

**THE WESTERN BALKANS:
LESSONS FROM THE PAST AND FUTURE PROSPECTS –
A VIEW FROM THE DANUBE REGION**

István Tarrósy – Susan Milford (eds.)

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TABLE OF CONTENTS

Preface of the editors	5
1 Zoltán Hajdú	9
State Formation Processes in the Former Yugoslav Space	
2 Skender Noni	19
Exploring and Analysing Challenges and Barriers of Effective Food Supply Chain Management in Western Balkan Countries: a Delphi Study	
3 Péter Reményi	41
Some Aspects of Demographic Consequences of the Breakup of Former Yugoslavia	
4 Michaela Strapáčová	55
The position of the Western Balkan countries with regard to the independence of Kosovo	
5 Miruna Troncotă	69
Bosnia Herzegovina, the Political Space of In-Betweenness – A Constructivist Analysis of Identities and Institutions during Europeanization	
6 Hortenzia Hosszú	85
European Integration and Public Administration Reform in Bosnia and Herzegovina	
7 Jelena Tešić	97
Institutional Environment and Foreign Direct Investment in the Western Balkans	
8 Vanja Varga	111
Utilization practices of some Internet Technologies in Some Developed Countries and the Western Balkan Region	
9 Marin Vodanović	123
Professional Language – a Tool against Euroscepticism!?! – An example from dental medicine	
10 Adelina Stefarta	129
An Example for regional co-operation: Alecu Russo State University's experience	

PROGRAMME – SPONSORS – AUTHORS

Programme Book of the 7 th DRC Summer School	135
Institute for the Danube Region and Central Europe (IDM)	149
IDResearch Ltd.	153
Partners and Supporters	155
List of Authors	156

PREFACE

Since its launch in 2004, the Danube Rectors' Conference (DRC) Summer School has been the flagship project of the network in terms of mobilising young minds and talents from various social science disciplines across the Danubian regions. The mission of the summer school is to promote regional co-operation among young social scientists, to enhance and deepen scientific co-operations in Central Europe, among the project partners, i.e. institutions from the V4 countries, the Ukraine, Austria and countries of the Western Balkans.

The 7th Summer School returned to its founding settlement, the 2010 "European Capital of Culture" Hungarian university city, Pécs. The central theme of the school could not be more topical as it covered a wide range of issues about the Western Balkans, with all the lessons from its past together with the prospects for its future. Again, almost a dozen countries along the Danube and beyond were represented, and numerous key social topics were discussed in the form of scientifically sound lectures, presentations and workshop debates. Invited lecturers were delegated from different institutions and authorities, with whom the participants of the summer school had the chance to engage with in lively exchanges of arguments.

The firm belief of the organisers of the DRC Summer School and their 'partners in crime' is to continue and further refine the structure to keep the ability to accept and offer quality in Central Europe and even beyond in social sciences. Quality is tied with hard work, as without sufficient preparations, thorough thinking, planning and critical evaluation no quality project can be developed, not mentioning a long-term project what the DRC Summer School itself has undoubtedly become in the last seven years. Quality is proudly shown to wider audiences from a "Danubian perspective" in the form of a series of books. The proceedings volumes of the summer school certainly make it unique among the many similar events, not many schools of this type can offer the ground for its best research papers to get printed, both in the print and the online forms.

The proceedings of the 7th DRC Summer School contains ten papers, all addressing issues connected with the Western Balkans. Professor Zoltán Hajdú, first of all, gives an overview of the state formation processes in the former Yugoslav space. His study is followed by Skender Noni's analysis of the challenges and barriers of effective food supply chain management in Western Balkan countries, an ever so important topic

not just in present-day settings, but especially for the future. While Péter Reményi shares his research on some aspects of the demographic consequences of the breakup of former Yugoslavia, Michaela Strapáčová offers an insight into the position of the Western Balkan countries with regard to the independence of Kosovo. Two papers deal with Bosnia and Herzegovina, the first by Miruna Troncotă tackles the political Space of “In-Betweenness”, the second by Hortenzia Hosszú focuses on European integration and the public administration reform in the country. Jelena Tešić writes about the institutional environment and Foreign Direct Investment (FDI) in the Western Balkans, an increasingly crucial theme when we think of long-term economic development. Vanja Varga provides us with details on the utilisation practices of some Internet technologies in some developed countries and the Western Balkan Region. The last two papers close the list with the interesting cases from other domains and segments of life in the Western Balkans: Marin Vodanović brings his example from dental medicine and raises, whether a professional language in his discipline could be a tool against Euroscepticism; and finally, Adelina Stefarta offers the second biggest Moldovan higher education institution’s, Alecu Russo State University’s experience for a wider regional co-operation. All make our attention focused on intriguing issues about and from the regions of the Western Balkans and the Danubian Region.

We, as organisers of the school and editors of the proceedings would like to extend our wholehearted thanks to our partners for their involvement in the successful implementation of the 7th DRC Summer School. First of all, we thank for the generous support: the Danube Rectors’ Conference (DRC), Faculty of Humanities and Faculty of Business and Economics of the University of Pécs (PTE), the Central European Initiative (CEI), the Visegrad Fund, the Working Community of Danubian Regions, the Austrian provinces Lower Austria, Upper Austria, the South Transdanubian Regional Development Agency, the Hanns Seidel Foundation, the ERSTE Foundation and the Erste Group.

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STATE FORMATION PROCESSES IN THE FORMER YUGOSLAV SPACE

ZOLTÁN HAJDÚ

ABSTRACT

The collapse of the Socialist Federal Republic of Yugoslavia and the formation of the new states on the former territory of the SFRY not only affected the citizens of the former Yugoslavia, but also all states on the Balkan Peninsula. Greece had serious reservations over the establishment of the Republic of Macedonia since it saw the latter's mere existence as a historical, political and national security threat. The breakup of SFRY also fundamentally affected Albanians living in the former Yugoslavia, and Albania. The collapse of the SFRY has also meant that that everywhere in the Yugoslav successor states proportion of Albanian inhabitants has become significant and their economic and political importance has grown. The Albanian settlement area—in part homogenous—now embraces a number of national border regions, especially in Macedonia and Serbia, but also in Greece. Instead of former inner administrative borders, new state borders have been raised. Some of the new state borders have turned into closed ones, and almost give the appearance of classical military borders. International borders and crossing facilities have divided special state units in the former unitary political geographical space. The most uncomfortable question within the 'separation process' was, 'Who has the right to self-determination? Within the complicated political situations (between 1991-1995, and in 2008) an ambition manifested itself that the 'peoples', the 'nations', the republics, 'the majority settlement areas' have a right to and opportunity for self-determination. Others considered that such ambitions only related to those areas which had previously also had their own constitutional mandate (at republic level).

1. INTRODUCTION

Historically one may distinguish a number of periods characterised by the formation of states (nation creating) both within Europe and also on the territory of the Balkan Peninsula. In the period of European modernization, starting in 1789, we can speak about different waves of state-formation processes. The 19th and especially 20th century saw this nation- and state creating process broadening further. A substantial

majority of the states formed in the Balkans came into being in multi-ethnic, multi-faith, multi-lingual regions of multiple settlement structure.

From the end of the 1980s in Southern and Eastern Europe the unfolding processes may also be considered colourful. An ethnic element appeared, stated or not. The Balkan Peninsula both at the time of Cold War Era and at the time of the later co-existence of the bipolar world represented the whole of Europe in miniature. Prior to the radical transition in 1990, the Socialist and Western state systems existed over a relatively small territory. As well as the conservatively communist Bulgaria, the presence of non-aligned Yugoslavia, and the nationally communist Albania, there were two NATO members (Greece, Turkey), one of which was a European Community member (Greece).

Within the states of the Balkan Peninsula—first and foremost in the Socialist Federal Republic of Yugoslavia (SFRY)—an unfolding process existed, resulting partly from external and partly from internal determining factors. How the former central (federal) political power, the member republics as well as the autonomous provinces of Kosovo and Voivodina would settle their own ambitions within this process was a separate question.

The collapse of SFRY and the formation of the new states not only affected the citizens of former Yugoslavia, but also all the states on the Balkan Peninsula. It is no accident that Greece had serious concerns over the establishment of the Republic of Macedonia, since it saw the latter's mere existence as a historical, political and national security threat.

The breakup of SFRY also fundamentally affected Albanians living in former Yugoslavia and Albania. It was evident that with the collapse of SFRY, everywhere in the Yugoslav successor states the significance of the proportion of Albanian inhabitants and their economic and political importance would grow. The Albanian settlement area—in part in its homogenous coverage—embraced a number of national border regions, especially in Macedonia, Serbia but in also Greece.

New state borders were erected in place of the old internal administrative borders. Some of the new state borders turned into closed ones, practically giving the appearance of classical military borders. International borders and crossing facilities divided special state units in the former unitary political geographical space.

The second question within the 'separation process' was: 'Who has the right to self-determination? Within the complicated political situations (between 1991-

1995, and in 2008) the ambition manifested itself that the 'peoples', the 'nations', the republics, 'the majority settlement areas' all had a right to and opportunity for self-determination. Others considered that such ambitions only related to those areas which had previously also had their own constitutional mandate (republic level).

2. THE BREAK-UP MULTINATIONAL YUGOSLAVIA, THE FORMATION OF 'NATIONAL STATES'

The Socialist Federal Republic of Yugoslavia (SFRY) in 1990 with her 255 804 km² territory, and with 23.5 million inhabitants was a key element in her neighbourhood. The SFRY was a real multinational state (Table 1.)

According to the political joke of the socialist period: "Yugoslavia has eight distinct peoples in six republics, and two provinces, with five languages, three religions, and two alphabets, but only one Yugoslav – Tito"

According to the Constitution of 1974 the member republics possessed the right to secede from SFRY, the state incorporating this right in a desire to emphasise the democratic nature of the state system. (Stalin in 1937 also guaranteed this right when the Soviet constitution was being worked out.) However, the Yugoslav leaders did not seriously consider the possibility of separation in Yugoslavia, and as such they did not regulate the separation procedure.

The SFRY was a federal state (with elements of confederation), but system of balances created by President Tito quickly weakened after his death. In January 1991 the question at the level of the Yugoslav Presidency was whether the objective was the strengthening of the federation or progress toward confederation.

Table 1: National Composition of Yugoslavia, 1961–1991. Percent (except total)

National group	1961	1971	1981	1991
Total	18,549,291	20,522,972	22,427,585	23,528,230
Serbs	42.0	39.7	36.3	36.2
Croats	23.1	22.1	19.8	19.7
Muslims	5.2	8.4	8.9	10.0
Albanians	5.0	6.4	7.7	9.3
Slovenes	8.5	8.2	7.8	7.5
Macedonians	5.6	5.8	6.0	5.8
Montenegrins	2.8	2.5	2.6	2.3
Yugoslavs	1.7	1.3	5.4	3.0
Other	6.1	5.6	5.5	6.2

Sources: Woodward, S. L. 1995.

The collapse of SFRY (Figure 1) in the Yugoslav Wars (1991-1995), the formation of new states (Bosnia and Herzegovina, Croatia, Macedonia, Slovenia) and a special formation of Federal Republics of Yugoslavis FRY) (after 2003 the State Union of Serbia and Montenegro) not only affected the Southern Slavic peoples, but also every state on the Balkan Peninsula and all over Europe.

The concrete disintegration process of the federal state began in January of 1991 with the crises and later by the collapse of the League of Communists of Yugoslavia. It continued at constitutional level (the disfunctioning of the Yugoslav Presidency Council), and later at the level of the member republics. But gradually ambitions towards an independent statehood also emerged for the Autonomous Region of Kosovo, and areas settled by Serbs in Croatia and Bosnia and Herzegovina.

In this political situation the role and importance of the Yugoslav People's Army (JNA) increased considerably. The JNA nearly became the sole 'legitimate Yugoslav structure'. (Members of the JNA took on oath on SFRY, and on Socialism.)

This short paper will not describe the process of separation but rather how the essence of the territorial content of the new system appeared within the territorial rearrangements and experiments, what kind of secession ambitions developed below the level of republics within the particular new states and how those problems pertaining to the settlements areas might be handled.

2.1 First state formations on the basis of federal republics

Slovenia was the westernmost, the most developed in economic terms, and most nearly homogeneous republic in terms of ethnicity, language and faith. The referendum (held on 23rd December, 1990) supported the proclamation of independence, comprising 88,2% of the total citizens eligible to vote. The ten-day war against the JNA did not throw Slovenia into disorder, and the losses both in human and in collateral terms were small.

Slovenia declared its independence on 25th June, 1991, the country's new democratic constitution coming into existence at the end of December 1991. In Slovenia, only a small number of Italian and Hungarian inhabitants were registered as native minorities. No secession movements appeared within either of these Hungarian and Italian settlement areas.

In Croatia, after a referendum of independence (19th May 1991), the Croatian Parliament announced the country's independence on 25th June. Parallel to it, the

Parliament accepted a document with the title “Charter on Rights of Serbs and other Nationalities in the Republic of Croatia”. After two bloody civil wars (1991-1992, 1995)—which on the one hand were struggles between the JNA and the Croatian Police, and on the other between Croatian central power and “non legal” Serbian regional autonomies—Croatian territory was reintegrated in January 1998. After the Victory, and in building a new nation state, Croatia did not wish to see any kind of formation that might possess meaningful national territorial autonomy over its territory. The problems and resettlements of Serbian refugees (about 150,000) are one of the most serious questions in the EU accession process.

Macedonia—as opposed to the other former republics—split with Yugoslavia entirely peacefully, and celebrates 8th September 1991 as its Independence Day. The country is ethnically divided; besides the majority of Macedonians, Albanians constitute a significant minority and have settled in a territorially homogeneous fashion. In 1995, Greece announced an embargo against its new northern neighbour. The ‘name discussion’ between the two countries is not just about the name of the new state, but first of all about its whole national and regional history, about heritage, about identity etc.

Bosnia and Herzegovina (BiH) was the most multiethnic, multi-faithed republic in the former SFRY. Moreover, the ethnic groups lived side by side, partly in settlement area majority and partly in a mixed, mosaic configuration.

In October 1991 BiH declared its sovereignty, and at the same time Bosnian Serbs established the Bosnian Serb Assembly to represent their own settlement area and national interests. The Bosnian Croats also aspired to the announcement of the Herzegbosnian Croat Community, afterwards Republic.

The bloodiest and most complicated civil wars (Serb-Bosnian, Croat-Serb, Croat-Bosnian, Bosnian-Bosnian) took place in BiH (1992-1995), and the international community (and the NATO air force) intervened in the war to defend the Bosnian population.

The independent state of BiH was formed (Dayton Peace Agreement, 1995) partly by the international community, and partly by the independent states of BiH, Croatia and Serbia, with the leadership of the three communities in the background.

Fifteen years after Dayton we can say that BiH is “floating” as an international dominium, with inner political structures. Besides Kosovo, BiH is a real risk from the aspect of the security of the Western Balkans.

2.2 The interim remains as the Federative Republic of Yugoslavia (after the 2003 Union of Serbia-Montenegro) and a peaceful chapter of the new Balkanization process

In April 1992 it became clear to the former Yugoslav and Serb political and military elite that the Yugoslavia created by Tito would soon come to an end. First of all they wanted to save the name of 'Yugoslavia', and to form claims for a Yugoslav heritage.

Following Milošević's political downfall in October 2000 the pressure and opportunity to restart and reorganise manifested themselves. Serb society accepted neither the new confederation defined in the 2003 constitution easily, despite the political rearrangements, nor the right for Montenegro to decide on its separation by referendum after three years had elapsed.

The referendum took place on 21st May 2006, and with the peculiar validity threshold of 55% defined by the EU the Montenegrins expressed their lack of any real interest in a quick split.

2.3 Kosovo: last or just next new state in the Balkanization process?

After the aerial war against Serbia (1999) and the political changes of 2000, talks began on the future fate of Kosovo at the international level. It was clear to everyone that the Kosovo question was fascinating not just within the context of the Balkans, but also from the point of view that the final solution to this question, its method and results would be an example for all regions of a similar nature and in a similar situation, not to mention the fact that it may set processes in motion for the creation of new states all over the World.

In spite of UN Resolution 1244, Kosovo declared her independence on 17th February 2008. After Kosovo's declaration of independence the "hottest question" of the Western Balkans (and in a wider sense) turned out to be the diplomatic recognition of Kosovo. For Serbia, and for different reasons for Bosnia and Herzegovina, this question is a basic political, strategical problem. In part, the question is partly dividing the European Union itself, because some member states have special fears emanating from the 'non precedent' situation.

3. SUMMARY

The external environment of the systemic changes taking place in the Balkan Peninsula and of the transformation of the national-territorial structures was the transition of

different value systems: global, inter-systemic (socialist-capitalism), superpower (American-Soviet) and Western value systems (NATO), Warsaw Pact, European Union). Parallel to the collapse of the socialist world system and the elimination of the bipolar system of the world, fundamental transitions began to get under way in the state systems of all ex-socialist countries. The integration of the GDR into the FRG, the state structural crisis of the Soviet Union and then its disintegration at Christmas 1991, as well as the peaceful partition of Czechoslovakia on 1 January 1993, all demonstrated these fundamental rearrangements.

The initial positions were of course very much different for the further development processes in the respective countries. The earlier created and experienced internal structures, and the manner of the transition, had a considerable impact on the progress of the processes later on. The internal process of the transition determined to a great extent how the respective countries were able to integrate into the new international and European order. The inner structures of the individual states were significantly influenced by the system of relations built into the European Union (the preparation and then accession of some countries in 2004). The need for the harmonisation of different structures naturally emerged.

The systemic changes of the socialist states of the Balkan Peninsula actually fit into the principal tendencies. Rearrangements in 1989-1991 took place in at least three different ways (negotiations; smaller or greater opposition, social conflicts; and finally in the framework of tragic civil war).

The countries of the Balkan Peninsula (the “decent” socialist countries, the non-aligned socialist Yugoslavia, the socialist Albania with its own way and the two capitalist countries) experienced historical development processes that were similar in several respects but also very complicated and very much different and in some other ways. By the end of the cold war period it was rather heterogeneity than homogeneity that became a typical development characteristic and result in the countries of the Balkans. The respective countries of the region arrived at the starting line of the “new world order” with a variety of historical heritages and specific economic, social and political experience.

The large-scale rearrangement of the national territories taking place in the region was thus not a “Balkan feature”, not a peculiar and unique phenomenon in this period, but in civil war circumstances it did possess had individual and unique characteristics.

The social, economic and political systemic changes occurring in the Balkan Peninsula necessarily and fundamentally concerned the issue of Yugoslavia, and related to Yugoslavia and almost all neighbouring countries in some way. The crisis of Yugoslavia, a country with large territory and population, a country that was actually a regional power with a leading role among the non-aligned countries, generated spillover effects.

There were also considerable differences across the respective states as regards whether radical transformation took place within the “old national frameworks” (Albania, Bulgaria, Romania), or whether new states were born. In the newly created states (which make up the majority in the region in question) the issues coming from the disintegration of the old state structures and the problems of the new arrangements of the state had to be handled simultaneously. During the state foundations, new nation and state concepts were made, new capital cities were designated and the relation of the new elites to the territory of the state also changed.

The historical, political and other specialist literature on the transition of the respective countries is huge and diverse. Research carried out within national frameworks have explored almost all aspects of the processes of the given states. In addition to national surveys, transition processes were also analysed comparatively. The issues of the development of the macro-region have been monitored by a large number of internal and external institutions and networks. The correlations of state-building and administrative systemic changes, democratisation, decentralisation and regionalisation, among other things, have continuously appeared in analyses.

In the Yugoslav area, systemic change coincided with the strengthening of nationalism, as both the old and the new political elite expected to find their “real” roots in this nationalism, which became a political “calling” for a while. The handling of the issue of multi-ethnicity appeared during the working out of the new constitutional arrangement, and also with the creation of the administrative systems and spatial divisions. The new state majorities were usually unwilling to offer territorial autonomy to ethnic minority areas. The approach to the ethnic minority areas has become a significant and peculiar issue of decentralisation and regionalisation.

Figure 1: Forming seven states out of one



1 State border of former Yugoslavia in 1990

2 State borders in 2010

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EXPLORING AND ANALYSING CHALLENGES AND BARRIERS OF EFFECTIVE FOOD SUPPLY CHAIN MANAGEMENT IN WESTERN BALKAN COUNTRIES: A DELPHI STUDY

SKENDER NONI

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1. INTRODUCTION

Since the beginning of the transition from a central planned economy to an open market economy in the Western Balkan region, trade liberalization and adjustment toward EU integration have been regarded as the main changing forces which have significantly influenced the structure of the agriculture and food (agro-food) sector in the region. This change is seen in terms of input-output, production and product standards, competition, investment and the organization of the overall supply chains (Bojnec and Ferto, 2009; Dries et al. 2009). These and other changes have lead to many challenges for food supply chain (FSC) in the region when trying to meet the new market requirements and exploit the opportunities that this shift has generated.

In Western Balkan Countries (WBC) during resent years there have been increasing research initiatives in the agro-food sector from government institutions, projects from external partners and from research institutions. In the food industry, the focus is mainly on comparative studies and on individual sectors such as dairy products, vegetables and meat products (e.g. Kapaj et al. 2005; Cela et al. 2009; Krstevska et al. 2009; Kovacic and Bozicn, 2009). However there are almost no studies which take a broader regional perspective in identifying challenges that FSC face in the region.

The objective of this study is to identify the characteristics, opportunities, as well as challenges and possible solutions facing the food supply chain management (FSCM) in WBC. We develop the analyses into a regional context as the effectiveness of economic activities, sectors or units is based on their ability to exploit domestic, regional and international market opportunities. This especially with the increasing trade exchange among those countries over the last 20 years.

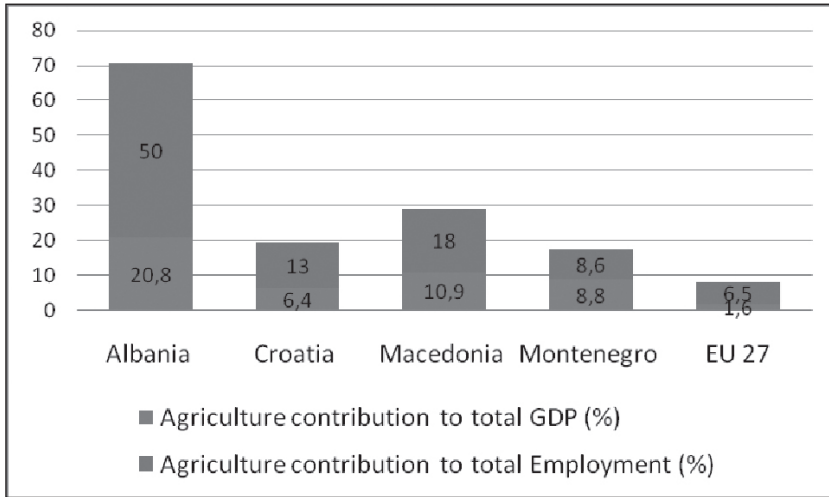
This research presents the findings from a Delphi study where experts from 4 WBCs (Albania, Croatia, Macedonia and Montenegro) were asked to contribute their opinions. The method involves a structured group of communication which makes it possible to explore, identify, analyse and rank strategic topics.

The paper is structured as follows. After the introductory part a brief overview of the agriculture sector for each of the countries considered in the study is presented, after which the concept of FSCM is described. This is followed by some considerations for the development of FSC and its benefits. Next, the methodology and data collection processes are elaborated. The final section concludes with a discussion and summary of the main findings.

2. A BRIEF OVERVIEW OF THE AGRICULTURE IMPACT ON WBC

In the WBC agriculture contributes significantly to the Gross Domestic Product (GDP) and employment. According to the World Bank (for the year 2008) agriculture represents between 6% and 11% of the total GDP in Croatia, Montenegro and Macedonia. The significant role of agriculture in the national economies is also shown in its importance in employment: agriculture represents between 9% and 18% of total employment in those three countries. The situation in Albania is more particular as agriculture is one of the most significant sectors of the national economy: it represents around 21% of the total GDP and 50% of the total employment. In comparison with the EU 27 countries, the WBCs are much more dependent on agriculture as a source of income generating and employment. *Figure 1* below shows the contribution of agriculture to total GDP and employment.

Figure 1: Agriculture share in the total GDP and employment



Source: Own calculation based on World Bank Data, 2010.

Agricultural production in WBC is dominated mainly by traditional agricultural products: specific categories of dairy products (especially cheese), meat products (sausage and ham in particular), fruit and vegetables, drinks (especially wine), etc.

In Albania, the agro-food industry is a sector composed both of small private companies that emerged from the privatization of the former agro-processing state enterprises and the new investments by private initiatives (MAFCP 'Ministry of Agriculture, Food and Consumer Protection', 2007). There is a total number of 2053 food and beverage enterprises registered in the MAFCP. From those agro-processing industries, the bread and confectionary sector is leading with 966 enterprises or 47% of the total number, followed by the dairy processing industry with 362 enterprises or 18% of total and the flour industry with 272 enterprises or 13% of the total (MAFCP, 2007). The other enterprises comprise meat products, fruit, vegetables, olive oil, herbs, spices etc.

The sector is mainly dominated by small and medium size enterprises which face difficulties in competing with the big international companies operating in Albania and even greater difficulties when considering exports in the EU markets due to the need for higher investment capabilities and the compliance with the food safety standards.

The agro-food industry is a potential export sector; in recent years there have been increases in investment initiatives but still the sector is unable to fulfil its domestic demand in a number of products e.g. poultry 75%, wheat (or flour) 60%, fruit 8% and vegetables 5% (MAFCP, 2007).

In Croatia, for the year 2008, the number of enterprises involved in the manufacture of food products and beverages, also including tobacco and hotel-restaurant activity, amounted to around 3,940 entities (Statistic yearbook/Croatia. 2009). The processing industry covers 82,5% of the total industry.

The meat production sector is the most important livestock branch, with 339 registered entities producing beef and 426 entities producing pork (MAFRD 'Ministry of Agriculture, Fisheries and Rural Development'. 2009). The sector is dominated by a high number of small family holdings that produce mainly for family consumption e.g. 90% of the pork production is represented by about 200.000 small producers (CBS 'Central Bureau of Statistics': Agricultural Census, 2003). In this situation it is difficult to establish long term contracts between producers, processors, distributors and consumers leading generally as they do to weak supply chains (MAFRD, 2009).

Croatia has very favourable conditions for the production of vegetables and fruits. There are 300 entities operating in the field of vegetable production and processing but still unable to supply the domestic demand due to unfavourable production structures and lack of organized markets (MAFRD, 2009). Other sectors that contribute to the agro-food industry are fish production and processing, tea production and processing, drinks production etc.

