations between countries, but gave way to the recognition of new threats and conflicts in addition to the many unresolved ones. "The clear distinctions between war and peace, between war and violence or between military activities and organized crime have become blurred, and war slides gradually into relative or fragile peace and vice versa". Debiel (2002, according to Kaldor & Glasius 2006, p. 23) In 1994, the United Nations Development Program first identified Human Security as a way to go from here. Thus, its Human Development Report sought to broaden the traditional notion of security focused on military balances and capabilities to a concept that included safety from such chronic threats as hunger, disease, and repression as well as protection from sudden and hurtful disruptions in the patterns of daily life. Human security thus implied economic security, food security, health security, environmental security, personal security, community security, and political security. To be meaningful, therefore, security needs to be redefined as a subjective experience at the micro level in terms of people's experience. For example, "security" for a farmer in Serbia is the livelihood he gains from selling his crops, but this form of security is very different from the "security" interests of Israel who is keen to become nuclear power.

"The simplest definition of security is "the absence of insecurity and threats", freedom from both "fear" (of physical, sexual or psychological abuse, violence, persecution, or death) and 'want' (of gainful employment, food, and health)." (Tadjbakhsh & Chenoy 2008, p 36)

"The idea of human security is an attempt to conceptualize the changing nature of security. It recognizes that the security of one person, one community, one nation rests on the decisions of many others – sometimes fortuitously, sometimes precariously, and that policies and institutions must find new ways to protect individuals and communities". (Kaldor & Glasius 2006, p. 6) The purpose of development of human security is to expand the range of things that a person could be or do, in other words, to expand the freedom for functioning and capabilities to function, such as to be healthy and well-nourished, be knowledgeable to participate in community life.

"Insecurity stemmed from poverty, de-institutionalization, environmental degradation and deficit of democracy" (Tadjbakhsh & Chenoy 2008, p 36)

3. Human Security in the Balkans

All kinds of wars such as the world, local, inter-state and inter-ethnic wars made a deep imprint and wounds in the memory of peoples of the Balkan region. People still feel the consequences of those events. Although academicians, policy-makers and analysts agree that the likelihood of a major armed conflict in the Balkans has diminished, still, most states in the region, such as Bosnia-Herzegovina, Serbia, Montenegro, Kosovo, and Macedonia, confront to various degrees a legitimacy deficit as a direct consequence of recent wars. Insecurity fuelled by ethnicity has to do with the anticipation of a new round of border changes in the Balkans, and with a reversal of extreme nationalist wartime gains. At the regional level, the unresolved status of Kosovo has an increasingly destabilizing impact. Despite the international community's insistence on divorcing the issue of Kosovo's status from all other regional issues, local extremists have done exactly the opposite. Consequently, there is ongoing speculation about national compensation for Kosovo's final status, whatever it may be. The Balkan wars have led to ethnic homogenization of territories. Still, nowhere in the region have ethnic cleansers been completely successful. Re-

sidual post-conflict multi-ethnicity, reinforced by the international community's insistence on a return of minorities to majority community areas in the Balkans, has become a security issue. Transitional justice and apprehension of war criminals have been crucial for encouraging a return of minorities to their homes (Judah 2004). Large-scale ethnic conflicts in the Balkans have been localized and reduced almost to village incidents. Nonetheless, local inter-ethnic incidents reflect on the larger ethnic or national agenda, making ethnicity a threat to state integrity. Since the largescale violence ended, the Balkans have seen an unprecedented expansion of organized crime. Criminal networks are involved in corruption and trafficking of people, drugs and arms, as well as people smuggling, racketeering and other illegal activities. The weak, unreformed and corrupt state in the Balkans itself remains a cause of insecurity. "Once a state goes into the business of crime, it can be difficult to get it out of the business". (Andreas (2004, according to Kaldor & Glasius 2006, p. 49)) "Every country has its own organized crime, only the criminals from the Balkans have their own states". Rahic (2004, according to Kaldor & Glasius 2006, p. 53)

Besides the weakness of the state and the effectiveness of organized crime felt by all citizens of the country, each ethnic community identifies separate causes of insecurity. These concerns are not shared and, therefore, put additional strain on fragile ethnic relations. The local point of view of the EU's security involvement is Kosovo and Bosnia and Herzegovina is very bad. For some people in Balkan it is common knowledge that the global EU policy towards the former Yugoslav republics looks like a playground, or an experiment for new initiatives. It is thought that most of situations could be resolved with less causalities. It reflects the credibility deficit of the EU in the sphere of security in the Balkans. One good example for this claim is the "case of Kosovo". It is the fact that during the presence of European security forces a lot of Serbian monasteries were ruined. At the same time, it is clear that it has been long-term plan, well-organized crime with direct attack on human security. Without a real conviction of such attacks and penalties for aggressors the Balkans is becoming the place where such cases are adopted as normal and regular. This fact has very bad influence on new generation of young people. They are adopting the same approach and there are no signs of reconciliation in the near future. One proof for this claim is the example of ruining the cars in Serbia which has Croats number plates and vise versa. Intolerance is still in the veins of Balkan people.

