

EU STRATEGY FOR THE DANUBE REGION PERSPECTIVES FOR THE FUTURE

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PREFACE

During the Hungarian Presidency of the European Union the proposal of the European Commission, based upon the request of the European Council from June 2009, to formulate and implement a “Strategy for the Danube Region” has been an important step towards strengthening the idea of macro-regional development across the countries of the community, and even beyond. As long as the EU Strategy for the Danube Region (EUSDR) in geographical terms focuses on the catchment area of the Danube river, it is of utmost importance for any co-operation and networking in the countries and their regions along the river. In this respect, it was obvious that the Danube Rectors’ Conference (DRC) would also devote attention to how the strategy is constructed, including the foundations, the background, its elements and the potentials it holds for the future. The DRC Summer School in 2011, therefore, was organised along the lines of discussing a number of related issues, ranging from history, via the topic of the macro-region concept, to education-, employment-, and economics-related questions, all in relation to the Strategy for the Danube Region one way or another.

The present volume consists of twelve papers, representing various social science disciplines, and offering the ground for further discussion over emerging themes and intriguing case studies. Michael Weithmann opens the floor with an introductory “speech”, which deals with the various symbols the Danube as a river holds. Miroslav Stojšavljević discusses the historical perspectives of Central European co-operation connected with the river, and at the same time deals with some Serbian opportunities in the field of transport. While Alexandra Tieanu analyses the discourses on the relationship between Western Europe and the Russian Federation in the 5year period of 1989 and 2004, Dan Lazea deals with the relevant topic of the Strategy to become one of the important tools in the EU to transmit European principles or conditions. In her paper Tatjana Slijepčević describes the process of the events and documents of enlargement in the Balkans, and of the establishing of the DRS, emphasising the significance of the Strategy as a new perspective for the Western Balkans region. Svetla Boneva provides another description of the macro-region concept of the EU in light of related EU documents, and her aim is to speak of the role of energy policy in countries of the Balkans, especially in Bulgaria. Norbert Horváth connects development and sustainability and compares Western and Eastern democracies from the point of view

of civil society. Elena Teutsch elaborates on one of the most crucial potentials for the Danube region, i.e. the “construction of the Danube” as a destination for sustainable tourism. Marijana Alavuk looks into some problems of the educational system of Serbia, and deals with environmental education, LLL and e-learning in some general aspects. Alexandra-Maria Bocşe shows us an excellent case study with suitable theoretical background about the actors and processes of transnational advocacy networks, which are undoubtedly important for any regional aspiration. Jelena Tešić’s paper deals with European competition policy and its implementation in Bosnia and Herzegovina, looking at mergers from the perspectives of the legal foundation and practical implementation of the control over them. Jennifer Horvath closes the volume with another case study that tells us about the evaluation of the Hungarian labor market in terms of a shortage of skilled labour in Germany, thus, dealing with the employment policy with the special angle of German–Hungarian co-operation.

It is a collection of mostly policy papers providing some relevant information hopefully interesting for politicians and other stakeholders involved in the Danube Strategy. Its potential merit can be that it made scholars and researchers involved from 12 countries ranging from the Danube Region to the Black Sea and the Western Balkans, providing another opportunity to join the Central European policy circles.

The 8th collection of the annual summer school series could not take its present form without the continuously generous support of the partners who are behind the school since its establishment in 2004. We thank the Danube Rectors’ Conference (DRC), the University of Natural Resources and Life Sciences (BOKU), the University of Pécs, Faculty of Humanities, the Central European Initiative (CEI), Lower Austria / Working Community of Danubian Regions, Upper Austria, the City of Vienna, the Hanns Seidel Foundation, the Erste Foundation, Erste Group and Via Donau for this!

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THE DANUBE: A EUROPEAN RIVER AS STREET, BRIDGE AND FRONTIER. AN INTRODUCTORY ESSAY

MICHAEL WEITHMANN

THE AUTHENTIC EUROPEAN RIVER – CONNECTING WEST AND EAST

The Danube represents the European river par excellence. On its 2,872-kilometer way it traverses the central areas of Southern Germany and it forms the axis of Central- and Southeastern Europe. The Danube runs, geographically singularly among the rivers of Europe, in a horizontal manner, in the direction of West to East while all the other large rivers—the Rhine, Elbe (Labe), Oder/Odra, Vistula and Volga—flow vertically from South to North or vice versa.

Since the universal turnaround of world politics in 1990, ten sovereign states call themselves direct abutters to the Danube. But the Danube area, the area which is not only geographically but also historically and culturally characterised by the Danube, is far more spacious and contains numerous countries and peoples of different language, religion and mentality.

Every person dealing with such an extensive topic has to structure his report and to refer to certain aspects, to certain angles of vision. In the following I would like to refer to the structure of the Danube as it is applied in geographical science: the Young Danube from its sources in the Black Forest up to Ulm which is the Baden and Wurttemberg area, then the in historical times already navigable Upper Danube between Ulm and Bratislava with the bordering countries Bavaria, Austria and Slovakia, followed by the Middle Danube leading through Hungary, Croatia and Serbia down to the Iron Gate, where the Danube breaks through the Carpathian Mountains, and finally the lower reaches of the Danube with the countries Romania and Bulgaria, the Lower Danube which merges into the wide Delta and the mouth, part of which are Moldavia and Ukraine.

The waters of the Danube reflect 3,000 years, in which the histories of the peoples at the river, of their societies and culture are testified by sources. For prehistory

and early history mainly archaeological sources are available for the historian. But for the Roman period and especially for the modern age and contemporary history a chronologically growing abundance of written documents and evidence is at our disposal. We should not forget the monuments and historical buildings along the river, which especially in Vienna practically surround one.

FUNCTIONS OF EUROPE'S "GREAT STREAM":

STREET, BRIDGE – AND BORDER

In the historical review of this period of almost 3,000 years the main question for the observer might refer to the function, the proposition of the river within its enormous catchment area between the Black Forest, the Alps, the Carpathian Mountains, the Balkans and the Black Sea. How did the people interpret this great stream, how did they "make use" of it?

By the way, "Great Stream"—in this sense: large, long and broad river—is supposed to be the translation of the maybe Celtic name of the Danube, which reads similarly in all the European languages: Danubius, Danube, Donau, Duna, Dunava, Dunarea, Tuna and so on. There existed an antique Greek name "Ister", too, but Ister or "Histrios" referred only to the very easternmost, Greek-known part of the river, mainly its mouth into the Black Sea, the Pontos Euxeinus. Consequently the name "Ister" has vanished in subsequent history.

Let me look in a more detailed manner into the functions of the 2,857 kilometers of the Danube together with its large catchment area during the course of history.

Three different functions crystallise clearly: The street, the bridge, and the border. "Street", on one hand can be understood as a peaceful traffic and sales' route, on the other hand as a military road. A peaceful situation—coexistence and mutual cultural exchange—is a precondition for the function of the "bridge".

And then there is the river as a "border", as a frontier, a Limes, as a walling off from the "foreign", the "strange", such as it mostly occurs after military conflicts. No observer of history can avoid the painful, even bitter realisation that in the course of history the Danube has mainly served as a border. As in fact it does up until today. Let us remember: Until 20 years ago, there were "only" eight Danube countries, at present there are ten.

East of Vienna, three states have disappeared since 1990, namely Czechoslovakia, Yugoslavia and the Soviet Union, all of them federal states. Out of these emerged

five new states, which consider themselves nation-states employing the Danube as a borderline: Slovakia, Croatia, Serbia, Moldavia and Ukraine.

“Integration in the West, disintegration in the East” therefore was and is a slogan in the media which dominates past and present discussion about the Eastern and Southeastern enlargement of the European Union (EU): While Western Europe increasingly unites—despite of all current difficulties—and makes international borders disappear, a world of states develops in South Eastern Europe and also along the River Danube, a world defined by dissociation and bearing considerable potential for internal and international conflict.

Street, bridge, border—these three aims, these three dominant purposes the Danube has represented throughout the last 3000 years run like a thread through the Danube’s history. As a critical audience, you will object with good reason that street, bridge and border are most different if not opposing terms—after all, border does not go with bridge and not necessarily with street. The contradictory functions of the river show the immense complexity of the entire Danube area when referring to history and culture. It shows the inconsistent, differential interior history, which moreover always has been determined massively from outside, namely by the imperialistic great powers in East and West, whether Latin Rome, Byzantine and later Ottoman Constantinople, Habsburg Vienna, Prussian-German Berlin or Slav- Orthodox, later Soviet Russian Moscow.

Since 1990, we have experienced a hegemony turnaround towards the European Union and the North Atlantic Treaty in Brussels. This changing massive influence of the great powers seems to be a constant in Danube history. Since the earliest times the great powers have torn the Danube area apart into a Western part, a Central part and an Eastern part. The Western part consists of Baden, Wurttemberg and Bavaria while the Central part consists of the area which currently is again called “Mitteleuropa”, Central Europe, namely the former Dual Monarchy of the Austrian-Hungarian Habsburg Empire and therefore Austria, Slovakia, Hungary and Croatia as well as parts of Romania.

While these two major areas—the Western and the Central Danube—are marked by the “West”, the “Occident”—let me say “the Abendland”—and that means in historico-cultural terms Catholic, Protestant and, most importantly, by European enlightenment, to this day we cross a clear cultural—and mental—barrier when we enter the South Eastern Danube area with its Eastern Christian Orthodox countries

of Serbia, Romania and Bulgaria which, culturally, are stamped by Byzantium: an inner European cultural West-East-border, which may be politically correct to ignore nowadays, but which nevertheless still seems to be virulent.

“CHESSBOARD OF THE GREAT POWERS”

With regard to a political view, more exactly a geopolitical view, the entire Central and South Eastern Europe has served (and continues to serve) as the proverbial “chessboard for the diplomacy of the great powers” since the 17th century: Our region was part of the “Great Game” between the super-powers, a sphere of changing influence among the Habsburg Empire, the Ottoman Empire and the Russian Imperium, completed since the later 19th century by the impacts of Germany and Italy.

Probably no other European region fits as well as the Danube and Balkan areas the Machiavellian principle: Divide et Impera! The unique variety of cultural groups, religions, languages and mentalities along the river has facilitated the influx of powers from outside. According to a common bonmot by Karl Kraus (1874–1936) there are 20 languages, five religious denominations and three alphabets living together here. To name the particular languages—Germanic, Slavic, Romanic, Ugric, Turkish, Roma ones—would be beyond our scope.