In Macedonia the agriculture sector is identified as strategic with high potential. There are around 1,600 enterprises involved in the production of food and beverages in the country (FRYOM 'Former Yugoslav Republic of Macedonia', 2007). The majority of those enterprises (96%) are small. The production of vegetables, and particularly early vegetables, is one of the most significant sub-sectors in the country (FRYOM, 2007). Other main sub-sectors of the food processing industry include the production of bread, and other bakery products, pasta and confectionary, the production of fruit and fruit juice, mineral water, wine and other beverages. The processing companies play a very important role in purchasing the raw materials provided by primary producers; however, they are faced with problems of very diversified producers and affected by weak organized supply chains and unreliable quality of primary products. The fruit and processing industry are the main export oriented industries with around

75% of the overall production (FRYOM, 2007). Macedonia has the potential to supply its own demand and export agro-food products but still the country is a net importer of agricultural and food products e.g. meat, cereals etc.

In Montenegro the agro-food industry is not so complex. There are not many subjects in the sub-sectors, except in the production sector which is characterised by a large number of agricultural producers, mainly small-scale. According to the Statistical yearbook/Montenegro (2009), around 2,948 business units operating in the catering sector (including restaurants, hotels and bars were identified in the year 2008. The processing sector has great potential, but currently there are only a few companies operating in the area of meat production, dairy products, fruit, vegetable processing and beverages (especially wine which is commercially significant for export) (MAFWM 'Ministry of Agriculture, Forestry and Water Management', 2006). The meat production sector in the last years has witnessed some positive trends in production volume and product assortments. There is a real opportunity for meat export (especially lamb) to foreign markets, but still many challenges have to be overcome e.g. sanitary technology, safety standards, maintenance of cold chains etc.

As is shown from this brief overview of the agriculture situation in the 4 WBCs considered in this study it can be concluded that the agro-food industry is generally dominated mostly by small and medium size enterprises, the structure of which is considered unfavourable for benefiting from economies of scale and being competitive in the marketplace. The cost advantages and comparative advantages that the region has are not exploited to its potential due to the mismatches with the new production approaches, marketing strategies and the functioning of the supply chains as a whole (Investment Horizons, 2006; MAFWM, 2006; BAFN, 2008; Western Balkan Agriculture and European Integration, 2004). In this situation it is difficult to organise effective FSC and to ensure food safety standards. Under those conditions collaborative behaviour between producers and strong incentives from governments are vital to stimulate growth and specialization.

3. THE CONCEPT OF FOOD – SUPPLY CHAIN MANAGEMENT

Since the term supply chain management (SCM) first appeared in the literature by Oliver and Webber (1982), research in the field has grown considerably and many academics, practitioners and organizations have given their own definition of SCM. According to Handfield and Nichols' (1999) definition, "supply chain encompasses

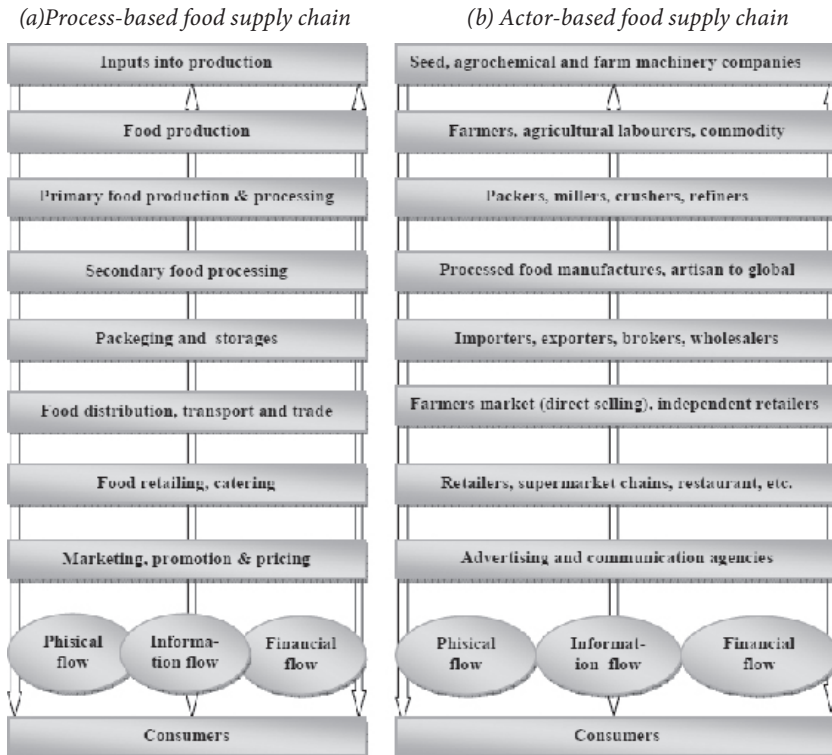
all activities associated with the flow and transformation of goods from raw material stage (extraction) through to the end user, as well as the associated information flows. Materials and information flows both up and down the supply chain”.

Mentzer et al. (2001) define supply chain as “a set of three or more entities (organizations or individuals) directly involved in the upstream and downstream flows of products, services, finances, and/or information from a source to a customer”. Giving consideration to the broad range of definitions available for SCM many researchers have attempted to categorize, structure or find a consensus for a common definition (e.g. Cooper et al. 1997, Mentzer et al. 2001, Gibson et al. 2005, Stock and Boyer. 2009). However, despite these attempts there is currently no consistent definition of what exactly a supply chain is or what it should be. One of the reasons for this is due to multidisciplinary origin and the evolution of the supply chain concept (Croom and Romano 2000).

Gibson et al. (2005), identifies two main streams under which the definitions of SCM falls: one is the narrow view of SCM that includes management and control of materials and information in logistic processes from acquisition of raw materials to delivery to the end users. The broader view of SCM is the integration of business processes from the end users and suppliers who provide added value to customers.

Regarding the concept of FSCM, it is still considered a relatively new research domain that is not clearly defined. Basically seen in two main directions, either based on a close cooperation between entities involved in the supply chains or looked at in a broader context of a network-business relationship (Fritz and Schiefer, 2008). Folkers and Koehorst (1998) give a comprehensive definition of FSC, defining it as “a set of interdependent companies that work closely together to manage the flow of goods and services along the value added chains of agricultural and food products, in order to realize superior customer value at the lowest possible cost”. Managing an FSC brings many challenges as it constitutes different stages and variations on a sector basis. Hawkes (2009), uses two main categories in describing FSC: *Processes* and *Actors* that take the food from farm to fork. The stages involved are described in the following chart (*Figure 2*) which presents a process-actor base view from the first stages of ensuring the inputs for production to the consumers’ table.

Figure 2: A basic food supply chain (adopted from Hawkes, 2009)



Again depending on the type of food and on the way that the supply chain is organised, the next stage might be packaging and storage if not directly distributed and traded. The retailer stage might include the local markets, small stores, supermarkets, and restaurants. Before the products reach the final consumers there are also the marketing related activities like pricing, promotion and advertising. It is important to note that the physical flows go downstream (from suppliers in the direction of the end consumers) and information and financial flows in both directions, upstream and downstream of the supply chain. The other part of the chart shows that FSC are also characterized by the actors responsible for different steps.

Despite the fact that FSC here is presented as a linear model, in reality the various components of FSC are highly interconnected. The entire chain is affected by cross-cutting inputs (e.g. capital, natural and human resources); when one part of the supply is changed or has a disruption, then the whole chain will be affected. This is

common for most supply chains, despite differences that arise from variations in the food product, scales of production, level of detail etc, (Hawkes. 2009). Therefore, an effective participation in the supply chain requires minimal disruption in physical, information and financial flows.

4. DEVELOPING FOOD – SUPPLY CHAIN IN WBC AND ITS BENEFITS

The development of a supply chain begins with the willingness of the actors to engage in a partnership. It is important that the actors involved are in possession of the appropriate knowledge and expertise on the chain and about the chain activities (Roekel et al. 2002). Knowledge about the chain is concerned with the functioning of the chain as a whole, finding the appropriate partners that complement each other and ensuring a functional long term business relationship. Knowledge within chains is concerned with the execution of specific functions, like marketing strategies, logistics activities, information flows etc.

An important starting point for the development of a supply chain is mapping, which identifies parts, players and participants involved in the supply chain, including those beyond the first level tiers. Process mapping is very useful to describe a wide range of activities by using simple flow charts or more complicated value stream maps.

For the whole chain it is crucial that partners are actively involved and flexible enough to respond as fast as possible to the market changes. This fast response to market changes requires the development of a common strategy, strong partnership, chain integration, communication and flow of activities and business processes.

A strategic and competitive position on the market would need that supply chain partners base their activities on a co-decided strategy for the whole supply chain with a focus on understanding consumers and business environment. Trust and commitment are also important elements in order to achieve successful development of partnerships and integration between supply chain partners as the relationship is based on interdependence, open communication and mutual benefits.

In order to act effectively and respond quickly to consumer requirements and market challenges, entities engage in supply chain relationships. The development of an effective FSC not only generates benefits for the companies involved but also has broader benefits: social, economical and in terms of the development of the region as a whole.

The benefits of involvement in a supply chain are often related to the reduction of the total cost which might be due to different initiatives, for example the reduction of costs as result of fewer inspections or even no inspections at all if a close connection and trust exist between partners. Add to that lower inventory costs as a result of shortened lead times, more precise planning and elimination of backorders and sold out situations. Furthermore, the benefits can be in terms of larger investment capabilities with shared risks among partners, better performance on ensuring food quality and safety standards (Handfield and Nichols 1999; Roekel et al. 2002).

With the increasing nature of competition in the agro-food sector in the last decades there is a need that entities involved in those activities consider a much broader approach toward market orientation, with a focus mainly on consumer preferences, flexible activities, upgrading to new production, processing and distribution systems. An effective response to this increasing competition would be involvement in supply chain relationships. Conversely, involvement in a supply chain relationship would require careful pre-examination of the production and services costs by all actors, adaptation of the services and production systems with the overall supply chain strategy.

5. RESEARCH METHODOLOGY

The method used for collecting empirical data here is a “Delphi study.” This is a research method developed by the RAND corporation in the 1950s in an attempt to develop a technique to obtain a reliable consensus from a group of experts (Dalkey and Helmer 1963). The method is extensively used in SCM research and related fields to identify, rank and prioritize issues, as well as (e.g.) to make future predictions (Lummus et al. 2005; Seuring and Müller 2008; Akkermans et al. 2002). The basic principle of the research method is based on a revision process of the contributions given by experts.

According to Limestone and Turoff (2002) the term is defined as follows: “Delphi may be characterized as a method for structuring a group communication process so that the process is effective in allowing a group of individuals, as a whole, to deal with a complex problem. To accomplish this “structured communication” the following is provided: some feedback of individual contributions of information and knowledge; some assessment of the group judgement or view; some opportunity for individuals to revise views; and some degree of anonymity for the individual responses”. The above

mentioned elements in the definition are seen as the strength of the Delphi method. The approach helps to overcome the weaknesses of relying on a single expert's opinions or in a round table discussion which can be biased and dominated by opinion leaders.

There is also a high degree of anonymity (participants are known only by the coordinator) and there is no need to travel. MacCarthy and Atthirawong (2003) consider the Delphi study as a systematic process that attempts to obtain group consensus resulting in much more open and in-depth research, since each member of the group contributes new aspects of the problems which will be researched in the next phase. This characteristic of "first more open and then in-depth research" gives the Delphi method a considerable advantage. If the research would start with an in-depth questionnaire from the beginning the results would be more biased.

Denzin & Lincoln (1994), Story et al. 2001, Linstone & Turoff (2002), have identified the most important advantages and drawbacks of the method but that discussion would extend beyond the objectives of this article. With the growing use of the Delphi method, there is also a growing impact of the methodology on both corporate planning and government policy-making. Because the results are generated from judgments it is important that the methodology is used properly and the outcomes are interpreted carefully.

5.1 Expert selection

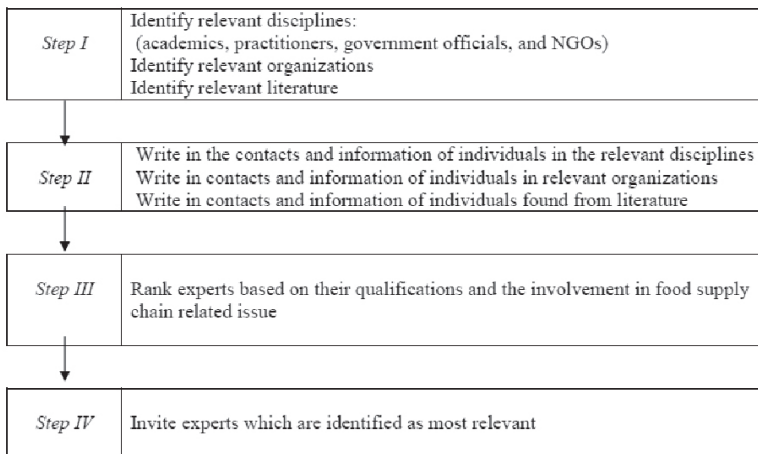
According to Martino (1993), choosing the panel members "*is the most important task of the moderator*" and the selection of the panel is to some extent a subject of controversy. A Delphi study does not depend on any statistical sampling but is rather a group decision mechanism requiring qualified experts who are specialist in the related issues. Delbecq et al. (1975) provide detailed guidelines on how to select the relevant experts for a group technique study, making it clear that this applies for the Delphi study too. Also, Okoli and Pawlowski (2004) present a detailed description (an example) of the process of how experts should be selected. In this paper we try to follow those guidelines. A four step procedure is used for the expert selection process as shown in *Figure 3*.

The *first step* started with the identification of the relevant disciplines by considered experts generated from four main groups: academics, practitioners, government officials, and nongovernmental organizations (NGOs). The reason for this composition is based on the valuable knowledge, involvement and importance

that those actors have on FSCM. Also, the aim of the research is to get a comprehensive and broader perspective of the topic.

Researchers were selected based on the publications in the field, browsing university websites and journal databases. Experts from non-governmental organizations were identified through websites by selecting those who work as consultants or those who are involved in supply chain related issues. Practitioners were identified by looking at participation at exhibitions and lists of businesses provided by governmental institutions. Governmental officials were identified by browsing the websites of ministries of agriculture and economy for each of the respective countries considered in this study.

Figure 3: The procedure used for the expert selection process



The *second step* was to collect and write down contacts and biographical information of individuals identified from the related disciplines. The aim in this step was to obtain as much information as possible in order to determine what qualification they possess to make them experts. For example, the type of data recorded includes the number of papers published, participation and presentations in conferences, the length of years involved in supply chain related issues, years of experience in academia, government or NGO position etc.

The *third step* aimed at ranking the potential experts according to their qualification by comparing them with each other base on the criteria mentioned above.

The *fourth step* was the invitation of the selected experts, which was sent directly without a pre-announcement. From the four disciplines mentioned, a total number of 70 experts was chosen. A higher number was deliberately chosen, as a lower response rate was expected. The selection process aimed for an equal ratio between experts chosen from each of the countries considered in the study.

6. DATA COLLECTION AND RESPONSE RATE

The data collection was conducted between February and May 2010. An e-mail with an invitation text and an attachment (doc.) with four questions was sent in the first round. The second round followed with an invitation text with a survey link on it which was connected directly to a structured online survey that was generated from the answers of first round. After one week from each invitation a follow-up e-mail was sent as reminder for the submission deadline.

There were 13 full answers from experts selected in the first round of the survey and 14 full answers in the second round, resulting respectively in an average response rate of about 19%. Almost 7 of the answers were derived from researchers, 4 answers from governments and NGOs and 3 answers from practitioners. The almost equal distribution of participants among countries, the stable participation (experts who rise the issues also evaluate them in the subsequent round) and a detailed description of the research process contributes to the validity of the research.

7. CONTENT AND FINDINGS OF THE TWO POLLS OF THE DELPHI STUDY

As mentioned before, in this study we developed two rounds of questionnaires. According to Linestone and Turoff (2002), the Delphi study is supposed to continue until no more insights are gained from participants. It was decided not to conduct further rounds after round two due to the reasonable consensus that was reached among participants and due to low arguments (disagreements) on a few specific topics. These specific topics are those that have a high standard deviation, meaning that for these topics, less consensus was reached. Those items can be seen in Table 1. Another reason is that if further rounds would have been conducted a lower response rate was to be expected which could have negatively biased the results.

The first round of the Delphi study was based on four open questions. The questions were:

- What are the general characteristics of the FSC in WBC?
- What are the challenges that Supply Chain partners face?
- What kind of opportunities do you see currently in FSC?
- Which major topics do you see in the next five to ten years?

Experts were asked to respond to these questions based on their personal opinions and not to consider the institution or organization that they represent.

7.1 Data analysis and findings from the first and second round

After receiving the results of the first round from the above mentioned questions, a content analyses was carried out to generate the findings from the first round. Content analysis is broadly defined as “any technique for making inferences by objectively and systematically identifying specified characteristics of messages” (Holsti. 1969). Kimberly (2002), considers content analysis as summarizing and analyzing messages quantitatively by relying on objectivity, inter-subjectivity, reliability, validity, and replication. Reliability of content analysis was ensured by considering a reliable classification procedure in the sense of being consistent. Validity was ensured by asking experts to provide feedback regarding text interpretation. In total, 39 items were identified in this first round; those items are listed in Table 1 (*first column*). The aggregated items presented have been emphasised by most of the experts and it seems that the countries in the study have many commonalities in terms of characteristics, challenges that are facing currently, opportunities and the future expected development in a short-midterm run.

After the main items were identified from the first round a second round was developed using those items in a structured Likert scale questionnaire to measure three main elements in a five level scale: *agreement scale*, *performance scale* and *importance scale* for each of the likert items. The evaluation of the items is shown in Table 1 (*column 2 and 3*) measured by mean and standard deviation.

Table 1. Identified items and their evaluation by mean and standard deviation

FSCM-WBC	Mean	SD
Evaluation of the five level scale, strongly disagree-strongly agree(1-5)		
Large number of small and diversified producers-farmers	4.308	0.751
Small and medium processing companies	3.692	0.855
Expensive food for the end consumers	3.538	0.877

Low price for producers-farmers	3.923	0.954
Lack of appropriate facilities(i.e. stores, renovation technology, processing capability, packaging, logistics, delivery speed)	3.846	0.987
Difficulty to ensure safety & product quality	3.769	0.439
Lack of functional agro-market (sell-buy land, unclear ownership)	3.923	0.862
Low investments in research & development	4.385	0.870
No consistent flow of goods & information exchange between actors in FSCs	3.769	0.927
Regulatory barriers (difficult implementation, continuous in change etc.)	3.308	0.855
High competition from importing products	4.308	1.032
Outside events (e.g. economic crises)	3.615	0.768
Evaluation of the five level scale on performance, poor-excellent(1-5)		
Price competitiveness of food items compare to imported products	2.462	1.127
Implementation of food quality & safety standards in the food sector	2.231	0.832
Traceability of food products through production to final distribution	1.923	0.954
Collaboration of producers with other stakeholders	2.308	0.751
Collaboration of processors with other stakeholders	2.923	0.645
Collaboration of retailers with other stakeholders	2.692	0.947
Collaboration of consumer associations with other stakeholders	2.538	0.877
Collaboration of supporting institutions with other stakeholders	2.385	0.870
Evaluation of the five level scale on importance, not important at all- very important(1-5)		
Integration to marketing plans, strategies(e.g. direct selling)	3.615	1.121
Specialization in less range of products	3.615	0.870
Forecast matching demand-supply	4.308	0.947
Management commitment to improve operations and efficiency	4.715	0.768
Development of new customers and enter new markets	4.385	0.961
Subsidises (addition) for producers and manufactures of food products	3.538	1.050
Rigorous implementation of government policies on agriculture and food products	4.000	1.000
Support of affordable credit (low interest rate)	4.538	0.660
Support management system implementation in food industry (e.g. establish certification bodies)	4.692	0.630
Extend extension services	4.077	0.641
Food safety policies (i.e. condition under which food is handled, processed, sold etc.)	4.692	0.630
Change in consumer purchasing power & attitude	4.077	0.641
Development of new marketing channels & product strategies	4.462	0.776
Efficiency and effective production capacity	4.769	0.599
Production technologies	4.462	0.660
Higher competition with EU products (agreements with EU)	4.231	1.092
Increase of foreign investments in WBC	4.154	0.899
Better infrastructure & transportation connection (e.g. corridor 8 & 10)	4.692	0.630
Joint ventures between local & foreign companies, and retailer concentration	4.154	0.689

8. EVALUATION OF DIFFERENT ITEMS

From the results shown in Table 1, it is clear that in general most of the items identified have a high score, meaning that they are of high relevance for FSCM in WBC. The topics identified as most significant are analysed through the following constructs.

8.1 The structural characteristics of FSCM

The western Balkan region is characterised by a large number of small and diversified producers-farmers (mean 4.3). This situation can be explained with a self-sufficiency production approach that aims to fulfil internal basic food needs and less focused on a markets. Another reason that might explain small and diversified producers can be related to risk issues. For example, risk aversion strategy is a common attitude of producers who behave conservatively and avoid risks by increasing product variation within the same production area. This diversified production is favoured also by a high degree of land fragmentation. Another characteristic identified as important for FSC in WBC is the low reward price for producers-farmers (mean 3.9). This is considered to be due to high costs of production and low efficiency and high competition from imported products which are mainly dominating the markets. On the other hand the price for consumers is considered to be relatively expensive due to the many stages and intermediaries involved before the product reaches the end consumer. In regard to collaboration, from the results it can be seen that producers are less collaborative compared with the other actors, e.g. compared with processors and retailers. This might be due to the belief of producers that an attempt to increase collaboration might increase the total operation costs as far as there is a high degree of land fragmentation, constrained functioning of agro-markets and low production specialization.

8.2 Private initiatives and commitment for improvements

Management commitment to improve operations and efficiency is considered to be on top of the list regarding the importance of driving business operators toward success (mean 4.7). Studies show that the WBCs are not exploiting their full potential and existing market opportunities. Improvement in the agro-food sector has to be seen in synergy with new approaches of agricultural production, food processing, marketing strategies, logistics and FSCM as a whole (Bojnec and Ferto 2008). Efficient and effective production capacity improvements (mean 4.7) lie in the heart of the transformation and reconstruction of the agro-food sector. A better forecast matching

of demand and supply (mean 4.3) is needed as mismatching and coordination cause many disruptions in the food supply chain. The development of new customers and entering new markets (mean 4.3) and investment in technology e.g. processing capabilities, packaging and logistics (mean 3.8) are considered important as well.

8.3 The role of governments in developing agri-food chains

In this part the most important issues through which governments can contribute toward a more competitive FSC in the region are identified. Firstly, support for the implementation of the management information systems in the food industry appears to be very significant (mean 4.7), a concrete action could be the establishment of certification bodies or information system centres which can help to ensure food quality, support operations and planning processes. Secondly, support of affordable credit rates (mean 4.5), which is seen as very necessary because as mentioned earlier the region is dominated by small and medium size businesses which have limited investment capabilities and can hardly fulfil the high requirements criteria for getting loans. Despite there being some initiatives from government to cover part of the interest rate or to subsidise certain sectors, results show that there is still a need to stimulate the development of the agro-food sector in this perspective.

Extended extension services are also seen as important (mean 4.0). Examples of key issues here are: training and support on how to apply for funding, training on food safety issues, as well training on new production methods (e.g. organic production). Furthermore, the development of a body of knowledge through supported research institutions or programs would facilitate market activities of supply chain partners by increasing the availability of research and information.

In addition to the above mentioned factors another critical element is the implementation of government policies on agriculture and food products (mean 4.0), as in many cases the challenge is seen more on the implementation side of the policy rather than in having the regulations.

8.4 Important expected developments in a short-midterm run

Food safety policies when evaluated on the importance that will have in a short-midterm run (5-10 years) are shown as being very significant (mean 4.7). This is due to the increasing legal requirements on safety standards and an increase in consumer expectations and awareness. Also in the short-midterm run there is an expected

change in consumer purchasing power and attitude (mean 4.0) which needs response from business operators and institutions regarding the quality and safety standards. Ensuring food safety and product quality is currently seen as challenging (mean 3.8) due to the slow development of food quality management systems and the below-average performance in the traceability systems to control products from production to the final stage of distribution.

Another significant development that is required in the medium-term is the improvement of infrastructure and convenient transportation connections in the region. The current situation brings many challenges for the logistic activities of SCM by affecting the quality of products, the time of delivery and the overall costs. The development of the internal infrastructure within each country is considered important as well, as is the development of regional connection through “Corridor 8 and 10” (mean 4.7) which is expected to facilitate and improve the performance of supply chain logistics.

Other important elements expected to be important are the development of new marketing channels & product strategies (mean 4.5). This is due to the higher than expected competition from EU products (mean 4.2) because of the general agreements with EU countries and the advancement of the EU integration processes. As competition pressure increases from inside and outside forces an increased level of joint ventures between local and foreign companies and increase in retail concentration are expected (mean 4.2). The retail sector is developing and is characterised by the dominant role of supermarkets which are becoming the most prominent commercial channels.

Investment in research and development is considered as a big challenge that the region is lacking behind (BAFN, 2008). However, new initiatives are flourishing and there is enough optimism as the region is considered by many current and prospective investors to offer huge opportunities as Europe’s next high growth business location (Investment Horizons, 2006). This optimism is based on the government commitment in the respective WBC to support overcoming the above mentioned barriers and gaining advantage of low labour costs, local availability of raw materials and an attractive investment climate through competitive fiscal regimes.

9. CONCLUSIONS

The increasing competition of food markets in the last decades in WBCs has brought many challenges and opportunities for FSC partners. It has urged supply chain

actors to consider a much broader market-oriented approach with a focus mainly on consumer preferences, flexible activities, upgrading to new production, processing and distribution systems, while at the same time minimizing total costs across the whole supply chain. The overall incentives for improvements in FSC have to be seen as being in line with consumer expectations, new approaches of agricultural production, food processing and marketing strategies. The challenges identified for the private sector are related to a growing pressure to improve operations and efficiency, quality and safety standards of products, information sharing and investment in new technologies.

The contribution of institutions (government) toward a more effective FSC is seen through support on management system implementation, support in financial matters like subsidises and affordable credit interest rates, rigorous implementation of governmental policies on agriculture and food products and increasing investments in research and development. The development of internal infrastructure within each country is considered crucial as well, as is the development of regional communications for improving the performance of logistic activities through the whole supply chain.

At the same time that the issues discussed in this paper present challenges and threats to producers, processors and other industry stakeholders in FSC due to the increasing pressures in competition and the need to catch up with new market requirements, they also present great opportunities if considered in the right perspective.