In societies where the minimal conditions of human security are not met, human development is difficult to achieve and to sustain. In the Balkans people have been selling property in areas where their ethnic group is a minority community and moving to areas where it is the majority. This is the fact which confirms very bad interethnic relations, which implicates high level of human insecurity.

In the Balkans there is a "lack of democracy". People are not included in decision making, there is still little involvement of civil society and as a consequence it makes stronger sense of insecurity. As it has previously said, the lack of public institutions to guarantee security has opened a space for private actors such as mafia, warlords and local strongmen of various kinds to cause the conditions that lead to insecurity. This kind of "ill" state system is causing huge gap between rich and poor in the whole Balkans. Such model of statecraft reflects insecurity, there is no rule of law, there are different treatments for different people and the money is the main resource with which it is possible to "buy" freedom (although you are guilty), people, and to do all the things without any criteria and sanctions. One of the main consequences of such a "system of values" is exodus of the region's intellectuals and students. All these factors pose chronic treats in the Balkans.

In the Balkans, there were two Balkan and two world wars. With such history is very hard to rebuild the long-term peace and development. "GDP per capita in the Western Balkan countries in 2008 is still below the level of 1980". (Domazet & Ostojić & Stipetić 2010, p. 262) In the world there is a trend of disappearing of borders between the countries, but in Balkan countries there is a tendency of building new borders (Montenegro, Kosovo, Bosnia and Herzegovina). Unfortunately these borders in the Balkans are not just physical, they are mental and psychological.

4. Bosnian war

At the beginning of the war in Bosnia, "the ethnic composition was 44% Muslims, 31% Serbs and 17% Croats, no single group possessing a clear majority". (Akashi 2011, p. 21) In that period, it was obvious that the ethnic conflict is at the edge to burst. In relation to this West European Countries advised forming US peace-keeping operation. The UN Protection Force consisted of 44.000 personnel, it was the largest peace-keeping operation in the history of the United Nations. During the war in the West European and United states media, Serbs were presented as main producers of conflicts and crimes and Croats and Muslims were innocent victims. So at the beginning of the war Serbs were the one who were condemned in advance. The Croats and Bosnian governments spent a huge amount of money to influence US media, and they managed in it. On the all the three political

sides were a lot of unforgettable and unforgivable crimes. But it is always good to remind people of the one of the biggest, it was Srebrenica, July 1995, more than 7,000 Muslim (according to estimates) male were killed by the Bosnian Serbs under Ratko Mladić command. It was clear that human security did not exist even in theory. But at the same time on the Croatian side, there was Franjo Tudjman who spread Croatian nationalism. He publicly promulgated his disdain toward the Serbs and Bosnians. He was the actor of a lot of crime in that period. But there was a sense that the world, especially "West" and America did not want to see his crimes. The next facts confirms inequitable balance of justice.

"By way of statistics, prosecution cases brought to the Special Tribunal for the former Yugoslavia for criminal acts as of 2007 were: 60 against Bosnian Serb forces, 15 against Bosnian Croat forces and 4 against Bosnian Muslim forces". (Akashi 2011, p. 109)

So taking into account these facts, there is a sense of lack of justice. It was uncontrolled clash between nations, with numerous crimes between them, and this proportion of prosecution cases is not real. Apart from these facts, cases such as Kosovo confirm this point of view. In some way it can be concluded that people who are in power and who are creators of human security, do not respect the basic rules of human security. So, it is not strange that in the Balkans the ordinary people do not respect them. Very bad political models reflect mistrust and injustice as a normal pattern of behavior of people in the Balkans.

After the Dayton Agreement, the situation in the Balkans started calming down. But there are a lot of wounds in the Bosnia. One of the biggest are unemployment which reached 27.2% in 2010. Apart from that, after war situation fostered a net of smuggling operation in the Balkans. It was well-organized chain of smugglers and politicians who dealt with cigarettes, drugs, fuels and other profitable things. So far, in Bosnia and Herzegovina, there are no signs of renewal system of value (high corruption, diminishing attraction of the country, etc.), so human security is on very law level.

