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Bosnia and Herzegovina in the Contemporary Process of Balcan (Re)Integration and within European Integration Flows

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**Bosnia and Herzegovina in the Contemporary Process of Balkan (Re) Integration and
within European Integration Flows** (not assigned to any session)

Abstract:

Bosnia and Herzegovina, as a small economic underdeveloped state and conglomerate of nations, cultures and different external influences, exists within South-East Europe which is one of the least stable world regions. As other transitional countries, Bosnia and Herzegovina is also trying to find an optimal solution for its social and economic development, having in mind its political, economic and cultural disharmony. The process of economic re-integration, between during the war organized administrative-political entities within Bosnia and Herzegovina, is still ongoing. Integration of economic and trough civilization linked Balkan-region should result in the Balkan Union, democratization and pacifism, which is a part of Trans-Atlantic strategy. But, the question remains: How much will this strategy slow down BH economy, economic reconstruction and its membership in EU?

We have to take into account the fact that each region focuses on its characteristic way of production and economic mutual-dependency. This dependency is a result of complex interaction of external factors (economy, politics, institutions, etc) and its internal life, which is influenced by cultural criteria's (language, customs, social communication, etc.). This paper in accordance with contemporary theoretical and empirical literature we try to structure future political and social life in Bosnia and Herzegovina within the context of Balkan integration. But, we did not underline classic approach to regionalism, because of influences of "new regionalism" on this Balkan region.

Key Words: Bosnia and Herzegovina, integration, Balkan regional security.

1. Integrative processes in south-east Europe and EU integration politics

Besides world economic globalization, during the last two decades there is also very strong and intense process of so called "new regionalism", which results in accelerated development and strengthening of international political, economic, cultural and other relations between countries, which are linked trough geography and complementary economics. In this

“century of integration”, as a result of ambition for stronger regional co-operation many political and economic integrative and regional groups have been formed.

Initiatives for regional integrative links and building of stronger relations in South East Europe differ from those in the rest of the world and have proceeded from external developments. It is already known that the Pact for the Stabilization is a result of German and American idea and its aim are achievement of political, economic stabilization and security in this region. Even when the Marshall Plan for the Balkans has never been clearly defined and there is no common strategy for the EU and USA involvement in this region, “stability pact” has very important role in the ongoing process of pacification and creation of the frames for future regional co-operation. Since “stability pact” has become reality, European Union obligated its members to build stronger relations and to conclude agreements about regional co-operation, which includes: regional trade links, creation of political dialogue, co-operation in the juridical processes, etc. Through the process of stabilization and integration, all countries within this region have moved closer to European Union (in co-relation with development of regional co-operation). One of the official EU documents¹ defines and underlines elements of future strategy and stages of future integrated trade flows for this region.

Even though the duration of the incorporation process of South East Europe to EU is the duration of the “stability pact”, there are opinions that this specific Euro-region should be treated as something relative, since there is no defined institutional time horizon for it. Besides that, countries-members are obligated to regional co-operation with different neighboring countries, but there is no geographical determinism. In order to enhance this co-operation, EU has offered substantive help and support through concrete projects, but without clear definition of the required regional co-operation. But even today, there are still many doubts about future institutional form for integration. More attention is given to “free trade zone”, which is the weakest form for economic integration, where the members harmonize its internal customs, but custom duties for the third countries are still internal matter of each country. In theory, this form of economic integration is considered as transitional, provisory and not enough integrative. There are also doubts about how much this kind of integration in South East Europe can result in a faster economic development of this region, unless the region becomes a part of broaden free trade zone – European Union.

Custom union as an alternative integrative model for South East Europe, an idea of “Center for European Political Studies” from Brussels. Custom Union with its “trade diversion” and “trade creation”, alludes much higher level of institutionalization and integration within

South East Europe because it requires custom harmonization toward third countries and liberalization of economic relations between members. But, as far as known there have not been made any comparative analyses for these integration schemes, not in EU or in any South East European country. We believe that there will be an integrative process according the EU norms, so we will not discuss this subject.

2. Possible Concrete Schemes for Integration of Balkan-Countries

Earlier introduced and from West Europe highly encouraged regional co-operation in South East Europe has different meanings and interpretation in different countries within this region. New-old geopolitical cognizable region of European Continent is very often a subject of new redefined context where the emphasis is on its different geographic dimension (from south part of North Adriatic Sea to estuary of Danube, south of Danube, etc.) Different debates with subject related to European and Balkans Integration outline that these kinds geopolitical groups are more academic issues than real life. The people will still live on Balkans, no matter its negative historical identification and no matter how much Balkan-phobists underline their individual regional culture.

