INTEGRATION OF WESTERN BALKANS, LIKE A BENEFIT FOR THE REGION AND EU

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ABSTRACT

The stability of the Western Balkans is still weak; it still depends on the support of the European Union. The prospect of EU membership has so far been the only driver and the most important for the implementation of many difficult reforms, necessary towards reconciliation and prosperity in the region. Studies have argued that the EU countries through adapting the enlargement strategy, guarantee a strong Europe from geopolitical and economical view too. Enlargement of the EU referring to the Western Balkan states, brings to the European institutional the possibility to strengthen the future basement of the European project. The paper will present the case that integration process that aims absorption for the Western Balkan in the Union, so that not only the Balkan states, but also the EU itself may benefit from stability in this region. The question is how to deepen integration and not to stop it because of illegal immigrants from the Western Balkans, or incomplete reforms. Are political steps like return visas, the right thing to do, or there is need for more effective European policies by increasing equality of opportunity for the Balkan countries, in the fight against poverty and high unemployment. EU investment for the European perspective of the Western Balkans in respect of Copenhagen criteria should be considered the only way to stability.

Keywords: Enlargement; European Union; Western Balkans, stability.

INTRODUCTION

The stability of the Western Balkans is still weak; it still depends on the support of the European Union. The prospect of EU membership has so far been the only driver and the most important for the implementation of many difficult reforms, necessary towards reconciliation and prosperity in the region. The paper will present the case that by the integration process that aims absorption for the Western Balkan in the Union, may benefit not only the Balkan states, but also the EU, interested for stability in this region and beyond. The challenge for the region is a process of preparation for membership in European structures. The integration of the Western Balkans into the EU can become a successful foreign policy achievement of the Union.

The question is how to deepen integration and not to stop it because of illegal immigrants from the Western Balkans, or incomplete reforms. Are political steps like return visas, the right thing to do, or there is need for more effective European policies by increasing equality of opportunity for the Balkan countries, in the fight against poverty and high unemployment? The paper relies on comparative analysis of international institutions documents and national policy strategies on integration process, as well as uses progress reports and other related official communication of the EU for the region. The objective of this article is to analyze the European Union’s strategy towards the Western Balkans. A survey of the literature shows that there is a lack of consensus regarding the evolution of the EU’s strategy towards the Western Balkans.
This paper will first offer a full panorama of developments in this region like state building and democratization and will discuss these processes in the context of the Western Balkans. In part two it will be demonstrated how these transformations are connected and that we can talk about an EU Member State contribute in the region. Finally, part three will analyze the rapport EU-WB, the costs and benefits of the relations and Europe can do more.

**THE REFORMS OF WB**

According to Alina Mungiu-Pippidi in 2011 the success of European Union enlargement to include former Communist countries was possible because of the accomplishment of their transformations from Communist systems to capitalism and democracy. In her analyze she specify that because of the great variation across the transformation paths among former Communist states, some transitions seem to have taken longer than others. That’s why the Western Balkan accession countries are still struggling to accomplish the institutional foundations of a sound market economy and a consolidated democracy. This paper try to survey the region road in this key area of transformation. One important case, as Alina Mungiu-Pippidi underlined has to do with the interplay of the process of Europeanization and the process of transformation. We can see the growing role of the European institutions, and the challenges facing the EU policy towards the Balkan countries.

Soeren Keil pointed out that there is general consensus among political elites and academics that the countries undergo complex transformations. These Processes, according to him, results complicated from the perspectives of Europeanization, state-building and democratization, because each country faces its own problem. All countries of the Western Balkans aspire to membership in the European Union (EU), through of the EU’s Stabilization and Association Process (SAP). Keil underlines that this Europeanization process in itself will lead to far-reaching changes in the countries’ political, social and economic systems. But, he stressed that, all states in the Western Balkans have weak state structures. By this kind of view he argue that the establishment of these states, meaning efficient governance institutions, full control over the state’s territory and good neighborly relations with other states in the region, remains a key challenge.

**THE ROLE OF EU**

Mungiu-Pippidi, Alina and Stefan, Laura (2011) argued that after EU accession began, EU conditionality automatically included the requirements of Council of Europe under the Copenhagen criteria of democracy and the rule of law. So Europeanization, defined as domestic change under EU influence, had in fact been initiated long before accession.

