

# **NEW REGIONALISM IN SOUTH EASTERN EUROPE: THE CASE OF SOUTH-EASTERN EUROPEAN COOPERATION PROCESS (SEECP)**

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## **Introduction**

The decade following the end of the Cold War witnessed a resurgence of regionalism apart from the case of the EU. The number, scope and diversity of regionalist schemes have grown significantly in the period from 1990's as never before, enabling a distinction to be drawn between the "old" regional wave in the 1960's and the "new" characteristic of the post Cold-War period. Regionalisation of international politics, collapse of the Cold War security architecture, inability of any state or organization to manage the resulting world order and growth of economic globalization are some of the reasons that underscore this growing interest and attention.

The basic objective of this paper is to examine to what extent South-Eastern European Cooperation Process (SEECP) that are taking place in the wider area of South Eastern Europe are or not a major departure from the earlier inward-looking, import-substitution and protectionism policies evident in the region and promote a more dynamic, open, outward- looking approach, connecting EU with the Black Sea area and the region of the Caspian Sea. Does SEECP open the door to a more dynamic, open, outward- looking export oriented approach? How far does it promote a greater interdependence among the states of the area and how it contributes for the diffusion of the tensions? Finally is any connection between the development of regional cooperation in South Eastern and the process of European integration? Which is the role of the EU in encouraging the development of regional cooperation in South- Eastern Europe on account of its direct links with all the countries of the region, on the attraction it holds for many of them and on the strategic importance of the region?

## **The New Regionalism**

Whenever the term regionalism is used, its meaning is not immediately clear. To make it analytically relevant, regionalism has to be delimited and defined. According to M. Alagappa, "regionalism can be defined as cooperation among governments or non governments organizations in three or more geographically proximate and interdependent countries for the pursuit of mutual gain in one or more issue-areas". The key elements of the above definition of regionalism are cooperation for mutual participating countries and non- limitation in terms of issue- areas.<sup>1</sup>

Although defined in various ways regionalism is most usefully thought of as having three dimensions.<sup>2</sup>

The first dimension concerns the extent to which nations situated in a geographical area or sharing common concern and significant historical experience cooperating among themselves to meet such concerns. The second dimension gives emphasis to the extent to which countries in a definable geographical area have developed socio- cultural, political, and /or economic linkages that distinguish them from the rest of the global community. For example, long-standing socio-cultural linkages,

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<sup>1</sup> M. Alagappa, "Regionalism and conflict management", *Review of International Studies*, Vol.21, 1995, p.362.

<sup>2</sup> See R. Stubbs- G. Underhill, "Global Trends, Regional Patterns" in R. Stubbs- G. Underhill, (eds), *Political Economy and the Changing Global Order*, London: MacMillan, 1994, pp. 331-332.

reinforced by common political and security interests and increasing economic integration, have been important in fostering ties between the US and Canada. The third dimension focuses on the extent to which particular groupings of geographically proximate countries have developed organizations to manage crucial aspects of their collective affairs.

The new regionalism of the 1990's emphasizes the viability of the regions in the global multipolar order, created "from below" and "within". Whereas the old regionalism was created from "above" (by the states) the new is a more spontaneous process from "below" in the sense that the constituent states themselves, but increasingly also other actors, are the main proponents for regional integration in a comprehensive multidimensional process. Therefore, the direction in which regionalism evolves is likely to have a major impact on the future of the international political and economic system.

The new regionalism has the following characteristics:

First, megaregionalism. An extremely wide range of countries are included (or are expected to be included) in economic arrangements, as evidenced by the expansion of the EU, the creation of the Free Trade Area of Americas In Pacific, APEC, already encompasses 18 economies.

Second, economic superpowers like the United States and Japan, which in the near past were giving priority exclusively to multilateralism and were unwilling to participate in regional arrangements, are now playing an important role in regionalism.

Third, regionalism today encompasses both developed and developing countries. NAFTA, for example, includes the United States and Canada, which are developed economies, together with Mexico which is a developing country. In short the new regionalism reflects a change in the North-South relationship, which was previously confrontational. Developing countries have responded to the globalization by adopting interdependence strategies designed to secure investment from and access to the markets of the developed countries.

Fourth, one of the aims of regionalism in the past was to promote intra-regional economic activity. One of the most striking characteristics common to all the regionalist projects is their commitment to open regionalism. Most regional groups today are much more outward looking than was the case in the past and emphasize links with other regions. "Open regionalism" is thus one way of coping with globalisation, since an increasing number of states realise that they are unable to cope with such a task on the 'national' level.