Speaking of concrete future regional co-operation on the Balkans, orthodox Balkan-regionalists acknowledge the necessity of so called “functional co-operation”, or more specific introduction of Trans -Balkan or Trans-European transport, telecommunication and energy system, but regional co-operation in different areas is still postponed. Very often people forget the fact that the development of Balkan-countries needs primary Balkan markets, and afterwards European market. This fact will very soon change the reality of economic life. However, economic problems in these countries require urgent conclusion of free trade agreement.

Specific attention during the last two years aroused the model of integrative linking in South East Europe. It seems that politicians and economists in some parts of Europe share the same opinion regarding this matter. Specifically, almost everybody does not support idea of Custom Union as a next stage in integrative linking between South European countries, because this idea has been labeled as “revival of Yugoslavian idea”. Preferences given to creation of free trade zone followed with network of bilateral agreements between neighboring countries, which could be used as a future base for the mutual multilateral agreement. With this approach, the political institutional frame for regional integration could be avoided. Having in mind that they protect agreed activities for realization of mutual interests, regional relations should be based on economic co-operation and any tighter integrative linking should be postponed. This opinion is

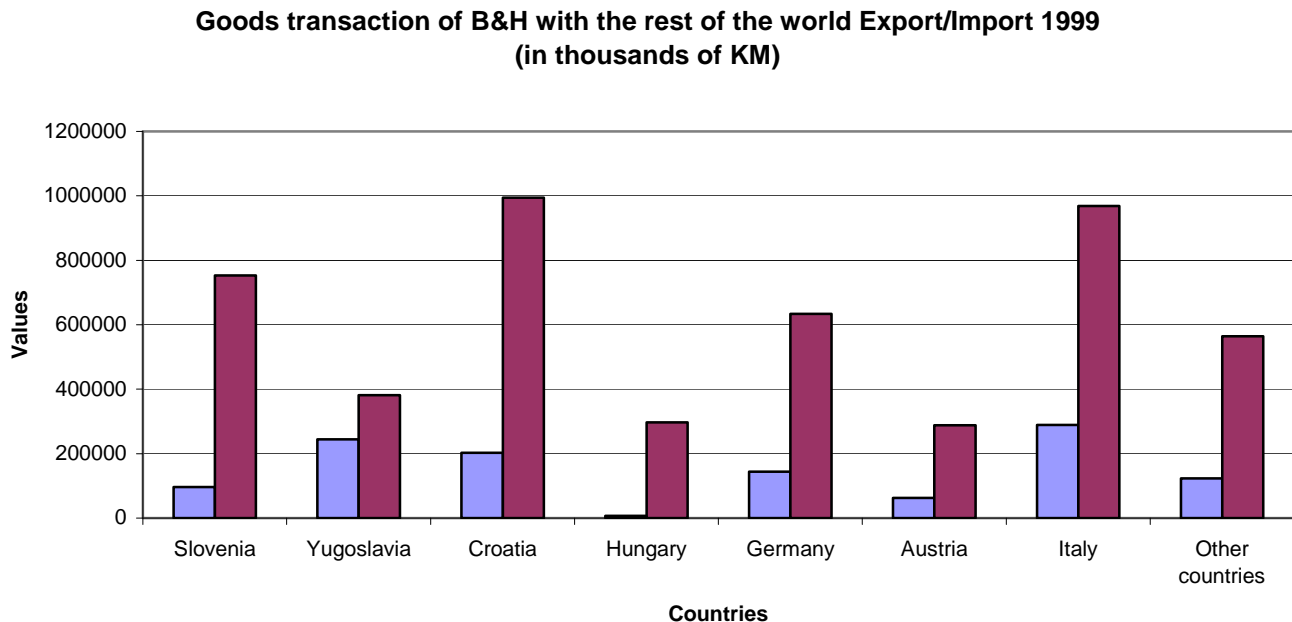
lately partially supported from EU. But, the question remains: How long this opinion will be supported? It will definitely depend on future process of regional co-operation development and integration in South East Europe, but also from the rapidity of linking between Balkan countries to EU after the accordance of agreement on stabilization and integration. Having in mind that integrative politics of EU toward potential members has characteristics of global and standardized, it is quite possible that this process will not depend on integrative politics of single countries.