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SOME ASPECTS OF DEMOGRAPHIC CONSEQUENCES OF THE BREAKUP OF FORMER YUGOSLAVIA

PÉTER REMÉNYI

INTRODUCTION

The disintegration of former Yugoslavia can be seen as one of the major political geographical changes in post-bipolar Europe. Civil war, the formation of short-lived statelets, rapid and turbulent changes of borders, mass migration and large scale devastation characterized the process as a result of which seven successor states had emerged by the first decade of the 21st century.

We consider one of the major consequences of the above mentioned ‘political geographical transition’ to be demographic. Mass migration was only one (quantitative) element of this change, which was accompanied by a more worrisome phenomenon: ethnic homogenization. This latter we take to be the qualitative element of the demographic changes occurring in the region. Scholars who investigate the history, society and politics of the fall of Yugoslavia agree in the presence of the above phenomena, but there is still a dearth of measurement or objective comparison of them in the specialist literature. Our objective is to present the results of a mathematical formula which we think to be useful in measuring such changes. We also aim to review and analyze the impacts of the breakup of Yugoslavia on individual settlements, primarily from the aspects listed below:

- Demographic alteration, whether the population increased or decreased during the examined period and if such change had any regularity
- Changes in the ethnic composition, specifically if there is any regularity in the alterations.

APPLIED METHODS

Our primary sources were the data from the 1991 and ‘around 2000’¹ censuses and the estimates of the national statistical institutes and those of international organizations present in the region. In the case of the census it has to be noted that the method by which the 1991 census was carried out differed from that of around 2000. Thus the calculations based on these numbers cannot be considered fully accurate, still, they prove to be a reliable source for comparison since they reflect the tendencies, the directions and the volume of the changes.

Further primary sources are the analysis and reports run by various international organizations and Think Tanks (specialized organizations of the UN, OSCE, International War and Peace Reporting, International Crisis Group, Balkan Investigative Reporting Network, Bosnia Institute, etc.), the EU’s reports on the region, its security, integration and the documents of the affected countries on regional development. The fieldwork we conducted in the target region also proved essential in our work. Our primary tool was borrowed from mathematical statistics.

As we have stated above, one of the most significant impacts of the ‘political geographical changes’ of the region is the changes in ethnic content; the previous mosaic structures ceasing to exist and the homogenization of ethnic spaces and cities. Since the ethnic groups differ from region to region we consider it insufficient to rely on the approach of merely describing the migration of ethnic groups by identifying both old and new locations and establishing whether they formed minorities or majorities in the new territories. We led the examination based on the so-called diversity index, since almost all regions in the analysis are affected by homogenous tendencies in which all ethnic groups are involved. The so-called Simpson diversity index, originally coming from the field of biology and measuring biodiversity in an ecosystem, later being applied to geography in Hungary by Péter Bajmócy, shows the likelihood of a member in a community belonging to a given ethnic group meeting other members of the same or different ethnic groups (BAJMÓCY P. 2004). Applying the following mathematical formula we arrive at values between 0 and 1, where 0 indicates a completely homogenous population while 1 is a community where everyone is of different ethnicity.

¹ Serbia 2002, Macedonia 2002, Croatia 2001, Montenegro 2003, N.B. There were no censuses after 1991 in Bosnia-Herzegovina and Kosovo. Data on these areas are retrieved from estimations of national statistical offices and international organizations (Alfaro 2000, OSCE 2005-2006).

$$EDI = \frac{L * (L-1) / 2 - \sum_{i=1}^n e_i * (e_i - 1) / 2}{L * (L-1) / 2}, \text{ where}$$

L: a population of settlement (općina)

e_1, e_2, \dots, e_n : number of persons belonging to the ethnic groups

EDI: ethnic diversity index

Comparisons of diversity indices of the individual states lead to false results due to the fact that the censuses of 1991 and 'around 2000' do not treat the same number of ethnic groups. However, these censuses did contain the same ethnic groups in relation to states regarding the two censuses, and so we can compare the diversity indices and the extent of changes at state level between the two points of time, which can also be carried out at settlement level. In other words, it is not only the diversity index (EDI) but alterations in it ($\Delta EDI = EDI_{1991} - EDI_{2001}$) which are our most important measurements in evaluating the ethnic changes of settlements.

THE DEMOGRAPHIC IMPACT OF YUGOSLAVIA'S BREAKUP

Changes within population

We consider the changes of population in numbers the most important demographical alteration of the breakup. The Wars of Yugoslav Succession have resulted in the greatest European population movement since WWII. In the war-affected regions the population declined (the vast majority of Bosnian regions, Krajinas, Slavonia) while on the other hand the population on some parts of the 'peaceful' (not directly affected by extensive armed conflict) regions increased due to the mass inflows of refugees.

In proportion, the most significant decline was that of Croatian Krajinas due to the expelled Serbian population only partially being replaced by Croatian settlers. The population in Central and Eastern Slavonia decreased as well but to a lesser extent, because of the peaceful return of Eastern Slavonia (Erdut Agreement, 1998) and of larger-scale Croatian settlement induced by the more favorable natural and settlement conditions.

In Bosnia-Herzegovina the regions to experience declines in population were mainly as follow: settlements in Central Bosnia, the Bosnian Krajinas, settlements along the Drina and the area known as the Posavina corridor. The Serb, Bosniak and

Croat ethnic regions adjoin the Central Bosnian settlements, meaning that maximum ethnic diversity presents not only two- but three-sided struggles.

Table 1: Municipalities with the highest absolute and relative population decline, 1991-2004.

City (općina)	persons	City (općina)	Rate of decline
Sarajevo metropolitan area (BiH)	-123 162	Donji Lapac (Hr)	-76,62%
Peć (Kos)	-45 943	Bos. Grahovo (BiH)	-70,03%
Belgrade metropolitan area (Sr)	-41 610	Dvor (Hr)	-60,73%
Vukovar (Hr)	-21 346	Glamoč (BiH)	-59,90%
Knin (Hr)	-20 655	Obrovac (Hr)	-58,65%
Zavidovići (BiH)	-20 461	Kupres (BiH)	-58,57%
Maglaj (BiH)	-19 744	Vrginmost (Gvozđ) (Hr)	-57,55%
Jajce (BiH)	-19 246	Benkovac (Hr)	-57,42%
Travnik (BiH)	-19 033	Glina (Hr)	-57,00%
Benkovac (Hr)	-18 973	Novo Brdo (Kos)	-56,74%
Zenica (BiH)	-17 082	Gračac (Hr)	-54,70%
Osijek (Hr)	-16 975	Vareš (BiH)	-54,33%
Zadar (Hr)	-16 949	Knin (Hr)	-48,93%
Kotor Varoš (BiH)	-16 740	Bos. Petrovac (BiH)	-47,23%
Negotin (SR)	-16 130	Kotor Varoš (BiH)	-45,65%

Source: Own calculations from data from statistical institutions

However, the population in the third region where serious armed clashes took place did not decline. During early 1991 and early 2000 the most significant population increase in the post-Yugoslav region can be found in Kosovo, with only a few settlements as exceptions. Kosovo is an administrative entity where the figures (even in the census of 1991) were only estimated or else politically influenced, thereby providing unreliable data for population changes. That said, Albanian's highest natural reproductive index within Europe should also be taken into consideration.

The picture for Serbia is an even more complex mosaic; generally speaking, the population is declining in the eastern and southern municipalities while the cities and the area of Novi Sad are experiencing positive changes even if the Belgrade agglomeration is suffering from significant losses.

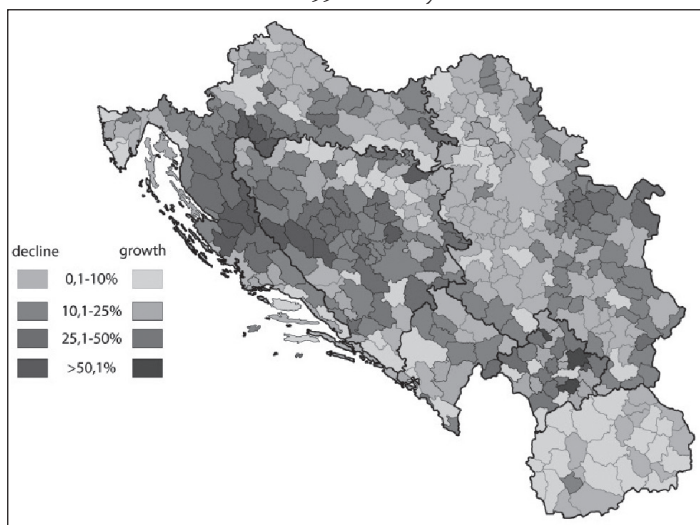
We cannot make such strict distinctions for Macedonia FYR. There different municipalities are experiencing either increasing or decreasing populations, but unlike in the case of the other succession states no sharp contrasts can be detected.

While the highland areas are declining demographically, unsurprisingly the areas with Albanian inhabitants show positive tendencies.

Besides the above-mentioned southern part of Vojvodina the cities and the urban areas (Pančevo, Čačak, Niš, Vranje, Novi Pazar, Sombor) and coastal zones with high standards of living also demonstrate positive tendencies. In Croatia these positive poles are the Zagreb agglomeration, the coastal area of Istria and the Kvarner Islands, the Split agglomeration and the South Dalmatian towns and cities. In all cases the positive migrational balance is the main reason for the increase, where both the push factor (escaping from hostile territories) and the pull factor (prospect of better living) exist.

The areas in Bosnia-Herzegovina which remained safe from armed conflict did not suffer from significant decline in population and also accepted large numbers of refugees from less fortunate areas. Banja Luka and Bijeljina, the western part of the Posavina Flatland, became the most desired targets for the Serbians. The southern rim of the Posavina corridor became a shelter for the Muslim population, the least fierce battles occurring in this area. Herzegovina's eastern settlements grew in number due to Serbian migration and the western ones due to Croatian settlers. The area was not severely impacted by war and pre-war ethnic diversity was smaller; thus, the number of people leaving the area remained low as well.

Figure 1: Population changes of Yugoslav succession states at the settlement level, between 1991 and early 2000.



Source: data and estimates from statistic institutions; cartography: Á. Németh.

Ethnic homogenization

The primary objectives of the war accompanying the breakup of the state were the securing of political independence in the occupied areas, the satisfying of nationalist territorial needs and the homogenization of the possessed and the occupied territories. Since the ethnic composition of the region prior to 1991 was the most diverse in the whole of Europe, the individual national objectives could only be achieved at the expense of other nations (JUHÁSZ J. 1997). We do not state that the breakup was a direct consequence of ethnic tensions, nor do we think that ancient ethnic hatreds caused the conflict, but once it broke out the main driving force was ethnic-based territorial power. The mismatch of ethnic and administrative borders and in Bosnia-Herzegovina the lack of ethnically homogenous territories which could have been a base for territorial political formations was the main obstacle to peaceful separation. The change in this situation resulted in ethnic-based conflicts, ethnic cleansing and homogenization.

The fear and the conflict itself forced millions to leave their homes. This forced migration is *undoubtedly of an ethnic nature* and generally, though not in all affected regions, has led to *ethnic homogenization of the area*. As a result, the *multicultural region of the Western Balkans has disappeared, just as have the ethnic mosaic structures of several areas*.

The statistically provable homogenization is detectable not so much over larger territorial units (the Western Balkans, the federal republics) but rather at territorial meso-levels (entities, counties, municipalities) and settlement level, while the ethnic homogeneity of the former state has hardly changed. *The succession states of former Yugoslavia—Slovenia excluded—show a growth of only 0.3% in the homogenization index*.

From evaluating the data we came to the conclusion that it is not primarily the proportion of various ethnicities, *not the region's ethnic diversity that became modified by the war but that the settlement areas of ethnic groups of the region began to become clearly distinguishable*. This is supported by the fact that the ethnic homogenization of the former Yugoslavia can be considered insignificant, but that of the individual succession states and the territorial units within them are considerable.

Table 2: The change of ethnic diversity index of Yugoslav successor states and other subnational territorial formations between 1991 and 2004.

Republic / entity / autonomous area	ΔEDI (pp)
BOSNIA AND HERZEGOVINA	-5
Federation of Bosnia and Herzegovina	-22
Bosnian Serb Republic	-26
CROATIA	-18
MACEDONIA	2
MONTENEGRO	11
SERBIA PRIOR 2008 (Serbia Proper + Vojvodina + Kosovo)	1
SERBIA AFTER 2008 (Serbia Proper + Vojvodina)	-5
SERBIA PROPER	-4
KOSOVO	-13
VOJVODINA	-9
YUGOSLAVIA (EXCLUDING SLOVENIA)	-0,3

Source: statistic institutions

Using the ethnic diversity index, the Yugoslav successor states can be grouped into two categories; the change in the ethnic diversity is either only *minor*, easily supported by natural processes such as assimilation or the cessation of “Yugoslav” as a category, or *considerable*, the result of significant homogenization.

The ethnic homogenization of the population that took place in Croatia and Kosovo was due to the majority driving out the undesirable minorities by force and overcoming them by demographical means. The expulsion of Serbs from both regions and in Kosovo the faster natural growth of Albans are the main explanation for this.

The population of Serbia has undergone slight homogenization. It has also obtained a collective result deriving from the decrease in the number of people that chose Yugoslav as their ethnic category at the census of 2002, from Serbs driven out of Croatia, Bosnia-Herzegovina and Kosovo settling in Serbia and from the natural process of assimilation of such minorities as Hungarians, Slovaks and other minority groups. Due to counter-homogenetic demographical processes – the higher reproduction rates of Albans (Bujanovac, Preševo) and Bosniaks (Sandžak) and the growing numbers of the Vlachs (Eastern Serbia) all lead towards diversity - the ethnic homogenization of the Serbs was of smaller degree than might have been expected based on the large number of refugees moving to the country.

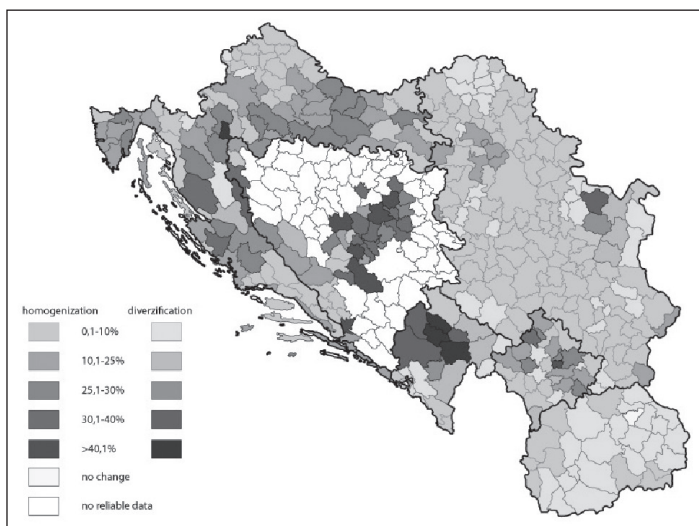
As much research has concluded (KICOŠEV S.–KOCŠIS K. 1998), a large proportion of the refugees from the successor states of former Yugoslavia ending up in Serbia

chose to settle down in Vojvodina. This, and the number of Hungarians leaving the territory are visible in the 9% drop rate of the diversity index of Vojvodina. The absolute value of this rate is quite small but *after the war-hit entities, Vojvodina is the former Yugoslav region where the highest rate of homogenization can be observed.*

The ethnic diversity of Macedonia and Montenegro have also increased, but for two different reasons. One quarter of Macedonia's population are Albans, and as a result of their higher reproductive rate and opposition to assimilation the country shows a pattern of growing ethnic diversity emanating from the growing proportion of one minority within the population as whole. In Montenegro the aim for independence had an extremely divisive impact upon society, for the choice of ethnic identity was also a political choice and vice versa. In 1991 the majority of the population identified themselves as Montenegrin but in 2003 those who were for maintaining the federal state called themselves Serbs and the opposing factions Montenegrin.

Despite the fact that no official data on actual ethnic proportion are available for Bosnia-Herzegovina, it can be stated with some assurance that at the state level diversity has changed little, and that the 5% rate is the same as that of Serbia.

Figure 2: Ethnic homogenization of successor states of former Yugoslavia (based on alterations of ethnic diversity index) between 1991 and early 2000.



*Source: own calculations from data and estimates of statistic institutions.
Cartography: Á Németh*

The ethnic structures with slight changes at state level present a larger alteration at subnational levels. Following the Dayton Agreement, an extreme and legitimized version of separation came into existence in Bosnia-Herzegovina. Serbs enjoy a majority in Republika Srpska, while the other two major ethnic groups in the Federation have an absolute majority. Further homogenization can be seen in the cantons, indicating extreme ethnic segregation of the country.

Table 3: Ethnic changes and diversity indices for the cantons of the Federation of Bosnia and Herzegovina, 1991-2004. Statistical institutions

Name of canton	Ethnic changes (pp)			Δ EDI (pp)
	Serbian	Croatian	Bosniak	
Unsko-Sanski	-17,53	-1,02	21,95	-32
Posavski	-9,44	12,27	0,98	-18
Tuzlanski	-9,94	-1,56	20,08	-30
Zeničko-Dobojski	-12,25	-5,38	25,11	-31
Bosansko-Podrinjski	-26,48	-0,06	29,84	-42
Srednjobosanski	-9,23	0,63	14,24	-13
Hercegovačko-Neretvanski	-11,58	9,81	9,18	-14
Zapadno Hercegovački	-0,09	1,97	-1,07	-4
Kanton Sarajevo	-15,94	-0,31	28,79	-30
Kanton 10	-23,26	27,54	-2,21	-24
altogether	-13,1	-0,37	20,52	-22

In analyzing ethnic homogenization at the municipality level we can identify several other types of areas. *Homogenization most extremely affects those municipalities which suffered from armed activities*, e.g. Slavonia, Kosovo, several parts of Croatian and Bosnian Karjinas, Central Bosnia, the majority of the Bosnian Serb Republic (no reliable data available for the whole region). In these areas homogenization is mainly due to the minorities leaving the regions. *In Dalmatia, Istria and Novi Sad the absolute value of the minorities has not declined; there has, however, been a growth in the majority group.* These are the peaceful destination areas for large number of refugees.

Table 4: The top 15 settlements with highest rate of homogenization in the territory of former Yugoslavia (the Bosnian Serb Republic excluded ²), with the changes of numbers in the top ethnic groups.

	ΔEDI (pp)	Croat	Bosniak	Serb	Yug..	CG	Alb.	roma	other	Total
Zavidovići (BiH)	-53	-7429	1572	-10959	-2703	0	0	0	-942	-20461
Travnik (BiH)	-46	-21893	14629	-7269	-3688	0	0	0	-812	-19033
Kos. Polje (Kos)	-45	-37	-1675	-5107	-65	-898	16626	-2996	-672	5127
Konjic (BiH)	-44	-9506	3468	-5763	-1379	0	0	0	-447	-13627
Fojnica (BiH)	-43	-5806	2212	-98	-396	0	0	0	-1028	-5116
Lukavac (BiH)	-41	-609	11813	-11585	-3384	0	0	0	-1087	-4852
Čapljina (BiH)	-40	2187	-5767	-3510	-1018	0	0	0	-342	-8450
Z. Potok (Kos)	-40	-1	0	7749	-5	-26	-4711	0	-11	2995
Busovača (BiH)	-39	1332	-7726	-374	-505	0	0	0	-159	-7432
Tešanj (BiH)	-39	-8237	12680	-2743	-1038	0	0	0	-379	283
Jablanica (BiH)	-39	-2063	3611	-387	-573	0	0	0	-178	410
Kladanj (BiH)	-36	-6	3710	-3667	-272	0	0	0	-14	-249
Benkovac (Hr)	-36	-474	-26	-18142	-165	1	-18	0	-161	-18973
Olovo (BiH)	-34	-344	-17	-3154	-282	0	0	0	-100	-3897
Banovići (BiH)	-34	24	8316	-4021	-1925	0	0	0	17	2411

Source: statistic institutions

In contrast, in areas where the absolute majority was not the state majority, the change in ethnic diversity showed an increase. Such are the core territories of the Croatian and Bosnian Krajinas, where the Serb population was 90% of the whole ante bellum and during the war neither did all of them flee nor did there arrive large numbers of Croatian refugees.

Vojvodina's settlements with Hungarian (Subotica, Kanjiža, Senta, Čoka, Bačka Topola, Bečej, Mali Idos) and Slovakian (Bački Petrovac) majorities are also characterized by diversification, this time resulting from a decreasing population not because of the war but as a collective outcome of Serbs from the Krajinas settling here and of the assimilation of the majorities (Hungarians and Slovaks) and their moving into Hungary and Slovakia. Though the Serbs settling among the Hungarians strengthen the diversity at the local level, the same phenomenon seen at the Vojvodina or Serbia level demonstrates ethnic homogenization. Further diversification is visible for reasons stated previously in the municipality of Montenegro. The East Serbian diversification is the result of the strengthening identity of the Vlach ethnicity.

² Not even officially estimated data can be found in connection to RS, unofficial estimate figures are dealt with due foresight.

Table 5: Top 15 settlements suffered highest diversification with changes of numbers in the top ethnic groups.

	ΔEDI (pp)	Croat	Bosniak	Serb	CG	roma	Yug.	Other	Total
Vojnić (Hr)	43	1882	1	-4673	3	0	-131	220	-2702
Šavnik (CG)	43	1	-4	1224	-2082	0	-16	127	-749
Kolašin (CG)	41	-4	-22	3966	-5304	0	-114	340	-1147
Žabljak (CG)	40	1	0	1776	-2681	0	-47	254	-696
Mojkovac (CG)	39	-3	-33	3600	-4457	0	-114	320	-708
Plužine (CG)	37	-3	-17	2219	-3404	0	-20	261	-968
Donji Lapac (Hr)	35	431	-32	-6457	-8	0	-64	-15	-6160
Kučevo (Sr)	32	-206	-7	-11299	-55	-23	-262	5064	-6841
Nikšić (CG)	31	4	-1357	15875	-18842	335	-1075	5603	461
Danilovgrad (CG)	28	8	-62	3345	-1893	5	-227	793	1951
B. Grahovo (BiH)	28	387	-12	-6047	0	0	-128	-15	-5815
Knin (Hr)	27	10167	-37	-30289	14	0	-508	-33	-20655
Dvor (Hr)	26	553	-16	-9033	-14	8	-322	-61	-8879
Žagubica (Sr)	24	-6	-3	-5393	-7	-7	-102	2577	-2954
Gračac (Hr)	17	1698	-6	-7490	-11	0	-133	-111	-6061

Source: statistic institutions

CONCLUSIONS

The region's population has been significantly restructured due to the changes in the political geography

The most significant modifications can be seen in the demographical changes which are also the hardest to reverse. The region's demographical map and so the human factor influencing regional processes were massively altered by forced urbanization and certain areas becoming demographically unpopulated after changes in the locations of the population.

Based on the alterations in the numbers of the population it can be declared that the armed conflict fundamentally predestined the directions of the changes, though not in every case. In large parts of Slavonia and Bosnia-Herzegovina the population, as can be expected in war, decreased by as much as a loss of half or two thirds of ante bellum population. Certain parts of Vojvodina, the Croatian coastal areas, the Sava regions of Bosnia (i.e. territories preserved from armed assaults) show an increase, mainly due to refugee settlement in these zones. The changes in the municipalities of Kosovo are however atypical: here, despite the war, a significant increase can be seen.

Regularities can also be identified based on settlement types. In general, but especially in regions hit by war, the population growth is more significant in the cities and is less so in the countryside, just as in Bosnia-Herzegovina.

The ethnic changes due to the conflict were of differing degree on the various administrative levels

In the case of ethnic homogenization we find it important to outline the regular changes in the extent of homogenization per territorial levels. The maximum degree of homogenization from the level of former Yugoslavia through meso-levels to settlement level has increased, from which we can conclude that this is a process that can be apprehended typically at the settlement level and is primarily the outcome of ethnic changes within the region. The ethnic diversity of the Post Yugoslav region changed very little; however, there was hardly any settlement where the ethnic composition did not change.

The cities of Bosnia-Herzegovina, Slavonia and Kosovo stand out from all the settlements that suffered from armed assaults and homogenization. In these instances the changes in the ethnic structures derived from genocide and escaping from and settling in the given areas. Homogenization is also traceable for settlements in areas not impacted by war, e.g. Vojvodina and the coastal zones of Croatia. That of Zagreb, as an area already containing a Serb/Croat majority, is due to further settlement by refugees. On the other hand, in relation to those settlements in Vojvodina with Hungarian majorities (in the NE along river Tisza) just as in the case of the cities inhabited by Croatian and Bosniak Krajinans and with Serb majorities, diversification was strengthened by incoming minorities and leaving majorities.

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THE POSITION OF THE WESTERN BALKAN COUNTRIES WITH REGARD TO THE INDEPENDENCE OF KOSOVO

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This study aims to investigate attitudes towards Kosovo's independence by individual nation states of the former Socialist Federal Republic of Yugoslavia (SFRY). Their positions are analyzed from two mutually linked perspectives; first, through an examination of these states' relationships with the European Union (EU) and the United States of America's (USA) policy influence, and then by analysing the states' ethnic minority issues. Together, both aspects form the behaviour of the adjacent states and their stance regarding the independence of Kosovo.

The position of the Western Balkan countries has been continually marginalized, even though future development of the independent Kosovo state will not be possible without cooperation based on the regional level. The crucial idea of this study is to highlight the inefficiency of solutions by individual nation to regional conflicts. Only a comprehensive approach has a chance of long-term success that would bring stability and security in the region.

The countries analysed for this study can be defined as former SFRY states (*Slovenia, Croatia, Montenegro, Bosnia and Herzegovina and Macedonia*) extended to *Albania*, or Western Balkan countries (*Croatia, Montenegro, Bosnia and Herzegovina, Macedonia and Albania*) and *Slovenia*. Due to its historical-political links with region Albania serves as an important part of this analysis. Slovenia was added, despite its political stability and EU membership, because of a clear political interest in stabilising the region.

Serbia is the largest country in the region and is considered to be a disputing party in Kosovo's independence because of efforts to maintain their territorial integrity. The Serb community in Kosovo does not accept the territory secession and their domestic political position is supported by all Serbian political parties. Statistics have shown a significant decrease in the Serb population of Kosovo¹ (Štěrba, 2006: 11). Ethnic clashes are periodical, especially in Kosovska Mitrovica, which has become a divided city. Today

¹ The population of Kosovo comprises about 88% of Albanians, 7% of Serbs and 5% of others. (CIA Factbook)

the Serbs in Kosovo manifest their disapproval of the situation by boycotting Kosovo institutions (Kupchan, 2008); this is reminiscent of Albanian boycotts of Serbs. The Albanians do not seek their involvement; they rather use the official events to promote benefits emanating from a single Albanian nation holding the decisive power in the state.