Fifth, there is the very wide variation in the level of institutionalization, with many regional consciously avoiding the institutional and bureaucratic structures of traditional international organizations and of the regionalist model represented by the EU.<sup>3</sup>

Sixth, features of the new regionalism is its multidimensional character. The dividing line between economic and political regionalism becomes even harder as the new regionalism is fed both by the end of the Cold War and the decentralization of regionalisation of security concerns, and by the developments in the world economy.

However, there is no one model of regionalism, nor one predominant theoretical framework for the analysis of regionalism. Andrew Hurrell, identifies three major theoretical tendencies in the study of regionalism: systemic theories which see regionalism as a response to outside pressures and forces; theories focused on the development of regional interconnectedness and interdependence; and domestic - level theories which stress the impact of changes such as democratization on the tendency to

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<sup>3</sup> See T. Kikuchi, "Intraregional Cooperation and Interregional Competition in the Age of Globalization", *Japan Review of International Affairs*, Vol.11, No.1, 1997.

regionalization and regional co-operation.<sup>4</sup> The new regionalism therefore can be defined as a multidimensional process which included economic, political, social and cultural aspects. It is a package rather than a single policy and goes beyond the free trade market idea; that is, the interlinkage of previously more or less secluded national markets into one functional economic unit.<sup>5</sup>

### **South-Eastern European Cooperation Process (SEECP)**

South Eastern Europe (SEE) is a region of hope, but it also finds itself in turmoil. The proliferation of new states, the reappearance of claims of numerous national minorities suppressed under the former regimes, and with these the danger of disputed borders are some of the ingredients of the new reality. On the other hand, the transition of most of the countries in the area to market economies opened up a new era of collaboration and of mutually beneficial economic relations between the countries of the region.

In SEE a large amount of initiatives of peripheral cooperation was observed during the decade of the '90s<sup>6</sup>. These initiatives could be separated in three categories. The first category refers to the "inter-regional" initiatives, meaning those that come from and of which are a part only states of the South-East European region; Croatia, Bosnia-Herzegovina, Yugoslavia, FYROM, Albania, Greece, Bulgaria, Turkey, and Romania. The second category includes "broader regional" initiatives in which states that do not belong exclusively in SEE take part in cooperation schemes that are pushed forward with the encouragement or the participation of outer-regional powers, but with direct influence in the region.

SEECP belongs undoubtedly to the first category as full member states are only Balkan states, Albania, Bosnia and Herzegovina<sup>7</sup>, Bulgaria, Greece, FYROM, Romania, FRY, and Turkey. Croatia is holding an observer status.

Following the tragic war in Bosnia- Herzegovina, high-level cooperation among all states in the region began in Sofia, in July 1996, under the name of the Process of Good Neighborliness, Stability, Security and Cooperation of the Countries of Southeastern Europe in an effort to renew the old Balkan Cooperation procedures of the mid 1970's with the Meeting of the Ministers of Foreign Affairs. In Sofia it was agreed that such an endeavor would involve: cross-border cooperation; easing of interstate trade; joint undertakings in fields such as combating organized crime, drug and arms trafficking; illegal immigration; promotion of environmental protection etc.

Consequently, the Balkan countries embarked on a new effort to lay the basis for cooperation, which would gradually build a climate of confidence, good neighborliness and stability in the area. Above all, the states stressed their commitment to respect international law, and to practice and abide by the principles which should govern the behavior of nations. The significance of this initiative was obvious. Moreover, the fact that the effort stemmed from within the area itself, gave the whole attempt a new and optimistic dimension for its future destiny. However at first, many analysts seemed uncertain as to the real willingness and ability of the Balkan states to establish regional cooperation in various fields,

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<sup>4</sup> A. Hurrell, "Explaining the resurgence of regionalism in world politics", *Review of International Studies*, Vol. 21, 1995, p. 321-358.

<sup>5</sup> H. Hettne, "Globalization and the New Regionalism: The Second Great Transformation" in B. Hettne- A. Inotai- O. Sunkel (eds), *Globalism and the New Regionalism*, London: MacMillan, 1999, p.17.

<sup>6</sup> See H. Kondonis "Prospects for Balkan Cooperation after the Disintegration of Yugoslavia", *East European Quarterly*, Vol. 32, No.3, Fall 1998, p. 377.

<sup>7</sup> Bosnia and Herzegovina formally became a member at the 4th meeting of the heads of state and government in Skopje on 22/23 February 2001. At this meeting, the FRY, as well as Bosnia and Herzegovina, signed the Charter on Good-Neighbourly Relations, Stability, Security and Cooperation in South-East Europe, since it failed to do so at the adoption of the Charter in Bucharest in 2000 because owing to the absence of its representatives at the meeting.

based on common interests. Despite these reservations, the procedure that began in Sofia continued in Thessaloniki in June 1997. Determined to go a step further, the participating states enriched their agenda with new items but, first and foremost, they reiterated their determination to support decisions and commitments already made. The Declaration set forth several ideas that were in many respects a novelty for intra-Balkan relations bringing "high politics" to the agenda.