5. Serbia – hope for better future

Like all the other Balkan country, Serbia is in very bad economic and political situation. It is the country with a lot of unsolved problems. The biggest one is, of course, Kosovo. There is a sense that Serbian diplomacy is trying to defend something which is indefensible. All these facts cause sense of fear and insecurity. One more very huge problem is problem of unemployment. At the same time people who work, can not earn enough to survive.

The young people are desperate about their future. There are a lot of causes which produce such feeling. For example if you analyze someone who is currently 25 years old, you could conclude next facts: with about seven years that person survived war in Serbia-Bosnia-Croatia conflicts (a lot of victims, property damages, migrations, etc.), with twelve years that person survived NATO bombing, and with sixteen years killing of prime minister and currently the country is in state of disintegration. So if you look at such facts, you could conclude why the young people in country are not motivated and desperate. The main problem is that they can not plan its own future. So the only things which rest are hope or emigration.

6. Kosovo as synonym of human insecurity

More than 50 interventions by international organizations and individual countries took place in former Yugoslavia over the decade of its disintegration that began in the early 1990s. NATO's intervention in the then Federal Republic of Yugoslavia (now Serbia) in 1999 ended Serb repression against the Albanian majority in Kosovo. However, it prompted counterviolence against Kosovo's minorities, while leaving the Serb–Albanian dispute over Kosovo's future status unresolved. Post-conflict public security challenges blur the distinction between the realms of responsibility traditionally occupied by police and military. In the Balkans, the international community has learned to combine civilian and military tools in order to respond effectively to post-conflict instability.

The 1999 NATO intervention in Kosovo was undertaken to achieve human security goals and to stop the ethnic cleansing in Kosovo. Although NATO intervention theoretically should have provided better living condition, it just worsened them. The consequences of war included unintended and unfortunate collateral damage such as refugee flows, as well as more long-term consequences. During the aggression a lot of innocent people were killed, there was huge damage of infrastructures (buildings, bridges, etc.). Rationally speaking, it is very inefficient strategy from the point of NATO to establish the security and peace through bombing cities, cultural places, infrastructures and directly killing innocent people. Kosovo and Serbia still feel consequence of such events. It was very scaring and frightening to hear and watch, all day and night, during the three months, explosions all around the people in Serbia and Kosovo. There is still fear in people as consequence of bombing. All these facts should be signs for peacekeepers all over the world to widen importance of peace and strongly condemn all forms of force.

After the NATO military intervention, the road to independence and autonomy of Kosovo was unstoppable. Kosovo independence was based of right of self-recognition. Kosovo independence was declared on 17 February 2008 and after that Parliament of Kosovo adopted the Constitution. Serbs are only minority who did not support the Constitution. During the years a northern Kosovo town of Mitrovica has become infamous for its ethnic division into Serb and Albanian parts on two sides of the Ibar River after the end of the Kosovo conflict in 1999. This is the place with huge level of insecurity on daily basis. But, it is precisely this division that has allowed it to become a hub for smuggling and organised crime facilitated by Serb and Albanian cooperation. It is useful to say that different faiths in Kosovo are one of the crucial causes of conflicts. It is common knowledge that Kosovo is "cradle of Serbian culture", so because of deficit of tolerance for multilateralism and diversity of culture, diverse faiths cause serious problems.

Intolerance, distrust, different political goals, and lack of understanding between Serbs and Albanians produce parallel institutions in Kosovo. In such circumstances it is very hard to be optimistic about future of Kosovo. Even influence of international organization such as NATO, EU and UN could not improve bilateral relations between Serbs and Albanians. Currently, the only way for peace is to take the situation under control of international organizations. But, of course, it is not long-term solution.

"If you want to make peace with your enemy, you have to work with your enemy. Then he becomes your partner". (Nelson Mandela, former South African President)

The accumulation of grievances of an ethnic, social, economic and security nature in Kosovo, without a trustworthy channel and procedure for their resolution, creates a sense of helplessness and hence insecurity.

7. MACEDONIAN CONFLICT

After the country gained independence in 1991, the Macedonian economy was severely affected by the UN sanctions on its northern neighbors Serbia and Montenegro from 1992 to 1995 and Greece's unilateral trade embargo on Macedonia from 1994 to 1995. In addition, the war in Kosovo in 1999 and (especially) the ethnic conflict in Macedonia in 2001 caused a severe deterioration of all economic indicators in Macedonia.