Serbia is trying to gain the support of undecided neighbours on a bilateral level. For this purpose declares disturbance of for all Balkan states important bilateral relations in case of their recognition of the independent Kosovo state². Possibly this is a political game played for the domestic audience, for whom it will be difficult to accept the loss of 15% of its territory. Despite the existing Serbian protest, among the population outweigh a desire for a stable and peaceful future in the EU. The results of parliamentary elections in May 2008 rejected apprehensions of long-term nationalist radicalization of Serbia. Subsequent negotiations with the EU culminated in the Serbian application for EU membership on December 2009. (EU, Srbsko a Kosovo).

The first hypothesis scrutinizes the outside *impact of the USA and the EU on those countries and their foreign policy behaviour*. Especially in the case of Kosovo's independence, *the USA and most EU states have accepted non standard methods*.

Currently the hegemony of the *United States of America* significantly affects decision-making process in the Balkans states. The USA enjoys a serious presence in the region, gained by decisive political and military intervention, which put an end to an outburst of violence and solved the immediate problem. This close relationship has a longer tradition, particularly through providing financial support to SFRY since the division of the bloc during the Cold War (Šesták et al., 1998: 575). Although the USA was initially against Yugoslavia disintegration (*G. Bush administration*), later there was the visible change of their position. The same modification was also visible in their distancing of themselves from so-called European problems (Pirjevec, 2000: 493). Subsequently, US military superiority and decisiveness in crucial moments ensured the success of diplomatic negotiations and defused the situation. Their unique role became apparent again after a failed meeting in Rambouillet, when NATO, led by the USA armed forces, carried out the prior threat of the bombing campaign³ (Albright, 2003: 377-84).

² Relations with Macedonia and Montenegro, who recognized Kosovo only a day after the UN Security Council decision about assessment of the legality of a unilateral declaration of Kosovo by the International Court of Justice, have had complications.

³ The USA built the Bondsteel military camp, near Urosevas in Kosovo, after June 1999. (Global Security, Camp Bondsteel)

R. Holbrooke's role in Contact Group is fundamental, just as it was in negotiating the Dayton agreement, which became a key document for peace in Bosnia and Herzegovina. (Silber and Little, 1996: 377) The closest example that articulates the USA's role in the Balkans during the 1990s is the necessity of their support in the UN's, then futile, effort to exclude President of Republika Srpska R. Karadžić from his public office. His ejection was the result of a dire warning that the USA would refuse to fund the restoration of Republika Srpska (Šesták et al., 1998: 645). The result is that most Balkan states consider their relations with the USA vital.

Similar trends can be monitored even in the behaviour of Slovenia, which sought to encourage the exchange of the Serbian territorial integrity violation for signing a Stabilization and Association Agreement with the EU. (The protocol of the visit) The USA is constantly seen as the strongest supporter of Kosovo's independence. During 2006-2007, the USA increased pressure of statements against maintaining an unstable status quo. Since 2007, the USA has repeatedly declared its intention to support the sovereign Kosovo state even if unilaterally declared. (U.S. Consulting with European Partners)

From the outset, the *European Union* has been engaged in finding a solution to conflict in the Balkans. However, a rather more positive impact has been reflected since the halt of escalation of the conflict. The EU does not have sufficient military support available to enforce any fulfilment of submitted peace plans.⁴ The most successful assistance they provide is in humanitarian and economic fields. In 1997, the Council of the EU decided on a regional approach to the Balkans and set the economic and political conditions for development of bilateral relations with Balkan states. In 1999, the Stabilization and Association Process was introduced and after 2000 showed visible results, to the growing credibility of the EU. Besides contributing to the formulation of the Ohrid Agreement, dealing with the crisis in Macedonia, cooperation by Balkan states is driven by an increasing aspiration of future integration into the EU, with the prospect of political stability and economic development (Tesař,

⁴ The European Communities were supported by Germany after the outbreak of hostilities in favour of the unsustainability of SFRY. The commission, headed by R. Badinter, was responsible for reviewing applications for recognition of independence. Although the commission stated that conditions had only been satisfied by Slovenia and Macedonia, the EC recommended recognition of the independence of Slovenia and Croatia within federal borders. However, Croatia has failed in ensuring the constitutional rights of its Serbian minority and Macedonia was rejected as a result of Greek pressure. Two months later the EC also recognized the independence of BaH within its existing border. This effort to prevent war greatly aggravated the situation. Subsequently, the Carrington-Cutileiro plan was introduced and together with the USA the Vance-Owen plan and the Owen-Stoltenberg plan. (Hladký, 2005: 270)

2008). In December 2004, the EU took over responsibility for international peace operation EUFOR in BaH. This mission, named Althea, is the central operation within the European Security and Defence Policy. (Dientsbier et al., 2006: 71-88)

The Thessaloniki agenda (2003), together with the Stability Pact for South-Eastern Europe (1999), is a project establishing primary EU goals targeted at the Western Balkans. At the same time it tries to prevent the outbreak of further conflict, through reconciliation and prosperity arising from a deeper regional integration of the Western Balkans (Greco, 2007).

Although there is considerable doubt surrounding the internal unity of the EU as regards the question of Kosovo's independence, there is generally apparent support for further convergence in the relations of Serbia and its neighbours in recognizing Kosovo (Delevic, 2007; Rusche, 2006:16). Mutual rapprochement and a positive perception of EU membership should help to balance the loss of Kosovo, on the internal level and promote further development. Despite disunity about the recognition of Kosovo between member states is the position of European institutions more testifying about the EU support in common. Despite statements by diplomatic representatives of a common future both for Kosovo and Serbia in the EU, both Macedonia and Montenegro have pointed out pressure from Brussels for their recognition of Kosovo in accordance with their foreign policy interests (Eichler, 2008).

The second hypothesis verifies *the impact of internal ethnic heterogeneity and the effort of those minorities to enforce the right to self-determination, which complicates the opportunity to recognise Kosovo's independence.*

In 2004, *Slovenia* became the only country in its region to become a member of the EU as well as of NATO. Four years later, in 2008, Slovenia became the first of the post-Communist countries to hold the position of Presidency of the Council of the European Union. Independent Slovenia has focused on entry into the Euro-Atlantic structures and has strongly oriented to Western and Central Europe. Diplomatic escape from the destabilized Balkans broke up after its full integration into Western structures. Today Slovenia proclaims full support for EU enlargement but its territorial disputes with Croatia, which is closest to entry, points to certain complications. (Kosovo to test Slovenia leaders) Essential is the declaration of Kosovo's independence during the above-mentioned Slovenian EU Presidency. (Slovenia recognizes Kosovo) Although Slovenia had declared support for an independent Kosovo, the randomness of this situation has been excluded by publishing negotiations protocol between Political

Director of the Ministry of Foreign Affairs of Slovenia M. Drobnič and diplomats of the US Department of State and National Security Committee from Washington, in December 2007. The following media affair highlighted the impact of USA policy, not only on Slovenia but also the role of the EU and the UN. (The protocol of the visit) The Slovenian national issue is not complicated, it is a homogenous society consisting of 83,1% of Slovenians. Ethnic tension threatening the integrity of Slovenia after the recognition of Kosovo (March 5, 2008) is not possible. Slovenia was not exposed to external or internal pressures restricting this recognition. Rather, Slovenia has been politically involved in previous secret preparation. (CIA Factbook)

From a political reversal in 2000, EU accession has become a clear political priority for *Croatia*. The closest candidate country took complete advantage of high support from its own population (73,5%) and a majority of EU citizens as well. (CIA Factbook) The fundamental success was the accession to NATO (April 1, 2009). The step was encouraged by long term cooperation with the USA⁵. This political priority is seen as a possible way to improve the image of Croatia before accession to the EU. Croatian recognition of Kosovo's independence (March 19, 2008) is considered to be an act in accord with constitutional responsibilities and interests in joining the EU and the harmonization of common foreign policy. (Croatia recognize Kosovo) Croatia's ethnic composition is substantially homogenous with Croats, making up 89,6% of the population. The small Serbian minority⁶ (4,5%) is well organized and represented in government by Independent Serb Democratic Party. (Croatia to follow EU on Kosovo's Independence) Even though their member voted against the recognition of Kosovo independence, they did not leave the coalition after the proposal was passed. Efforts to improve relations with Serbia are shaded by other priorities now. (CIA Factbook)

Bosnia and Herzegovina has traditionally been a heterogeneous society and its ethnic divisiveness has become even stronger since the war. The situation of those Bosnians whose right to self-determination is expressed in this state is problematic. At 48% they do not make up even half of the population. The other ethnic groups making up the multinational state of BaH are Serbians (37,1%) and Croats (14,3%). One sustained result of the war is the lack of the inner ethnical cooperation that had previously operated. (CIA Factbook) A heroic effort to engage in transatlantic structures is stuck

⁵ President G.W. Bush was appreciative of their presence in Afghanistan. (President Bush says US appreciates Croatia's leadership in region)

⁶ Srpska Krajina was systematically homogenised during the end of war. Out of the 650,000 Serbs in 1991, about 450,000 left the region. (Prtna, 2007: 76)

in transition, seeking to consolidate the existence of the state. The EU is an important source of support; however, the absence of BaH reforms prohibits any moving on. The decision-making process is limited by competence disputes which paralyze the situation (Tesař, 2008: 6). Instead, entrance to NATO presents more a visible trace of its intervention and peacekeeping activities. As a result, BaH is regarded more as an international protectorate. Currently BaH seems to be dysfunctional, artificially generated and externally managed. The administrative division makes it impossible to end nationalistic tensions. Internal political turbulence in BaH has been marked by concerns about the negative consequences of Kosovo separation. Accordingly, what is missing is a mention of Kosovo's independence from the BaH federal authorities. Only Republika Srpska representatives have expressed criticism regarding destabilization⁷. Despite the apparent influence of the EU and the USA, the extreme fragmentation of BaH makes it impossible to recognize Kosovo independence without disturbing its own state integrity.

Montenegro, as the youngest country in the region, was established after the referendum in June 2006. With a decision made by 43% of Montenegrins, the public opinion of Serbs on both sides of border is one of outrage. Despite protests against the disintegration of Federal Republic of Yugoslavia by the Serbs who make up 32% of the population of Montenegro, the country has extraordinary bilateral relations (Dienstbier et al., 2006: 69; CIA Factbook). The main reason for the final division was strict support on the part of Montenegrins for maximal harmonization with EU standards. Montenegro is a Eurozone member and in contrast with Serbia there have been no problems as regards cooperation with the International Criminal Tribunal for the former Yugoslavia. (Blahušiak, 2005: 77).

Coexistence in one state brought Montenegro more problems. Two years after the referendum on independence, which had been made under the supervision the EU, the Stabilization and Association Agreement was negotiated. Pushing for entry to NATO, Montenegro therefore accepted the pre-entrance Individual Partnership Action Plan (Tesař, 2008:6). Montenegro has not argued against the separation of Kosovo in spite of being a traditional Serbian ally. Kosovo has been seen as a supply area able to provide a more stable economical environment (Tesař, 2007: 34). Montenegrin and Macedonian recognition of Kosovo independence was especially offensive to

⁷ Serbs are divided into several states, the number of which has risen due to Kosovo independence. This traumatic matter revived the memory of the loss of direct influence in Republika Srpska. (Dienstbier et al., 2006: 69)

Serbia because of its timing. Despite Serbia's recalling of its ambassadors to both countries bilateral relations were reconciled in few months. Montenegro is ethnically fragmented but foreign policy priorities are deeply unifying the pragmatism of whole country. (Serbia-Montenegro relations)

Macedonia is the only former Yugoslavia state which was able to deal with their minority issue without external intervention until 2001. In that year Macedonia asked NATO for help against infiltration of Albanian extremists from Kosovo. Although the Ohrid Peace Agreement was arranged during that same year, the tension between prevailing Macedonians (64.2%) and Albanians (25.2%) has remained. (CIA Factbook) The common priorities, EU and NATO accession, have a strongly unifying influence. (Goals and priorities) Nevertheless the problem of Greece's non-acceptance of Macedonia as the formal name of the state is destabilizing the situation.

Albanians are losing patience with the longstanding unsuccessful solution which penalizes all. Especially debilitating is Albania's accession to NATO, even though Macedonia was better prepared. Should the situation remain in the same phase for too long the stability of the state will be disturbed. Nevertheless, Macedonia became an EU candidate country in December 2005 (Risteska, 2005: 97). The USA is a strong supporter of Macedonian membership to NATO, mainly because of its presence in Afghanistan as well as in Iraq (Macedonia and US policy). The recognition of Kosovo's independence shows an interesting positive effect on relations between Macedonians and Albanians living in Macedonia. Similar rhetoric was heard from I. Selmani, the leader of the Albanian political party New Democracy. (Serbian PM confirms restored relations) The effort to strengthen internal stability reweights the temporal complications in bilateral relations with Serbia, which peaked in the recalling of the Macedonian ambassador. Finally, and in contrast with the Kosovo situation, co peaceful existence between Albanians and Macedonians is seen as feasible, and even the fear of a spill over effect of conflict has not been realized. (www.vlada.mk)

Albania is a homogenous country (95% Albanians), which is deeply involved in the problem of Kosovo independence (CIA Factbook). The origin of the problem comes from the establishment of Albania in 1912, when two-thirds of Albanians remained outside the territory of the new state which in the long term has complicated relations with its neighbours (Šesták et al., 1998: 286). Bilateral relations with Serbia have been devastated in the light of the context of Albanian minority in Kosovo. Recognition of Kosovo's independence has only worsened the situation. EU accession represents

the important political aim, even though Albania is often proclaimed to be the most problematic country in the region together with BaH. Significant success is seen in Albania's admittance to NATO in April 2009, but the whole cooperation has a longer-term nature because of the country's presence in Iraq and Afghanistan. The rational, moderate attitude toward the Kosovo independence is greatly appreciated while Albanian foreign policy priority was clear. Despite existing fears, no Albanian political party has maintained the idea of unification with Kosovo. Certainly there are Albanian nationalists supporting the idea of a Great Albania; however, only a few Albanians have any real interest in becoming one state⁸. This is because their experience of two different states is much stronger than the idea of unification inside the EU. (The Economist)

Most of the countries in this study are not homogeneous; moreover, ethnic war in the last 20 years has been very significant and sensitive, which is still reflected differently in various states. The functioning of a state which allows a common share of power and respect for the human and political rights of minorities is of primary significance. This approach may reduce or even overcome the risks arising from the presence of ethnic minorities for the stability of the state. Therefore it is not possible to find a direct correlation between ethnic heterogeneity and the fear of destabilizing one's own country as a result of subsequent demands of separatist minority in response to the recognition of an independent Kosovo as a violation of state sovereignty of Serbia.

CONCLUSION

The positions of Slovenia, Croatia, Bosnia and Herzegovina, Montenegro, Macedonia and Albania are greatly influenced by the authority of the USA and the EU, in combination with the ethnic arrangement of their state, rather than the existence of national heterogeneity in itself. Stability of one's own country, which is missing in the case of Bosnia and Herzegovina, is the fundamental element allowing the recognition of Kosovo, because the political elites have no intention of risking the destruction of their own country. In other cases, the foreign policy orientation of the region clearly outweighs the autonomist demands of minorities, which could even be an element promoting the recognition of Kosovo's independence (e.g. Macedonia).

⁸ Public research in Albania in 2005 found that more than 90% of Albanians support Kosovo independence while less than 10% of them would prefer to create a single state. (the Economist)

All the researched states except Bosnia and Herzegovina accept Kosovo's independence. This indicates their efforts to address the situation in the region and successfully overcome the artificially nurtured status quo, which is an obstacle to economic transformation and growth throughout the region itself. The position of the individual states can provide clear support for Kosovo, in addition to the USA and the EU which are also important elements of external stability. If Kosovo copes with its internal security threats, and these threats do not become international, regional cooperation may offer a positive environment for further stabilization and development.

Map 1: Western Balkans 1991



Map 1: Yugoslavia before 1991.

Source: Gallagher 2005

Map 2: Western Balkans 2006



Source: Gallagher 2005

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BOSNIA HERZEGOVINA, THE POLITICAL SPACE OF IN-BETWEENNESS

A CONSTRUCTIVIST ANALYSIS OF IDENTITIES AND INSTITUTIONS DURING EUROPEANIZATION

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ABSTRACT

This study revisits constructivist institutionalism, a very new theory inside the neo institutional approach, in order to create a solid theoretical background for exploring the contemporary Western Balkans. The main assumptions of this theory will be applied on the institutional design created by the Dayton Agreement in Bosnia Herzegovina (BiH). The aim will be to explain the institutional malfunctioning of BiH and its relations with the EU from a new perspective. The question of statehood, the constitution-making procedure, the resulting institutional framework and the role of international actors in the BiH context are highlighted. The analytic focus is on institutions as systems of rules and on institutionalization as the processes by which they are created, implemented and interpreted according to norms and values. This particular type of institutionalization is defined in this context as Europeanization, compounded with the converse phenomenon called Balkanization. The main explanation for the incongruencies between BiH local administration and the International Community and mainly EU representatives is that BiH is for the moment being caught between two opposing symbolical phenomena manifesting themselves simultaneously at the institutional level: to wit, Balkanization and Europeanization.

It has become a common view that a society cannot reach stability and economical growth without solid institutions. Unstable geopolitical configurations are compounded by inefficient and uncoordinated institutions. Neo-institutionalists are credited with having brought institutions back into the limelight of political analysis

during the 1970s, proving that “institutions matter”. Using the neo-institutionalist approach I will try to reconfigure the way Western countries tried to solve political and mostly ethnical problems in the Balkans and to prove whether they have failed or succeeded, taking Bosnia Herzegovina (BiH) as an example. A sort of “little Yugoslavia”, as it was called because of its multi ethnic character, BiH has become very unstable lately, with numerous revolts and tensions taking place especially in Republica Srpska (which yearns for independence and blames the federation and the HR (High Representative) for violating the rights of Serb). The main questions which will be raised in this paper, using a constructivist theoretical framework, are which institutions were involved and how they cooperated,. First, I shall define this newly developed theory called *constructivist institutionalism*. Second, I shall describe briefly the main institutions that govern BiH in a constructivist approach and I will stress their intrinsic contradictions that in my view affect directly the political outcomes in this country. Thirdly, I will present the main hypothesis of the paper: that BiH is a non-functional state because it is caught between two opposing institutional and symbolical phenomena, Balkanization and Europeanization, a stage that I define as a space of “in-betweeness” which BiH needs to overcome in order to strengthen its statehood.

CONSTRUCTIVIST INSTITUTIONALISM – A NEW APPROACH IN SOCIAL SCIENCES

Social sciences have recently developed broader interdisciplinary approaches in order to tackle contemporary complex political phenomena. It has often been stated in this regard that, in order to understand a society, one must deal with it on its own terms. Constructivism is one of the most recent theoretical frameworks to aim at explaining social and political outcomes by using a profound contextualization. It developed at the beginning of the 90s inside the field of international relations, especially with the contributions of Alexander Wendt, Emmanuel Adler, Friedrich Kratochwill and John Ruggie, but soon it was provoking theoretical disputes between various political scientists, too. Wendt outlined a constructivist theory on how political structures, preferences and identities have been created and developed through social interaction (Wendt, 1999). The main argument was that the international arena is socially created. Later on, neo-institutionalists became more and more interested in exploring this subject in the field of institution-building. Very close to the constructivist

assumptions was sociological institutionalism, which works best at delineating the shared understandings and norms that frame action, shape identities, influence interests, and affect what are perceived as problems and what are conceived as solutions at the institutional level. But the more refined theory deriving from this approach that I shall use in this case study is the newly developed sub-specie of sociological institutionalism called “constructivist institutionalism”, defined at the intersection of political science and international relations.

One of the main theoreticians of constructivist institutionalism is Colin Hay, but the works of Vivien Schmidt, Mark Blyth and Bo Rothstein among others are also extremely valuable in this debate. Hay understands institutions as socially constructed mechanisms, which also enables the convergence process of social actors’ expectations (Hay, 2006). His key argument is that institutions and individual social actors have a two-way relationship in which social interaction is a result of social values and norms as well as calculations of preferences and interests. Colin Hay also referred to the applicability of the new concept to the European Union’s (EU) *institutionalization* as a good example of political realities that can be properly explained by constructivist institutionalism: “Processes of socialization and persuasion are a mechanism for the EU’s domestic impact, which rationalist approaches discard, but constructivism or sociological institutionalism are well equipped to analyze” (Hay, 2006:103). Through such processes, candidate countries (and extensively Western Balkans in our case) come to consider that EU rules have an intrinsic value, regardless of the material incentives for adopting them. Europeanization is therefore defined by constructivists as a complex political phenomenon where identities and perceptions shape new institutions in the process of preparing the Western Balkans for accession to the EU.

Whenever political stability is mentioned inside a political analysis (and this may be the most frequently used concept in the context of post conflict Western Balkans, as an ideal type never to be fully reached) one should look more closely at the main instruments developed over the recent period and designed to ensure stability. These instruments are mainly institutions and organizations, and so the conceptual framework of constructivist institutionalism can be applied to any type of political community striving for stability and economical growth by reshaping its institution building. For post-conflict or post-crisis societies such as the Balkans the incentives for institutional reform come merely from outside. Often, externally induced processes of ‘modernization’ or transition are turned into “simulated change”

against the backdrop of structural, informal continuities. In other words, an informal order balances the formal one, making sure that things are never quite as bad or as good as they seem. In fact, the entire South East European post communist region is an example of this situation of unfulfilled democratization. Thus I argue that this new approach in neo institutionalism is applicable in the Western Balkans because the area is in a phase of state adaptation, state rebuilding or even of nation-building and is experiencing a transitory and intricate process of institutional reform. Most authors consider that this comprehensive process is the essence of the so-called Europeanization (Featherstone and Radaelli, 2000).

Another theoretical argument in favor of constructivist institutionalism applied to the Western Balkan context is that institutions themselves should not be treated as neutral structures of incentives but, rather, as the carriers of ideas or 'collective memories' which make them objects of trust or mistrust and changeable over time as actors' ideas and discourse about them change in tandem with changes in their performance (Rothstein, 2005:7). So the institutions need to be seen as being built through social and cultural processes rather than merely by rational intention or mechanical reproduction that is efficiency oriented. Another important scholar that has contributed to the deepening of sociological neo institutionalism is Frank Schimmelfennig, whose writings are focused on the construction of the EU polity. He considers that actors in European integration perform strategically on the basis of individual specific policy preferences, but do so in a community environment that affects their strategies and the collective interaction outcome (Schimmelfennig, 2003). The name for this process is *institutional socialization* and I shall use it in explaining externally imposed reforms in BiH. The next part of the analysis will briefly describe the institutional features of Post Dayton BiH and after that will analyze these changes from the constructivist perspective.

POST-DAYTON INSTITUTIONAL DESIGN IN BIH

The Dayton Peace Accords, mediated by the international community, established a federation of *de facto* three entities with strong decentralization in Bosnia and Herzegovina. These accords put an end to the three and a half year long war in Bosnia (1992-1995), one of the most bloody armed conflicts in the former Socialist Federative Republic of Yugoslavia. The present political divisions of Bosnia and Herzegovina and its structure of government were agreed upon as part of the constitution that makes

up Annex 4 of the General Framework Agreement (GFAP) concluded at Dayton, Ohio (USA) and signed in Paris on 14th December, 1995 with a key component of “the delineation of the Inter-Entity Boundary Line”, to which many of the tasks listed in the Annexes referred. The agreement mandated a wide range of international organizations to monitor, oversee, and implement components of the agreement.

As a result of the Dayton Agreement, Bosnia and Herzegovina is divided into two main *Entities*—the Federation of Bosnia Herzegovina and the Republika Srpska—as well as the district of Brcko. Each of the Entities has its own constitution. This founding act retained Bosnia’s exterior border and created a joint multi-ethnic and quasi-democratic government. The national government - based on a proportional representation similar to that which existed in the former socialist regime - is charged with conducting foreign, economic, and fiscal policy. It combines multiple levels of governance in a polity composed of different ethnic and religious groups.

The country is now home to three ethnic groups or so-called “constituent peoples” (a term unique for BiH). These are: Bosniak Muslims, the largest population group of the three, with Bosnian Serbs second in number and Bosnian Croats third. The Chair of the Presidency of BiH rotates among three members (Bosniak, Serb, Croat), each elected as incumbent of the Chair for an 8-month term within their 4-year term as a member. The three members of the Presidency are elected directly by the people (Federation votes for the Bosniak/Croat, Republika Srpska for the Serb). The Presidency is the Head of State institution and it is mainly responsible for foreign policy and proposing the budget. There are 10 cantons which are granted a substantial autonomy, their own local government and which are allowed to adopt cantonal laws so long as they do not contradict the Federation ones. Besides the State constitution mentioned above, the Federation and Republika Srpska decided to promulgate their own and separate Constitutions; thus, they have different administrative and political systems. The Executive branch is held by the Council of Ministers. The Council is responsible for carrying out various policies and decisions in the fields of diplomacy, economy, inter-Entity relations and other matters as agreed by the Entities. Each of the Entities has its own Council of Ministers, which deals with internal matters not dealt with by the state Council (Bojkov, 2003).

The institutional framework designed by the Dayton Agreement showed, in theory, the significance of federalist arrangements for easing tensions in multi-ethnic states, but in practice it has often been proved to be dysfunctional. This political

system forms an *international protectorate*, with decisive power given to the High Representative for Bosnia and Herzegovina (HR). The HR, now under the jurisdiction of the European Union, has to oversee the implementation of the civilian aspects of the agreement. About 250 international and 450 local staff members are employed by the HR. This represents the highest political authority in the country, the chief executive officer for the international civilian presence in the country. Since 1995, the HR has been able to bypass the elected parliamentary assembly or to remove elected officials. The methods selected by the HR are often seen as dictatorial (in the strict political sense, but with the role of de-blocking ethnic power abuses at every level). As an example of its paradoxical position in the country, even the symbols of Bosnian statehood (flag, coat of arms) have been chosen by the HR rather than by the Bosnian people. The source of the authority of the HR is essentially contractual. His mandate derives from the Dayton Agreement, as confirmed by the Peace Implementation Council (PIC)—an ad hoc body with a Steering Board composed of representatives from Canada, France, Germany, Italy, Japan, Russia, the UK, the United States, the Presidency of the European Union, the European Commission and the Organization of the Islamic Conference.