The denominations are in short Catholic, Protestant (Lutheran and Calvinist), Orthodox (Greek, Slavic, Eastern Catholic), Muslim, and Jewish (Ashkenazi, Sephardic), the three alphabets are the Latin, the Cyrillic and the Ottoman-Turkish, which until the beginning of the 20th century was still written in Arabic letters.

So we have to go far back into history to be able to comprehend the specific cultural, ethnic and religious shaping of the Danubian multiracial area. First came the division of the Late Roman Empire in the 4th century AD, which ran straight North-South through the Danube area, second, the following schism of Christianity into the Latin-Roman Western Church and the Byzantine-Orthodox Eastern Church, the still existing Schisma of 1074, and then, third, the penetration of Islam in early modern times. These are the three critical phases of this historical development, forming the specific cultural background of our area.

Subsequently, since the 19th century this region has been influenced by the National Romantic Idea originating from Germany, from Johann Gottfried Herder (1744–1803). By that, in addition to the existing denominational and language borders, the Danube area was furthermore divided—even chopped up by nation-state-borders, a course of events

which at present has by no means come to an end: we only have to think of the recent nation-building in Bosna i Hercegovina, Crna Gora (Montenegro) and Kosovo/Kosova.

Thus, a real world of small states with a considerable potential for internal and international conflict has developed. Another painful realisation in this context is the fact that for the longest periods of history this multiethnic and multicultural mixture has not been a picturesque convivium or cooperation, but a juxtaposition—living not together but separated in their own spaces—, a position imposed and manipulated from above by the influence of the great powers. As we lately experienced in Yugoslavia, this mixture or melange could and still can very quickly turn into a violent conflict and “ethnic cleansing”.

The Romans, the Byzantine, the Ottomans, the Habsburgs and finally the Soviets have all functioned as regulatory powers at the Danube and they have all left their mental and material traces. The West as represented by the EU and NATO currently tries to bring about a pacification by economic support as well as military intervention.

It can only be speculated whether those centuries’ old international matters of dispute and minority conflicts which have been passed on from generation to generation can really ever be solved. The inclusion of the Central and South Eastern region into European unification is one of the great political challenges of the 21st century.

THE “FIVE-PART” DANUBE

At present we see a five-part Danube region, five parts which reflect a significant economic and social gradient, a decline running from West down into East. And literally downstream from West to East. The first part comprises the old members of the EU and also members of the Euro-Zone, Germany and Austria, ranking among the most developed prosperous and modern countries worldwide. This is, so to speak, the First World on the Danube’s banks.

The second part consists of the younger members of the EU along the river, Hungary and Slovakia. These two countries represent the so-called emergent countries (“Schwellenländer”), standing on the threshold of transition from an agrarian society to an industrial one. These form the Second World of the Danube region. It is interesting to see that this “Second World” covers the core of the area called “Mitteleuropa” in former times—a rather theoretical, not to say ideological terminus, today mostly replaced by the term, “Central Europe”.

The third division, the third part comprises more recent members of the EU, Rumania and Bulgaria—EU states already, but also heavily criticised for not fulfilling the simplest European standards of the *acquis communautaire*. These countries represent the “Third World” of the Danube.

Let us now look to the fourth part: those aspirants or candidates with realistic chances for inclusion into EU: There is first of all Croatia, the most recent Candidate of 2011. Croatia is most similar to the “Second World”, Hungary and Slovakia, and also forms part of bygone “Middle Europe”. Serbia might become the next aspirant. Serbia’s situation tends more towards the so-called Danube’s Third World, Romania and Bulgaria. Differences notwithstanding, these two former Yugoslavian states Croatia and Serbia represent the “Fourth World” on the Danube.

And finally, we move in sight of the non-members of the EU along the stream: Moldavia and Ukraine, ironically, a dwarf-state (Moldavia) and a giant-state (Ukraine) regarding area and number of inhabitants. These two countries are without any real or even long-term perspective of joining the EU. Both are members of the SNG, the Russian-led “Commonwealth of Independent States” (in German: GUS). And both are moving along the edge of the poverty-line. Moldavia is regarded in the press and the media as “the poorhouse of Europe”. These Non-EU members might be called the “Fifth World” and, sorry to say, the Last World of the Danube area.

And so we are bound to recognize still an economically and socially interrupted line of “Five Parts” along the river, ranging from the Western countries via the Central and Southeastern lands down to the “Far East”. It is impossible not to notice this downstream line along the river marked by a strong downward movement in wealth, social security, income as well as in ecology. You may follow this social river-line here from Vienna, moving slightly downwards to Bratislava and Budapest, but then in a visible bend to Beograd and then passing the Iron Gates in a sharp bend down to Bucharest and Ruse and from there with an even sharper drop to Cisinau, to Reni and Izmailia.

We know that the Danube region as a whole has never formed any Unity or uniform space during its long history, be it ethnically, confessionally, nationally or otherwise. Maybe the destruction or softening of old borderlines along the Danube and in the Balkan region will serve to reduce the risk of violence and war such as that experienced in Yugoslavia in the first part of the 1990s.

Drastic diagnostic mistakes as made by the West and the EU at the eve of destruction of Yugoslavia in 1991 and based upon mis- or non-interpretation of factors

such as nationalism, separatism and anti-urbanism or the return to a glorious yet fictitious past must not be allowed to be repeated.

PERSPECTIVES FOR THE FUTURE

My historical Danube synthesis which accentuates the Danube region as a region of historical crises and tension, as a heterogenous object and not an independent subject of the historical process might leave a certain feeling of anxiety in every one of us as concerns future development. A historian should, however, take care not to deduce a quasi-historical regularity for the future from the course of history.

The general conditions for cooperation to replace confrontation are in fact not bad. As regards the Danube, the signs of cooperation are increasing. After concrete and successful negotiations the Czech Republic and Hungary joined the EU followed by the Danube states of Slovakia, Romania and Bulgaria. Croatia has at last been offered membership. Mutual international negotiations of the Danube states such as those between Hungary and Romania have led to initial contractual results. At long last, Slovakian-Hungarian dialogue should hopefully lead to equally satisfactory results—although the West should not surrender to considerable illusions, as such international compromises of the Danube countries have not so much developed from the countries' own initiatives, but rather under the aegis if not to say the pressure of the EU.

Nevertheless, the Danube countries have been cooperating more and more, not least due to inter-disciplinary international conferences which equally consider history, politics, arts and culture, such as IDM's annual Summer Schools on Regional Co-operation here in Vienna. I am glad to participate in this conference and would like to cordially thank the initiators.

As a concluding remark, I would like to quote the central statement of the Danube Charter, as it was programmatically worded in the Council of Europe in Strassbourg in 1956: "Water does not know state borders. It demands international co-operation!"

THE RIVER DANUBE – AN IMPORTANT EURO- MEDITERRANEAN CONNECTION

MIROSLAV STOJSAVLJEVIĆ

INTRODUCTION

Since the dawn of known history the Danube has connected the nations and civilizations living along its banks with each other and with the rest of the world. Archeological sites found along this river show that even in the Neolithic and Copper Ages people were living in organized societies on the banks of the Danube. On the right hand bank, on the Serbian side of the “Iron Gates” gorge in Djerdap canyon is the archaeological site of Lepenski Vir, a series of at least six Mesolithic villages located on a high sandy terrace of the Danube River. This is a site of ancient village occupations, beginning in about 6400BC and ending around 4900BC.

Throughout the history of mankind on every continent there has been one river that has had an important role in the lives of people and the development of human society, not only as source of food and energy (mills were built on rivers long before their flows were used to produce electricity), but also as a medium for transport of goods and people: the Nile in Africa, the Amazon in South America, the Ganges in India... This is just as important today as it was in the past, and the Danube has played this role of integration element for centuries.

After the Volga, the Danube is the second largest European river, with a basin covering 801,463 km² and hosting 81 million inhabitants, with the total population of Danubian countries reaching 120 million. Population density is 102 persons per square kilometer. The Danube basin is the most multinational river basin in the world, and the fact that the river flows directly over territories of ten riparian countries (Austria, Bulgaria, Croatia, Germany, Hungary, Moldova, Romania, Serbia, Slovakia and Ukraine) and that the basin itself consists of additional 9 states (Albania, Slovenia, Bosnia and Herzegovina, the Czech Republic, Italy, FYR Macedonia, Poland, Montenegro and Switzerland) makes it very important for their economies

and enables extraordinary opportunities for transport, trading, tourism and many other means of communication among the people that live there.

Approximately 60 of Danube's 300 tributaries are navigable, including the Inn, Morava, Drava, Tisa, Sava and Prut. It passes through 4 national capitals: Vienna (Austria), Bratislava (Slovakia), Budapest (Hungary) and Belgrade (Serbia). Its total network of inland waterways in Europe is 35,000 km long, and the Danube is connected through artificial channels with the rivers Main and Rhein, offering a unique opportunity for movement from the biggest Atlantic Ocean ports—Hamburg in northern Germany or Holland's Rotterdam—all the way through the heart of Europe to the Black Sea and further, to the Mediterranean. For that reason the Danube is officially recognized as EU Traffic Corridor VII.

THE DANUBE AS A MEDIUM FOR EUROPEAN INTEGRATION

The Danube Commission

There are numbers of international treaties, contracts and declarations dealing with various aspects of use of the Danube River. Among the oldest and most important of these is the *Danube Commission*, that regulates the regime of navigation along this river. This body was formed by the "Belgrade Convention", signed on August 18, 1948, in the Serbian capital. The main issue of the document is provision of free navigation on the Danube, but at the same time the signatory member states (Austria, Bulgaria, Croatia, Germany, Hungary, Moldova, Serbia, Slovakia, Romania, Russia and Ukraine) declare that they are "...aiming at strengthening the economic and cultural relations among themselves and with other nations." (Danube Commission, 2010). The Commission is an international, inter-governmental organization with the primary task of providing and developing free navigation on the Danube for the commercial vessels of all states, in accordance with the interests and sovereign rights of the member-states, as well as the strengthening and development of economical and cultural relations of the said states among themselves and with other countries. Since 1954 the seat of the Commission has been in Budapest.