Although it could have easily become yet another long-drawn-out ethnic conflict in the region, the war in Macedonia turned out to be a brief, though a bloody and destructive, episode. The conflict between the Macedonian security forces and the armed Albanian guerrilla forces erupted in January 2001. All major Albanian and Macedonian (Kaldor & Glasius 2006) parties signed a peace agreement in Ohrid on 13 August. A joint effort by NATO, the EU and the US, behind a common platform condemning violence, supporting Albanian national demands, while insisting on Macedonia's territorial integrity and rejecting an internal territorial solution to an ethnic problem, helped bring about the peace accords. On the EU's part, three dimensions were particularly significant for a positive resolution of the conflict. First, the creation of a new institutional structure for the Common Foreign and Security Policy (CFSP). Second, Macedonia's upcoming signature of the Stabilisation and Association Agreement gave the EU a political and economic leverage in the negotiation of peace. Third, the transatlantic agreement, characterized by the unity of action and cooperation between the EU, the US and NATO, enhanced the credibility and effectiveness of Western involvement in general and each outside mediator in particular. The shift from a military to a police mode of activity reflects the assessment of the nature of security threats. Javier Solana, EU foreign policy chief, said: "As the main threat to stability is no longer armed conflict but criminality, the emphasis of our support must be police and not military". (Kaldor & Glasius 2006, p.48)

Like other post-conflict areas of former Yugoslavia, Macedonia is plagued by issues concerning war crimes, missing and internally displaced persons, war veterans, and the destruction of property. While the ruling ethnic Albanian and Macedonian political elites cooperate on the implementation of the Ohrid agreement, at the grass roots the ethnic groups are becoming quietly and voluntarily segregated. All interviewed Albanians are increasingly concerned about the process of implementing the Ohrid agreement. They are taken aback by delays in achieving proportional representation of Albanians in state institutions and in the security forces, particularly in the leading positions. Unlike Albanians, Macedonians are concerned about violence. Aware that the Albanians have achieved recognition of their national demands after the war, ethnic Macedonians believe that the Ohrid agreement legitimized violence as a means of pursuing political goals. This belief is accompanied by fear that Albanians may again resort to violence in the event of a political deadlock. Additionally, unlike their Albanian counterparts, all ethnic Macedonians are apprehensive about the resolution of the final status of neighbouring Kosovo. Specifically, they are concerned about its impact on the national demands of Albanians in Macedonia and the effects of international disengagement from Kosovo on trans-border crime. Fearing that the situation may deteriorate overnight, many Macedonians and Albanians say that stability in Macedonia is very uncertain and questionable.

The unemployment rate in Macedonia is about 30 per cent, although the real figure is taking into account unregistered work in the informal economy. "However, even salaries, because they are low or irregularly paid, cause a feeling of insecurity among as many as 84.9 per cent of the people". UNDP (2001, according to Kaldor & Glasius 2006, p.50) The key dimensions of insecurity - underdevelopment, criminality and ethnicity - reinforce each other. People are prone to criminal because they can not earn livelihood with regular jobs.

Since the end of the war, the region around Tetovo, informally called Macedonia's Albanian capital, has been plagued by illegal actions by Albanian criminal elements. The sense of discrimination among Albanians was sharpened after the breakup of Yugoslavia and the pursuit of nationalizing policies of the new independent state of Macedonia throughout the 1990s. "Even before 2001, ethnic distance between the two communities was evident: 57 per cent of Macedonians and 72 per cent of Albanians believed that a husband and a wife should be of the same ethnic group". Simoska (2001, according to Kaldor & Glasius 2006, p.52) It tends to underestimate ethnicity as still a very potent source of instability, and especially a dangerous interface between organized crime and inter-ethnic tensions in the Balkans.

Tetovo, with nearly 100,000 inhabitants, is effectively a town divided between majority Albanian and minority Macedonian populations. Cafes, sports fields and schools are divided between these two nations. Sporadic projects implemented in the past showed that the activities that brought together youth of all ethnicities were the most beneficial. Young people got together and began to focus on common interests, such as theatre, sports and the Internet, rather than on the divisive issue of the conflict.

8. European integration in the post-war Balkans

The EU's relationship with the post-war Western Balkans is defined by the Association and Stabilisation process (SAp), which started after the Kosovo war in 1999. Coming closer to Europe with EU assistance through the SAp presupposes the establishment of the rule of law, democratic and stable institutions and a free economy, coupled with the principle of regional cooperation. Therefore, the SAp is envisaged as a major stabilizing influence on the region. After the SAp, new lines of division have emerged within the Western Balkans. Croatia has signed the Accession Treaty with

the European Union. Macedonia, Serbia and Montenegro are now awaiting ones. Bosnia- Herzegovina the UN-protectorate Kosovo have made only small steps towards the SAp process. The SAp alone cannot be counted on to stabilize the region. It is necessary to reinforce the Stabilisation and Association process. SAp is supposed to be an catalyst of political, economic and legal reforms, with the EU's security missions designed to improve the region's security through direct security involvement or through direct support for security-sector reform.