The Thessaloniki Conference had brought "high politics" to the agenda for good. It did so by focusing on enhancing stability, on strengthening of political co-operation and good neighborliness, including security matters. The main commitment of the Process, according to the Thessaloniki Declaration is to promote and strengthen good neighborly relations among the SEE countries in order to transform the region into an area of peace, security, stability and cooperation. In addition, the Process aims to create a Southeastern Europe whose future is based on peace, democracy and economic prosperity as well as the full integration of the region into the European and Euro-Atlantic structures. The framework of this process includes political cooperation. This cooperation covers the issues of security and stability, the development of economic and environmental cooperation, promotion of humanitarian, social and cultural cooperation and cooperation in the areas of justice, the fight against organized crime, the elimination of terrorism, and illegal traffic with drugs, weapons and people.

SEECF represents therefore a comprehensive framework for regional cooperation, aimed at close cooperation with other international organizations and regional initiatives. Of particular importance are the UN, EU, OSCE, NATO, the Council of Europe, the Black Sea Initiative, SECI, CEI and BSEC. SEECF aims to coordinate these activities in order to avoid any duplication of efforts.<sup>8</sup>

The Heads of State and Government meet once every year in order to review the overall process of cooperation and give guidelines and recommendations for future activities. The summit is presided by the head of the state of the host country.

The Ministers of Foreign Affairs "at least once a year". The meetings of the Foreign Ministers represent the main forum for consultations, for giving guidelines to cooperation and for promotion of the goals of the Process. The Chairman-in-Office can call additional meetings if the circumstances require this or if the Foreign Ministers of other countries require it.

The Chairman-in-Office appears in the name of all participant countries and can inform interested countries outside the region, international organizations and the regional initiative, about the agenda of meetings, joint statements and documents adopted on issues of common interest. The Host country chairs the meetings, including the meetings of the Committee of Political Directors and the meetings of the Directors of the South Eastern European Departments of the Ministries of Foreign Affairs which regularly meets three -four times a year. The Committee, in a sense executive organ, has the flexibility of establishing subsidiary organs. The Charter introduced also the "troika" arrangement, which became operational during the Kosovo refugee crisis.

SEECF has no budget and permanent secretariat. Secretarial work is assumed by the host, which means on a rotational basis. Some ideas are now floated for the formation of a small secretariat without a permanent seat, on a rotational basis.

The Declaration also tasked the Political Directors to meet regularly and to prepare proposals for the institutionalization of the co-operation process.

This consent, as well as the climate of trust which was gradually being built, gave birth to a bolder proposal, at Greece's initiative, for the convening of a Summit Meeting of the Balkan leaders for the

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<sup>8</sup> See *The Thessaloniki Declaration on Good-Neighborly Relations, Stability, Security and Cooperation in the Balkans*, Meeting of the Ministers of Foreign Affairs of Countries of Southeastern Europe, Thessaloniki, 9-10 June 1997.

first time in modern history. This meeting actually took place in Crete, on 3-4 November 1997, and gathered all the leaders of the Balkan countries around the same table.

The participants determined to promote regional co-operation through:

- Scientific, educational and cultural relations
- Cooperation in judicial affairs
- Fighting organised crime and terrorism
- Economic cooperation
- Improvement of transportation, telecommunications and energy networks
- Establishment of favourable conditions for investment

The summit offered therefore an opportunity for the Balkan leaders to meet each other, something which for most of these leaders had never happened before. They discussed issues concerning their relations and sought ways to promote cooperation and build a common future in the area. It resulted in the signing of a Joint Statement, which reflected their determination to continue the process, and gave it new impetus.

The summit in Crete, apart from numerous limitations had something specific. There were no Western-European or American moderators. It seemed that Athens were especially proud of having succeeded to gather representatives of eight Balkan countries with no help from the West. In the attempt to become the locomotive of the Balkans, Greece several times stressed the "independence of the summit" from the other Western allies. Perhaps the other Balkan leaders could also be observed through that prism, like Milosevic who declared himself in favour of the Balkans for the people from the Balkans. According to him, the Europeans have often caused tragedies in the Balkans by stirring up wars and conflicts. Milosevic who did not see fit to mitigate his criticism against the NATO regardless of the presence of two members of the Alliance at the table, proposed and succeeded to have a whole paragraph devoted on the NATO in the declaration deleted. The Yugoslav president demanded military cooperation between the countries of the Balkans declaring that they were capable of resolving their problems by themselves.