BIH INSTITUTIONS IN CONSTRUCTIVIST ANALYSIS

After this short description, some observations should be made regarding the institutional status of BiH from the constructivist perspective. Up until now, BiH has been considered by most analysts a rather dysfunctional state (some even call it a “failed state”) with the European integration process almost being derailed due to ethnic conflicts and the blocking of cooperation at a central level. One of the main reasons for explaining this situation at the beginning was that BiH is a post-crisis society, a country still politically unstable, economically weak and socially fragile, requiring different types of institutions rather than other similar geopolitical spaces. What most scholars in the field accuse this institutional framework designed by the Dayton Agreement of is that as long as the HR continues to wield his wide-ranging “Bonn powers,” (authoritarian attributes incompatible with a legitimate democratic regime), first granted in 1997 as a temporary solution to a profound institutional crisis, a functional democracy and the rule of law will not be achieved in Bosnia. And that is because government is caught between the competing pressures of nationalists who oppose cooperation and block decision-making procedures by leaving no space

for negotiation. Even though this statement may be too harsh, leaving no hope for positive institutional change, there is no doubt that the virtually absolute power of the international community in Bosnia has encouraged an atmosphere of dependency, passivity and even resistance when it comes to governance among the Bosnian political leadership. Other analysts consider that Bosnian institutions are not working because no one has been willing to admit publicly that the Dayton Agreement (mainly as a Peace treaty, not a constitutionally founding act as in the case of other nation states that implemented democracy after communism) fashioned a political system that makes the country virtually impossible to govern successfully without an international presence, entering a sort of “institutional vicious circle” (Kleibrinck, 2008). From this perspective, Dayton created a deeply decentralized form of governance dominated by two artificial and largely autonomous entities, each lacking authority and legitimacy over the other—the Serbian-dominated Republika Srpska and the Muslim (Bosniak)-Croat Federation of Bosnia and Herzegovina. Dayton has fostered a system that now boasts multiple parliaments and more than 100 ministries which are dominated mostly by legitimacy debates rather than solving community problems.

In order to apply the constructivist arguments, I need first to bring into discussion some other types of institutionalist arguments in order to explain change and recent instability in the region, focusing on the lack of cooperation between Bosnia and Republika Srpska, which is deeply embodied right in the institutional political structure of governance established in 1995 by the Dayton Peace Agreement. The basic rationalist position is that actors create and modify institutions when they see a benefit, employing a rigid calculus of costs and benefits. Once established, institutions become *payoff matrices*; they specify the costs and benefits of choosing a certain course of action. Institutional evolution can be explained by way of certain mechanisms of change such as the layering of new elements onto otherwise stable institutional frameworks and the conversion of institutions through the adoption of new goals or the incorporation of new groups (Ostrom, 1990). This type of institutional change can be observed taking place over the last 10 years in BiH. After a delayed transformation, the Stabilization and Association Agreements (SAA) with the EU were signed, which act surely represents a step forward for Bosnia and reflects a move toward EU membership status, a status is reached through a complex process called Europeanization. This overall process characterizing European integration has a profound impact on member-to-be countries. (Featherstone, Radaelli, 2000).

Following this view, some theoreticians in the field claim that the federalization and sustained pacification of the Balkans seems possible only within the multi national democratic framework of the EU (Juno, 2008). Europeanization in this context must be understood as a member-state building process (a broader view of ‘imagining a greater community’ following the expression coined by Benedict Anderson) where Western Balkan states have to review much of their legislation, adapt existing institutions or build new ones conforming to the EU’s legislation, policies, and standards

This paper tries to question the perspective of full-fledged Europeanization by offering another type of explanation for the BiH institutional mixture. A point to be argued is not so much EU conditionality *per se*, but which type and how to successfully use such incentives for Europeanizing Bosnia. First, the process of Balkanization must be stopped so that afterwards Europeanization can take its place. But this process must be conducted by endogenous factors which should involve all 3 constituent entities. I believe that each state in the Western Balkans has its own “subjective potential for Europeanization” and EU conditionality should take that into consideration when shaping its enlargement strategies. The risk of not doing so would be not only a ‘fake democracy’ (Chandler, 200) but a ‘fake Europeanization’, which might in the long run endanger regional stability. If local actors are not fully committed to this process of institutional and cultural change than no institutional design could be viable for the future.

BALKANIZATION AND EUROPEANIZATION AT THE SAME TIME?

The first cause of the malfunctioning institutions is the emphasis put by the EU on formal structural aspects and the neglect of informal processes. While most federal arrangements were strong and relatively clear concerning the structure of the state and the formal multi-level decision-making, the vital processes that lubricate institutions were largely absent: neither was there a national Court that could mediate between the different interests and clarify the division of competences, nor were there regular interactions between the different layers that could have established a *culture of cooperation* (Kleibrink, 2008). This culture of cooperation, which needs to be embedded in governing institutions, needs endogenous forces to create it, whereas in BiH all federal arrangements were rather imposed or promoted by an external actor and not home-grown, in the sense that there was no direct participation of the public in the decision to adopt the new constitutional order. This “lack of social ownership”

over the problem-solving capacity of the main institutions has detrimental effects on acceptance by the local population, and thus on the functioning of the institutions understood as problem-solving mechanisms inside political communities. The problem in BiH in this regard is that institutions cannot stimulate cooperation and solidarity if they do not use in this respect the cultural implications of multiple identities, which have a structure and evolution completely different from interest-driven institutions prescribed for cooperation and efficient community management by the neo-liberal institutionalists (embodied by EU structures of incentives). So before having institutions at all there is a need to build political communities and even before that each actor needs to be able to define and assume their identity. Inside the ethnic tensions of BiH, identities are triggering forces of institutions and this fact must be taken for granted. Instead, my impression is that the international community has tried to fundamentally change this asset by imposing a completely new paradigm of statehood that would produce a functional federation. I have gathered in *Table 1* the main features of these opposing paradigms inside BiH.

Table 1: Edited by the author

	WESTERN BALKANS	EUROPEAN UNION
1. Type of “imagined political community” (Benedict Anderson)	National Identity (The Nation)	Post-Identity (Post nations)
2. Main Feature	Ethnic Homogeneity	Ethnic Heterogeneity / Pluralism
3. Form of Organization	Ethnostate	Transnational structure
4. Historical paradigm	(Pre-) Modernity	Post Modernity
5. Specific Political Phenomenon	Fragmentation, Segregation	Globalization, Diversity
6. Symbolical relation between Self and the Other	Exclusion	Inclusion
7. Overall political process	Balkanization	Europeanization

The main question comes now into debate as to who should mediate the negotiation of plural identities inside governing institutions—an external ad hoc institution as it has been for more than 15 years in BiH or an internal one that has emerged from the local perceptions upon community management, is able to understand each claim and build legitimately on it? Briefly put: how should social actors construct tailor-made institutions—bottom up or top down?

I believe that a clear solution for this situation cannot be given inside an academic article. Instead, I will try to critically deconstruct this phenomenon in order to show its components because an analyst should, at least, give the right symptoms for an

accurate cure to be found in the end. In fact, there is a visible institutional dispute over the power of the international representative (HR) between external and local actors, and this reflects the fact that the international community left BiH's Constitution from Dayton with no *political* strategy, leaving space for the development of a Balkanizing politics (Juno, 2008). As a direct consequence of this we witness the failure of institutions in socially constructing cooperation. Had there been agreement at Dayton that Bosnia should be prepared for EU membership (and the process of Balkanization perceived as not worthy by local actors) and that the EU would provide people and an institution to support this preparation (Europeanization thus being perceived as "the only game in town"), the tasks of the civilian authority, the powers needed, and the resources to be supplied would have been made clear and the political evolution might have been totally different. But let us not speculate: instead let us look more closely at what actually happened in BiH.

The observation that I will take as the basis of this short analysis is that in BiH there is no dominant ethnic group, neither politically, nor economically, nor militarily, but that all 3 entities are power-maximizing structures, which in terms of cooperation and reaching an accepted compromise creates the most difficult case. The main goal of the democratization process in BiH was the generation of consent between actors and the "construction" of culturally, socially and politically desirable and acceptable institutions in order to prevent violent conflicts. Cooperation was therefore an essential feature of institution building. The context of this institutional design was unfortunately not fit for public consultation and democratic debate because after the end of the war the main concern of all actors was to avoid any conflict situation. The fundamental act which "constructed" these institutions in BiH, the Dayton Agreement, was in the first place a peace accord. At the forefront of debate at the time were not institutional design and long term functionality, but rather ending the war and reaching a political compromise that was "almost" acceptable for all involved parties. So how can functional institutions exist when "the identity negotiations" are still ongoing? The result of this founding act was a single person with no formal accountability to the people (the ones which are most influenced by his decisions) concentrated in his office of legislative, judicial and executive authority - the HR perceived both as a savior and a dictator. Moreover, this authority cuts across all levels of government in BiH, producing an extraordinary pool of horizontal and vertical power, very difficult to justify as legitimate to the ordinary citizens.

The basic assumption is that for a federation to be institutionally functional the various constituent communities should share a joint purpose, thereby being willing to shift parts of their loyalties to the federal level. If there is not even a sub-national identity to begin with, there will be little willingness to share sovereignty with another level of government (Kleibrink, 2008). It has become clear in recent years that inside BiH, against the background of an ethnically based political culture and the persisting international presence, the process of nation-state building is not yet complete. Consequently, citizens and politicians try to “over-construct” their future within the EU, as the most recent opinion polls show (Gallup Balkan Monitor 2009), yet paradoxically still fail to take the first step and see their future within a common functioning federal state. In addition, the above-mentioned absence of a healthy political culture leaves little space for the creation of a stable overarching *Bosnian identity* to be transformed into a *European identity*.

For a functional political community to be reached in BiH, local authorities and international community should follow either one or the other path for development (Balkanization or Europeanization). The explanation offered by Schimmelfennig’s constructivist institutionalism are very useful within this context. The phenomenon called *international socialisation* refers, according to him, to “the process that is directed towards a state’s internalization of the constitutive beliefs and practices institutionalized in its international environment” (Schimmelfennig, 2003). In these terms of our analysis, in order to form a functioning modern federal institutional arrangement, there must be one overarching political community that shares a common identity. This insight from the new institutionalism helps us understand why political communities matter and why we need to explore the culturally “constructed” institutions in BiH in order to manage them in their own interest. In the particular case of BiH there is little that serves as a cohesive force. This collective purpose which brings cohesion and collective action can only be internalized if the federal structures are lubricated by the appropriate processes, if people and citizens have the feeling of “ownership” over the adoption of rules and if membership of a political community has been sustained over certain time period without radical changes of rules or context (Deutsch, 1958). The process of Europeanization needs to come after this stage has been overcome and stabilized. Balkanization is, as *Table 1* shows, incompatible with Europeanization. *Table 2* comprises the political outcomes of the simultaneity of these opposing forces in the institutional framework of BiH.

Table 2: Edited by the autor

Actors	Local authorities of the 3 Constituent peoples	EU High Representative Central Government of the Federation
Strategies of interaction at the institutional level	Non cooperation	Cooperation
	Low level of negotiation	Compromise
	Lack of trust	Transfer of legitimacy and responsability at the local level
	Lack of legitimacy for the central authorities	
Political Phenomena	Balkanization	Europeanization
Political outcomes	Institutional dysfunctionality Problematic statehood (semi-protectorate) EU membership delay Rise of nationalist rhetoric	

What constructivist institutionalism brings into discussion regarding BiH is that this federal consociationist arrangement (in the terms of Arendt Lijphart) has failed because of the absence of stable political communities linked with ethnic communities that have shaped governing institutions. There has been a co-existence between different, albeit *shaky* political communities: Bosniaks/Croats/Serbs. In addition to that, the mere co-existence of these separate communities does not allow for the internalization of shared norms. Nor does it allow for efficient decision-making on multiple layers of government (that can overlap with the different affiliations to political communities). Another problematic issue is the continuous “blame game” between the international community in Bosnia and the local authorities, which has a very negative impact upon the efficiency of the reform and de-legitimises governing institutions in the eyes of the confused citizens. But, in constructivist terms, the first important condition for an institution to function efficiently (not only in checks and balances, but also in cultural terms based on respecting identities and symbols) is that actors have to accept each other as legitimate partners for negotiation. So imposing the terms of cooperation has been “the only rule of the game” and this action has been perceived as permissive and altruistic by the international community. Conversely, the local actors do not perceive it as a beneficial approach tailored to their evolution, so their reaction is opposite to that expected by the international community (non-compliance with the rules, or a simulation of compliance). Bosnian institutional design and the latest performances prove that mistrust makes institutions fail. Therefore, my explanation for the dysfunctional relations between EU and BiH at the moment is that

the two actors are constructing each other on unrealistic bases: each of them expects from the other too much, and as a result of that disappointment negotiations and any form of compromise are blocked

Another aspect which I would like to pinpoint is the need for continuity as a model which provides stability and coherence, instead of a “controlled continuous change” of rules and procedures. Since its creation, the evolution of viable structures and procedures was undermined by the interventions of the High Representative, whose so-called “Bonn Powers” gave him the discretion to steer lawmaking and dismiss politicians and civil servants with little independent overseeing powers over the legitimacy of such acts. These deficiencies have aggravated the procedural aspects of the federation working on a cooperative basis. Moreover, they have undermined the trust of the citizens in the federal institutions and thus prevented the partial shift of loyalties from the ethnic-based entities to the federal structure. From this perspective, institutions are not the embodiment of accepted social values and shared meanings which link the community as seen by constructivists. Another proof of this great vulnerability of the governing actors in BiH and the lack of continuity and coherence at the institutional level is that three out of the 6 HRs were forced to resign, mainly because of high tension with Republika Srpska. In this way, resistance to change on the part of the citizens is inevitable and makes reconciliation policies even more difficult. Retrospectively, I showed that institutions in BiH have not been constructed socially, but “over-constructed” politically. Hence, their impact can hardly be anticipated as a cohesive one in the future. In other words, the form of the state established in 1995 has greatly dominated the political process ever since, giving the involved parties a scapegoat for failed initiatives, i.e. the international presence, and the absence of an imperative to cooperate fully. So the issue raised here is how can groups cooperate when the institutional framework is creating the premises of non-cooperation? The relations between Republika Srpska and Serbia complicate the issue still more, because Serbian institutions and incentives have much more influence on internal affairs than the counterpart Bosnia Herzegovina entity. The alternative of this situation, a “hands-off” approach from the international community, was from the beginning considered as a “worse case scenario” because the ethnic groups proved to be totally incapable of governing without violence against each other.

I have demonstrated that BiH is imprisoned between *donor dependency* and *local ownership* not only by its own constitution, but also by EU expectations. As a result, two

contradictory processes regarding the definition and the salience of institutions have been developing inside BiH in the last 10 years: Balkanization and Europeanization. These processes follow another useful distinction between 'national' and 'multi-ethnic' federalist philosophies reflected in building institutions. The distinctive feature is the congruence of polity and one national culture in the former, and the co-existence of two or more national or ethnic cultures in one polity in the latter (Bose, 2002). Homogeneity, fragmentation and territorialization are at the center of the Balkanization process, whereas heterogeneity, multiculturalism and diversity form the core values of Europeanization. Based on these distinctions, collected in *Table 1*, I argue that the coexistence of these two philosophies inside the political life of the BiH Federation places this country in an extremely difficult position that I called a state of "in-betweenness". This explains from my point of view why political life in BiH is marked by state fragmentation and symbolical violence, often accompanied by institutional collapse or even vacuums of power. That is why the confused citizens from the region have no other option but to seek the needed sense of identity in the only available and remaining resources, i.e. ethnicity, religion, myth and alternative forms of nation-building. EU conditionality fails for the moment in creating a mental shift towards transnational politics focused on cooperation, acceptance and compromise inside the governing institutions of BiH.

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EUROPEAN INTEGRATION AND PUBLIC ADMINISTRATION REFORM IN BOSNIA AND HERZEGOVINA

HORTENZIA HOSSZÚ

INTRODUCTION

As one of the former federal units of the Socialist Federal Republic of Yugoslavia, Bosnia and Herzegovina gained its independence during the Yugoslav wars. Since its independence, the country is a parliamentary democracy and potential candidate for the membership of the European Union and has also been a candidate for NATO membership since April 2010. On the bumpy road of transition, Bosnia and Herzegovina opened a new chapter when at the session of the Peace Implementation Council it introduced the “Strategy for Public Administration Reform” program, the main aims of which are to improve administration capacity for implement core *acquis* over the next decade. Another base for this document was obvious, and the same as all over the world; the demand on the part of its population for the provision of better public services at less national expense..

PRECONDITIONS FOR REFORM

However, the transformation of post-communist countries in the region has turned out to be much more difficult than was first presumed. One of the primary reasons why reforms fail or that their results are not sustainable is the size of the constraints they face. In order to implement any sustainable national reform:

- there should be reasonable consensus in the society about the goals of the reform;
- reform needs strong political commitment;
- different stakeholders and institutions should be willing to co-operate while respecting different needs and priorities;
- any reform process should be long-term;
- in the expectation of long-term gains, people should be willing to tolerate the short-term losses that inevitably arise from reform;

- flexible institutional arrangements for facilitating reform, managing resources, and finally;
- sufficient social capital.

Not surprisingly, social capital, which relates to aspects of social life such as the trust, partnership and cohesiveness that enable people to work, live and create synergies together, is the condition which is most often missing in post-communist countries. Nevertheless, there is enough human capital, which is traditionally defined as the knowledge, abilities and competencies of individuals, to carry out the reforms. Without sufficient social capital, implementation of any reform is impossible. This constraint is particularly pertinent in the Balkans. Bosnia and Herzegovina's complex constitution, its fragmented and weak state for example, or Montenegro's uncertainty about its future aggravated by the new ethnic conflicts in Kosovo, illustrate complexities not matched in Central Eastern European countries.

Of course the changing of individual and social attitudes and behavioral patterns take a long time. For such deep changes of human and social capital, it may be necessary to wait for the emergence of a new generation unaffected by life under the former regime. That notwithstanding, the reformers now have to tackle the 'old wolves', who remain in charge of public institutions and must be replaced. They still dominate the key-positions of academia, ministries and hold on to former attitudes that are hostile to modernization of the public service.

PUBLIC ADMINISTRATION AND STATE

Another possible pitfall in public administration reform is the misconception of the nature of state and public administration. Public administration, according to (Western) European tradition, is rooted in the requirement for a strong state. It is a widely shared opinion that the public administration system has to keep the state going and exercise its public authority. That is why the literature argues that the fundamental challenge to post-communist countries is still a (re)creation of the positive concept of the state. A lack of any positive concept of what is meant by "the state" and insufficient state identification on the part of citizens lead to serious problems, which include distrust in the state, a lack of loyalty of the citizens to the government or of respect for legal or administrative decisions and avoidance of the

paying of tax contributions. Moreover, with regard to the administrative culture, the attitudes of bureaucrats are also highly dependent on this tradition.

As we know, public administration in the former communist countries was monolithic, since it was characterized by high politicisation and a lack of relations with citizens. As a matter of fact the third actor of governance, namely civil society, was missing (and still weak).

The commitment and loyalty of public servants cannot be taken for granted, especially in countries with a short experience in democratic governance. This is mainly because in the past neither civil service recruitment, nor career progression applied competitive or meritocratic models. Criteria which were used in the civil service did not meet any of the requirements of a transparent system. For example, the appropriate mechanisms to protect civil servants from political interventions were lacking and this, in turn, created a distrust and even hostility on the part of the population towards the state apparatus.

Although the new constitutions and laws are substantial, legal texts alone are not able to resolve all these social and behavioural issues. The impact of state tradition and the development of solid law principles of public administration, now known as the European Principles of Public Administration (EAS), are established in Western Europe as a result of a long political and social evolution.

Public administration in post-communist countries such as Bosnia and Herzegovina still suffers from the bad reputation of the state, and the future development of the role of the state will also determine possible solutions to many other problems.

ROLE OF PUBLIC ADMINISTRATION REFORM IN EU ACCESSION

I have already mentioned that one of the main external driving forces for introducing public administration reform beyond the above mentioned needs was that of preparation for the implementation of *Acquis Communautaire*. This claim was the direct connection between national public administration reform and integration efforts, which is confirmed by the criteria for EU membership laid down in Madrid. But what do we label as the crucial principles for European public administration?

SIGMA Paper No. 27 relating to 'European Principles of Public Administration' (1998:8-14) seeks to identify principles for European administration. These basic rules are derived from the standards that underlie administrative law in most member

states and from the decisions of the European Court of Justice. These principles also define the standards for candidate countries, which are expected to confirm their public administrations with those of the EU member states. The basic common EU law principles can be summed up as follows:

- reliability and predictability (legal certainty and judicial security);
- openness and transparency;
- accountability;
- efficiency and effectiveness.

The above-mentioned shared basic public administration values are deemed to have led to some convergence amongst national administrations in Europe. This shared value system, which is included by European Administrative Space, represents an evolving process of increasing convergence between national administrative legal orders and administrative practices of member states. The EAS is broader than a single list of values, it concerns basic institutional arrangements, processes, common administrative standards, civil service values and administrative culture. It is difficult to speak of a European model of public administration, but the EAS, albeit a metaphor, signifies a convergence and states the basic values of public administration as a practice and profession widely used in Europe.

The extent to which the above-mentioned principles are presented in the regulatory arrangements for public administration and which are respected and enforced in practice is an indicator of the capabilities of the candidate countries for implementation and enforcing common EU law in a reliably way. Harmonization of the national legislation with the European standards is a very significant task for the country. But equally important and complex is the implementation of such legislation as well, possible only through strengthened, professional and efficient public administration.

NEW INITIATIVE: STRATEGY FOR PUBLIC ADMINISTRATION REFORM

Since the pace of the integration of Bosnia and Herzegovina into the European Union will largely depend on how fast the professional and efficient public administration will be established, the government has introduced a document, ‘Strategy for Public Administration Reform’, which focuses on improving the country’s general

administrative capacity through the reform of core horizontal systems and structures of governance.

As we have already pointed out, the creation of stabile, efficient and professional public administration is both the challenge and the opportunity, and of course a must at the same time, because reformed public administration is also one of the six key criteria of the European Partnership, which defines short-term and long-term priorities in preparation for integration into the European Union.

The government hopes that as a result of following the contents of the document the process will be able to raise the level of an understanding of the process of euro-integration and especially of an appreciation of the obligations emanating from future contract responsibilities of Bosnia-Herzegovina and the European Union. In addition, quality coordination between public institutes on the level of central administration will naturally effect the municipal and cantonal administrations as well.

Two action plans have been used to make the strategy operational. The First Action Plan details concrete measures, timelines and institutions and also aims to develop effective, coherent policy-making and coordination capacities; and to strengthen, consolidate and harmonize the general systems of public finance, governmental human resources, administrative procedure, information technology, and finally of institutional communication (see later in detail). The Second Action Plan deals with sectorial administrative capacities and the institutional management of the reform process.

While it is necessary to develop general administrative capacity, this alone is not sufficient for improving the performance of the administration. After the functional reviews in nine key public sectors the Second Action Plan, which was prepared in 2007, focuses on creating the conditions for developing sectorial capacity in key policy sectors.

The timeline for the reform is 2007-2014, and has three stages. The first stage, which culminated at the end of 2007, had a short-term objective: generally to initiate, or consolidate and further, the reform of key horizontal systems and structures of governance. To this end, implementation of many measures in the first Action Plan have immediate effect—to maintain momentum, and to reap early benefits from the reform for all institutions and on all levels.

The second stage, which concludes at the end of 2010, has medium-term objectives which are to set the basic horizontal systems in place, strengthened and harmonized,

and to streamline sectorial and vertical functions: to meet citizens' expectations for more effective and efficient institutions, and to achieve the general and sectorial ability to adopt and implement *acquis* uniformly in the country.

The purpose of the third phase, spanning from January 2011 to the end of 2014, is the implementation of long-term objectives. At this stage, the integration process will require increasingly higher standards of public administration. Naturally, the country's objective is to reach the quality level of the European Administrative Space by the end of 2014, to adhere to common standards of the member states, and implement *acquis*. To achieve these goals, an assessment of implementation from the previous period will be carried out in the second half of 2010. New activities will be planned in key areas of administrative reform, including in areas where progress has not been sufficient.

FIRST ACTION PLAN: DEVELOPMENT OF GENERAL ADMINISTRATIVE CAPACITY

As has been mentioned, the main aim of the first action plan was the development of general administrative capacities in administration through the reform of core horizontal systems and governance structures.

As for ***policy-making and coordination***, the goal of the reform was to improve the structure, capacity, and performance of ministries and other central level administrative organs, thereby strengthening the policy-making process on all government levels. The reform required several changes: new organizational arrangements, procedures, staffing, and development of coordination capacity, which will help develop linkages between different levels of government. The reform of central policy capacity proceeds in parallel with increasing policy capacity in ministries to take sufficient account of government priorities, especially priorities related to harmonization with EU legislation.

Public Finance is one of the most sensitive areas of the reform because (regarding the budget process, and the principles, standards and methods of public internal financial control) it is closely linked to EU requirements. As everywhere in the region, in Bosnia-Herzegovina public finance has already been subject to various reforms. However, these reforms were not carried out in a strategic and overarching manner: change has occurred asymmetrically, according to gradually identified irregularities. This reform pack tries to improve the policy aspect of public finance by raising the

efficiency and effectiveness of budget management and improving the accounting framework and treasury system operations.

One of the biggest challenges for the reform process is the achievement of good **governmental human resources management**. Generally speaking, the recent HRM system needs to be transparent and fair, supporting merit and professionalism and providing for incentives to staff according to clear criteria. The chief objective is to ensure the continued harmonization, development and modernization of human resources policy by creating effective bodies responsible for HRM policy-making (establishing an Institute for Public Administration), defining general objectives and priorities in HR development, securing a specialized HRM capacity in individual institutions, and developing understanding by managers of modern HRM policies. The human resource reform is a key component in meeting the challenge presented by EU membership.

The main aim of the reform of **administrative procedure** is to ensure efficiency, effectiveness, and predictability in public administration when it delivers public services to society. This element of the reform is one of the key elements, because it has immediate effects on state-citizens relations, making the procedure a functional, reliable, efficient, transparent, accountable and coherent tool of a modern, client-oriented public administration. For better results, ministries responsible for the monitoring of administrative decision-making must develop the capacity for analysis of administrative practices.

Institutional communication, as a quasi governmental PR, is a tool for enhancing the accountability of government to the population—implying two-way dialogues permitting the public to influence and contribute to government policy. It also supports the implementation of legislation on free access to public information, in accordance with European standards. According to the document the new IT tools (such as interactive web sites, intranet, email lists, talking sessions, public events, and round tables), help institutions to communicate their activities and positions and explain their services professionally.

Information technology is a necessary tool for transforming not only how governments conduct their business but also what they do, and how they relate to members of the public and the whole society. The important anticipated changes relate to: policy; organization and human resources; IT infrastructure (including security); and automation of public administration.