The Danube Commission (whose official languages are German, Russian and French) is constantly dealing with all issues related mainly to navigation on the Danube, but this activity results in very close and strong international cooperation that brings all member countries to work in the same direction, disregarding their differences that at certain times and in certain aspects used to be significant. For

example, the Danube Commission played a main role in the process of clearing the Danube of the debris of the Novi Sad bridges that were destroyed by NATO in 1999, and founded the project “Clearance of the Fairway of the Danube” at the cost of 26 million euros with the financial aid of the European Union, which contributed 85% of the total sum. The remaining 15% comprised contributions from the Danube countries themselves and non-riparian countries with an interest in free navigation on the Danube. This project was successfully terminated in 2005.

Other Treaties and Organizations

There are also other interesting and important organizations and venues that concentrate their efforts on enhancing international and inter-regional collaboration among Danube basin countries. One of them is the *Danube Rectors’ Conference (DRC)*, a venue that for the past seven years has promoted cooperation among young social scientists from this region. The main aims of this project are:

- to enhance awareness of the significance and opportunities of regional cooperation;
- to discuss and develop strategies for the improvement of cooperation in the region;
- to bring together young scientists from the countries of the Danube Region and Central Europe 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 other regional actors as well;
- to promote mobility of young scientists, especially in South East Europe.

The 2010 edition of the DRC Summer School focussed on the Western Balkans and provided a platform for the collaboration of 51 institutions of higher education from 12 different countries in the Danubian Region. This Conference is one of best examples of how the Danube is successfully used as a catalyst for developing and encouraging international collaboration in the region.

Another example of cultural cooperation among the Danube countries is the *Festival of Conversation for Culture and Science - “Flow”* that annually brings together young artists and scholars from the Danube basin area. Besides exploring their creative potential, participants discuss problems and specific issues of the Danube region. Interdisciplinary projects carried out by artists and scholars enable the creation of an international network for creative thinking and strongly influence

cross-border cooperation and understanding among young researches from different Danube region countries. The first “Flow” was held in 2009. in Novi Sad (Serbia) and the 2010 venue was in Moldova, under the slogan “Fragile Openness – The Scopes of Freedom in the Danube Region“. One of the institutions responsible for the existence of this festival, *The Austrian Institute for the Danube Region and Central Europe*, *IDM* (Institut für den Donaauraum und Mitteleuropa) is carrying out and promoting research on topics from the Danube region, provides regular information on it through series of publications, and offers a variety of seminars, lectures and symposiums in order to foster public discussion of issues concerning the Danube region, Central and Southeast Europe.

Map 1: Danube basin countries



Danube Strategy

The European Council has initiated the idea of, and the European Commission prepared an EU Strategy for, the Danube Region (“The Danube Strategy”). The main goals of this strategy are stated in the Presidency Conclusions of the Brussels European Council of 19 June 2009: “Sustainable development should also be pursued through an integrated approach to the specific challenges facing particular regions (...). It (...)

invites the Commission to present an EU strategy for the Danube region before the end of 2010.” (Council of the European Union, Presidency Conclusions, 2009).

The Strategy covers several policy areas, creating the links between them, and at the same time is focused on the main issues which concern the whole region. Its content is discussed with the countries concerned, relevant stakeholders within the region (including regions, municipalities, international organizations, financial institutions, the socio-economic partners and civil society) and the relevant services in the Commission. The other institutions of the EU will also be closely involved.

The Strategy is envisaged as having 3 basic “pillars”:

- to improve connectivity and communication systems (covering in particular transport, energy issues and the information society);
- to preserve the environment and prevent natural risks;
- to reinforce the potential for socio-economical development.

This clearly speaks for the importance of the Danube region and at the same time for the huge opportunities for all nations to cooperate and benefit from this and other similar projects. Financial resources for Strategy implementation should be derived from national, regional and EU funds, including EU Structural Funds issued by the European Commission to EU Member States and (potential) candidate countries and their regions for development: European Regional Development Fund (ERDF), Cohesion Funds (CF) and Instrument for Pre Accession (IPA).

The Strategy for the Danube Region could also benefit from the European Neighborhood Policy Instrument (ENPI). For the period 2007–2013, the available resources for the Danube region are EUR 95 billion of a total of EUR 350 billion available for the implementation of the European Regional policy in that period, making up more than 25% of the whole European Regional Policy budget (European Commission, Regional Policy Info, 2010). For the period 2007–2013, nearly half of the Territorial Cooperation Programmes are focused on the Danube area. From a total of 94 ETC programmes, 41 cover the geographical area of the Danube region (18 Cross-border programmes, 7 Transnational programmes, 13 IPA CBC programmes and 3 ENPI programmes).

The European Investment Bank is also present in the Danube Strategy project: its president, Mr Phillipe Maystadt, said at the Regional Conference held in Belgrade in September 2010 that the EIB would give financial support for the Danube projects, and

that environmental issues were key priorities in the Strategy. European Commissioner for Regional Policy Johannes Hahn recalled that the European Commission allocates EUR 200 million every year, expressing his hope that a part of those funds would find a way to projects that include the Danube Strategy.

DANUBE ECONOMIC OUTCOMES

In the year AD105 the Roman emperor Traian (Marcus Ulpius Nerva Traianus, AD 98–117) built the first bridge over the lower Danube in the wild and dangerous Djerdap gorge for the deployment of Roman troops in the war against Dacia (today's Romania). For more than a thousand years, at 1,135 meters it was the longest arch bridge in the world, in terms of both total and span length. Since then many manmade constructions have been built on the Danube river. Numerous channels, ports, bridges, hydro and nuclear electric energy plants, etc. all use the presence and natural power of the Danube. Some of most important constructions on the Danube are:

- Gabčíkovo dam in Czechoslovakia (1992). Part of the Danube waters has been diverted into a 24 km long canal to run the hydroelectric turbines of the dam. Unfortunately, it had very serious ecological consequences downstream in Hungary.
- The Rhine-Main-Danube Channel ("Europa-Kanal") enables highly important communication between the Black and the North Sea.
- Hydroelectric dams at the Iron Gate, part of the Djerdap Gorge, jointly built and used by Romania and Yugoslavia (today Serbia).
- The Danube-Tisa-Danube channel network in Serbia's north province of Vojvodina. Its total length is almost 1,000 km (to be exact, 929 km) with numerous structures built on it: 16 locks that enable ships to navigate, 29 gates, 6 pumps and more than 80 main bridges. The DTD network covers 12,700 km² of some of most fertile agricultural land in Europe.

558 kilometres of the Danube flow through Serbia, flowing through two of the country's biggest cities, Belgrade and Novi Sad. At the same time, this part of the country is economically the most developed and it is not by chance that 38,5% of all existing small and medium enterprises (SME) operating in Serbia are located in the Belgrade area and southern Vojvodina province. It clearly shows the importance of the river and traffic corridors along it to trade and traffic not only in raw materials

and finished products, but of ideas as well. SMEs comprised two thirds of the total turnover of Serbia's economy in 2008, and both this percentage and the relative number of SMEs compared to all operating companies in Serbia are very similar to the comparable EU average. A not so favorable fact is that micro enterprises—having up to 9 employees—make up more than 95% of all Serbia's SMEs and that trade, both wholesale and retail, is a predominant activity (Report on SME and Regional Development, 2009). However, expansion in the service sector is constantly replacing many traditional production or craftsmanship activities.

Marina services – new development opportunities

Apart from huge hydro power dams and other big industrial complexes such as oil refineries, power plants, steel mills and other industry constructions, the River Danube as a connecting waterway throughout Central and Eastern Europe offers unique opportunities for the development of a new commercial activity: building and operating marinas for small boats.

Inland sailing is very popular in Western Europe, and thanks to the existing network of natural and artificial channels sailing from North-West Europe to the Black Sea is an easy and simple way of travelling. Among the obstacles that prevent visits by more river sailing tourists to Serbia and further downstream to Bulgaria, Romania and Moldova is a lack of necessary services for small boats and their occupants. River marinas are not very expensive to build and most related services can be provided by SMEs, both as direct and indirect activities, leading to an increase in the employment rate and other economic benefits as well. The future development of marinas along the mid- and lower Danube River opens numerous opportunities, primarily for local economies. The construction of new marinas and substantial refurbishment of existing small ports and berthing locations will create a huge demand for services that already exist but also new types. A project for the development of nautical tourism in the Serbian province of Vojvodina, where most of Danube flow in Serbia is (almost 300 km), has an ambitious plan to build as many as 35 marinas along the river in the near future. The operating activities in a marina are similar to those of a hotel, so it is easy to imagine how many different services can be provided in a well-managed marina, both as direct sales and as outsourced ones. Most of the construction work can be carried out by local companies. These are characteristically excavation, ground work, building, construction, metal processing (welding, for example), painting, rust

protection, woodwork, plumbing, electrical work, fencing and so on. From the nature of the activities it is clear that local craftsman and SMEs are logical choices to be contracted and that there is no need to look for big companies whose services are more expensive. Not to be forgotten are support activities related to the construction process, such as the transportation of goods and people, workforce accommodation, laundry and catering, and many more, all locally provided and possibly giving a strong boost to different kinds of local businesses.

Once finished, a marina needs a skilled management and workforce, and almost all employees could be recruited on site. There is practically no limitation in number and type of services that can be utilized in the marina. Facilities should be continuously changed and adjusted according to market demand or development of technologies. Not only business benefits from a successful marina. Local authorities also have opportunity to make some direct and indirect income by charging various duties and fees (although this should be minimized in order to attract as many visitors as possible), and even more by increasing the turnovers of local shops, restaurants and companies and using the marina and its guests as promoters for the municipality and region as a place to visit or do business.

The Danube is not only a good means to transport bulky raw materials and other goods or to provide services for water travellers. The river also has a very important role in developing multicultural connections, by bringing people from various countries and nations living in Danube basin closer to each other. For example, one third of all foreign tourists visiting Serbia's capital Belgrade arrive by water and in 2009 a total of 50,000 foreign visitors sailed this way in Serbia. Until 2008, the annual rate of increase in visitors arriving in the country via the Danube to the country was between 15 and 20%. Despite a general decrease of 5% in overall number of tourists visiting Serbia in the first half of 2010 compared to same period in 2009, it is estimated that the number of people arriving via the Danube is almost the same as in previous year. This fact also speaks in favor of developing a specific kind of service industry related to river travel, something recognized by the Serbian government who in the national "Danube Strategy" defined the following main areas of action: "Establishing system of safe sailing, development of river transport and adequate infrastructure; environmental protection and sustainable use of natural resources; further economic growth and developing cooperation and partnership in Danube region". By the development of sailing conditions and infrastructure we understand the

introduction of modern marina services for small and medium sized vessels, as already mentioned in this paper.