On the other hand however, there were certain limitations. For example it was not possible to reach an agreement about the creation of a Secretariat and its creation was left for a later date. However, the next summit, which took place the following year in Antalya, Turkey, was marred by the absence of the Yugoslav and Albanian Prime Ministers and the President of FYROM. Clouds were already gathering over the region where the Kosovo crisis would shortly erupt.

Since 1998 within the framework of the Process, the following meetings have been undertaken: Conference of the Foreign ministers of SEECP countries in Istanbul, June 1998, and in Bucharest, December 1999, in Ohrid, in 2000 and in Tirana in 2001 and the Summit of Heads of states and governments in Antalya, 1998, in Bucharest 2000 and in Skopje in 2001.

In the Summit Declaration in Bucharest (Meeting of the Ministers for Foreign Affairs) on 12 February 2000 a Charter on Good-Neighborly Relations, Stability, Security and Cooperation in South-Eastern Europe was signed. The Charter which is the most important document of SEECP so far postulates the scope, principles, goals and mechanisms of regional cooperation. As the primary goal, the Charter notes the consolidation of good neighborly relations among all states in the region with a view to the transformation of the region into an area of peace, security, stability and cooperation. The future of Southeastern Europe is in peace, democracy, and economic progress with a view to full integration into the European and Euro-Atlantic structures. The basic goal of SEECP according to the Charter is to strengthen the political and security cooperation among the states of Southeastern Europe, practised through regular meetings of heads of state and government, ministers of foreign affairs and political directors, and through inter-parliamentary dialogue. Closer regional cooperation in a security zone has been envisaged within the framework of the meetings of Defense Ministers of Southeastern Europe (*South-east European Defense Ministers Meetings*). Consolidation of economic cooperation is another

component of the goals and mechanisms of cooperation that includes all forms of economic cooperation with a view to individually integrating the Member States into the Euro-Atlantic political, economic and security structures. The third component relates to the cooperation in human dimension, democracy, justice, and struggle against illegal activities.

In Ohrid, (Meeting of the Ministers for Foreign Affairs) in July 2000 the developments in Kosovo, Bosnia and in Yugoslavia were discussed. The Ministers commended the substantial efforts of the Committee of Political Directors for a more active inclusion of SEECP in the Stability Pact, particularly in harmonizing and co-ordinating the positions of SEECP participating countries towards the implementation of the Stability Pact.<sup>9</sup>

An informal meeting of the heads of states and governments of countries, which are in the new political geography called the "West Balkans", was held in the capital of Macedonia 26-1- 2000. The Conference was closed with the adoption of a joint declaration. It welcomed the return of FR Yugoslavia among countries of South-East Europe. The principle of equality and non-discrimination of all states-successors of former Yugoslavia, was underlined. The declaration also expressed principled support for the application of all relevant resolutions of the world organisation. There by direct mention of the Security Council Resolution 1244 was avoided because at least two participating countries - Albania and FR Yugoslavia - were likely to have different stand regarding its interpretation.

During the Summit which was held in Skopje in February 2001 an Action Plan for Regional Economic Cooperation was adopted. This document outlines priority areas for regional cooperation where immediate progress is possible, in the fields of justice, combat against organized crime and corruption, elimination of terrorism, illicit drugs, arms and human trafficking, addressing both reforms that SEECP countries are undertaking and the faster economic development of the region. It was also stressed also the importance of the Stability Pact and it was reaffirmed the support of SEECP states to the democratic process in FRY. Finally it was strongly condemn the violent and illegal terrorist actions, by the ethnically motivated extremist armed groups in South Serbia.

The latest Foreign Affairs meeting took place in Tirana on 16 May 2001. During that meeting the Ministers reaffirmed that regional co-operation and solidarity are an important contribution to their countries' common orientation towards European integration. All SEECP countries now participate in the European integration processes. They highlighted in this context the importance of the decisions of the Zagreb Summit. They welcomed the first Stabilisation and Association Agreement signed on April 9, 2001, in Luxembourg, by the Prime Minister Ljubco Georgievski and the representatives of the EU and its member states. The Ministers emphasised that the integration of South East European countries into European and Euro-Atlantic structures will further strengthen the security in the region and expressed their deep concern on recent developments in Tetovo and Kumanovo areas. They strongly condemned the terrorist acts threatening the security and stability of the country as well as of the region as a whole. They called on the ethnic Albanian extremist groups to cease this armed violence, release the hostages, lay down their weapons and withdraw immediately. They expressed their full support and respect for the sovereignty, territorial integrity and the inviolability of the borders of the country.