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2 Mungiu-Pippidi, Alina and Stefan, Laura 2011, p:27


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4 Soeren Keil 2013, p:345

Referring to Keil, the Western Balkans have seen rapid changes since the end of the violent conflicts in the 1990s and it is true that the European Union (EU) has been one of the main drivers for change, focusing on the political, economic and social transformation of the region to prepare the countries for membership in the Union. In his opinion, EU enlargement has never before been this complex and inter-connected with processes of state-building and democratization. But the studies and many indicators show us that the focus on conditionality as the main tool of the EU in the region has had positive and negative effects. The difficulties and the prolong transitions demonstrate that the stabilization of the region is unlikely to take place without an active role for the EU.

The process of integration into the Union therefore results in the implementation of a massive amount of EU laws, voting rights, property rights and the creation of a legal basis for the transfer of sovereignty to the EU.

It has been pointed out that “Europeanization” is an externally-driven, coercive and increasingly demanding process. Anastасakis (2005), and Belloni, (2009) has argued that the “Balkans have changed Europe and the EU as much as the EU is currently trying to change its southeastern neighbors.” The European integration of this region is complex and a long-term process. Florian Bieber (2011) argues that the EU becomes an actor in the state-building process in the Western Balkans. Through the process of Europeanization it is hoped that the EU will use its influence and the final incentive of membership to promote the establishment of efficient state structures and administrations that are capable of coping with the pressures of membership in the Union.

Chandler in 2010 has pointed out that in the fragile societies of the Western Balkans it does not matter if the EU intervenes directly or threatens to withhold some funds: both result in a crisis of local democracy and illegitimate pressure on democratically elected officials. He argues that EU conditionality has focused not on formal democratic principles but on governance and “administrative practices and policy choices of governments.” But EU still continues to have the support of the majority of the population of the Western Balkan countries for this integration project. This means, for Chandler, that the integration of the Western Balkans into European structures does not have to be decades away.

Marcus Alexander in 2008 underlined that now that the period of reconstruction and stabilization in the Balkans is drawing to a close, the “international community” has become preoccupied with the question, “What next?” Considering that European assistance has been

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scaled down and the Western Balkan countries have aired their fear of exclusion from the EU, the next steps will be of crucial importance. A looming crisis is often mentioned.

The situation in the region today is one of economic decline. Today, increasing unemployment and low output are the realities of the region.

As Ivan Krastev points out, there is a “growing mistrust that publics feel towards the democratic institutions.” For Anastasakis and Bechev that is the lack of relevance of certain EU priorities and conditionality instruments to the specific economic needs of the people in the region, along with a growing awareness of democratic deficits within the EU itself, has resulted in “wavering attitudes towards reformist leaders.”

According to Alexander, the growing gap between the populations in general—that is, increases in those living below the poverty line—and the transformed beneficiary elite—has become the order of the day and is feeding the social turmoil in the region. He underline that, the EU as a structure worked out and facilitated the implementation of the SP, SAP, and SAAs to govern relations with all the Western Balkan countries within a single framework.

THE LONG TRANSITION OF THE REGION

Considering all these facts, for Maria Todorova, 2012, the Balkans region is in Europe, but it is situated on Europe’s periphery. Many data from International Institutions show us a slow progress of the region. Lenard Cohen and John Lampe provide a timely and valuable exploration of the region’s post-2000 social, economic and political development. Goran Buturac and Ivan Teodoroviæ argued that the establishment of a market economy would also offer the prospect of more expedient and efficient participation in the international market.

However, these possibilities and perspectives did not result in introducing an investment cycle in the real sector and providing stronger sustainable economic growth.\(^{20}\)

| Table 1. Annual Percentage Change of Real GDP of the Southeast European Countries |
|-------------------------------------------------|----------------|-----------------|-----------------|----------------|----------------|----------------|----------------|
| Countries                                      | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
| Bosnia and Herzegovina                        | 6.88 | 6.84 | 5.50 | 2.70 | 0.80 | 1.00 | -1.20 | 1.20 |
| Montenegro                                    | 8.60 | 10.70 | 7.50 | 5.70 | 2.50 | 3.20 | -2.50 | 3.40 |
| Albania                                       | 4.74 | 5.47 | 2.36 | 3.30 | 3.80 | 3.10 | 1.30 | 0.70 |
| Fyrom                                         | 3.95 | 5.85 | 4.91 | 0.90 | 2.90 | 2.80 | -0.40 | 3.10 |
| Serbia                                        | 5.21 | 6.90 | 5.42 | 3.50 | 1.00 | 1.60 | -1.50 | 2.50 |
| Kosovo                                        | 5.21 | 6.90 | 5.42 | 3.50 | 3.20 | 4.40 | 2.50 | 2.50 |

Source: International Monetary Fund.