Transport and hydro energy

Waterway transport offers numerous benefits and the Danube is a logical choice for wide range of industries to use this opportunity. The use of inland waterway is cost efficient, congestion free and reliable. It can be easily combined with other means of transport and enables intermodal solutions. The use of river craft also contributes to a reduction in the glasshouse effect and gas emissions and saves on fossil fuel energy. The recent boom in container traffic proves that the waterways are competitive for high value goods over short distances as well as for the transportation of bulk materials over long distances. Europe's network of inland waterways links ports, towns and cities with centers of commerce and industry, providing clear opportunities for cost-effective solutions in corporate supply chains. More than 80% of the Danube is regulated for flood protection, while approximately 30% of its length is additionally impounded for hydropower generation. Over 700 dams and weirs have been built along the main tributaries of the Danube and almost half of the Danube basin rivers is used to generate hydropower. The total generation capacity of all the hydropower facilities in the basin is almost 30,000 MW. One of most important hydropower plants on the Danube is the Serbian-Romanian joint venture "Djerdap", which is the biggest construction of this kind on this river (1,278-m long) and has a capacity of 1,026 MW, generating over 5,5 billion kWh annually. "Djerdap 1" was built between 1964 and 1970 and "Djerdap 2" between 1977 and 1985. This is the biggest hydropower production plant in Southeast Europe; the complex is shared 50/50 between Romania and Serbia and consists of six 190 MWA "Kaplan" type turbines with adjustable blades and diameter of 9,5 m, which were at the moment of construction the biggest mounted anywhere in the world. In order to keep mercantile and touristic traffic flowing, huge gates were constructed.

Any project of this size has a big impact on environment: a few villages were flooded with the accumulation lake that formed upstream of the dam, and ecosystems became affected, but authorities pay constant attention in minimizing this damage—on the Serbian side there are nine detailed programmes for permanent monitoring and improvement of the environment over 180,000 ha of the riparian land, including regular measurement of the chemical structure of the ground and underground waters, impact on soil and forests, quality of water and so on.

ECOLOGICAL AND ENVIRONMENTAL ISSUES

The Danube is home to 7 fish species found nowhere else in the world, 10 diadramous fish including 5 sturgeon species, and altogether 103 fish species, which is more than half of the sum of European species. The basin has 88 freshwater mollusks (with 18 found only in this basin), over 18 amphibian species and 65 Ramsar wetlands of international importance (WWF, 2010). Today only 6.6% of the basin is protected. The habitats created by the Danube and its tributaries host a unique mix of species, with about 2,000 vascular plants and more than 5,000 animal species, including over 40 mammals, about 180 breeding birds, a dozen reptiles as well as amphibians (ICPDR, 2010). New infrastructures for shipping, eight planned large dams, flood protection systems, but first of all industrial pollution are main threats to the wild life and precious unique species living in the Danube like the white pelican, the white-tailed eagle or the black stork.

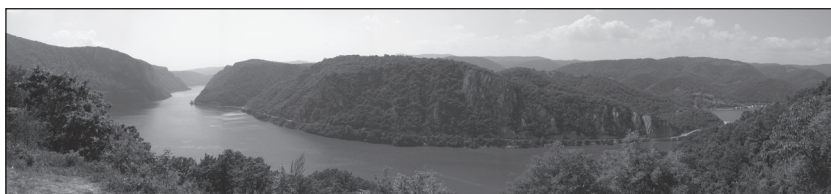
The Danube delta on the Black Sea is one of Europe's most ecologically important areas and is shared 80% by Romania and 20% by Ukraine. It is one of the Europe's most valuable habitats for wetland wildlife and biodiversity. The total delta area of 679,000 ha is under legal protection, including floodplains and marine areas, and the delta is still spreading seaward at a rate of 24 to 30 meters annually. Since 1991 the core of the reserve (312,400 ha) has been designated as a World Natural Heritage Site. Up to 75 different species of fish can be found in the delta's unique ecosystems, consisting of a labyrinthine network of river channels, shallow bays and lakes and extensive marshes, which form a valuable natural buffer zone, filtering out pollutants from the River Danube, and helping to improve water quality in the vulnerable waters of the north-western Black Sea. It is, though, affected by changes upstream, such as pollution and the manipulation of water discharge, as well as by ecological changes in the delta itself.

CONCLUSION

It is obvious that the EU is showing a high interest in the River Danube, not only as an international traffic corridor and valuable economic and natural resource of the continent, but for all countries—whether member states or not—of the wider Danube basin. Numerous projects, programs and The Danube Strategy itself are dealing with all aspects of the economic, cultural, political and social life of the more than 100

million inhabitants of this region. All of them should (and will) benefit from close cooperation between Danube countries, their universities, companies and citizens.

The economic value of this river is huge, not only to riparian and basin countries, but for the whole of Europe and the Mediterranean region as well. There are no obstacles, natural or formal, to river transport carrying goods between the Mediterranean and Central Europe without re-loading, and even North Sea ports are accessible through the Rhine-Main-Danube channel. Hydro energy as one of the cleanest sustainable sources of electric power, highly effective and already technologically developed, gives a great chance to Danubian countries to make themselves energetically independent and gain profit by exporting power. Drinkable water, one of most precious natural resources in years to come, is at hand and irrigation potential is also there. Development of all varieties of tourism and related services is a chance for a good and constant source of income as well. Using the Danube as an international “water highway”—not only for commercial transport, but for individual travel too, and the development both of commercial ports and marinas for small craft along this trans-European corridor will surely lead to increases in direct and indirect employment in local communities, boost existing and introduce new businesses while at the same time bringing international interaction and cooperation to a higher level, making the flow of knowledge, goods, money, and ideas closer to the people of all the regions involved. The Danube provides a chance to all people to cooperate, travel, meet various cultures and nations, to learn more about each other, interact and obtain firsthand experience of the richness and diversity of human society.



*Exit of the “Iron Gate” gorge in Danube Djerdap canyon,
border between Serbia and Romania*

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THE DANUBE REGION, 1989–2004: MOVING BETWEEN RUSSIA AND WESTERN EUROPE

ALEXANDRA TIEANU

As a region that belonged to the Soviet sphere of influence before 1989, the Danube states have been largely treated in historical and political studies as a territory involved in the course of the Cold War. In the decades that have followed the fall of the Communist regimes in Europe, a considerable amount of research has been carried out analysing the political and economic transformations of these countries. A more limited focus, though, has been on the self-positioning of the Danube states in this period, as relating to the two important points of interest, the new emerging Russian federation and the European Community respectively. This paper focuses on the manner in which the Danube states have positioned themselves, through their foreign policy, in relation to the decaying Soviet Union and the emerging Russian Federation on one hand, and the European Community and NATO on the other.

The main attitude that drove their political discourse and orientation in the first decade after 1989 was that of “returning to Europe”, as seen in all the newly democratic states from Eastern Europe. A comparative case study focusing on Slovakia (taken as part of Czechoslovakia, and then as an independent study) and on Hungary can show how the discourse on “returning to Europe” was used in connection to Western Europe and their efforts to join the European Community and NATO, regardless of the particular nuances it may have shown at different times. Where Russia is concerned, these countries have tried to formulate a certain political direction so as to allow them to assure their own security and smoothly integrate into the Euro-Atlantic structures. I have structured the analysis on these two Danube states based on the public discourse of the most prominent political figures of the period and some press articles, as well as documents relating to the Euro-Atlantic institutions and expert works on the subject. The aim of this research is to point out the attitude each state has adopted towards the Euro-Atlantic structures and Russia, and the manner in which certain domestic circumstances have influenced this attitude.

GENERAL REMARKS

The importance of the Danube River as a link, as a connector between people and places has always been acknowledged, from ancient times to the present. A scholar of the region described the Danube some years ago as “surrounded by a symbolic halo”, along which different people meet, cross each other and mingle (Magris, 1994: 23). Today, the river has been endowed not only with a cultural and spiritual significance, but also with an economic and political function as a means of transport and communication and a potential for development within the European continent. According to the *European Union Strategy for the Danube Region*, “The Danube Region is a functional area defined by its river basin. (...) Geographically it concerns primarily but not exclusively: Germany (Baden-Württemberg and Bavaria), Austria, the Slovak Republic, the Czech Republic, Hungary, Slovenia, Romania and Bulgaria within the EU, and Croatia, Serbia, Bosnia and Herzegovina, Montenegro, the Republic of Moldova and Ukraine (the regions along the Danube) outside.” (European Union Strategy for the Danube Region, 2010: 3).

Nowadays, the term is used by the European Union to define an area that comprises both member states and prospective member states, having not solely a geographical or strong geopolitical significance, but rather a functional one, designed to further cooperation, interaction, stability and development. Consequently, the EU’s initiatives from the last few years have transformed the area into a Euro-region, opening the way for a great many opportunities for the present and the future. Where the EU is concerned, “the Danube region will be an opportunity to create a unified mechanism to push forward integration and enlargement policies, to use EU structural and cohesion funds in a more effective way and to achieve better results in terms of cohesion on the long run. It will also be an opportunity to bring together relevant legal obligations and commitments of the countries and eliminate superfluous or overlapping expectations.” (Busek and Gjoreska, 2010: 17).

TWO DANUBIAN STATES: HUNGARY AND SLOVAKIA

The present paper will deal only with a narrow stretch belonging to the Danube Region, namely with Hungary and Slovakia. These two countries are geographically situated approximately in the centre of the region, neighbouring each other. Politically, they have both experienced similar conditions during the second half of the 20th century, although their historical experiences in the long term may somewhat differ. In our

analysis, these two countries illustrate specific evolutions after 1989, in political and economical terms. As newly democratic countries, Hungary in 1989 and Slovakia in 1993, they were in the position of having to navigate a geopolitical context in which the two main centres of power were the Soviet Union/Russian Federation and Western Europe (that is the European Community and the North-Atlantic Treaty Organisation).

Although it is now considered by most specialists that the exits from Communism by Hungary and Czechoslovakia had a different character (Slovakia was in a confederation with the Czech Republic until December 31, 1992) (Huntington, 1991: 113-114; von Beyme, 1996: 28-29; Linz and Stepan, 1996), the efforts made by them during the first years of transition toward democracy had one goal: obtaining member status in the Euro-Atlantic structures and ensuring stability in their relation with the Soviet Union/Russian Federation. Both countries were strongly aware that the main actors in the new geopolitical context they found themselves in were the European Community and NATO in the West and the Soviet Union in the East, and therefore, their foreign policy was on the long term oriented towards them.