## **New Regionalism and SEECP**

SEECP provide a forum for discussion and a common framework where common positions and joint declarations on the problems of the region can be taken. These meetings demonstrate that the countries in the area can cooperate, not only in promoting various projects, but also are making substantial

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<sup>9</sup> In the meetings of Bucurest and Ohrid Yugoslavia was not invited as it was agreed that the Federal Republic of Yugoslavia's chair was considering as temporarily vacant, to be resumed as soon as conditions would allow it.

efforts in solving difficult problems of an international nature within the region. In what extent however SEECP is a product of new regionalism. Does new regionalism appeals as the appropriate process for SEECP countries? Is SEECP able to promote closer cooperation in the region?

Factors, promoting regional cooperation became evident in SEE immediately after the signature of the Dayton Agreement and the Interim Agreement between Greece and FYROM. When someone examines some of the factors which promoted SEECP would discover that this regional cooperation scheme might be considered as a product of new regionalism <sup>10</sup>as :

First SEECP is constituted by countries that most of them, if not all, have a clear sense of belonging in a specific geographical region that has acquired a "regional consciousness"<sup>11</sup>. The attempts of creating the conditions of regional cooperation are not new, but they come from the past. Besides that, the area of the Balkan peninsula does not have to show just intense confrontation although it has been characterized as the "powder keg of Europe". From the beginning of the century, the inter-Balkan contradictions co-exist with the contracting of alliance and Pacts, despite the fact that most of them aimed against other Balkan states, as the Balkan alliance of 1912 against Turkey, the Balkan Pact of 1934 against Bulgaria, the Trilateral Treaties of Alliance of 1953-54 (Greece- Turkey- Yugoslavia) against the pro-soviet regimes of the region, as Bulgaria and Romania. Only after 1976 did they start to form the conventions for an inter-Balkan cooperation, even on matters of low politics, to which, later, in the '80s, included matters of disarmament. The real multilateral cooperation in the Balkans was inaugurated in 1988 in Belgrade, and it was renewed with SEECP in the 1990's. Hence, a regional cooperation existed all through the last century despite the fact that almost all of the Balkan cooperation attempts followed instead of forming the events were remaining at the end initiatives of secondary importance with no visual results.

Second, in many countries there were and still exist movements promoting regional cooperation. These movements do not just arise from the governments but also from non governmental organizations, from "below". The defining element here is the multidimensional quality of regional cooperation and the emerging societal characteristics indicating the creation of a "Balkan civil society".

Third, SEECP constitutes the only cooperation in the wider area in which only South Eastern European states participate. It was the first co-operative forum initiated by Balkan countries, without the intervention of countries outside the Balkans. "The process of multilateral cooperation amongst countries of South Eastern Europe is the oldest and sole quite autochthonous regional initiative in the Balkans and is linked with process launched back in the mid 1970's".<sup>12</sup> Another special characteristic of SEECP is that it is a process which is an original form of cooperation among the states in the region set up on their own initiative, not on the initiative of other international organizations or states. In this context, SEECP attempts to define itself as the process of cooperation in Southeastern Europe complementary to the Stability Pact, SECI the Stabilization and Association Process, CEFTA and the BSEC Organization.

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<sup>10</sup> See C. Tsardanidis, "Regional Cooperation in South Eastern Europe" in T. Dokos- P. Pierros (eds), *The Balkans after the war in Kosovo*, Athens: I.Sideris, 2000,p.304. (in Greek).

<sup>11</sup> As with nations, so regions can be seen as imagined communities which rest on mental maps whose lines highlight some features whilst ignoring others. Discussions of regional awareness lay great emphasis on language and rhetoric; on the discourse of regionalism and the political processes by which definitions of regionalism and regional identity are constantly defined and redefined; and on the shared understanding and the meanings given to political activity by the actors involved. See A. Hurrell, "Regionalism in Theoretical Perspective" in L. Fawcett- A. Hurrell , (eds), *Regionalism in World Politics*, Oxford: Oxford University Press, 1995, p.41.

<sup>12</sup> See D. Lopandic, *Regional initiatives in South Eastern Europe*. Belgrade: European Movement in Serbia, 2001, p.114-115.