In the case of Albania for ex. according to a Investment Climate Statement of U.S Department of State in 2015, the country was largely spared from the severe fallout of the 2008 financial crisis, economic output has slowed since 2009, reflecting the prolonged European crisis in neighboring Italy and Greece where close to 1.2 million Albanians live and work and 66 percent of Albanian trade occurs.\(^{21}\) Faced with public debt ballooning to 70 percent of GDP and large arrears to the private sector, the government began an ambitious fiscal consolidation program and signed a EUR 330 million euro, three-year program with the IMF in February 2014.\(^{22}\) According to the 2015 World Bank Doing Business Report\(^{23}\), Albania made progress in regulatory reforms. Albania became an EU candidate country in June 2014 and currently is working to fulfill the criteria that would pave the way for the start of accession negotiations. World Bank concludes that, despite progress in these reforms, major challenges remain, with investors citing endemic corruption, weak law enforcement, insufficiently defined property rights, government red tape, lack of developed infrastructure, and frequent changes in the legal framework as major challenges to conducting business in Albania.\(^{24}\)


\(^{23}\) The 2015 World Bank Doing Business Report


\(^{24}\) Ibid.
Table 2:

<table>
<thead>
<tr>
<th>Country</th>
<th>Year</th>
<th>Index or Rank</th>
<th>Website Address</th>
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<tbody>
<tr>
<td>TI Corruption/</td>
<td>2014</td>
<td>110 of 174</td>
<td>transparency.org/cpi2014/results</td>
</tr>
<tr>
<td>WB’s Doing</td>
<td>2015</td>
<td>68 of 189</td>
<td>doingbusiness.org/rankings</td>
</tr>
<tr>
<td>Business Report</td>
<td></td>
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<tr>
<td>Global Innovation</td>
<td>2014</td>
<td>94 of 143</td>
<td>globalinnovationindex.org/content.aspx?page=data-analysis</td>
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<tr>
<td>Index</td>
<td></td>
<td></td>
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<tr>
<td>World Bank GNI</td>
<td>2013</td>
<td>USD 4,710</td>
<td>data.worldbank.org/indicator/NY.GNP.PCAP.CD</td>
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<tr>
<td>per capita</td>
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Source: International Monetary Fund (2009).

European Commission in his Progress Report of WB on October 2015 defined as core issues the rule of law, fundamental rights, strengthening democratic institutions, including public administration reform, as well as economic development and competitiveness, all this remain key priorities.\(^{25}\)

Table 3 Economic criteria according to Progress Reports of Western Balkans states.

<table>
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<tr>
<th>Key economic figures</th>
<th>Year</th>
<th>Countries</th>
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<tr>
<td></td>
<td></td>
<td>Albania</td>
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<tr>
<td>Gross domestic product per capita (% of EU28 in PPS)</td>
<td>2013</td>
<td>28.0</td>
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<tr>
<td>GDP growth (%)</td>
<td></td>
<td>2013</td>
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<td></td>
<td></td>
<td>2014</td>
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<tr>
<td>Unemployment rate (%)</td>
<td></td>
<td>2013</td>
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<tr>
<td></td>
<td></td>
<td>2014</td>
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<tr>
<td>Foreign direct investment (FDI) (% of GDP)</td>
<td>2013</td>
<td>9.6</td>
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<tr>
<td></td>
<td></td>
<td>2014</td>
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Source: Eurostat; *National Statistics Agency

Progress Report underline that the rule of law, judicial systems are not sufficiently independent, efficient or accountable. “Serious efforts are still needed to tackle organized crime and corruption. The functioning of democratic institutions also requires attention. Economic development is crucial for job creation and growth and increasing the interest of investors.”\(^{26}\)


\(^{26}\) Ibid.
Jens Woelk (2013) stressed that European efforts to create sustainable States in the Western Balkans, have brought about some progress, but a lot of work remains.²⁷ He concludes that the EU’s current engagement with the Western Balkans faces many problems and obstacles and therefore some reconsideration might be necessary²⁸. As Woelk underline there is clearly an “enlargement fatigue” on the EU side raising doubts regarding the political will of the EU and the Member States²⁹, but also the Western Balkans seem to suffer already from a (pre-)“accession fatigue”.³⁰

The process of constitutional, legal and societal transition in the Western Balkans is still under way.³¹ There are good reasons for taking the task of integrating the Western Balkans seriously, above all for the EU’s credibility as an international actor as well as the costs of non-enlargement³².