SECOND ACTION PLAN: CREATION OF A BASIS OF SECTORIAL CAPACITY

The Second Action Plan deals with sectorial capacity. The sectorial reform develops in parallel with the reforms to increase general efficiency within the administration. It is highly expected that these sectorial reforms will rationalize and compact the administration; both within individual and government levels. For the coordination of sectorial reform the strategy paper provides guidance and standardization through the Office of the PAR Coordinator. This coordination guarantees that any reorganization, triggered by sectorial re-design, follows compatible organizational concepts. The objective refers to the typology of institutions, their mutual relations, and internal arrangements, as follows:

- Macro-organizational questions concern the typology of institutions, and examine the opportunity of separating policy-making concerns (ministries), from the focus on policy implementation.
- Organizational concerns also cover the conditions under which a function could be practically organized into a new ministry or agency, or preferably developed within an existent portfolio.
- Similarly, macro-type organizational questions examine the institutions' reciprocal position: subordination and coordination, the modalities of exercising administrative supervision, and the special position of independent regulatory agencies.
- At the micro-level, key organizational questions concern the difference among diverse types of internal organizational units, and the requirements for the establishment of each unit.

A necessary legal framework was formed within the legislation at each government level (e.g. the Law on Administration and implementing regulations), the application of which falls under the responsibility of the ministries. The launch of sectorial reorganization on a large scale required a review of and change in the legislation itself, adapting it to the needs of the new administrative system that differs from those in which the model originated. A degree of coordination will be needed, not only in relation to the final shape of each sector, but also regarding how the transition from the present organizational arrangement to the desired end-state will be managed.

MANAGEMENT OF THE REFORM PROCESS

The design and implementation of successful public administration reform requires enduring commitment on the part of the political elites. Without that specific support any progress is very unlikely. In Bosnia-Herzegovina the Board for Economic Development and European Integration provide strategic leadership for reform across the country. The committee serves as a mechanism for resolving significant issues, but the less substantial disputes are dealt with at lower levels.

The driving force behind the whole process is the PAR Coordinator's Office, which organizes regular joint meetings to discuss matters relevant to facilitating the coordination of the administrative reform process. The task Force for PAR is the most active organ of the reform structure on the top level, which is a kind of controlling and monitoring body as well. The members of the Task Force also coordinate communication with the governments and the public, organize promotional activities and public events, and obtain political approval for further PAR steps and measures.

On the field and at operational levels we find the Working Groups, with representatives of responsible institutions for the implementation of the Strategy and its own action plans. The PAR Coordinator initiates the formation of these working groups, and provides necessary support for their work.

The financial background for the project, called the PAR Fund, was created by several bilateral donors, the EC Delegation and the government. PAR Fund will supplement funds available from the government budgets to finance their activities.

The PAR Coordinator's Office has set up a system for monitoring and evaluation to track the progress toward achievement of objectives. Its data and analysis support decision-makers to improve policy design, optimize resource allocation and refine planned activities. The system consists of two information-generating modules (output and outcome reporting modules), and a reporting module.

EVALUATION OF THE FIRST TWO STAGES

Looking back at the first three years of the reform in Bosnia and Herzegovina we will find that despite trends showing solid economic growth, Bosnia and Herzegovina faces numerous challenges, including strengthening the capacities of public management institutions, controlling fiscal deficit, and harmonizing complex administrative structures.

There is no doubt that the country really needed public administration reform for various reasons, firstly because a modernized public administration is expected to improve the overall performance of the government. Secondly, the process of joining the European Union requires a public administration that functions in accordance with European administrative standards. Finally, a reformed public administration is seen as a development tool, especially when it comes to the burning issue of economic development. For these reason, as we have seen, Bosnia and Herzegovina have initiated public administration reform.

The process has been helped by political leaders formally committing themselves to the reform, and it has had a result. The public administration legal framework is in place and key reform institutions have been established (civil service agencies and Public Administration Reform Coordinator Office). For the Second Action Plan the functional review of public administration has been conducted and the strategic documents have been adopted.

However, the success of public administration reform in Bosnia and Herzegovina is primarily determined by the political will of governmental decision makers, the available finances and the know-how of those responsible for its implementation. One of the problems is that Bosnia and Herzegovina does not have a regular, qualitative supply of necessary knowledge and skills; there is still a human capital deficit. After investigating the components which characterize the national education and training system, several major problems were observed: a lack of financial resources, a lack in proper training courses and finally any lack of career interest in becoming a civil servant. Without the supporting effect of human and social capitals it will not be easy to conduct long-term reform.

Among the most critical areas of the “hard” side of the reform is the strengthening of local government institutions where the legal framework is weak and service delivery is unstructured. Without a good local public service it is impossible to develop a local economy, which will in turn have an impact on public administration reform on the central level as well.

Although the capacity development (the first phase of public administration reform) reached its goals and the second phase is coming to an end as I write, the program as a whole still largely depends on the financial resources of international donors. This also has its own hazards due to a high risk of capacity substitution and perpetuating dependence on international assistance, without real national ownership.

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INSTITUTIONAL ENVIRONMENT AND FOREIGN DIRECT INVESTMENT IN THE WESTERN BALKANS

JELENA TEŠIĆ

INTRODUCTION

Foreign direct investment is an important source of additional savings for developing countries and countries in transition. It is also a channel through which the recipient country, beside fresh capital, provides the basis for further employment, growth and development, transfer of knowledge and technology and the foundation for future export, which has multiplicative effects on growth.

Private capital flows, particularly foreign direct investment, fell on a global basis in the crisis that affected almost every country in the world. FDI flows also decreased significantly in all countries of the Western Balkans compared to the pre-crisis period. As we can observe, in the time of financial and economic crisis our region followed the trend of decline in FDI flows at the global level, thus registering the reduction of FDI inflow as a result of the global crisis. This means that our region cannot be protected from decline of foreign investment flows in times of deep economic crises such as the present one.

However, since the countries of the developed world and the countries of our region slowly emerge from the crisis, recovery of the FDI flows on the global and regional level can be predicted for the near future. Therefore, bearing in mind the importance of FDI for transition economies, we need to consider the prospective for the renewal of FDI flows in the region, as the world and our region recover from the crisis. The underpinning idea of this paper is that Western Balkan countries have to work harder and faster to develop their institutional environment as an essential location factor that will ensure long-term stable FDI inflows and attractiveness of the region for more FDI in times after this crisis.

THE WESTERN BALKANS: CONCEPT AND PROGRESS

The concept of the Western Balkans is a term which was used for the first time in the early 1990s after the break-up of the former Yugoslavia. It refers to the following countries: Albania, Bosnia and Herzegovina, Croatia, Macedonia, Serbia and Montenegro. In the twentieth century the synonyms for the Western Balkans were “ethnic conflicts, problems of minorities and dislodged persons, secessionist aspirations and violation of territorial integrity” (Bozic-Miljkovic, 2007: 80). Today the general determination of all Western Balkan countries is their common goal towards the EU, i.e. to attain full membership in the European Union. However, the concept of the Western Balkans has been often marked as a “black hole” of Europe mainly because of the region’s slow progress towards the EU. Croatia and Macedonia have the status of candidate countries, while Bosnia and Herzegovina, Serbia, Montenegro and Albania still have the status of potential candidates.

Since the fall of communism, the Western Balkan countries have not progressed in the process of transition as was the case with the Central European countries which are now members of the EU. In that light, EU position in the international arena could be considerably harmed by a negative trend of political and socio-economic development in the Western Balkans. This is one of the reasons (Bozic-Miljkovic, 2007) why the EU shows an interest in the development of this part of Europe and why it takes a leading part in solving the dubious political issues of the region.

When the 12 countries of the largest enlargement and Bulgaria and Romania entered the EU, the closest European neighbors became Western Balkan countries. The experience of the newest members showed that the best period for foreign investors to exploit benefits and advantages of new markets are the years just before and after accession (Redzepagic, Richet, 2007). In that sense it could be expected that the speed at which Western Balkan countries advance towards the EU will dictate the pace of entry for foreign investors in the future.

In the next part, the concept of foreign direct investment will be briefly explained as well as its significance, particularly for transition countries.

IMPORTANCE OF FDI

The widespread, theoretically and practically accepted opinion is that the inflow of foreign capital is an important channel for the diffusion of technology, business skills and new ideas across the national borders. This leads to the conclusion that the

shooting down of barriers for the movement of foreign capital can create a basis for faster growth in productivity as well as the necessary market reforms in transition countries. However, “despite the strong theoretical case for advantages of free capital flows, many private capital flows pose countervailing risks” (Redžepagić and Richet, 2007: 57). On the contrary, FDI is the least volatile form of capital movement. Moreover, it has a range of further benefits. FDI inflows are more likely to be turned into real domestic investments than other forms of capital.

Foreign direct investment has proved to be particularly significant factor in the process of transformation of former centrally-planned economies, both for Central European countries and South East European countries. In this sense “FDI inflows are viewed as a measure of the extent to which a country or a region is integrated into the world economy” (Pournarakis and Varsakelis, 2004: 78). FDI could be a key factor for improving physical and human capital, increasing export capacity, downgrading external weaknesses and boosting the necessary structural reforms (Redžepagić and Richet, 2007).

According to Bevan and Estrin, “FDI can accelerate the transition process by forming a basis for more effective corporate governance and by promoting enterprise restructuring, which is a crucial to the transition process” (Bevan and Estrin, 2004: 776). The positive effects of FDI are not only limited to the firms that invest (investors). There are also positive spillovers for domestic companies and branches (Zacharov and Kusic, 2003). They are most obvious in the marketing and management areas, but also in the area of new technologies which lead to increases in productivity and overall company performance.

In addition, many analyses have confirmed that there is a direct and significant interaction between foreign direct investment and economic growth (Daude and Stein, 2007). But the structure of investment is much more important than the total amount of received funds. We can distinguish green-fields from the mergers and acquisition (M&A). A greater share of green-field investments means a qualitatively better situation for one country. Green-fields create a production and export oriented base and, which is more important, they employ a new working force, thus decreasing the level of unemployment. As for the Western Balkans, a very small share of investments comprises export-oriented green-fields (Božić-Miljković, 2007).

One example from the new EU member states showed that so-called eastern expansion contributed to an increase of foreign investment during preparation for

EU membership and after accession. The political and economic integration of CEE into the EU released a signal to foreign investors that these countries are better regulated and politically more stable. This factor, along with much lower operating costs than in developed countries, contributed to a higher foreign investment into CEE while at the stage of joining EU. We can expect that in Western Balkan countries similar effects could be achieved as the European Union continues to enlarge in our direction. But creating a good investment environment which could attract fresh new investments requires a much deeper and more decisive reforms in the fields of public administration, public finances, the rule of law and, perhaps most important of all, a strong and determined fight against crime and corruption. Joint actions among all Western Balkan countries in this regard are the only way to reach the desired economic and social results as well as stronger regional integration. An integrated and politically stable region means advantages for each country individually. The process of joining the EU can be used as a good approximation for the general institutional progress in Western Balkan countries. Development of institutional environment, i.e. faster progress of the Western Balkans toward the EU, could mean greater inflows of FDI, which in turn has a range of positive effects.

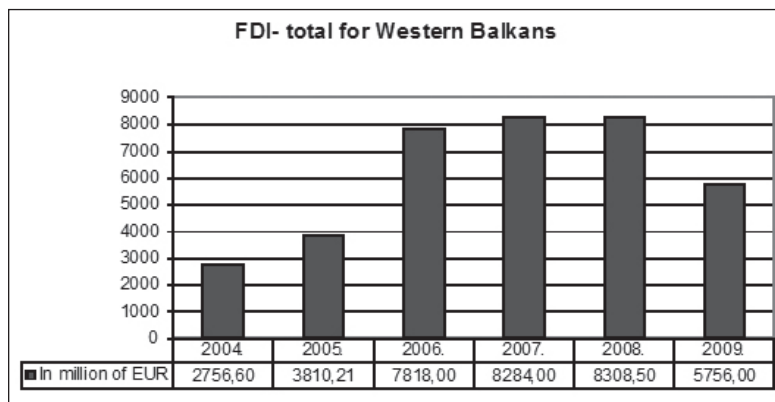
STEADY GROWTH AND STEEP DECLINE DURING THE CRISIS

Before we analyze the decline that occurred in 2009 as a result of the world economic crisis, it is important to note that all countries of the region recorded a stable growth in FDI in years prior to the crisis. Mainly due to the global crisis, this growth in the last period was not only slow but it was also negative, as can be seen in the following table and figure.

Table 1: FDI inflows by countries and total amount for the region (in millions of euro)

Country/Year	2001	2002	2003	2004	2005	2006	2007	2008	2009
Bosnia Herzegovina	-	-	-	565	492	610	1517	726	452
Serbia	41,6	343	948	652	1180	3375	1431	1687	1377
Croatia	1467	1137	1762	949	1467	2764	3678	4195	2096
Monte Negro	-0,5	76,3	39	50,5	381	466	672	625,5	944
Macedonia	-	-	-	260	77,21	344	505	400	181
Albania	-	-	-	278	213	259	481	675	706
Total	-	-	104,4	2756	3810	7818	8284	8308	5756

Source: countries' national (central) banks

Figure 1: Decline of FDI in 2009

Source: based on previous table

The above table and figure deserve following comments:

- In all years before the crisis FDI inflows recorded constant growth in all of the countries
- FDI inflows for the region fell rapidly in all countries as a consequence of the global economic crisis, except for Montenegro and Albania in 2009
- At the regional level, FDI fell by 30% in 2009, compared to 2008
- Macedonia recorded the largest decrease of 55%, Croatia 50%, Bosnia and Herzegovina 36% and Serbia 19%
- The only two countries that record higher FDI in 2009 compared to 2008 were Albania and Montenegro; in Albania this growth was only 3%, which was much lower than the growth in 2008 when, compared to 2007, investment increased by 40%; for Montenegro, due to its specific economic structure and the current economic and political situation, stable inflows do not cause any surprise since a great deal of investment was directed toward real estates.

One of the main reasons for such a drastic decline of FDI inflows in the region is the decline of FDI that occurred on the global level. According to the last issue of the World Investment Report 2009, released by the United Nations Conference on Trade and Development, in 2009 the inflow of FDI around the world was 39% lower as compared to the previous year due to the global economic crisis. According to this report inflows are expected to have fallen from \$1.7 trillion in 2008 to below \$1.2

trillion in 2009, with a slow recovery in 2010 (to a level up to \$1.4 trillion) and gaining momentum in 2011 (approaching \$1.8 trillion)¹.

PROSPECTIVE FOR RENEWAL –

DEVELOPMENT OF INSTITUTIONAL ENVIRONMENT

As we can observe, in times of financial and economic crisis our region followed the downward trend in FDI at the global level, thus registering the reduction of FDI inflow as a result of the global crisis. However, since the countries of the developed world and countries of our region are slowly emerging from the crisis, recovery of the FDI flows on the global and regional level can be expected in the near to immediate future. Therefore, bearing in mind the importance of FDI for transition economies, we need to consider prospective for FDI renewal in the region, as the world and our region recover from the crisis.

The main idea of this paper is that Western Balkan countries have to work harder and faster to develop their *institutional environment* as the essential location factor that will ensure the attractiveness of the region for more FDI inflows. The development of institutions and the institutional environment gain increasing importance in the relevant literature but also in the practice of multinational companies compared to traditional location advantages such as the labor law costs or lack of environmental standards.

If one follows Dunning's theory in a general way, institutions are but one among other location factors that affect FDI attraction (Dunning, 1988). John Dunning's OLI paradigm integrates all main determinants of international production. This theory explains activities of multinationals in terms of Ownership (O), Localization (L) and Internalization (I) advantages for going abroad. Ownership advantage means that a firm has its own advantage that could be exploited in the foreign market. Internalization shows that the company must have ownership advantages which are better exploited internally instead of licensing some other foreign firm. *Localization* advantages refer to a host country which is evaluated by a foreign investor as a better location than its home or some other country. Initially, scholars considered factor endowments, especially labor costs and productivity, to be the main location advantages. Now multinational firms consider "created" assets to be more important

¹ World Investment Report 2009, United Nations Conference on Trade and Development (UNCTAD) http://www.unctad.org/en/docs/wir2009_en.pdf (15. 7. 2010.)

than traditional location advantages. These created assets include knowledge-based assets, the infrastructure and the *institutions* of the host country. Hence, investigation of the institutional environment has become a crucial location advantage for attracting FDI, i.e. multinationals. According to Dunning himself, the role of institutions and institutional reform in transition economies has become an essential factor affecting the determination of FDI flows (Dunning, 2004).

The word institution has a diversity of meanings. Douglass North's concept of institutions, frequently used by many authors, defines institutions as the formal and informal "rules of the game" in society. According to North's definition, "institutions are the rules, regulations (humanly devised constraints) that structure political economic and social interaction; they consist of both: formal rules (constitutions, laws, property rights) and informal constraints (sanctions, taboos, customs, tradition and codes of conducts)" (North, 1990: 3). As North states, "the purpose of the rules and conventions is to define the rules by which the game (in this case upgrading competitiveness and attracting FDI) is played, monitored and enforced" (Dunning, 2004: 2). Organization or individuals are entities which devise and implement these institutions. Institutional environment in that sense comprises institutions (formal and informal ones) and an enforcement mechanism².

"Institutions reduce uncertainty involved in human interaction by giving us pattern for our behavior" (Dumludag and Sukruogly, 2007: 142). In the context of firm operating costs, the development of a better institutional environment implies lower transaction cost, lower risk and lower uncertainty for foreign companies that are entering new markets. There is a wide literature which confirms that institutions and transaction costs play important roles in the economic performances of a country³. Numerous empirical studies have confirmed that lack of political and economic stability, uncertain regulatory frameworks, inexperienced and slow bureaucracies, under-developed legal systems and widespread corruption discourage FDI inflows into the host economies. A transparent and more business-friendly environment is a condition for attracting more investors (Grosse and Trevino, 2005).

Before we present some data regarding institutional environments in Western Balkan countries, let us briefly address the most studied institutions in the literature,

² If they are not enforced, institutions are ineffective. A state can have intellectual property law, but if it is not enforced by governments, organizations and individuals can act as if there is no law.

³ The transaction cost theorem was established by Ronald Coase and the theorem is also called the Coase Theorem.

both formal and informal one, which affect location of FDI between countries. According to Bevan and Estrin, these institutions include the following: private property rights (the quality of the process of privatization in transition economies), financial market infrastructure (bank reform and capital market reform), price liberalization, liberalization of foreign exchange market, liberalization of foreign trade, competition policy, the development of a legal system, and corruption as the most important informal institution (Bevan and Estrin, 2004). In providing examples of institutions some other authors consider security of property rights, the ease with which one may create a company, the tax system, contract law and efficiency of justice, prudential standards, competition policy and lack of corruption (Query, Coupet and Mayer, 2005). The main question when assessing the quality of institutions is how to measure such qualities. Different authors use various methodologies to measure the value of institutions⁴.

A SHORT ASSESMENT OF THE INSTITUTIONAL ENVIRONMENT IN WESTERN BALKAN COUNTRIES

A widely accepted hypothesis in the specialist literature is that a stage of development of institutions is crucial in order to attract FDI, by reducing the transaction costs of setting up a local operation. If one examines Bevan et al (2003), in transition countries this proposition takes a specific form, “because institutions in question are those underpinning the market economy itself, and they have undergone fundamental transformation in the 1990s” (Bevan, Estrin and Mayer 2003: 47). Hence, the proposition for transition countries particularly states that countries with better developed institutions *for a market economy* receive more FDI inflows. The following table represents widely used proxies for institutional progress which are based on EBRD transition progress indices in various fields⁵. Indices are given on a five-point scale from 1 to 4+, where 1 corresponds to almost complete absence of any departure from a rigid centrally planned economy and 4+ means the achievement of the market economy standards typical for industrialized nations.

⁴ The most used proxies as a measurement for quality of institutions are: Freedom House indices, EBRD indices on transition progress, International Country Risk Guide indices, World Wide Governance Indicators (Kaufmann et al), World Bank's World Business Environment Studies, Political Risk Service indices, Index of Economic Freedom

⁵ EBRD: European Bank for Reconstruction and Development

Table 2: Measurement of institutional quality based on EBRD transition indicators

Index/ Country	Share of private sector in GDP	Privatization of large enterprises	Privatization of small enterprises	Overall management and structural reorganization of companies	Foreign trade and currency mode	Competition policy	Bank reform and liberalization of interest rates	Stock markets and non bank financial organizations	Overall reforms in infrastructure
Albania	75	4-	4	2+	4+	2	3	2-	2
B&H	60	3	3	2	4	2	3	2-	2+
Croatia	70	3+	4+	3	4+	3	4	3	3
Macedonia	70	3+	4	3-	4+	2+	3	3-	3-
Montenegro	65	3	4-	2	4	2	3	2-	2+
Serbia	60	3-	4-	2+	4	2	3	2	2+
Average	66,2	3,2	3,8	2,3	4	2,3	3,2	2,3	2,3

Source: EBRD Transition Report 2009, in Russian,

<http://www.ebrd.com/downloads/research/transition/trogr.pdf> (21. 7. 2010.)

Good progress is made in the field of foreign trade liberalization, not surprisingly, since all Western Balkan countries have liberalized their foreign trade and foreign exchange markets. This was a precondition for any contractual relation with the EU. The worst scenario according to other measures is for overall management and structural reorganization of companies, competition policy, stock market reforms and reforms in infrastructure where the average score is around 2.3.

Frequently used indicators for assessing the overall institutional progress are those given in the report *The Worldwide Governance Indicators* which comprises six dimensions of governance: Voice and Accountability, Political Stability and Absence of Violence, Government Effectiveness, Regulatory Quality, Rule of Law and Control of Corruption. Governance in this sense consists of the *traditions and institutions* by which authority in a country is exercised⁶. This report is made annually for 213 economies. These six governance indicators are measured in units ranging from about -2.5 to 2.5, with higher values corresponding to better governance outcomes⁷.

⁶ This definition of governance is given by the authors themselves.

⁷ The authors of this report are Daniel Kaufmann, Brookings Institution, Aart Kraay, World Bank Development Economics Research Group, Massimo Mastruzzi, World Bank Institute. <http://info.worldbank.org/governance/wgi/index.asp> (20. 7. 2010.)

Table 3: Kaufman et al Governance Indicators in 2008

Indicators/ Country	Voice and Accountability	Political Stability	Government Effectiveness	Regulatory Quality	Rule of Law	Control of Corruption
Albania	0,13	0,01	-0,34	0,16	-0,6	-0,45
Bosnia and Herzegovina	0	-0,57	-0,55	-0,19	-0,35	-0,32
Croatia	0,48	0,57	0,52	0,5	0,08	0,12
Macedonia	0,16	-0,31	-0,14	0,21	-0,32	-0,11
Montenegro	0,25	0,59	0,01	-0,05	-0,09	-0,28
Serbia	0,19	-0,5	-0,28	-0,21	-0,46	-0,16
Average	0,2	-0,035	-0,13	0,07	-0,29	-0,2
Slovenia	1,02	1,07	1,09	0,81	0,91	0,95

Source: Aggregate Governance Indicators 1996-2008,

<http://info.worldbank.org/governance/wgi/index.asp> (20. 7. 2010.)

Comparison with Slovenia illuminates the conditions regarding the quality of institutional environment in countries of the Western Balkans according to these indicators.

Table 4 briefly shows barriers of business activities and transaction costs in the Western Balkans measured by some of “Doing Business” indicators for 2009. For comparison, in the last row of the table there are figures for the average among OECD countries.

Table 4: Comparison of “Doing Business” Indicators for Western Balkans and OECD countries

Indicators/ Country/	Starting business Procedures (number)	Starting business Time (days)	Registering Property Procedures (number)	Registering Property Time (days)	Documents to export (number)	Time to export (days)
B&H	12	60	7	84	6	16
Croatia	7	22	5	104	7	20
Serbia	7	13	6	111	6	12
Montenegro	12	13	8	86	7	14
Albania	5	5	6	42	7	19
Macedonia	21	146	5	58	6	12
WB Average	10,7	43,2	6,2	80,8	6,5	15,5
OECD Average	5,7	13	4,7	25	4,3	10,5

Source: World Bank, <http://www.doingbusiness.org/ExploreEconomies/> (16. 7. 2010.)

According to the above indicators, it is evident that the attractiveness of the region is not satisfactory. We can legitimately assume that listed indicators represent a huge barrier for potential investors.

It is also interesting to rank countries of the region according to the spread of corruption. Justification for the analysis of corruption as the most important informal institution and the factor that negatively affects FDI has been confirmed in abundant literature which is based on data from the field (Wei, 1997). According to Transparency International's Corruption Perceptions Index (CPI) among 180 countries Albania is ranked at 95th place, Bosnia and Herzegovina at 99th, Croatia at 66th, Macedonia at 71st, Montenegro at 69th and Serbia at 83rd place⁸. It's worth mentioning that our closest neighbor, Slovenia, is placed 27th.

For the countries of our region we could say that they are far from having secure, regulated and efficient institutional environments. But, in the context of EU enlargement in the Western Balkans, we should expect a better prospective in terms of economic development. Accession and membership in the EU means membership in a single European market, which provides firms located in current EU countries with the opportunity to reallocate their production in new countries with lower costs. Moreover, membership in the EU is viewed by potential investors in the light of lower country risk. Also, EU membership implicitly guarantees future macroeconomic stability and efficient legal framework as well as the necessary political stability. The experience of new member states confirms the previous statement to a large extent. Preparation for proposed accession to the EU force countries to upgrade their institutional infrastructure and "by doing so, reduce both domestic and intra-European transaction and coordinating costs" (Dunning, 2004: 17). By adopting the EU institutional framework and thus establishing a transparent business environment it is to be expected that Western Balkan countries will be able to attract more FDI in the future.

⁸ Transparency International's Corruption Perceptions Index, http://www.transparency.org/policy_research/surveys_indices/cpi/2009/cpi_2009_table (13. 7. 2010.)

CONCLUSION

Bearing in mind the benefits of FDI inflows and the importance of qualitatively good institutions, it is crucial for Western Balkan countries to create an institutional environment that will ensure long-term stable flows of FDI. This is especially important due to the fact that our region is in a far inferior position compared to some more attractive regions and countries of the world, such as countries in South and South-East Asia. The development of the institutional environment implies lower transaction costs, lower risk and lower uncertainty for foreign companies that are entering new markets. Policy makers in Western Balkan countries will have to give a signal to foreign investors that doing business in their country is not risky and that the rules of the game are known and regulated. Since the countries of the Western Balkans have to make more efforts in the process of EU accession, it is expected that their institutional environment becomes “more business friendly”. For each country in the Western Balkans, and also for the region as a whole, it is of crucial importance *to speed up* the process of institutional development. In addition to the fact that a healthy institutional environment is essential *per se*, it represents a necessary and long-term critical factor which could provide greater inflows of foreign capital in the future, i.e. in times after this crisis.