Fourth, the Balkan subsystem could be considered in an “autonomous geo-political area” with specific needs and interests consisting a "region". It's “autonomous geopolitical space/area” neither arises only from the fall of the communist regimes, nor from the major problems that the collapse of the Yugoslav Federation has caused to the stability of the region; it arises mainly first from the fact that these countries found themselves in a security vacuum between Western Europe and the former Soviet Union, and second and foremost from the proximity and intensity of the relationships among the states of the region. The criteria of defining a "region" do not make judgements about the outcomes of regional activity and organization: these outcomes can as easily be an identification of frictions as an intensification of cooperation or integration. "The key element is proximity and intensity of relationships. Thus, the extent of 'common historical experience and sense of shared problems' could be said to be at its peak in areas such as the Balkans where there has been a history of destructive conflict".<sup>13</sup>

On the other hand however, SEECP has indigenous weaknesses. These weaknesses reveal the fact that SEECP could not be included in the "new" regionalism process as:

First, SEECP effort to promote regional cooperation by paying attention mainly on soft security issues, like on drug traffic and smuggling or by improving the economic transactions between the member states cannot by themselves help to overcome the political obstacles in the absence of a parallel confidence- building process and real conflict prevention approach to each conflict separately as well as towards the region as a whole<sup>14</sup>. SEECP was unable to prevent the Kosovo explosion in Spring 1999, and does not seem competent to safeguard alone the sovereignty and territorial integrity of FYROM. There are major differences for the area's future between the countries. Conflicts and ethnic tensions have also hampered the full development of SEECP into a co-ordination center for regional co-operation. Albania looks forward to the modification of national borders, something that will allow the fulfillment of solid national desires of Albanians that live outside its borders, while other states, like the FYROM and Greece, are opposing to such a perspective. The historical leftovers also have to be taken into consideration: various controversial issues (in particular territorial and ethnic issues), bilateral disputes and a lack of mutual confidence. The impact of Turkish-Greek dispute should be taken into account too. It should be admitted that one of the reasons for the formation of trilateral and quadrilateral co-operation schemes on the sidelines (and one has to suspect that political ambitions too play a role here) is the competitive character of the Turkish-Greek relations<sup>15</sup>.

Therefore, the dynamic of the peripheral cooperation has not managed to create the proper frame of establishing a “security community” in the region.<sup>16</sup> As a consequence for the time being, the Cooperation is not in a position to secure the stability in the SEE. It has not yet reached this stage of maturity.<sup>17</sup>

Second, the political economy of regionalism remains rather poor in the case of SEE. The countries are going through painful economic transition. The SEE countries are small and underdeveloped. For years, they have been isolated due to sanctions and embargoes, closed borders, high tariffs and non-tariff barriers. Economically, they are unimportant, and economic co-operation among most of them is

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<sup>13</sup> See M. Smith, "Region and Regionalism" in B. White- r. Little- M. Smith (eds), *Issues in World Politics*. Houndmills, Basingstoke: Palgrave, 2001, p.57.

<sup>14</sup> See. S. Clement, "Subregionalism in South Eastern Europe" in S. Calleya, (ed), *Regionalism in the Post- Cold War World*. Aldershot: Ashgate, 2000, p. 87.

<sup>15</sup> Despite their bilateral disputes and differences in their outlook towards regional issues, Greece and Turkey have carefully kept these out of SEECP forum and they have even been able to co-operate effectively.

<sup>16</sup> See I. Bremmer et al, “Emerging Subregional Cooperation Process: South- Eastern Europe, The Newly Independent States and the Mediterranean” in A. Cottey( ed.), *Subregional Cooperation in the New Europe. Building Security Prosperity and Solidarity from the Barents to the Black Sea*. cit, London: MacMillan Press, 1999 p. 220.

<sup>17</sup> See A. Alp. "The South- Est Europe Co-operation Process: An Unspectacular, Indigenous Regional Co-operational Scheme", *Perceptions*, Vol.5. No.3, September- November 2000, p. 44.



weak. A Report of an Independent Task Force sponsored by the Council of Foreign Relations of New York the region's economies are facing serious problem, including corruption and organised crime, weak legal systems, faulty privatisation, weak financial systems and small, poor markets.<sup>18</sup>

Intra-regional trade is extremely low and Western countries, external to the region, still remain the main trading partners. Although the figures are approximate, as there is still no comprehensive source of foreign trade statistics for all SEE countries, they nevertheless demonstrate that in 1998 for example, for Albania, Bulgaria and Romania, trade with other SEE countries was of marginal importance<sup>19</sup>. Underdevelopment determines low purchasing power and thus impedes more intense trade, stimulating smuggling, illegal trade and the development of underground activities<sup>20</sup>.