Better coordination of its policy initiatives and reinforcement of the SAp, especially in the field of police and judiciary reform, would strengthen the impact of the EU's security involvement in the region. Institutional reform is bound to take time to yield results, which makes the pursuit of alternative modes of enhancing security even more pressing. The EU should strive to create a security constituency alternative to the state, not least because the state in the Western Balkans is typically a cause of overall insecurity. It could start by turning the civic sector into a security actor in its stabilization efforts in the region.

"An important aim of a human security policy for the EU should be to fill the existing gap between the security problems of human beings and the role of international organizations." (Kaldor & Glasius 2006, p. 142)

The stakes of the European Union (EU) in the security of the Balkans are very high. European and Balkan stability are interconnected. The EU's military and police missions in the Balkans are a test case of the European Security and Defence Policy (ESDP). The EU's performance in the Balkans will reflect on its credibility and ability to deliver on its global commitments.

Although the popularity of European Integration is reducing (because of very long process and there is a sense that there are always new conditions for integration), it is very important to emphasize the importance of EU reforms. Those reforms will produce improvement in filed of legitimacy, corruption, pollution, human security and all kinds of abuse.

9. How do climate changes influence human SECURITY IN THE BALKANS?

The changes in climate conditions represent an important threat to human security. One of the main reasons for global warming is consequence of use of cheap energy. "The international Institute for Strategic Studies has said that, if climate changes goes unchecked, its effects will be catastrophic, on the level of nuclear war" (Lyon 2010, p. 124) There are a lot

of evidences which tell about expected climate changes in the Balkans in future period from 2050 till 2080. For example, in Croatia is projected an average temperature increase up to 3,2°, while in Albania will be also warmer with increase in temperature up to 3,6°. These climate changes will have certain impact on human security. The change of temperature will cause extreme weather events such as floods and droughts. It will influence "health of forests", agriculture (which is one of the most important branch of Serbian industry), crops, animals, tourism (Croatia and Montenegro) and all the other things which will deteriorate life in the Balkans. It is very important to take into account that in Balkan countries there are no new, updated laws in field of pollution. Ineffective legal systems in the Balkans give the opportunity to enterprises and fabrics to pollute the environment without any serious control and sanction. This economy and legal system provides a lot of foreign companies to establish its production in this region. Although there are a lot of warnings from side of "Green movement" in Serbia, but people who are in power do not want to hear them. For example, Pančevo is town near Belgrade where are based a few fabrics where during their products emit toxic substances. People who live in this town are aware that they live in polluted surroundings and they are helpless and powerless to change the situation.

10. CONCLUSION

It is very important to talk and write more about human security, to make all cruel events more transparent and in that way to inform the people about all atrocities all over the world. The aim is to influence human awareness and to show that all of us are human beings who create our own human security on the planet.

The main hypothesis of this paper (that the lack of rule of law and institutions in the Balkan countries, as one of the main tool for encouraging human security, caused all the other forms of human insecurity) is throughout different examples and historic date mostly proved. When there are no any kinds of criteria and sanctions in country, it is very hard to establish sustainable development and prosperity. The building of the democratic society in the Balkans, where rule of law, market economy, equality and freedom of citizen and representative of all ethnic community will prevail, should be in the vital interest of Balkan region.

It is necessary to emphasize the importance of educating the youth. In the Balkans region, it should be long-term and strategic goal. Children and young people are the creators of future of every country. The childhood is the period when most of the children achieve the impression of racial and ethnic diversity, so it is important to educate children in right, tolerant, open-minded direction. The term of multiculturalism should be more popular in the brain of Balkan people. Through different kind of projects such as children's camps, scientific workshops and etc., it should be promulgated the idea of friendship and reconciliation. Apart from that it would be very useful to public kind of inter-ethnic textbooks which would promulgate reconciliation in the Balkans.

Media should be an influential tool in relation with inter-ethnic reconciliation. Media should promote tolerance, collaboration and mutual understanding. But in the Balkans the major problem about media is their dependence on different centers of power.

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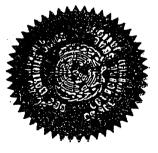
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