Although the two states share some similarities for the transition period after 1989, they cannot be treated together in a general analysis, but rather as comparative case studies. The similarities in their situation after 1989 were mostly determined by the previous shared experience of Communism and the provocations of recently becoming independent: the legacies of Communism; social and economic problems; the need to establish good relations with their immediate neighbours; the concern towards the evolution of the situation in the Soviet Union and then the need to establish good relations with the Russian Federation and the Commonwealth of Newly Independent States; and especially the objective of re-establishing close relations with Western Europe and the United States, and obtaining membership in the European Community and NATO. The manner in which each state responded to domestic and external challenges greatly varied, and this decisively influenced their relations with Russia and the EC/EU and NATO. As an example, at the end of 1992, Hungary was perceived as a politically stable country on the road to economic recovery, while Czechoslovakia was characterised by constant ruptures on politic and ethnic grounds on a background of economic recession and pending official cessation of existence by the end of the year (Lhomel and Schreiber, 1993).

The main objective the first democratic representatives declared for both countries in 1989 was that of 'returning to Europe', of asserting their European values,

traditions and culture (Havel, January 1, 1990; Antall, July 7, 1990). But the Europe they referred to was the Euro-Atlantic one, the political and economic structures of the European Community and the military structures of NATO, since they could not envisage political stability and economic recovery for their countries without security guarantees for the region. Where the Soviet Union, and later the Russian Federation, was concerned, they had a cautious attitude in the beginning, as they bore in mind the past experiences of their short lived outbursts of sovereignty, but as they witnessed the decay and implosion of the Soviet Union they tried to assure the new Russian Federation that their efforts to obtain member status in the Euro-Atlantic institutions were not directed against it, nor did they jeopardise the European balance of military power (Antall, October 28, 1991; Langsford and Tashev, 2005: 240-43).

CASE STUDY: HUNGARY

As one of the former Communist states, Hungary asserted its European values and culture decades before 1989 (see Szűcz, 2000 [1983]; Konrád, 1984). Then, it was merely a discourse of the underground intellectual circles, directed against the totalitarian regime. After 1989 though, all public speeches and documents became profusely impregnated with the use of a 'European' terminology: 'Europe', 'European values and norms', 'European Community' (then 'European Union'), 'European structures', etc. All efforts and measures taken were aimed at improving the external circumstances of the state and achieving the most important objective: membership in the EC/EU and NATO (Antall, November 19, 1990).

The high frequency in terminology referring to Europe (in all its understandings) is obvious in the speeches of the Hungarian prime ministers. In the speeches of the first democratically-elected prime minister after 1989, József Antall (in office from May 23, 1990 to December 12, 1993), the objective of obtaining association status, then member status within the European Community/European Union is constantly expressed: 'implement the most highly developed European values and norms', 'a new Europe which is unified in political, economic, cultural, humanitarian and legal affairs', 'a new structure and institutional framework for all-European security and co-operation that reflects the new circumstances', 'existing European organisations', 'all-European', 'a broad European military, security and political structure', 'the process of forging European unity', 'the process of European integration', 'adherence to the principles of the OSCE and to all West European norms', 'the most highly

developed European practice and norms’, ‘our earliest possible accession to the developed Europe’ (Antall, July 7, 1990); ‘the common European effort’, ‘[Hungary’s] road back to Europe’, ‘Hungary’s integration into the European system of political, social and legal standards’, ‘fully integrated into the European Community in both political and economic terms’ (Antall, November 19, 1990); ‘time-tested European structures, such as NATO, the European Union and the Council of Europe, are pillars of European security and stability’, ‘a united and stable Europe’ (Antall, October 1, 1991); ‘We are committed to European integration.’ (Antall, October 28, 1991); ‘we do everything possible to adjust to the norms of the European Community’ (Antall, May 6, 1992); ‘the reintegration into Europe’, ‘greater Europe’, ‘a chance to integrate into Europe’, ‘within the framework of European unity’ (Antall, June 6, 1992); ‘Europe is not merely a geographical concept. It is not simply the name of the continent where Hungary is among the countries to be found on the map as one moves in from its perimeters.’, ‘integrating into the political, security and economic system of the new Europe’, ‘Our integration into Europe is taking place along several lines at once.’, ‘We want to prepare ourselves for membership.’ (Antall, June 24, 1992 a); ‘The issue of Europe, the vision of a United States of Europe, the definition of the boundaries of Europe are also on the agenda of this session. When talking about Europe, we take Europe as a broad concept embracing vast areas in a geographical, cultural and political sense, but first and foremost in terms of security.’, ‘Our Europe is defined by these three factors: geographical, human, and cultural—the last one encompassing and conveying mentality. This mentality, this capacity for renewal, is without parallel in the history of the great civilisations.’, ‘our common heritage’, ‘give fresh impetus to our Europe’, ‘up a modern European framework of institutions’, ‘our Europe’ (Antall, June 24, 1992 b); ‘Hungary tried to move towards European integration and win associate membership of the European Community.’ (Antall, May 19, 1993); ‘Our most important aim is to achieve accession to the European Union and NATO within this decade.’, ‘There is no other option for Hungary but accession to the European Union; its advantages eclipse all disadvantages—disadvantages mostly resulting from not achieving full EU membership.’ (Antall, July 20, 1993).

An interesting aspect in József Antall’s texts is that up to the second half of 1991 there was much reference to Europe by stressing the common values, traditions, and the need to accept the new democratic states from East-Central Europe within the Euro-Atlantic structures. This reflects the uncertainty the former Communist states,

including Hungary, had about their rapid integration into the Euro-Atlantic structures and that they were using every opportunity to convince Western Europe about their common values and culture. But after the signing of the Association Agreement to the European Union in November 1991, there is frequent use of the expression 'our Europe' as a means to reflect their success in the negotiations with the European institutions, but also that they had been accepted by Western Europe as Europeans.

The pro-European orientation of Hungarian foreign policy is thus obvious, and this tendency is reflected in most official discourses. This trend is continued by József Antall's successors in the office of prime minister, regardless of their political orientation. Prime minister Péter Boross (in office from December 12, 1993 to July 15, 1994) officially transmitted Hungary's application for accession to the European Union on March 31, 1994, considering his country ready to undertake all measures needed to fully integrate into this structure (Application for Membership of the European Union by the Republic of Hungary, 1994). The following period, especially that starting with the opening of negotiations in 1998, was marked by a strong pro-European discourse. The support for this came both from the civil society ("The Future of Hungary is Inextricably Intertwined with the Future of the European Union", 2002) and the political parties (Joint Statement of the Parties represented in the National Assembly, 2000).

Although integration within the European institutions was emphasized on every occasion as Hungary's main objective, this was unconceivable without integrating into NATO structures. This fact can be also found in Antall's speeches at the beginning of the 1990s: 'Hungary is actively engaged in studying the proposals pertaining to a broad European military, security and political structure.', 'a new, broad, pan-European security system', 'it is expedient to rely on stable Atlantic co-operation, which proved in the course of two world wars that Europe and North America are inseparable' (Antall, July 7, 1990); 'I must say that European integration is inconceivable without transatlantic co-operation. Two world wars prove, even if certain NATO members had opposed one another then, that the marked presence of the United States and Canada is vital for European security. NATO is the cornerstone of European stability for us. Although we highly esteem international agreements, Helsinki and the CSCE, still we regard NATO as the effective security organisation.', 'The region (...) is also extremely important for NATO from a security aspect. It is enough to consider that the 275 south-eastern wing of NATO.', 'our commitment to European unity, a unity which cannot be separated

from the Atlantic idea' (Antall, October 28, 1991); 'Atlanticism is an integral part of the modern European outlook, co-operation and exchange of ideas. To accomplish the unity of Europe with Atlanticism in the West and co-operation with the Eurasian region are objectives to be achieved in conjunction.', 'the need for the continued existence of NATO and the importance of the presence of the United States.' (Antall, June 24, 1992 b); 'Stability and security can only be expected to reign in Europe if we manage to bring about the stabilisation of the democratic systems' (Antall, July 9, 1992); 'We must declare that given the various aspects of European security, it is very important to maintain NATO and the political and military presence of the United States in Europe.' (Antall, July 18, 1992); 'There cannot be a European security system without the participation of the United States, its presence in Europe, the maintenance and modernisation of NATO, and in connection with NATO, the development of a European defence system.' (Antall, October 2, 1992); 'We consider the North Atlantic Treaty Organisation to be the basis of European security. NATO is one of the elements which guarantee international peace and the balance of European security.' (Antall, May 19, 1993); 'the Hungarian government's commitment to the Atlantic idea and to NATO is nothing new, NATO continues to bear responsibility, and it should continue to remain the most important political and military stabilising factor.', 'NATO is the contemporary embodiment of transatlantic co-operation. NATO is destined to be a stabilising factor' (Antall, June 3, 1993); 'We intend to expand relations between NATO in this region to as broad an extent as possible under the prevailing circumstances.' (Antall, July 17, 1993). This has a double significance: on one hand, Hungary, like all the other former Communist countries, was striving to obtain military and security guarantees from NATO in respect to the stability of the region in order to concentrate on its domestic economic development; on the other, NATO was seen around the mid-1990s as the way to EU membership.

Although there was this inseparable relation established between accession to the EU and accession to NATO, it is rather obvious that from 1994 (the year the Association Agreement to the EU had entered into force) to 1999 (the year Hungary officially became a member of NATO) there was a higher concentration on the problems concerning NATO membership (Lansford and Tashev, 242-43), even though the issues associated with the EU negotiations did not lose their importance.

Where Hungary's diplomatic relations with Russia are concerned, foreign policy has tried to represent a neutral attitude, cautious in the times of the Soviet Union, helpful during the latter's implosion, and lacking bad intentions during its negotiations

with the EU and NATO. Therefore, foreign policy tried to simultaneously offer help to the Russian government with their domestic problems and assure it that Hungary's EU and NATO membership was under no circumstances directed against her: 'We do not wish to exclude the peoples of the Soviet Union from the unified Europe.' (Antall, July 7, 1990); 'A peaceful way of ensuring internal change and democratisation in the Soviet Union is in our fundamental interest.' (Antall, October 28, 1991); 'One thing we must certainly all accept is that Russia, whatever its political system, is among the great powers in Europe, indeed in Eurasia. And Russia always has its own aims, its own traditions, and its resources. Russia will always remain a leading force to be reckoned with, even if it is suffering from a serious illness today.' (Antall, June 6, 1992). The overall relationship with Russia was, therefore, leading to 'friendly and, to a certain extent, potentially allied relations with the forces involved in reform policies' (Antall, July 20, 1993). Hungary developed a good relationship with Russia at the end of the 1990s and beginning of the 2000s.