Third, SEE states are not inclined to replicate the process of European integration but to integrate within it. The unique objective remains integration within existing frameworks (EU), and not a creation of parallel structures, perceived as being external and not complementary. A perception is prevailing that direct links with Western economic markets are more advantageous than poor economic regional relations lacking complementarity. Many Balkan countries fear that SEEPC will be used as a waiting room, and will slow down their pace to that of full membership of the EU.<sup>21</sup> The efforts to develop regionalism in South Eastern Europe therefore create a basic paradox: EU system aims at enhancing subregionalism in its immediate periphery while its very existence contributes at the same time to weaken the former.<sup>22</sup> Each SEE country believes that its political goals- including the admission in EU- can be achieved without deepening its cooperation with the other countries of the region.<sup>23</sup> As Stephen Calleya has pointed out "The opportunity of direct association to a certain number of states to participate in the benefits of this comprehensive international region is enough to discourage the states concerned from pursuing the establishment of their own internal region by offering sufficient enough rewards and remaining open through membership, association, or special arrangement a reasonable alternative, the EU has hindered other regional efforts".<sup>24</sup> On the other hand the EU regional approach strongly encouraged closer economic and political ties among these countries;<sup>25</sup> it played also an important role for the creation of the Stability Pact; has opened negotiations with Bulgaria and Romania for full membership to the EU and is ready to build up more close economic relations with the countries of the Western Balkans.<sup>26</sup> Developments in SEE and particularly in the West Balkans might divide EU once more and still is jeopardizing the achievements of its integration, and especially its image of a single entity in the sphere of foreign and security

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<sup>18</sup> See *Promoting Sustainable Economies in the Balkans*. Report of an Independent Task Force Sponsored by the Council of Foreign Relations. New York: Council of Foreign Relations, 2000, pp.15-21.

<sup>19</sup> The countries with the lowest share of intra-balkan trade relations are Turkey, Romania and Greece. The countries with the highest shares are Croatia, FYROM and Bulgaria. See G. Petrakos, "Fragmentation and Conflict or Integration and Co-operation in the Balkans", *Defensor Pacis*, No.3 September 1999, p.86. See also L. Tsoukalis, "Economic Aspects of European and Balkan Regional Integration", *The International Spectator*, Vol.34, No.4, October- December 1999, p. 44.

<sup>20</sup> M. Uvalic, "Regional Co-operation in Southeast Europe", *Journal of Southeast European and Black Sea Studies*, Vol.1, No.1, January 2001, p. 68.

<sup>21</sup> See A. Wallden, "Greece and the Balkans: Economic Relations" in V. Coufoudakis - H. Psomiades - A. Gerolymatos (eds) *Greece and the New Balkans*, New York: Pella, 1999, p. 119.

<sup>22</sup> S. Clement, "Subregionalism in South Eastern Europe" in S. Calleya, (ed), *Regionalism in the Post- Cold War World*. Aldershot: Ashgate, 2000, p.89.

<sup>23</sup> See N. Pandurevic, "Security Aspects of the Stability Pact for South Eastern Europe", *Security Dialogue*. Vol.32, No.3, September 2001, p.323.

<sup>24</sup> See S. Calleya, *Navigating Regional Dynamics in the Post Cold War World*, Dartmouth: Aldershot, 1997, p. 30.

<sup>25</sup> For the policy of the EU towards the SEE see A. Kotios, "The Balkan Policy of the EU", *Agora without Frontiers*, Vol.5. No.5, December- February 2000, (in Greek) pp. 163-206.

<sup>26</sup> However, some argue that EU remained vague (with no proposals for concrete programmes of regional co-operation); it had limited financial backing; and perhaps most important, it offered no incentives to these countries to carry forward its main objectives. See M. Uvalic, "Regional Co-operation in Southeast Europe", *Journal of Southeast European and Black Sea Studies*, Vol.1, No.1, January 2001, p.61.

policy. According to some, EU is facing a simple choice: "Either we manage to Europeanize the Balkans or Europe itself will become Balkanized".<sup>27</sup>

Fourth, SEECP has not made a great deal of progress towards its own institutionalization. As Dusko Lopandic points out that SEECP "continues to function on the principle of an *ad hoc* inter-state conference, without more specific work rules, without a political and /or technical Secretariat and without any kind of working/implementing bodies."<sup>28</sup>

Fifth, a hegemon state is lacking in South Eastern Europe in order to promote regional cooperation schemes, like SEECP. Robert Giplin's hegemonic stability theory posits that cooperation among states is possible, but that a hegemon, a predominant state, is a prerequisite.<sup>29</sup> When applied to regionalist arrangements, the hegemonic leadership thesis expects regionalism to develop more fully in those areas of the world in which there is a local hegemon able to create and maintain economic institutions.<sup>30</sup> The hegemony may well press the hegemon towards the creation of common institutions to pursue its interests, to share burdens, to solve common problems and to generate international support and legitimacy for its policies.<sup>31</sup>

In most other geographical areas where regional cooperation schemes are taking place a hegemon exists. In America, the USA are the main promoter of NAFTA and Free Trade Area of Americas. In the area of Former Soviet Union is Russia regarding the Commonwealth of the Independent States. In Africa it is South Africa regarding SADC and in Latin America is Brazil regarding Mercosur. However in the Balkans does not exist a local power having the political and economic ability to play the role of the hegemon regarding the development of SEECP, the "motor" of regional economic development.<sup>32</sup>

As a result of all these negative factors it is now recognized that the potential of SEECP becoming the promoter of SEE regional integration is rather limited. The assumption that regional integration should precede European integration has been defeated.<sup>33</sup> At present the Balkans is an explosive security complex with a low level of regionalisation and thus very far from being a security community." The management of Balkan conflicts has been a failure: plurilateral rather than regional intervention, division rather than interaction, prevention rather than provocation<sup>34</sup>. Therefore, SEECP should not be considered as an example of "new regionalism".