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UTILIZATION PRACTICES OF SOME INTERNET TECHNOLOGIES IN SOME DEVELOPED COUNTRIES AND THE WESTERN BALKAN REGION

VANJA VARGA

ABSTRACT

In this paper I will try to display the importance and implications of possibilities that some of the emerging trends in Internet Communication Technologies (ICT) have for civil society. Shared data and social networks will be mentioned.

Firstly, facts and existing practices of shared data utilization in more developed countries in the Western Europe (WE) and USA will be pointed out and, secondly, facts on social networks and tendencies of personal usage will be shown. The former will be pictured by providing examples of those practices in WE and the USA and the latter by displaying usage tendencies and trends regarding social network utilization. The results of the research conducted on student population in Croatia regarding usage of the social networking site Facebook will be an example for the WBR. It will be argued that the similarities in utilizing social networks display personal and social susceptibility for new ICT and can be treated as a contributing factor that would facilitate utilization of (lacking) shared data practices in the WBR if such existed.

INTRODUCTION

Context: Emerging trends in Internet Communication Technologies – What are they?

In today's modern world, the Internet is ubiquitous. According to the World Internet Users and Population Stats' latest statistics, nearly two billion people have access to the Internet (latest data: 1.966.514.816). Even though that means that only between 15 and 20 percent of the world's population is on the Internet, and there's a long way to go in order to connect the rest, the numbers that indicate Internet usage growth show that up until now the process has been rather fast. In figures, 444.8% between

¹ <http://www.internetworldstats.com/stats.htm>

2000 and 2010. Furthermore, the less developed regions like Africa, the Middle East and South America / Caribbean seem to be the fastest growing (2.357,3%, 1.825,3% and 1.825,3% respectively) in comparison to more developed ones like North America and Europe (146.3% and 352.0% respectively). On the one hand, these statistics should be interpreted with caution because there are big differences within one region. For example, in Europe, growth for the mentioned period for Germany, France and the UK as examples of more developed countries within Western Europe is much lower (171.3%, 425.0% and 234.0% respectively) than in Albania, Bosnia and Herzegovina and Macedonia as examples of less developed countries of the Western Balkan Region (51.900,0%, 20.485,7% and 3.424,7% respectively). On the other hand, the same pattern of growth regarding the level of development is shown in the world's regions purely on the regional level.

Today's Internet is radically different from what it used to be and it's constantly changing.

Since its creation in the early 1960s, from commercialization to private use in the 1980s and its expansion to popular usage in the 1990s, the Internet has become a global network with a drastic impact on culture and the economy. Connecting between people started in the 1970s, with emails and discussion groups, and the possibilities for interaction are improving along with the development of new Internet applications like on-line real-time games (1978), chat (1988) and blog (1993), sites that provide a range of services (Yahoo!, GeoCities, Ebay, ... ; 1994.) and social networking sites (Six Degrees.com; 1997)². The development of Internet technologies has led to the conversion of Web 1.0 to Web 2.0. As opposed to Web 1.0, Web 2.0 is technically an ideal platform and context for social networking enabled by different social media. Continuing evolution points towards Web 3.0, or the Semantic Web, which will enable what previously was lacking on the Internet - personalization, true portability, interoperability... It will be semantic—it will 'understand' the information on the Internet.

Features of Web 2.0 are already enabling remarkable opportunities regarding access to information, data sharing, communication and collaboration in comparison with what was possible a decade ago. For the purpose of this paper, two examples will be introduced: data sharing and social networking.

² http://en.wikipedia.org/wiki/Timeline_of_popular_Internet_services

Data sharing philosophy is chosen because it is the result of numerous good practices, it is enabled by existing computer and Internet technologies and it is already being used in the developed world so it would be useful to start implementing it in the WBR. Here differences in existing practices of shared data utilization between the more developed countries in Western Europe (WE) and the USA in contrast to those in the Western Balkan region (WBR) will be mentioned.

Social networking is chosen because it too is a good practice enabled by existing Internet technologies and is being used both in the developed world and the WBR, with the difference that in the WBR it is still being dominantly utilized for personal purposes. Similarities in motivation behind the use of social networks will be shown by comparing usage tendencies and trends regarding social network usage and by using the results of the research conducted on the Croatian student population's application of the social networking site Facebook as an example for the WBR.

The point that will be argued is that the similarities in utilizing social networks show personal and social susceptibility for new ICT which can be treated as a contributing factor that would facilitate utilization of (lacking) shared data practices in the WBR if such existed.

SHARED DATA

Shared or Open Data is a philosophy and practice requiring that certain data are freely available to everyone, without restrictions from copyright and patents or other mechanisms of control. It has a similar ethos to a number of other "Open" movements and communities such as open source and open access. The data that the emphasis is on is the data from scientific research, government data and from the data-driven web³.

The approach of opening data has been recently pioneered by governments in the United States and the United Kingdom (with the launch of two web portals - www.data.gov and www.data.gov.uk respectively). These practices have substantial social and economic gains: the combination of geographic, budget, demographic, services, education and other data, publicly available in an open format on the web, promises to improve services as well as create future economic growth.

The research commissioned by a consortium of funders and NGOs under the umbrella of the Transparency and Accountability Initiative (Hogge, 2010) sought

³ http://en.wikipedia.org/wiki/Open_science_data

to explore the feasibility of applying this approach to open data in relevant middle income and developing countries. Its aim was to identify the strategies used in the USA and UK contexts with a view to building a set of criteria to guide the selection of pilot countries, which in turn suggests a template strategy to open government data.

The report found that in both the USA and the UK, a three-tiered drive was at play. The three groups of actors who were crucial to the projects' success were: civil society, and in particular a small and motivated group of "civic hackers"; an engaged and well-resourced "middle layer" of skilled government bureaucrats; and a top-level mandate, motivated either by an outside force (in the case of the UK) or a refreshed political administration hungry for change (in the USA).

Based on these findings, and on interviews conducted with a selection of domain and region experts to refine these observations for a developing and middle-income country context (where a fourth tier of potential drivers towards open data has been identified in the shape of international aid donors) the report presents a list of criteria to be considered when selecting a pilot country in order to test this strategy. The Open Data Study provides "An open data strategy checklist".

The awareness of the efficacy and the endeavour to inform about and facilitate shared data practices is rising. One of the main topics of the Lift conference⁴ held in July 2010 in Marseilles, France, was on shared data. The session "Web – squared; making sense of the world through shared data" focussed on ideas and practices surrounding the re-use of public-service information and the massive flows of data produced both by people and sensors, pointing out the huge opportunities that arise for knowledge production, value creation and citizen participation.

Furthermore, different organizations have been formed with the aim of making regulations about shared data. Examples of these are the Open Data Foundation and the Open Data Commons.

The Open Data Foundation⁵ provides a place where the members of different communities can come together and work on the alignment of technology standards and software tools which will facilitate visibility and re-use of data at all levels of the statistical information chain. By promoting automated access to statistical data and metadata in this way, better decision-making becomes possible in many fields of research and policy-making. The Open Data Commons exists to provide

⁴ <http://liftconference.com/lift-france-10>

⁵ <http://www.opendatafoundation.org/?lvl1=about&lvl2=organization>

legal solutions to open data and is an Open Knowledge Foundation project run by its Advisory Council which, like the Foundation, is a not-for-profit effort working for the benefit of the general open knowledge community⁶.

Apart from the two government sites www.data.gov and www.data.gov.uk there are numerous other web sites that use shared data.

CKAN (Comprehensive Knowledge Archive Network)⁷ site is a registry of open knowledge packages and projects. Here, open knowledge resources can be found or your own registered. Infochimps.org⁸ is a project attempting to assemble and interconnect the world's best repository for raw data. MusicBrainz.org⁹ is a user-maintained community metadatabase site which collects music "metadata" like artists' name, release titles, lists of tracks, etc. DBpedia.org¹⁰ is a community effort to extract structured info from Wikipedia and make that data publicly available on the web, essentially turning Wikipedia into a database you can query. mySociety.org¹¹ runs most of the best-known democracy and transparency websites in the UK, sites like TheyWorkForYou and WriteToThem. It is a not-for-profit company that builds websites of a democratic bent for other people, such as the No 10 Downing Street Petitions Website for the Prime Minister's Office. mySociety has two missions. The first is to be a charitable project which builds websites that give people simple, tangible benefits in the civic and community aspects of their lives. The second is to teach the public and voluntary sectors, through demonstration, how to use the internet most efficiently to improve the quality of life.

In these and other similar projects Internet communication technologies are used to a great extent since they enable advanced communication and collaboration. The example of those technologies that is going to be mentioned here is the social network. Today, people spend twice as much of their on-line time on social networks than in any other activity. According to new statistics from Nielsen, sites like Facebook and Twitter now account for 22.7% of time spent on the web¹².

To the author's best knowledge, such practices do not exist or at least are not common in the WBR.

⁶ <http://www.opendatacommons.org/about/>

⁷ <http://ckan.net>

⁸ <http://infochimps.org/>

⁹ <http://musicbrainz.org>

¹⁰ <http://dbpedia.org/About>

¹¹ <http://www.mysociety.org/>

¹² <http://mashable.com/2010/08/02/stats-time-spent-online/>

SOCIAL NETWORK SITES

Since their introduction, social network sites (SNSs) such as MySpace, Facebook, Cyworld, and Bebo have attracted millions of users, many of whom have integrated these sites into their daily practices. At the time of writing there are already hundreds of SNSs, with various technological affordances, supporting a wide range of interests and practices. While their key technological features are fairly consistent, the cultures that emerge around SNSs are varied. Most sites support the maintenance of pre-existing social networks, but others help strangers to connect based on their shared interests, political views, or other activities. Some sites cater to diverse audiences, while others attract people based on common language or shared racial, sexual, religious, or nationality-based identities. Sites also vary in the extent to which they incorporate new information and communication tools, such as mobile connectivity, blogging, and photo/video-sharing.

Boyd and Ellison define social network sites as web-based services that allow individuals to 1. construct a public or semi-public profile within a bounded system, 2. articulate a list of other users with whom they share a connection and 3. view and traverse their list of connections and those made by others within the system. The nature and nomenclature of these connections may vary from site to site. (Boyd – Ellison, 2007)

What makes social network sites unique is not that they allow individuals to meet strangers, but rather that they enable users to articulate and make visible their social networks. This can result in connections between individuals that would not otherwise be made, but that is often not the goal, and these meetings are frequently between “latent ties” (Boyd – Ellison, 2007) who share some offline connection. On many of the large SNSs, participants are not necessarily “networking” or looking to meet new people; instead, they are primarily communicating with people who are already a part of their extended social network. To emphasize this articulated social network as a critical organizing feature of these sites, we label them “social network sites.”

While SNSs have implemented a wide variety of technical features, their backbone consists of visible profiles that display an articulated list of Friends¹ who are also users of the system. Profiles are unique pages where one can “type oneself into being” (Boyd – Ellison, 2007). After joining an SNS, an individual is asked to fill out forms containing a series of questions. The profile is generated using the answers to these

questions, which typically include descriptors such as age, location, interests, and an “about me” section. Most sites also encourage users to upload a profile photo. Some sites allow users to enhance their profiles by adding multimedia content or modifying their profile’s look and feel. Others, such as Facebook, allow users to add modules (“Applications”) that enhance their profile.

After joining a social network site, users are prompted to identify others in the system with whom they have a relationship. The label for these relationships differs depending on the site—popular terms include “Friends,” “Contacts,” and “Fans.” Most SNSs require bi-directional confirmation for Friendship, but some do not. These one-directional ties are sometimes labelled as “Fans” or “Followers,” but many sites call these Friends as well. The term “Friends” can be misleading, because the connection does not necessarily mean friendship in the everyday vernacular sense, and the reasons people connect are varied.

The public display of connections is a crucial component of SNSs. The Friends list contains links to each Friend’s profile, enabling viewers to traverse the network graph by clicking through the Friends lists. On most sites, the list of Friends is visible to anyone who is permitted to view the profile, although there are exceptions. For instance, some MySpace users have hacked their profiles to hide the Friends display, and LinkedIn allows users to opt out of displaying their network.

Beyond profiles, Friends, comments, and private messaging, SNSs vary greatly in their features and user base. Some have photo-sharing or video-sharing capabilities; others have built-in blogging and instant messaging technology. There are mobile-specific SNSs (e.g., Dodgeball), but some web-based SNSs also support limited mobile interactions (e.g., Facebook, MySpace, and Cyworld). Many SNSs target people from specific geographical regions or linguistic groups, although this does not always determine the site’s constituency. Orkut, for example, was launched in the United States with an English-only interface, but Portuguese-speaking Brazilians quickly became the dominant user group (Boyd – Ellison, 2007). Some sites are designed with specific ethnic, religious, sexual orientation, political, or other identity-driven categories in mind. There are even SNSs for dogs (Dogster) and cats (Catster), although their owners must manage their profiles.

While SNSs are often designed to be widely accessible, many attract homogeneous populations initially, so it is not uncommon to find groups using sites to segregate themselves by nationality, age, educational level, or other factors that typically segment

society (Hargittai, this issue), even if that was not the intention of the designers. Along their basic utilization for social networking, due to their availability, simplicity and cost (they are free of charge), SNS are used for networking and marketing activities of business subjects and communication and collaboration activities of scientific and academic subjects.

Scholars from disparate fields have examined SNSs in order to understand the practices, implications, culture, and meaning of the sites, as well as users' engagement with them. Besides issues concerning impression management and friendship performance, research on SNS is dominantly taking place in two fields. One concerns itself with privacy issues and information security, and the other is motivation in using SNS.

Regarding privacy, results unambiguously show that users provide a large amount of information on their profiles. Identity information is revealed to a greater extent than information about different preferences. Information that showed to be most frequently displayed in various research is: correct name and surname, gender, birth date, address, schools attended, favourite books / movies / music, relationship status and political orientation. In addition, the majority of users have uploaded their photograph/s (Acquisti – Gross, 2005; Acquisti – Gross, 2006; Debatin – Lovejoy – Horn – Hughes, 2009; Ellison – Steinfield – Lampe, 2007; Jones – Soltren, 2005; Lampe – Ellison – Steinfield, 2006; Lampe – Ellison – Steinfield, 2008; Taraszow – Aristodemou – Shitta – Laouris – Arsoy, 2010). Alongside such user tendencies, there is a trend of low knowledge and negligence in protecting personal information as well as false beliefs about privacy issues.

Regarding motivation, the potential of SNS to maintain so-called “weak ties” (similar as the concept of bridging social capital) has been shown to be probably the most important benefit of SNS utilization (Valenzuela – Park – Kee, 2008). Most common identified motivations include maintaining contact with people with whom contact in physical reality is not possible, virtual surveillance, re-establishing lost contacts, communication, photographs (uploading, sharing, ...) simplicity of use and lastly, establishing new contacts.

UTILIZATION OF FACEBOOK IN CROATIA: MOTIVATION AND PRIVACY ISSUES*

The aim of the study was to examine some aspects of the use of the social networking site Facebook. The participants were students $n = 530$ from the faculties of Humanities and Social Sciences (FHSS) and Electrical Engineering and Computing (FEEC) of the University of Zagreb, Croatia.

Differences between users (72.5%) and non-users (27.5%) were assessed; motivation for initiating usage and ongoing usage was questioned as well as knowledge, opinion and performance as regards privacy and safety of information. The relation of perceived benefits and risks was examined.

A series of One-way ANOVA tests that were completed showed there were differences between users and non-users as well as among four groups of users (two Faculties x two sexes). The most frequent difference was that between group FFHSS (Females from FHSS) and MFEEC (Males from FEEC). The results of examined ratio indicate that perceived benefits outweigh perceived risks. The most frequent motivations for initializing the SNS usage mentioned in open ended questions were: curiosity, majority of people had a profile, invitation / suggestion, communication / interaction and maintaining contact. These are considered as indicating to a type of social pressure in relation to SNS usage becoming a social norm.

Ongoing usage was found to be dominantly motivated by communication, giving an receiving information and maintaining and re-acquiring contacts. Questions about privacy and safety of information reveal low levels of knowledge, distorted opinion and little movement toward gaining more privacy. Furthermore, perceived benefits outweighed perceived risks.

All of the findings can be considered in line with the previously mentioned research.

CONCLUSION

The aim of this paper was to point out the benefits of shared data practices that exist in the more developed countries (e.g. UK, USA) but are not common in the WBR. As was mentioned, there are initiatives that seek to refine observations made in more developed countries in order to shape them for developing and middle-income countries.

* This article is the author's Thesis. It is not published by now, but is available on demand via e-mail: vvarga@ffzg.hr.

The author used social networks as an example that may serve as an analogy to how individuals and society react to new possibilities enabled by emerging Internet (communication) technologies. A comparison of social network usage tendencies between developed countries and the WBR (based on the findings of the research of Facebook usage tendencies on a student population in Croatia) was made. It was shown that the usage tendencies, motivation and privacy issues are practically the same, so the line of the argument here is that these similarities in human behavior can be considered as an important contributing factor in the adoption of different data sharing practices in the WBR. Hopefully, this article will be of some help for the initialization of those practices in the WBR.

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PROFESSIONAL LANGUAGE – A TOOL AGAINST EUROSCEPTICISM!?! AN EXAMPLE FROM DENTAL MEDICINE

MARIN VODANOVIĆ

The aim of this paper is to show how a multidisciplinary and multi-institutional project focused on the development of Croatian professional language can have positive side effects on overcoming the fear of losing Croatian language identity and its possible influence on a reduction in euroscepticism.

EUROPEAN UNION – A BRIEF HISTORY OF ENLARGEMENT

Enlargement of the European Union is the process of expanding the European Union (EU) through the accession of new member states. This process began with Belgium, France, (then-West) Germany, Italy, Luxembourg and the Netherlands, who founded the European Coal and Steel Community (the EU's ancestor) in 1952. Since then, EU membership has grown to twenty-seven member states (1973 – Denmark, Ireland and the United Kingdom; 1981 – Greece; 1986 – Spain and Portugal; 1995 – Austria, Sweden and Finland; 2004 – Malta, Cyprus, Slovenia, Estonia, Latvia, Lithuania, Poland, the Czech Republic, the Slovak Republic and Hungary; 2007 – Romania and Bulgaria as EU's newest members). Although Denmark, Ireland, the United Kingdom, Greece, Spain and Portugal joined the European Economic Community between 1957 to 1986, the EU was formally established in 1993 when the Maastricht Treaty came into force. Today EU presents an economic and political union of 27 member states. Currently, accession negotiations are under way with the following candidate countries: Croatia, The Former Yugoslav Republic of Macedonia, Turkey and Iceland. Potential candidate countries are Albania, Bosnia and Herzegovina, Kosovo under UN Security Council Resolution 1244, Montenegro and Serbia.

EUROSCEPTICISM

Euroscepticism is a general term used to describe criticism of the European Union, and opposition to the process of European integration. "A Eurobarometer survey of EU citizens in 2009 showed that support for membership of the EU was lowest

in Latvia, the United Kingdom and Hungary “(Standard Eurobarometer 71, 2009). Traditionally, the main source of euroscepticism has been the notion that integration weakens the nation state. Other views occasionally seen as eurosceptic include perceptions of the EU being undemocratic or too bureaucratic. Hard euroscepticism is opposition to membership of, or the existence of, the European Union in its current form as a matter of principle. “Soft euroscepticism is support for the existence of, and membership of, a form of European Union, but opposition to particular EU policies, and opposition to a federal Europe” (Euroscepticism, 2010).

Although public opinion about joining the EU varies and is influenced by actual political events, in the last few years there has been a decline in the desirability of joining the EU in Croatian public opinion. “There is also a gap between the political elite and the citizens of Croatia with regard to the popularity of the European integration process” (Štulhofer, 2006). People are afraid of losing their national identity, language, culture, history or religion as a result of becoming a member of the European Union. Wrong interpretations and a lack of understanding the differences between the Croatian and Serbian languages shown by some EU opinion makers have increased these fears.

EU POLICY OF OFFICIAL MULTILINGUALISM

The EU has 27 member states and 23 official languages. Each member state, when it joins the Union, stipulates which language or languages it wants to have declared official languages of the EU. The EU policy of official multilingualism as a deliberate tool of government is unique in the world. The EU actively promotes the freedom of its peoples to speak and write their own language (Europa languages portal, 2010; European Commission – Europeans and languages, 2005; European Commission – Many tongues, one family, 2004; Languages of the European Union, 2010).

In 2001 and 2005 two Eurobarometer surveys were conducted, which showed interesting results. “Between 5 November and 7 December 2005, 28 694 citizens in the 25 EU countries as well as in Bulgaria, Romania, Croatia and Turkey were asked about their experiences and perceptions of multilingualism as part of the wave 64.3 of the Eurobarometer” (European Commission, 2005). In each country, the survey covered the population with a minimum age of 15 and having citizenship in one of the Member States. In the acceding and candidate countries, the survey covers nationals of those countries as well as citizens of the EU Member States resident in those countries who

have a sufficient command of one of the respective national language(s) to answer the questionnaire.

In 2001, 53% of respondents said that they could speak a language in addition to their mother tongue. By 2006, this had risen to 56%. The most multilingual EU citizens are the Luxemburgers, where 99% of people know at least one other foreign language, followed by Slovaks (97%) and Latvians (95%). In 2006, 28% of respondents spoke two foreign languages, compared to 26% in 2001. The most popular second languages are English, French and German, followed by Spanish and Russian. Smaller Member States with several state languages exhibited greater levels of multilingualism. Only six Member States had a majority of mono-linguists in 2006: Ireland (66% of people not knowing any other language than their mother tongue), the United Kingdom (62%), Italy (59%), Hungary (58%), Portugal (58%) and Spain (56%). In the acceding and candidate countries the use of languages other than the mother tongue in the situations mentioned here appears to be modest. Among the group with the highest use, 37% of Croatians, 33% of Bulgarians and 30% of Romanians indicate that that they use foreign languages while watching television or films or listening to the radio, whereas 29% of Turkish have conversations with friends in a language other than their mother tongue. Strong agreement on the benefits of multilingualism is also perceived in the candidate and acceding countries. 95% of Turks and Bulgarians consider that knowing foreign languages is useful, and 88% of Croatians and 87% Romanians are of this view. A reasonable share of EU citizens (67%) agrees with the statement that language teaching should be a political priority, 29% being entirely in agreement with this view. Citizens in Croatia (55%), Finland (53%) and in Slovenia (49%) are most likely to stand against this view (Special Eurobarometer, 2006). The Special Eurobarometer report 237-Wave 63.4. published in 2005 showed that in the acceding and candidate countries (Bulgaria, Romania, Turkey and Croatia), the proportion of respondents being able to have a conversation in another language than their mother tongue is below the EU average, except in Croatia (European Commission, 2005).

PROGRAM:DEVELOPMENT OF CROATIAN PROFESSIONAL TERMINOLOGY (2007-2010)

In 2007, the National Foundation for Science, Higher Education and Technological Development of the Republic of Croatia started a “Development of Croatian Professional Terminology” program in order to foster the development, systematization

and unification of Croatian professional terminology, the organization of terminological workshops and education of experts who will continuously oversee Croatian terminology. This program is intended for experts employed at universities, faculties, polytechnics, public institutes, professional associations, non-governmental organizations and state agencies or experts on any other legal basis involved in the work of state institutions, independently or in cooperation with other institutions and/or experts from within the country and from abroad (The National Foundation for Science, 2010).

“CROATIAN DENTAL TERMINOLOGY PROJECT”

The “Croatian Dental Terminology Project” started in 2009 and receives a grant from by The National Foundation for Science, Higher Education and Technological Development of the Republic of Croatia. Its lead institution is the University of Zagreb School of Dental Medicine and the main cooperating institution is the Institute of Croatian Language and Linguistics.

The project fits into two basic areas of National Strategy for Science Development: development of information technology and sociocultural transition from an industrial society to a knowledge-based society. The project has a two-pronged aim: the building up of a Croatian dental terminology and Croatian dental terminology usage popularization among students of dentistry, dentists, scientists and all other interested parties. The project is open to all interested parties (Vodanović, 2009).

The project has received good press: more than 50 doctors of dental medicine (about 2% of all active dentists in Croatia) from three Croatian universities—the School of Dental Medicine of the University of Zagreb and the schools of medicine of the universities of, Rijeka and Split—with a few dental clinics and private dental practices joining the project and actively participating (pro bono) in the development of the Croatian dental terminology. In cooperation with the Institute of Croatian Language and Linguistics, more than 3,000 dental terms coming from foreign languages (mostly English and German) were analyzed, edited and adopted according to Croatian grammar. In order to realize the aims, a project website with an online database of dental terms was established, dental terminology manuals were prepared and terminology workshops were organized.

PROFESSIONAL TERMINOLOGY AND EUROSCEPTICISM

Although this project was not focused on any investigation of euroscepticism, the high response of the dentists and their active participation in the project, including an online survey performed for the purpose of project quality assessment, showed very interesting results regarding the desirability of the EU. Although work on the online project database and the editing of dental terms is time-consuming, project team members found enough free time to give their own contributions. They did so for free without any financial compensation. Some of the participants said that they were honored to be a member of a team working on the development of the language of their profession (dentistry), and that this was a chance to become “a part of history”.

Because it is well known that many people are afraid of losing their national identity, language, culture, history or religion when becoming members of the European Union, during the project quality assessment an online questionnaire was prepared in order to determine the participants’ opinion about the project and its influence on the preservation of the national language. The results of the online survey showed that 90.9% participants of the project considered it very important for the development and preservation of Croatian language and national identity. The remaining survey participants (9.1%) considered it important.

CONCLUSION AND CHALLENGES FOR THE FUTURE

Although the primary idea of the CDT project was not an investigation of such social phenomena during the EU accession process as euroscepticism, it was very interesting to analyze the side effects of the project. The unexpected high response of the dentists and their active participation in the project showed that they were ready to protect their language identity in a specific but very effective and productive way. This can be an excellent indicator showing that social initiatives based on the principle of “many mickle makes a muckle” could be very effective if they are well prepared and precisely targeted.

As a permanent achievement of this project, and in cooperation with the Institute of Croatian Language and Linguistics and foreign language experts, an online multilanguage dental dictionary (probably: Croatian, English, German, Italian and Latin) with advice on Croatian grammar will be developed and available for free. A Beta version is already available at: www.dictionaryofdentistry.com.

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AN EXAMPLE FOR REGIONAL CO-OPERATION: ALECU RUSSO STATE UNIVERSITY'S EXPERIENCE

ADELINA STEFARTA

Each university is an academic, scientific center that maintains collaboration with different structures on national and international levels.