In some other parts of Balkans international flows have also a special place in theoretical and empirical literature, especially in the last few years. But, already present political, economic, institutional and cultural patterns have created specific economic and social way of life and construction of regional identity, which is significantly different from European integrative “building”. But, the newest movements have proven that Balkan countries have European Union as its center of gravitation. Also, it is obvious that “unfortunately position of Russia in international relations is getting weaker and European Union enlargement toward east is the fact that could not be obstructed”.ⁱⁱ Also it has been acknowledged that European option has no alternative and that depending on political situation, faster institutional movement toward EU is quite possible. There are also some problems related with this issue: political “rigid” proviso (democratization, minority rights, etc.) and regional proviso (intensive co-operation with neighbors). For these reasons there is a need for adaptation of “Convergence criteria’s” and fulfillment of other EU norms, which is the only realistic way towards better future. In that context it is necessary to develop “stable forms of regional co-operation which are compatible with Trans-European infrastructure-networks”ⁱⁱⁱ and give the adequate share in the process of preparation South East Europe for future European integrative flows. This opinion is mostly in accordance with spirit of contemporary European integrative involvement and definitely shows the possibility of mutual definition of future primary modules for regional co-operation between Balkan countries.

3. Bosnia and Herzegovina in the Context of Possible Regional Integration in South East Europe

In case of Bosnia and Herzegovina, the main aim for the future is achievement of regional stability of Balkans, more efficient use of available resources, enlargement of social efficiency, reduction of costs of social, political, economic transition and reduction of political instability. According the available data for 1999.^{iv}, 47% of total exported goods have are

exported to other Balkan countries. In the same time 44% of all goods imported are imported from other Balkan countries. Because of these and other similar facts, we can conclude that Balkan integration is strategy for its development and its priority, especially because the trade deficit of B&H.



Of course, for any serious process of regional co-operation and integration in this region we have to take into account many historical, political, cultural and anthropological characteristics, and the fact that any political inexplicit or not well-defined economic project will not be successful. In order to create social and economic stability and adequate integration shames, in Bosnia and Herzegovina we have to create an “integration-culture “ and compromise-acceptance in conflict settlement.

In contemporary B&H real developing and integrative problems are hardly expressed. No matter that involvement of B&H in different integration flows is its only possibility to survive, these processes are still on the edge of everyday politics. This is a result of “declared” integrative activities, which are actually completely anti-integrative. B&H, like any other country, lead by interests of social stability, has primary goal to assure the influence on political, economic and other flows within the country, and since the integrative process requires its internationalization to achieve strengthening of integration impulses. History shows that these impulses have retroactive influence on the country itself (economic and political situation), which results in different implication on the integration level. In this case processes of simultaneously strengthening of the state and the need for internationalization of economic flows are very often

contrary to each other and have different effects. From theoretical standpoint the content of this problem is identical in every country but it manifests differently depending on specific situation in single country.

Integration process all around the world, in Bosnia and Herzegovina too, was never motivated by altruism, and its positive characteristics have always been underlined. But, having in mind that through this process different nations express their preferences for “broaden center” and that their activities even before integration are very often oriented toward creation of broaden national consensus. Situation is especially difficult in the countries where integration process and sub-national institutions development could be the best dam for international tensions (that is the case in B&H), but for different reasons this process is slowed down.

In contemporary B&H reality there are very often influences of territorial identity, local tradition, national value, etc., which aroused after disintegration of great historical Yugoslav sub-nationalism. Because of that B&H has a need for internal integration followed by elements of coordination and unification. After that more intense integrative activities can follow the context of Europe and “road-map”. For this reason the choice between free trade zone and custom union, today is not very actual on this region.

CONCLUSION:

This paper is about contemporary and concrete integration forms in South East Europe. Theory of International Economics defines integration as compatibility of state economic policies through the dynamic process. Within this process, politicians should determine the political implications of their concrete form of integration. In the future, Balkan politicians will have to invest a lot of effort in order to fulfill their wishes toward integration, which will not be an easy task having in mind inherited problems, actual political and economic situation on this region.

ⁱ “The Road to Stability and Prosperity in South East Europe: A Regional Strategy Paper”, The World Bank, March 1, 2000.p. -62-65.

ⁱⁱ Ruska politika na Balkanu”, Institut za međunarodnu politiku i privredu, Beograd, 1999, str. 199.

ⁱⁱⁱ J.Minić, “Postdejtonska privredna obnova”, “Međunarodni problemi”No 1-2 1996, Beograd, p.128.

^{iv} Agencija za statistiku Bosne i Hercegovine: “Saopštenje o robnom prometu sa inostranstvom”, Sarajevo, septembar 2000, str.17.