Many studies are focused on this report. The fundamental research question analyzed by Danijela Dolenec is why the process of democratization of Southeastern Europe after the shift of the communist regimes of 1989–1991 has not reached the same level as in the countries of Central and Eastern Europe³³. The basic argument for this complex question is very simple: the 1990s are still a relevant period for democratization of Southeastern Europe³⁴.

In this context, referring to the latest developments in the region, presenting The Annual Enlargement Package, (2015), Commissioner, Johannes Hahn said: ''The current refugee crisis shows how crucial close cooperation between the EU and the countries in south-east Europe is. The EU enlargement process, covering the Western Balkans and Turkey, is a powerful tool to strengthen the rule of law and human rights in these countries. A clear European perspective gradually transforms our partner countries and strengthens stability around our Union. Our firm commitment to EU enlargement, and to the conditions it involves, is therefore a long-term investment in Europe's own security and prosperity''³⁵.

²⁸ Ibid.
³² Ibid.
³⁴ Ibid, p:143
For King, Frykman & Vullnetari (2013), these migratory phenomena occur within the context of EU migration policies and EU accession for some countries. Yet within this shifting migration landscape of migrant stocks and flows, the fundamental economic geography of different wealth levels and work opportunities is what drives most migration, now as in the past. Regulation of population migration is linked to better economic progress, innovation, exchange of knowledge and ideas: all to benefit the local populations and to those involved in migration i.e. individuals.

**THE BENEFITS FOR WB AND EU**

On the other side, Mustafa Türkes and Göksu Gökgöz analyzing the position of EC, pointed out that in the case of the Western Balkans, the Commission has not yet produced a clearly definable project for full membership. Meanwhile, asking “Quo Vadis Southeast Europe”?, Monastirotis define that the Balkan states have to cooperate with one another because this is part of the (extended) conditionality of the European Union. Also he ask how to cooperate without the carrots and sticks associated to EU conditionality and the EU ‘pull factor’ and how to define what is it that the region represents. It is quite true that if all these are not to be taken in consideration we should be feared for a possible postponement of further enlargements by the EU caused by the own internal problems of the EU, too. Cohesion policies, Lisbon strategy, economic crisis, refugee crisis, are real obstacles for deepening this integration process for the region, even there is no doubt that the process of European integration has contributed to the economic stabilization of the region.

**WHAT EU CAN DO MORE?**

Referring to this report EU-WB, Florian Bieber pointed out that since the early 2000s the EU has emerged as the primary actor in state building in the Western Balkans. EU’s approach has relied strongly on the effect of conditionality as a tool of state building; however, the conditionality approach has been largely ineffective in regard to state building, in part due to the lack of commitment of political elites to EU integration and the persistence of status issues on the policy agenda.

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40 Ibid.


42 Ibid
Bieber underlined that this failure is rooted in the inability to transfer accession conditionality to state building and in the disjointed and haphazard manner in which state building has been pursued by the EU. According to Ivo Josipovic the Western Balkans will further develop their characters and capabilities by accepting something from both historical and traditional values of others. 43 “Europe helped us in this process by warning, criticising, and sometimes even making accession conditional on a country’s progress”, he says. 44

Josipovic underline that the EU needs to be more present, more engaged, and more consistent in the fragile neighborhood. Referring a long transition, and the long way to the integration, he says that in the past couple of years one could notice a general lack of support for further enlargement among the EU member states, a peculiar phenomenon called “enlargement fatigue.” Europe itself has to be strong before it accepts new members.”, concludes Josipovic.

For Pickering while the EU’s Stabilisation and Association Agreement (SAA) process developed for the Western Balkans sought to help build institutional capacity, this raised serious questions about the SAAs’ effectiveness in this area. 45 Jacoby argues that the EU is most successful in compelling reform when the EU has consensus about its norms for effective institutions in a particular sector and makes explicit demands on East European countries. 46 Referring to this position of EU, Florian Bieber is optimistic about European institutions’ influence on Western Balkan democratic institution building, given certain conditions. 47

CONCLUSIONS

The EU had to assist and try to speed up the process of integration of the region. Human rights promotion, state capacity-enhancing reforms, and reinforcing the rule of law, are particular area needed for the process of Europeanization to meet the provided criteria’s. The countries of the Western Balkans want to join the EU and the EU will accept them, if they fulfill the conditions. These conditions have been specified further. In the same time, if this does not happen the EU can threaten to block further progress in the EU enlargement process. EU countries through adapting the enlargement strategy, guarantee a strong Europe from geopolitical and economical view, too. Enlargement of the EU referring to the Western Balkan states, brings to the Union the possibility to strengthen the future basement of the European project.

44 Ibid.
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