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<sup>27</sup> See J. Minic, "A Regional Framework for Peace and Development in the Balkans" in B. Hettne- A. Inotai- O. Sunkel (eds) *The new regionalism and the future of security and development*. London: MacMillan Press, 2000, p. 282.

<sup>28</sup> See D. Lopandic, *Regional initiatives in South Eastern Europe*, op.cit, p. 116.

<sup>29</sup> See R. Giplin, *The Political Economy of International Relations*, Princeton: Princeton University Press, 1987.

<sup>30</sup> See J.M. Grieco, "Systemic Sources of Variation in Regional Institutionalization in Western Europe, East Asia and the Americas" in E. D. Mansfield- H.V. Milner (eds), *The Political Economy of Regionalism*, New York: Columbia University Press, 1997, p.15.

<sup>31</sup> See C. Tsardanidis, "Reasons for the Development of Regionalism in the age of Globalization", *Adriatico*, Vol. 4/5, No. 6/7, Autumn 1997- Spring 1998, p.41.

<sup>32</sup> See P. Simic, "Do the Balkans exist?" in "The Southern Balkans: Perspectives from the Region", *Chaillot Papers*, No.46, April 2001, p. 28.

<sup>33</sup> See I. Krastev, "De- Balkanising the Balkans: What Priorities?", *The International Spectator*, Vol.35, No.3 July- September 2000, p. 11-12.

<sup>34</sup> See B. Hettne, "Regionalism, Security and Development: A Comparative Perspective" in B. Hettne- A. Inotai- O. Sunkel (eds), *Comparing Regionalisms. Implications for Global Development*. Houndmills, Basingstoke: Palgrave, 2001, p.32. Bjorn Hettne exposes three future routes for a strategy for security regionalism in post-conflict reconstruction of the Balkans if someone excludes the catastrophic options of further disintegration or the establishment of an external rule. First, the formal cooperation by governments anxious to increase the level of regionness ( positive Balkanization), second, informal cooperation, made possible by increasing homogeneity through convergencies in terms of externally imposed political regimes, economic policies and security arrangements. Third, passive integration through gradual participation in European structures. See Hettne, "Regionalism, Security and Development: A Comparative Perspective", op.cit. p.31.

Furthermore, in SEE two paradox situations co-exist.

The first one is that on the one hand a large number of regional cooperation schemes or initiatives are taking place from which SEECP is one of them. (Others are the Stability Pact, SECI, CEFTA, the Organization of BSEC, the Central Europe Initiative). On the other hand, however, Instead of the debalkanization of the Balkan states, the area has entered in a process of "Africanisation". Like in Sub-Saharan Africa states are collapsing, as was the case in Albania in 1997, countries and regions are becoming protectorates like in Bosnia- Herzegoviina and Kossovo and a real danger exists for a further dissolution of FYR and the subversion of FYROM. Instead of closer regional cooperation, disintegration is prevailing.

The second paradox is that the division of the region is becoming more deeper by the process of EU enlargement. Romania and Bulgaria are negotiating EU accession and thereby symbolically "leaving" the Balkans. As a Report of the Club of Three reveals that "with the accession of the Ten Central and Eastern candidates, SEE would be empty; the 'Western Balkans' would be left behind as the powder keg and poorhouse of Europe. Thus, the EU is *de facto* dividing a region with the left hand, while promoting multilateral co-operation among the states of the same region with the right hand."<sup>35</sup>

Nevertheless, despite these disadvantages SEECP is a valuable instrument with great potential for the future. But even in its present stage of development the role of SEECP as an institution for bringing together of the Heads of State and Governments, Ministers and of Political Directors to discuss the issues of common concern is an achievement which cannot be underestimated. After all, this is a region that passed through the ordeals of serious conflicts and experienced a long period of political and ideological divisions.

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<sup>35</sup> See *The Balkans and New European Responsibilities*. Report of a Conference organised by the Club of Three and the Bertelsmann Stiftung in Brussels, June 9-30, 2000, p. 19-20.

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