In conclusion, the main objectives that Hungary promoted during the period 1989–2004 were EU and NATO membership, although in the mid-1990s more energy was directed towards the latter. Towards Russia it had a neutral attitude, a diplomatic friendship meant to secure stability in the region and efficient cooperation.

CASE STUDY: SLOVAKIA

Since Slovakia was part of the new Czechoslovakia from 1989 until 1993, when it became sovereign, it expressed a common foreign policy in line with the Czech Republic. During the Czechoslovak confederation, the expressions of Europeanness made by President Vaclav Havel or the prime ministers were in common spirit (Havel, January 1, 1990; Havel, January 25, 1990).

After 1993, there were two main directions in Slovakia's foreign policy: the period of Vladimír Mečiar, prime minister from 1993 to 1998 (previously prime minister of Slovakia within Czechoslovakia, 1990–91 and 1992–93) and of Mikuláš Dzurinda, in office from 1998 to 2006. Due to the dissolution of the Czechoslovak Confederation and the economic recession in which Slovakia found itself, it soon became clear that it would not be among the first states to negotiate with the EU and NATO (Duleba, 8). The orientation of Slovakia's foreign policy towards the Euro-Atlantic structures and then its reorientation towards Russia after 1995 is also reflected in the newspapers of the period, internal and external.

In the first years of Mečiar's government, the main objective asserted is that of the EU and NATO (Jagodzinski, January 23, 1995). But confronted with a rather distant attitude coming from the EU and NATO, Mečiar started to consider relations with Russia as an alternative (Duleba: 8). Thus, the pro-European attitude is consequently toned down, as Mečiar searches for a way 'that means not entering the East, but neither the West' (Grendel, December 10–11, 1994). Although he officially transmitted Slovakia's application to the EU in 1995, the previous negotiations with NATO revealed that in the following years there would be no possibility of his country obtaining membership. He therefore redirected the foreign policy of Slovakia towards Russia, the other power able and, under some conditions, willing to offer security guarantees. In March 1995, Mečiar was already stating, during the Russian prime minister's visit in Slovakia, that 'if we are not wanted in the West, we are going East' and that he was willing to establish 'a new type of relationship with Russia' (Jagodzinski, March 2, 1995). But the foreign policy that Mečiar had conducted from 1995 up to 1998 was double-faced: on the one hand, he continued negotiations with the Euro-Atlantic institutions, despite the tense relations between the sides since in his own words, 'We are strategically important to the EU', while on the other hand he strengthened Slovakia's links with Russia, ensuring some security and economic guarantees (Lewis, November 8, 1995).

This situation continued until 1998, marked by tensions with the EU and NATO (for example, with the occasion of a referendum organised in 1997 on the issue of NATO accession) and the increase in the number of economic treaties signed with Russia. Meanwhile, the relationship with the Euro-Atlantic structures was rapidly decaying during these years and there seemed to be a very long journey for Slovakia to Europe (Palko, August 28, 1996; Dorotková, November 6, 1996). But with Mečiar's exit from power in 1998, Mikuláš Dzurinda's government put things back on the right track.

The pro-European discourse reappeared clearly in the press and the official texts. Contrary to Mečiar's rhetoric, which argued with the representatives of both NATO and EU concerning the conditions and calendar of Slovakia's membership, Dzurinda stressed from the beginning the need to comply with the set criteria and obtain full membership in the near future, so the new Government sought to adapt all aspects of the state to the standards demanded (Pavčová, September 14, 1998). Dzurinda was aware of the situation in which Slovakia was and was determined to take all measures

in order to obtain Euro-Atlantic accession: 'Slovakia has lost a lot of time over the last four years, which, however, could just mean that we need to accelerate our conceptual work to catch up on what we have missed.', 'The Policy Statement shows the importance of the Slovak Republics integration into Euro-Atlantic structures.', 'The preparation of state administration and the population for European integration is no less important for the integration process in Slovakia.' (Dzurinda, July 24, 1999); 'Slovakia wished to become a member of the OECD, NATO, and the EU' (Dzurinda, October 24, 2002); 'priorities of the Government: accession to EU and NATO (Dzurinda, February 10, 2003).

Slovakia's relationship with Russia during the Dzurinda government was constructed on the existing agreements from Mečiar's time. Although from 1998 to 2001 the relations with Russia were considerably diminished, since all attention was focused on Euro-Atlantic membership, they they returned as Slovakia needed no opposition from Russia in achieving its objective (Duleba: 9). After 2004, one of the main priorities for Slovakia became its relationship with Russia and Ukraine.

Overall, Slovakia had quite a complicated relationship, both with the Euro-Atlantic structures and with Russia. Although there existed a constant European discourse, it was not as prominent as in the case of other states, such as Hungary. The attitude towards Russia was not of a neutral friend, but more of an interested partner that sought to find an alternative to Euro-Atlantic integration.

CONCLUSIONS

The two states presented above illustrate two different attitudes towards the geopolitical conditions that existed in Central Europe after 1989. While Hungary constructed a clear and constant direction towards Euro-Atlantic integration, expressed already in the speeches of its first freely elected prime minister, József Antall, and continued by the successor politicians, Slovakia had a tense and difficult relationship with both the EU and NATO due to the confrontational and nationalistic behaviour of Vladimír Mečiar. In Slovakia, a pro-European discourse was properly used only in the times of Mikuláš Dzurinda, hence after 1998.

The way in which the two states regarded themselves in relation to the Soviet Union/Russian Federation is also different. Hungary saw Russia as a state they needed to have good relations with in order to ensure stability in the region and not create obstacles in its way towards Euro-Atlantic membership. Slovakia on the

other hand used the relations with Russia to obtain economic advantages, securities and guarantees that could not be obtained from the EU and NATO due to Mečiar's attitude. But once the government changed, the objective of Euro-Atlantic integration took precedence.

To sum up, both Hungary and Slovakia considered that achieving full member status within the EU and NATO was their priority. The evolution of these relations influenced the type of dialogue they had with Russia, neutral or close.

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EUROPEAN UNION STRATEGY FOR THE DANUBE REGION AND THE ENLARGEMENT PROCESS IN THE WESTERN BALKANS

DAN LAZEA

The European Union Strategy for the Danube Region (EUSDR) was officially launched in June 2011 and welcomed by all actors in the region for its integrated approach as a result of a large consultation with the relevant stakeholders. Apart from the eight participating states which are EU members (Germany, Austria, Slovakia, the Czech Republic, Hungary, Slovenia, Romania and Bulgaria), four states are in different stages of negotiations for entering EU (Croatia, Serbia, Bosnia and Herzegovina, Montenegro) while two others are neighbouring countries (Ukraine and the Republic of Moldova) are part of the European Neighbourhood Policy (ENP) (Figure 1).

From its very beginning the Strategy has underlain the necessity of reinforcing certain major EU policy initiatives, “Europe 2020” being considered of a special importance in this context. Moreover, there is in the final part of the document a small section entitled “Links with EU Policies” in which the Europe 2020 agenda is more detailed and transport, energy and biodiversity, among others, are referred to as policies to which EUSDR should contribute. However, the Region is also considered as crucial in supporting not only internal but also external policies such as ENP (EUSDR, 2001:12-13). This paper is based on the idea that the EUSDR can be analyzed not only in relation to ENP but also with the Enlargement policy, although this last is not explicitly mentioned among other related policies in the official Strategy document.

The link between EUSDR, ENP and enlargement is the democratization process which has been taking place since the fall of the undemocratic regimes in 1989, a process which is still on the way to completion in some parts of the region. Indeed, no one could have imagined a strategy like EUSDR in the middle of the 1980s. Furthermore, because of the secessionist wars in ex-Yugoslavia, described by Tom Gallagher as the road “from tyranny to tragedy” (Gallagher, 2003), the 1990s were no better background for a collaborative like EUSDR to be possible. In the only paragraph referring to the historical background of the region, the Strategy recognizes that “the Danube Region

has been particularly affected by turbulent events, with many conflicts, movements of population and undemocratic regimes” and that “the fall of the Iron Curtain and EU enlargement provide an opportunity for a better future” (EUSDR, 2001:4).

In the existing literature on democratisation and EU enlargement, there is a wide agreement on the important role played by political conditionality and it seems that, even before being formalised in the beginning of the 1990s, the EU conditions related to the existence of a democratic regime and to the respect of human rights contributed to changes in the target countries (Lazea 2010b). However, this efficiency was not the same in all situations and there is strong evidence that the “effectiveness of political conditionality depends on a credible membership perspective for the target countries” (Schimmelfennig and Scholtz, 2007: 23). The argument of this paper is that the EUSDR could play a role in reinforcing the credibility of the membership perspective of certain participating countries.

Figure 1: Countries participating in EUSDR: EU membership and enlargement

EU member states				Germany Austria Slovak Republic Czech Republic Hungary Slovenia Romania Bulgaria
EU non-member states	Enlargement Policy	Candidate countries	Negotiations officially concluded	Croatia
			Accession negotiations not started yet	Montenegro
		Potential candidates	Applied but not recognised as official candidate	Serbia
			Not applied yet for EU membership	Bosnia and Herzegovina
	European Neighbourhood Policy	Neighbouring countries	EP recommendation for considering Art. 49	Republic of Moldova
			Potential candidate status not recognized	Ukraine

The first part of the paper will make a short overview of the EUSDR by looking at its development, the participation of its member states and the interests at stake; it will end with a short overview of the Republic of Moldova’s attempt to pass from ENP to enlargement policy. The second part will focus on the case of Serbia as the best

example of how the EUSDR can help Enlargement policy by adding a new impetus to the credibility of the EU accession bid.