Since the Republic of Moldova became an independent state, the majority of state institutions has entered a transition period that has caused each institution to be more active in the field of national, regional, and international collaboration.

After the Republic of Moldova joined the Bologna Process, each institution was able to create its own very unique mobility between collaborators and students.

At the same time, the universities suffered cuts in financial subsidy. This has meant that each university has had to develop not only its personal, unique collaboration but also its own way of finding resources with which to develop its administration.

For a time some powerful donator organizations existed in Moldova that for years supported the academic and scientific activities of Moldovan teachers/university professors and students. One example is the Soros Foundation¹ with its—Higher Education Support Program (HESP) programme.

For years many teachers/university professors and students were able to develop academic mobility and to make their own academic and scientific progress in different countries. Another way of ensuring academic mobility was the signed contracts and agreements of collaborations between universities. It was also a way of ensuring academic and scientific collaboration, the professional development of teachers/

¹ The Soros Foundation - Moldova (SFM) is a non-governmental, non-profit and non-political organization which was established in 1992 by the financier and the philanthropist George Soros to promote the development of an open society in Moldova by developing and implementing a range of programs and activities that address specific areas of needs including media, cultural policy, legal reform, public administration and good governance, media, civil society, public health, and European integration.

The mission of the Soros Foundation - Moldova is to promote open society values through support for its infrastructure and institutions. The Foundation works in its priority areas through grant and operational programs. Programs are launched at the decision of the Soros Foundation Board and represent the recognition of a field where the Foundation can contribute through technical assistance, consulting, training, or financing for specific projects. Programs are run over several years or a period necessary for improvement of the problematic situation. Each program proposes for one year a range of concrete activities, asking the National Board for a budget. The programs are administered by program directors. All the programs run by the Soros Foundation - Moldova are publicly advertised.

university professors and students and to ensure the success of the projects from the financial point of view.

Alecu RUSSO State University, BALTI, Republic of MOLDOVA has collaborated for many years with various institutions and scientific centers at national, regional and international levels, among them the “D. P. Hasdeu” State University, Cahul, Moldova; “Babes-Bolyai” University, Cluj-Napoca, Romania; “Al. I. Cuza” University, Iasi, Romania; “Dunarea de Jos” Univesity, Galati, Romania; “Iu. Fedkovici” National University, Cernauti, Ukraine; Humanitarian Crimean University, Yalta, Crimea, Ukraine; “I. Franco” National University, Lvov, Ukraine; the Institute of Radio-Physics, Nijnii-Novgorod, Russia; State University, Elets, Russia; the Pedagogical University, Mozyri, Byelorussia; Fachhochschule, Düsseldorf, Germany and State University, Fresno, California, U.S.A.. As the geographical neighbors of Republic of Moldova are Ukraine and Romania, collaboration is most intense with these countries. For historical reasons, collaboration with the Russian Federation is also developed.

Since the creation of the European Union, a number of structures have been created that have as their main goal the generation, maintenance and development of academic and scientific collaborations between different educational, governmental and non-governmental organizations. Successful among these has been the TACIS/TEMPUS program.²

The university has participated and is participating in many national and international projects:

- 1995- 1998, TACIS—“Studiengang Sozialwesen,” with Germany, Holland, Greece;
- 2004-2006, TEMPUS—“Transferring the EU Assessment to Moldova Universities (TAEM),” with Switzerland, Great Britain, Portugal;
- 2006-2007, TEMPUS—“The development of the Quality Assurance System within selected Universities in Moldova,” with Switzerland, France, Lithuania;
- 2006-2007, TEMPUS—“Developing Standards from post-graduate education in Moldovan Universities,” with Switzerland, Estonia;

² Tempus is one of a number of European Community programmes designed to help the process of social and economic reform and/or development in the Partner Countries. The Partner Countries currently included are the Western Balkan Countries, the Eastern European and Central Asian Countries, and the Mediterranean Partners. The Tempus Programme focuses on the development of the higher education systems in these countries through co-operation with institutions from the Member States of the European Community. The programme is based on the understanding that higher education institutions are of particular importance for the social and economic transition process as well as cultural development; they are also pools of expertise and of human resources and provide for the training of new generations of leaders.

- 2006-2007, TEMPUS—"Support to the creation and activities of the National Teams of Bologna Promoters," with Malta, Spain, Great Britain.
- 2007-2009, JEP—"Developing ICT capable Schools in Moldova (DICSIM)," with Moldova, Spain, Sweden, Portugal;
- 2009-2011, TEMPUS—"Professionnalisation des enseignements en travail social," with Moldova, Russia, Kazakhstan, UK, Bulgaria, Spain, Greece, Hungary, Italy, Romania.

Beginning in 1998, the university (through the "Educational Assessment" and the "National Center for assessment, Testing, and Educational policies" NGO) in realizing the international projects TIMSS and PIRLSS, organized by IEA (International Association for the evaluation of Educational Achievement).

The Moldovan universities were in a process of development. In 2003 a Section for Informatization, standards in Education and Technologies in Instructions was set up at *Alecu RUSSO* State University, BALTI, Republic of MOLDOVA. In 2006 it was transformed into a Section for Quality and European Integration and in 2006 it began belief as a Section for Academic Mobility and International relations. The Section was processing the information on national and international levels. Each week all interested students, university professors and university officials receive an electronic newspaper about all current grants, competitions, conferences, seminars and proposals for collaborations where citizens of Republic of Moldova are eligible to apply. In this way the aims of the section were to find, to maintain and to develop all opportunities for national, regional and international cooperation; to develop strategies for the improvement of cooperation in the region; to facilitate movement of academicians between other countries and *Alecu RUSSO* State University, BALTI, Republic of MOLDOVA; to foster relations among universities; to prepare events (including official visits at the national, regional and international level). The Section for Academic Mobility and International relations was in collaboration with Embassies accredited in Republic of Moldova.

Sometimes, the single disqualifying criterion that was impossible to overcome was citizenship. However, in recent years this condition has been slowly disappearing. An increasing number of competitions do not have citizenship as a criterion for eligibility. The single criterion begins to be the professional competence.

The most mobile part of *Alecu RUSSO* State University, BALTI, Republic of MOLDOVA is its students. These are accepted in many competitions and study abroad. The main danger is that some of them don't come back. This danger appeared for *Alecu RUSSO* State University, BALTI, Republic of MOLDOVA as soon as a common education space was created (according to the Bologna Process) During the time, the Section for Academic Mobility and International relations has had some other problems:

- mobility and the flexibility are slow;
- language learning and even Internet use has been slow;
- many Embassies are situated outside of Moldova, and so collaborators and the students have to go to Kiev, Moscow, Bucharest (for Romania we need a separate visa) to apply for a visa;
- financial sources are limited or there were no resources for developing the Section for Academic Mobility and International relations;
- poor experience in project-writing (grant-writing and fundraising);
- the mentality is still a problem; there are already two or three generations of academics (including students) that have different stereotypes and experiences in the field of academic mobility. Some of them are simply waiting for financial resources and information to participate in scientific and academic activities. They are not interested in finding information or financial resources for themselves. They are just waiting to be "given" something without any personal involvement. Another part of collaborators are more active. They receive information about opportunities for academic mobility, they participate in competitions, they write projects and, in the case of their being finalists in those competitions, they participate and achieve their personal academic and scientific mobility. The third part comprises those that are independently looking for possibilities for personal academic and scientific development, without any help. In this way there are *free-movers*—students that travel entirely on their own initiative, and *programme students*—students that use exchange programmes at department, faculty, institutional, national, regional or the international level;
- citizens of the Republic of Moldova are still leaving Moldova for other countries (they get scholarships, they go to study and they never return to Moldova);
- the level of poverty in the Republic of Moldova is still an impediment for successful academic and scientific development and for academic mobility.

The Section for Mobility and International Relations was officially closed on September 15th, 2010.

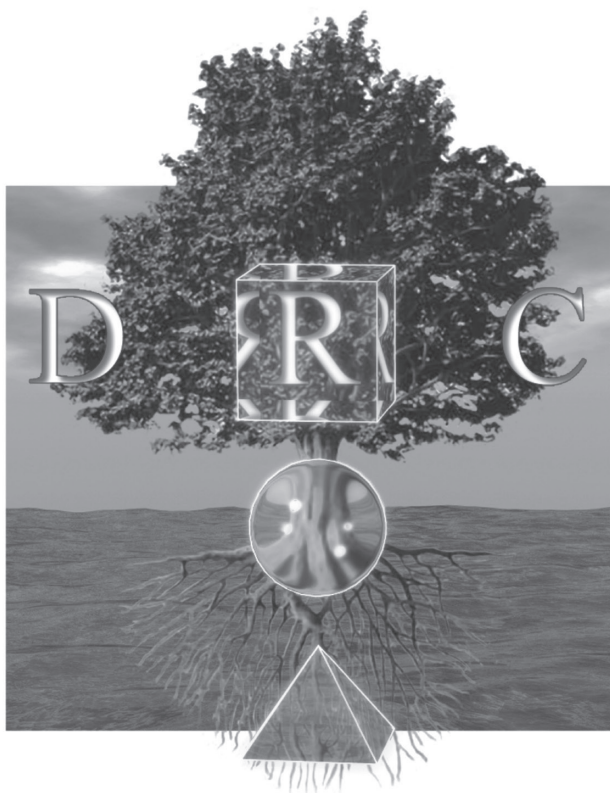
WEB-SOURCES

http://en.wikipedia.org/wiki/Academic_mobility

www.soros.md

http://www.eurostar.edu.ru/en/tempus_tacis.php

**The Western Balkans:
Lessons from the Past and Future Prospects –
A View from the Danube Region**



**7th DRC (Danube Rectors' Conference)
Summer School on Regional Co-operation**

25 July - 1 August 2010

Pécs (European Capital of Culture 2010), Hungary

2004

2005

2006

2007

2008

2009

2010

2011

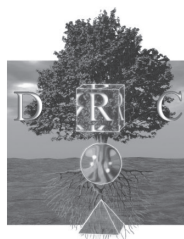
2012

2013

2014

2015

2016



www.d-r-c.org

Official website:
www.drcsummerschool.eu



www.idm.at



www.idresearch.hu

Special thanks to:



PÉCSI TUDOMÁNYEGYETEM
UNIVERSITY OF PÉCS

The DRC Summer School project was initiated by the IDM (Institute for the Danube Region and Central Europe/Institut für den Donaauraum und Mitteleuropa) and International House Pécs in 2003 to promote regional co-operation among young social scientists. Its general aim is the establishment of a network of young scientists who deal with the issue of regional co-operation as Central European perspective, and thus the institutionalisation of the Summer School for the future. The 7th Summer School is another step towards enhancing and deepening scientific co-operations in Central Europe, among the project partners, i.e. institutions from the V4 countries, the Ukraine, Austria and some Western Balkan countries. Since 2006 the IDM is represented in the project by Dr. Susan Milford, managing director, whereas IDResearch Ltd. is represented by Dr. István Tarrósy, managing director, and former managing director of the Regional European Information and Education Centre PBC who has been implementing the project with the Austrian partners for six years.


The 7th edition of the Summer School puts its focus on the Western Balkans. Reviews lessons from the Past and traces Future Prospects. The Danube Rectors' Conference provides a platform for the collaboration of 51 institutions of higher education from 12 countries in the Danubian Region.

Main aims of the project:

- to enhance the awareness for the significance and possibilities of regional co-operation;
- to discuss and develop strategies for the improvement of co-operation in the region;
- to bring young scientists from the countries of the Danube Region and Central Europe together in order to establish a regional scientific network within the European Research Area;
- to foster relations between the partner universities of the Danube Rectors' Conference and between other regional actors, e.g. the V4 community;
- to promote the mobility of young scientists, especially in South East Europe;
- to prepare a sustainable series of events to be able to meet the tasks mentioned above.

As it was the case at the first five Summer Schools, the results and best quality papers of the 7th Summer School will be published in a proceedings volume by the end of 2010.


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D A N U B E
R E C T O R S '
C O N F E R E N C E



D A N U B E
R E C T O R S '
C O N F E R E N C E

Programme

25 July
Sunday

Arrival in Pécs

16.00-17.00

Registration

Boszorkány University Hostel: Accommodation for participants

17.00-18.00

Introduction, First meeting

Boszorkány University Hostel

19.00-20.00

Dinner at Monarchia Restaurant

Joint cultural programmes with ICWiP (International Cultural Week in Pécs) for the participants.

Tátrai-Latin (HUN)

Big Daddy Wilson (USA)



26 July
Monday

08.15-09.00

Registration

(Faculty of Humanities, University of Pécs - PTE)

09.00-09.30

Welcome

JÓZSEF BÓDIS

Rector of the University of Pécs (t.b.c.)

FERDINAND DEVÍNSKY

Honorary President of the DRC (t.b.c.)

09.30-09.45

Opening

SUSAN MILFORD, ISTVÁN TARRÓSY



D A N U B E
R E C T O R S '
C O N F E R E N C E

Keynote speech	09.45-10.30
Keeping the European Momentum Alive: Europe's Transformative Power in the Balkans - Challenges and Perspectives	
VEDRAN DŽIHIC	
<i>University of Vienna;</i>	
<i>Center for European Integration Strategies (CEIS)</i>	
Break	10.30-10.45
Plenary lectures	10.45-11.30
Lisbon Treaty and Western Balkans: Perspectives for EU Integration	10.45-11.30
JOVAN TEOKAREVIC	
<i>University of Belgrade, Faculty of Political Sciences</i>	
From a Role Model to the Problem Child: Historical Backgrounds, Developments and Perspectives of the Western Balkans	11.30-12.15
IRENA RISTIĆ	
<i>Institute of Social Sciences, Belgrade</i>	
Lunch	12.30-13.15
<i>(Monarchia Restaurant)</i>	
State-forming and Nation-building Processes within the Balkans after 1990	13.30-14.15
ZOLTÁN HAJDÚ	
<i>Centre for Regional Studies of Hungarian Academy of Sciences</i>	
Workshop sessions	14.30-18.00
Dinner	19.00-20.00
<i>(Monarchia Restaurant)</i>	
<i>Ska-Pécs (HUN)</i>	
<i>Russkaja (A + RUS)</i>	

icwip

5



D A N U B E
R E C T O R S '
C O N F E R E N C E

27 July
Tuesday

09.15-12.30	Plenary lectures
09.15-10.00	Civil Society in the Western Balkans: From Confrontation to Partnership and Back... VEDRAN HORVAT <i>Heinrich Böll Foundation</i>
10.00-10.45	Open Status Issues in the Western Balkans (Kosovo, Bosnia) – The Way Towards Their Solution István GYARMATI <i>International Centre for Democratic Transition (ICDT)</i>
10.45-11.00	Break
11.00-11.45	It's not "Us" vs. "Them" Any More, What Now for Civil Society in the WB? NENAD ŠEBEK <i>Center for Democracy and Reconciliation in SEE, Thessaloniki</i>
11.45-12.30	The Significance of South in the Hungarian Foreign Policy: The Role of Western Balkans NORBERT PAP <i>Department for Political Geography and Regional Development, University of Pécs</i>
12.30-13.30	Lunch (<i>Monarchia Restaurant</i>)
13.30-17.30	Workshop sessions
18.00-19.00	Dinner (<i>Monarchia Restaurant</i>)

6



D A N U B E
R E C T O R S '
C O N F E R E N C E

Concert by DANUBE GUITAR DUO (*Kultúrkert*)

FRANZ HELFERSDORFER, KARIN ZIMMERMANN (A)

20.00-21.30

Ludy Huxtable and Balázs Józsi Band (HUN)

Heaven Street Seven (HUN)



28 July
Wednesday

Sightseeing in Pécs (guided tour) and museums (Vasarely, Zsolnay)

09.30-13.00

Lunch

(Monarchia Restaurant)

13.30-14.15

Excursion

Wine tasting in Villány - Wunderlich

14.30-18.30

Dinner

(Monarchia Restaurant)

19.00-20.00

Simply English (HUN)

Besh o droM (HUN)



29 July
Thursday

Plenary lectures

(Faculty of Business and Economics, University of Pécs)

10.00-13.00

**The RCC and the Importance of Regional Cooperation
in Promoting Development in the Region**

10.00-10.45

NAND SHANI

Regional Cooperation Council (RCC)

7



D A N U B E
R E C T O R S '
C O N F E R E N C E

10.45-11.30	Education in South-Eastern Europe MARION HABERFELLNER <i>Centre for Social Innovation (ZSI)</i>	
11.30-11.45	Break	
11.45-12.30	Ethnic Homogenization as a Major Consequence of the Breakup of the Former Yugoslavia PÉTER REMÉNYI <i>Department for Political Geography and Regional Development, University of Pécs</i>	
12.30-13.15	Enlargement of the EU towards the Western Balkans in the Context of the Global Economic and Financial Crisis ANDRÁS INOTAI <i>Hungarian Academy of Sciences</i>	
13.30-14.30	Lunch (<i>Monarchia Restaurant</i>)	
14.30-18.30	Workshop sessions	
19.00-20.00	Dinner (<i>Monarchia Restaurant</i>)	
	<i>BxDxF (GER)</i> <i>Brains (HUN)</i>	

30 July
Friday

10.00-13.00	Field Trip ZOLTÁN PÁMER <i>South Transdanubian Regional Development Agency</i>	
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8



D A N U B E
R E C T O R S '
C O N F E R E N C E

Lunch
(*Monarchia Restaurant*) 13.30-14.30

Free programme 14.30-19.00

Dinner
(*Monarchia Restaurant*) 19.00-20.00

Zbogom Brusli (SRB)

Péterfy Bori + Love Band (HUN)



31 July
Saturday

Workshop sessions – Final reports 10.00-12.30

Lunch
(*Monarchia Restaurant*) 13.00-14.00

Closing session: Presentations and discussion of the workshop results 15.00-16.30

Closing ceremony 17.00-17.30

Dinner
(*Murphy's Pub*) 19.00-20.00

*Goran Bregovic
and his Wedding & Funeral Orchestra (SRB)*



Farewell party 22.00-24.00

Departure 1 August
Sunday

9



D A N U B E
R E C T O R S '
C O N F E R E N C E

Workshops and informations

1. Transforming the Western Balkans: A Specific European Journey since 1990 and Future Perspectives
2. Economic and social conditions and perspectives in the Western Balkans
3. Dimensions of Civil Society in the Western Balkan Region
4. Geopolitics and the Issue of Stability in the Western Balkans

Workshop leaders

IRENA RISTIĆ

Institute of Social Sciences, Belgrade (Workshop 1 and 3)

ÁRON BÁNÁTI

IDResearch Ltd., Pécs (Workshop 2 and 4)

Workshop sessions

26 July, Monday	14.30-18.00 – First meeting
27 July, Tuesday	13.30-17.30
29 July, Thursday	14.30-18.30
31 July, Saturday	10.00-12.30 – Final Reports

Please note, that all of the participants will have to present their researches, papers on one of these occasions. The presence is obligatory. The WS-leaders are responsible for keeping the accurate time frames and for assigning the presentations.

Information for the Students

Requirements for obtaining the certificate:

Participants who fulfil all the requirements mentioned below will receive a certificate at the end of the DRC Summer School with 10 ECTS points granted by the University of Pécs, Faculty of Humanities.

The following conditions must be met:

- 1) Presence at not less than 90 % of the lectures and excursions. The presence will be controlled by the organisers.
- 2) Presentation of a paper within the workshops and participation in the workshop activities.
- 3) Payment of the participation fee.

Proceedings volume:

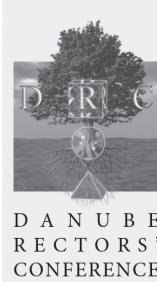
The results of the DRC Summer School will be published in a proceedings volume that will be presented to the public at the DRC Summer School in 2011.





PÉCSI TUDOMÁNYEGYETEM
UNIVERSITY OF PÉCS

Pécs European Capital of Culture 2010



Pécs is the seat and the largest city of the Transdanubian region in Western Hungary; a Catholic Episcopal seat and a university city that provides home to a large number of festivals year after year.

Although it is at a distance of five hundred kilometres from the Adriatic Sea, numerous travel books describe Pécs as the Hungarian city with a touch of the Mediterranean. Pécs intends to identify itself with a world in which buoyancy and laughter are a part of everyday life, where people get together and spend a lot of time in public places into the night, where foreigners are happy to strike up a conversation with one another, and in which it seems like there are more holidays than anywhere else in Europe. Pécs is home to approximately 160,000 people, a city of knowledge and history. The local city centre, with its ancient Christian remains from the Roman years, was made a World Heritage Site in 2000 by UNESCO.



The ECoC title provides development possibilities not only for the city itself but for the entire South Transdanubian region. The aim of the investments implemented in the frame of the Pécs2010 ECoC program is to ensure cultural and artistic spaces of appropriate number, size and of international standard, fostering economic utilization of the presented cultural potential, the development of the creative industry and tourism.



The succeeding generations will look back on 2010 as the most important period of the beginning of this millennium. All the new developments will be visible and tangible in the form of new motorways, public buildings serving the entire region and in the streets and public spaces as well. The local cultural institutions and art communities will change significantly. New opportunities will be available for university training and research, especially in the field of humanities – in a worthy and renewed environment.

13

INSTITUT FÜR DEN DONAURAUM UND MITTELEUROPA (IDM)

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50 Years of Research for the Danube Region

The IDM was founded in 1953 as the “Research Institute for Issues of the Danube Region”. As an Austrian scientific institution, it was dedicated specifically to research on the Danube region.

In 1993 the Institute was renamed as the “Institute for the Danube Region and Central Europe” (IDM).

Today the IDM is an extramural research institution based on an association – constituted by individual and corporate members – with its head office in Vienna.

The Institute is funded by the Austrian Federal Chancellery and the Federal Ministries of Science and Research, of Education, the Arts and Culture, of European and International Affairs and of Economics, Family and Youth as well as by individual provinces, cities, the Austrian Federal Economic Chamber, the Federation of Austrian Industry, the Austrian Central Bank and private sponsors.

Facilitator and clearinghouse

As a gateway and a facilitator institution the IDM makes an important contribution to co-operation in the fields of research, culture, politics, economics and administration. At the same time the IDM sees itself as a clearinghouse for concerns of the Danube Region, Central and Southeast Europe, supporting the work of embassies, trade missions, cultural institutes and national tourist offices of the countries of the Danube Region, Central and Southeast Europe in Austria, as well as the work of Austrian missions to these countries.

Since 1995 the chairman of the Institute for the Danube Region and Central Europe (IDM) is the former Austrian vice-chancellor Dr. Erhard Busek.

Groundwork

As a think tank the IDM performs basic groundwork for government agencies and institutions in the fields of politics, education, research, culture and business and supports efforts in the Danube Region, Central and Southeast Europe.

PR work

The IDM performs PR work and serves as a lobbyist for the region.

Research

The IDM carries out research projects dealing with current political, sociological, social, economic, cultural and ethnic issues of the countries of the Danube Region, Central and Southeast Europe. The results are publicised by means of events and publications.

Next generation support

The IDM supports recent graduates and young professionals in research and practice.

Educational activities and events

In seminars, symposiums, summer schools and the post-graduate course “Interdisciplinary Balkan Studies” in co-operation with the University of Vienna, all with international participation, the IDM also serves as an institute of learning and training. In addition, the IDM organises expert meetings, conferences, workshops and lectures. In this context, cooperation with institutions that share the IDM’s goals is of particular significance.

Corporate services

On request the IDM will organise custom-tailored introductory and advanced seminars for companies (executive briefings).

Publications

- “Der Donauraum” (“The Danube Region”) – scientific journal of the Institute (quarterly/price per copy: € 9.60/subscription: € 34.50) – Böhlau publishing house, Sachsenplatz 4-6, A-1201 Vienna)

- “Buchreihe des Instituts für den Donauraum und Mitteleuropa” (“Book Series of the Institute for the Danube Region and Central Europe”) – Böhlau publishing house
- “Das Magazin für den Donauraum und Mitteleuropa” (“The Magazine for the Danube Region and Central Europe”) – issues on individual countries
- “IDM-Studien” (“IDM Studies”) – on topical issues
- “Info Europa” – journal on the enlarged EU (5 issues per year, subscription: € 40, reduced price € 15) with topical supplements
- “IDM-Info” – newsletter of the Institute including the programme of events (5 issues per year/subscription: € 15/free of charge for members of the Institute)

Documentation

The IDM maintains a documentation centre and a magazine reading room with specialised publications on current developments in the countries of the Danube Region, Central and Southeast Europe. Documentation is supplemented by regular reports provided by country correspondents working for the Institute on a voluntary basis.

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ID in the name of our enterprise indicates first the significance of possible research and co-operation between different disciplines (InterDisciplinary) in today's globalising world; second, refers to the ability of developing creative ideas (Idea+Development) and third, covers Innovative power and Dedicated aspect of the enterprise.

Since 1997, a team of young researchers, students and Ph.D. aspirants from the University of Pécs have been organising various national and international symposia, conferences, seminars and summer schools about different aspects of social and political changes in Central and Eastern Europe (ranging from regional co-operation, the place and role of the V4 countries to security dilemmas of our global world). IDResearch is a young company based on the experiences and achievements of the past years, with a special intention of generating and shaping collaborations among young researchers in Central Europe. The aim of the company is to become a well-known generator of co-operations between national and international actors in the field of human sciences and research, project development and training. IDResearch Ltd. is interested in strengthening a new generation of social scientists who can search for and interpret affects of global processes appearing on the local level, and contribute to expressing social demand by establishing a new co-operation culture. For this aim the company plans to develop accredited trainings for young scientists to help them obtain complementary and pragmatic skills useful for their future work.

Current projects include

- the DRC (Danube Rectors' Conference) Summer School series on Regional Co-operation (www.d-r-c.org; www.drc2008.idresearch.hu);
- Cultural Development Strategy - for the city of Kaposvár;
- the Publikon project (portal for social science research (www.publikon.hu); own development);
- spin-off agency for the University of Pécs (innovating summer school development strategies, promoting international student recruitment, comprehensive surveys);
- consulting agency for the Hungarian Tourism Board Regional Marketing Directorate (regional strategies for youth tourism);
- publisher of African Studies (Afrika Tanulmányok) periodical and initiator of several researches, conferences and workshops on African issues - www.afrikatanulmanyok.hu;
- Collaborator in the International Cultural Week in Pécs series (www.icwip.hu).

We offer complex services

Scientific Research, Market Research

Conference Organisation

Project Management

Publishing Books and Journals

Grant-writing and Fundraising

International Partnership (network) Building

Media Analyses, Promotion Campaigns, Campaign Communication Trainings

Webpage Design and Content Development

PARTNERS AND SUPPORTERS

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• • 2010



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