EUSDR – DEVELOPMENT, ACTORS, INTERESTS

The history of the EUSDR really began while the EU was in the process of developing another strategy, namely the Baltic Region Strategy, the first European attempt to address the situation of a macro-region. On December 14, 2007 the European Council invited the Commission to prepare a strategy for the Baltic Sea region; Point 59 of its European Council Conclusions states that such a strategy “should inter alia help to address the urgent environmental challenges related to the Baltic Sea” (Council of the European Union, 2008). Until 10 June 2009, the moment when the Commission presented the requested document to the Council, a number of EU member states had already advanced the idea that a similar strategy should be put in place for another European region: the Danube region. The initiators were Romania and Austria (Romanian website <http://www.mae.ro/en/node/2136>) but Baden-Württemberg and Serbia backed the initiative too during the events organized by Directorate General for Regional Policy and the representation of Baden-Württemberg in 2011 (http://ec.europa.eu/regional_policy/cooperation/danube/faq_en.htm).

It is far beyond the scope of this study to compare the two Strategies. However, it is worth recalling one of the main differences between the two. The Baltic Region Strategy involves only the EU countries, despite the fact that Russia also belongs to the region from a geographic point of view. By comparison, the Danube Region is more diverse by far, comprising EU countries, candidate or potential candidate countries as well as other neighbouring countries. It can be concluded that while Baltic Region Strategy is an *EU strategy for EU countries*, EUSDR is an *EU Strategy for both EU and non-EU countries*. Considering all this, the fact that EUSDR was set up in less than two years can be considered a success in itself. Indeed, the European Council adopted the EUSDR on 24 June 2011 during the Hungarian Presidency, six months after the publication by the European Commission of the Communication regarding the strategy and the Action Plan on 8 December 2010, after a year of intense preparation and consultations with stakeholders via five major conferences.

A short description of what the Strategy aims to address is necessary to frame the positions and interests of the states involved in the process and consequently to relate the strategy to the Enlargement policy. The strategy is a common response to

the challenges and opportunities displayed by the Danube region. Both challenges and opportunities oblige the countries in the region to cooperate, to plan and to invest together, because most of the areas concerned are not limited by national borders. It is obvious that the pollution of the Danube is an issue for everybody in the riparian countries, as is the fact that the extraordinary rich cultural heritage of the entire region requires an integrated infrastructure in order to be attractive on the international tourism market. As a result, the major issues were structured in Four Pillars, each comprising different fields of action called Priority Areas (Figure 2).

Figure 2: Enlargement, ENP, and EUSDR: conditionality, values, EU membership perspective

The four pillars	Priority Areas		Priority Area coordinators
A. Connecting the Danube Region	To improve mobility and multimodality	Inland waterway	Austria Romania
		Rail, road and air	Slovenia Serbia (Interest: Ukraine)
	To encourage more sustainable energy		Hungary Czech Republic
	To promote culture and tourism, people to people contacts		Bulgaria Romania
B. Protecting the Environment in the Danube Region	To restore and maintain the quality of waters		Hungary Slovakia
	To manage environmental risks		Hungary Romania
	To preserve biodiversity, landscapes and the quality of air and soils		Germany (Bavaria) Croatia
C. Building Prosperity in the Danube Region	To develop the Knowledge Society (research, education and ICT)		Slovakia Serbia
	To support the competitiveness of enterprises		Germany (Baden-Württemberg) Croatia
	To invest in people and skills		Austria Moldova
D. Strengthening the Danube Region	To step up institutional capacity and cooperation		Austria (Vienna) Slovenia
	To work together to promote security and tackle organised and serious crime		Germany (Federal Ministry of Interior, in cooperation with Bavaria) Bulgaria

Nevertheless, there are also differences between the countries in the region in terms of risks, opportunities, and interests. For instance, countries at the end of the river, like Romania and Bulgaria, are more exposed to an ecologic catastrophe

on the Danube than Germany although the risk potential in terms of Water Risk Classes is higher in the Danube catchment area in Germany than in Romania and Bulgaria (International Commission for the Protection of the Danube River, 2001: 5). As a consequence, the distribution of the National Coordinators for the Priority Areas reflects both the interests and the concerns of the states. This is seen in Germany's role as coordinator for the Priority Area, "To work together to promote security and tackle organised and serious crime" because the importance attached to these issues by German representatives during the whole enlargement process with the former Communist countries is well known. It makes sense too that Germany works in tandem with Bulgaria to coordinate the areas, since the latter country is still under the scrutiny of the Mechanism for Cooperation and Verification because of, *inter alia*, organised crime (CE, 2006). In the same way, Hungary had a clear interest in coordinating the Priority Area called "To restore and maintain the quality of waters" since it has experienced in the last decade the consequences of ecological accidents produced both outside and inside its borders: the cyanide spill near Baia Mare (Romania) in 2000 (United Nations Environment Program/OCHA Assessment Mission, 2000) and the Ajka toxic sludge spill in Hungary in 2010.

Beyond cooperation in practical issues it is also clear that the EUSDR could acquire more symbolic relevance for EU countries. This is the case in Austria, which has a strategic foreign policy for all SEE countries, just as it is the case in Romania, which is trying to achieve a more pro-active profile as a player in the Black Sea region.

As far as non-EU countries are concerned, the EUSDR represents more to them than the Four Pillars structure of the strategy and points to more strategic interests. In the case of the Republic of Moldova, the pro-European coalition ruling the country expressed its wish to receive a clearer message from the EU concerning its European perspective. Although the framework of ENP was designed initially to avoid any discussion about future enlargement—the so-called "sharing everything but institutions" philosophy of Romano Prodi—the government of Moldova is hardly working to convince its European partners of the possibility of receiving it as a potential candidate country within or without the "Western Balkans package". After years of uncertainty, 2011 brought good news for Moldova. First of all, a final solution for Transnistria is on the way to being discussed again, with Germany inside EU ready to take the initiative of getting everybody around the negotiation table, despite the fact that some observers consider the new framework as rather favouring Russia's

interests (Jamestown Foundation, 2011). Even more importantly, on September 15, 2011 the European Parliament sent a very strong message by asking the Commission and the Council to acknowledge the wish of the Republic of Moldova to join the EU. The EP report may actually function as a “bridge” between ENP and Enlargement policy towards Moldova: while ENP is seen as the general framework in which the country could become “the success story of the EU policy towards its neighbours”, the EP recommendation is that EU engagement and ongoing negotiations with the Republic of Moldova should be based “on the assertion that the EU perspective, including Article 49 of the Treaty on the European Union, which should go hand in hand with the implementation of structural reforms, is both a valuable lever in the implementation of reforms and necessary catalyst for public support for these reforms” (European Parliament, 2011).

As for the EUSDR, the Moldavian government has been present throughout the consultation process and developed a rhetorical discourse in which the practical aims of the strategy are interconnected with EU aspirations of Moldova. Unlike the value oriented commitment of the Enlargement policy, the EUSDR contains no reference to common values (Figure 3). Nevertheless, the Moldavian Prime Minister has affirmed that “the objectives included in the Strategy will serve as a complementary instrument of Moldova’s rapprochement to the EU values” and that the participation in the Danube Strategy gives the Republic of Moldova “an additional opportunity to get closer to the European Union” (Government of the Republic of Moldova, 2010).

SERBIA AND EUSDR: REINFORCING THE CREDIBILITY OF EU MEMBERSHIP PERSPECTIVE?

From a legal perspective, Serbia’s prospects for joining the EU are clear: it is part of the Western Balkan group of countries which were all potential candidates and therefore partners in the Enlargement policy. However, the Serbian government is eager to receive a more concrete perspective by the end of this year, meaning an official date for beginning accession negotiations, or at least official candidate status. Room of manoeuvre for the government is becoming increasingly smaller. The Serbian pro-European coalition is under severe pressure coming from the economic crisis, Kosovo’s unresolved status, unpopular economic reforms, and the upcoming elections in 2012. Besides all these, the multiple forms of conditionality coming from the EU (Figure 3)

have eroded not only the popular support of the coalition but also the pro-European orientation of the population.

Two very important events happened in the summer of 2011 which, by juxtaposition, led to the unhappy consequence of undermining the credibility of Serbia's EU membership perspective. The first event was the arrest and the extradition of former General Ratko Mladic in the last days of May 2011. Until that moment, the last big name on the Hague's list of fugitives was seen as the main impediment in the Serbia-EU negotiations. After the first wave of congratulations from the international community, the Serbian government have continued the difficult task of parallel talks and negotiations with Brussels, for what concerns the reform process monitored by the European Commission, in Brussels, with Kosovo delegation for all technical issues regarding the relations between Belgrade and Pristina. It is the claim made repeatedly by the Serbian negotiation team that the mandate for the Brussels-based negotiations with Kosovo is to improve the ordinary life of citizens living in the area and that they have no mandate to discuss issues related with Kosovo sovereignty (B92, 2011d).

The second event was the escalation of tensions in Kosovo which actually forced everybody to reorient the public agenda from the EU accession debate and the associated reforms to the issue of Kosovo's independence or, more exactly, to oppose the two issues of EU accession and of the recognition of Kosovo as independent. It was in the same period that a series of declarations from the EU and EU member states' officials shaped the public discourse in such a way that no one could avoid answering this question, "Is Serbia confronting with a new kind of conditionality after the Hague conditions being met?" In other words, is it true that, regardless the other kind of conditions, the final condition to enter the EU will be the recognition of Kosovo's independence as suggested by a group of German MPs (B92, 2011a)? Speaking in a softer and more diplomatic manner, the EU commissioner Stefan Füle was sufficiently ambiguous to leave space for any interpretation as he "did not wish to speculate that the issue of Serbia's recognition of Kosovo could not be put on the agenda several years from now" (B92, 2011b). That statement was enough for Serbian Foreign Minister Vuk Jeremić to say that "he did not hear from EU Enlargement Commissioner Stefan Füle that a new condition for EU accession was to recognize Kosovo as independent" (B92, 2011b); for the opposition party and parts of the public opinion, it was even more evident that the government will have to decide, sooner or later, over the dilemma of Serbia's foreign policy: Kosovo or European Union.

It is not clear if such a radical dilemma is real or not, since there is no unity among EU member states about the way the Kosovo problem could be solved while all parts are using value-based arguments to back up their solutions (Lazea 2011a). What is clear, and more important for the current argument, is the radicalization of political discourse in Serbia along with the promise by the most important political leaders – both in power and in opposition—that they will never recognise Kosovo as an independent state even under the pressure of EU accession negotiations. What the pro-European leaders need now is a clear message that the EU is not imposing a new condition related to Kosovo that postdates all the other ones. Serbia and the other countries in former Yugoslavia have been subjected to multiple forms of conditionality (Figure 3) and, as some observers have noted, have functioned as “laboratories of transitional justice” where new instruments have been created: “the first regional system of special prosecutors and special courts for violations of international humanitarian law; the first invocation of ‘confronting the past’ principle as a principle of conditionality (Dragovic-Soso and Gordy, 2011: 193).

In this context, the EUSDR could bring some hope and action as a catalyst for EU integration forces. It is the first major policy which integrates Serbia, EU countries and EU institutions without any form of political conditionality (Figure 3).

Figure 3: Enlargement, ENP, and EUSDR: conditionality, values, EU membership perspective

	Political conditionality		Regional cooperation conditionality	EU membership perspective	Values (democracy, the rule of law, human rights etc)
	Democracy and human rights	Cooperation with ICTY			
Enlargement to Central and Eastern Europe (2004 and 2007)	Yes	–	No	Yes	Common values as members of EU
Enlargement to Western Balkans: Serbia	Yes	Yes	Yes	Yes, but less credible because of the supposed “Kosovo” conditionality	Common values as members of EU
ENP	Weak	–	No	No	Common values promoted
EUSDR	No	No	No	No	No reference

The Serbian government took this opportunity seriously. The Serbian Non-Paper contribution to the Development of the Strategy is very clear in this regard: “Through its participation in the development process and subsequent implementation of the Strategy, the Republic of Serbia confirms its strategic commitment for its effective membership in the European Union” (Government of the Republic of Serbia, 2010). In line with this commitment, Serbia is the only participating country which has chosen to place the National Contact point at the level of the Office of the Deputy Prime Minister for European Integration. Serbia’s Deputy PM Bozidar Delic himself proved to be very active in promoting the Strategy, assuming the position of coordinator of the country’s participation in the Strategy and confirming Serbia’s European commitment at the highest political level.

Under these circumstances, it is no surprise that Delic has called the adoption of the Strategy in June “a historic day” and “a crucial moment” for the region and. Moreover, he has mixed into the same discourse pragmatic issues about cooperation on the Danube, with the EU enlargement process (“The support Croatia received for its EU membership bid at the summit of EU presidents and prime ministers on Friday is extremely important and represents good news for Serbia, the countries along the Danube and the entire Europe”) and Serbia’s future role in coordinating a Priority Area (“Serbia is grateful to its European partners for allowing it to take part in the Danube strategy by coordinating infrastructure and road and railway transport with Slovenia, even though it is not yet a candidate for EU membership”) (B92, 2011c).

As a concluding remark, it can be said that this study joins the call for a change in the EU approach of the region in terms of incentives and rewards for the countries that have embarked on the road to EU integration, worrying about the fact that “current rather uncertain prospects of EU membership may not be sufficient as an anchor to the reform process” (Uvalic, 2011). Certainly, the EUSDR is not a decisive tool for reinforcing the credibility of the membership perspective of those countries wishing to join EU. However, taking into account the important role played by the credibility of EU perspective in keeping the pace of necessary reforms in transition countries in Western Balkans, any instrument that could reinforce this perspective is useful and important for counterbalancing anti-European forces.

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THE NEW PERSPECTIVE FOR THE WESTERN BALKANS WITHIN THE DANUBE REGION STRATEGY

TATJANA SLIJEPCÉVIĆ

INTRODUCTION

Regional cooperation lies at the very foundation of the whole structure of the European Union and is a model that has proved itself exceptionally successful, particularly in such a diversified milieu as Europe is. In the course of the European Union's existence it has been continually changing its essential purpose, while in the light of the recent happenings in the heart of Europe, namely the Western Balkans, it has gained even a greater value as a tool of reconciliation, stability and ultimate prosperity. In the case of the Western Balkans regional cooperation stands as an indispensable prerequisite for the future of the region as a whole as well as for each individual state, foremostly when it comes to their European perspective. Countries once part of one state and now neighbouring countries tied historically and geographically to each other, the Western Balkan states have no other choice but to cooperate among themselves. Furthermore, all these countries are small in their respective territorial coverage, populations, economies and resources and thus it is in the best interest of them all to unite their potentials and act as regional rather than players.

However, regional cooperation primarily implies cooperation among the Western Balkans countries, which might not be enough as the countries face the same challenges, lack experience and resources for resolving problematic issues and not infrequently cannot be of much help to one other. Closer cooperation, partnership and contacts with more advanced, experienced EU member states would provide the Western Balkan countries with opportunities for direct learning, adopting best practices and translating them to the Western Balkan context which would ultimately enhance resolution of the present issues and challenges in the region. The Danube Region Strategy opens precisely these opportunities to the Western Balkans as it affects not just the member states, but the neighbouring countries as well. Along with being a unique way for direct and close cooperation among member and non-member

states, it creates space for active involvement and contribution of the Western Balkans to the common interest areas foreseen by the Danube Strategy. If fully embraced and used at its best by the Western Balkan countries this opportunity will, undoubtedly, result in many positive developments and pave the way to new ones.

ENLARGEMENT AND THE EUROPEAN PERSPECTIVE OF THE WESTERN Balkans: Problems and Challenges

Enlargement is very often defined as the EU's most powerful policy (Commission of the European Communities, 2008:4). Starting with the first enlargement in 1973, all successive enlargements have increased the EU's economic and trade capacities, enhanced stability and security and contributed to conflict prevention as well as strengthening democratic values and the rule of law. Enlargements, in terms of both deepening and widening the EU, have greatly raised the international presence and importance of the role the EU plays in the world's affairs today. In the overall trend of globalization, the EU has emerged as one of the most prominent actors to exercise its impact on a wide range of policy areas, change attitudes and shape expectancies of the other actors (Bretherton and Vogler, 1999: 17).

As *sui generis*, with achievements that speak for themselves the EU has a kind of magnet effect for many. There has been a great and long-lasting interest by the Western Balkan countries, Turkey, and some countries in the Caucasus such as Georgia and Armenia, as well as Ukraine, Moldova and Belarus, in becoming part of the European family. This certainly poses great challenges and requires many changes and reforms, both in the EU and in the countries wishing to join. Enlargement is an exceptionally important and sensitive matter when it comes to the Western Balkans, as the whole course of its future, development, prosperity and stability greatly depends on the region's accession to the EU.

It is expected that the Western Balkan countries will be the next group of states to join the European Union in the course of the next decade. What is common to all these countries is that each shares a solid perspective for EU membership that has been confirmed on several occasions. This was first confirmed at the meeting of the European Council in Feira in June 2000, thereupon at the Thessalonica Summit in 2003 and at the following EU meetings of the highest level, including also an informal meeting of the Foreign Ministers that took place in Salzburg in March 2006. Furthermore, in January 2006 the European Commission adopted a strategy

with the title “The Western Balkans on the Road to the EU: consolidating stability and raising prosperity,” assessing that significant progress had been made since the Thessalonica Summit and defining measures and instruments in order to enhance EU policy towards the Western Balkans.

Up to now, the status of candidate country has been given to Croatia (accession date July 1st 2013), the Former Yugoslav Republic of Macedonia (FYROM) and Montenegro, while Serbia, Bosnia and Herzegovina, Albania and Kosovo¹ are potential candidate countries. As all of these countries have been through difficult periods and conflicts, and are still confronted with many problems and challenges, the European perspective would be a new era for them, bringing economic and social prosperity, and even more importantly peace and stability in the region.²

Based on the experiences with previous enlargements, the EU has improved the process of negotiating and accessing new member states, giving priority to the rule of law and good governance as well as requiring economic reforms that must be taken before a country is allowed to join the EU. Although the Western Balkans has made progress on its way towards the EU in recent years, it is still faced with a number of issues that can undermine security and stability, slow down the economic progress and overshadow the European perspective of the region.

As already mentioned, candidate and potential candidate countries of the Western Balkans are at different stages in their progress towards the EU. However, most of the problems and obstacles they encounter on their way to membership are of the same nature and they can be dealt with and solved if the countries closely cooperate at the regional level, something which will be closely looked at in the next section.

REGIONAL COOPERATION IN THE WESTERN BALKANS

Regional cooperation in the Western Balkans is a topic very often heard about and an issue of great importance when speaking about the European perspective of the region. There have been much success and progress in intensifying regional cooperation, especially in the recent couple of years, thanks both to regional actors and international partners. The major support and incentive for regional cooperation has been coming from the European Union, but it has also been one of the major conditions

¹ Under Resolution 1244/99 of the United Nations Security Council.

² <http://ec.europa.eu/enlargement/> (August 10th 2011.)

incorporated in all the documents and agreements regarding EU membership of the Western Balkan countries.

As already mentioned, one of the reasons that regional cooperation is being very much insisted on is that the EU itself is founded on cooperation among regions and because political stability, economic prosperity and social development has been mostly achieved due to close relations and cooperation in a vast range of fields between the European states and regions. For this reason it has been seen as a successful model to be followed and applied in the Western Balkans region too. On the other hand, the geographical proximity of the Western Balkan countries, as illustrated in Map 1.1, their historical ties and shared, very often turbulent and gloomy past, have made regional cooperation inevitable and even more relevant.

Map 1: The Western Balkans



Source: <http://kos.rec.org>

With shorter or longer intervals of peace, the region has been frequently stricken by war, starting with the First and Second Balkan Wars, the First and Second World Wars and the most recent wars in the 1990s that followed declarations of independence by the former Yugoslav republics. After each of these conflicts and wars, the region reappeared integrated in a somewhat different form and it always functioned as a part of larger political structures that could keep the region together and that could

guarantee stability. Today there exists a larger entity that could assume this role and responsibility: the EU, since “the EU, by the virtue of its power of attraction and hence power to promote certain norms of appropriate state behaviour became perceived as the actor best able to bring stability to this traditionally unstable region.” (Delević, 2007:14).

That regional cooperation is a model that pays off was also proven by the example of the Central and Eastern European Countries (CEEC). Although the EU conducted most of its relations and negotiations with the CEE countries in a bilateral form, interstate cooperation strongly featured in the requirements package for EU accession. In the case of the CEE countries, cooperation was necessary for resolving border problems and minority issues. Since then “good neighbourliness” started being added to the list of the membership criteria, and besides the benefits for the region in question, it became a means to “prevent the enlargement from importing foreign policy problem into the EU” (Delević, 2007:23). Although the benefits of regional cooperation were many and although it was very much fostered, it was never included in the obligatory requirements for EU membership and it never gained more importance than the bilateral approach that the EU had towards each candidate country from CEE.

However, the attitude towards the Western Balkan countries was different. The official report that the European Commission submitted to the European Council and Parliament in 1996 contained goals and objectives as well as conditions and instruments that should be applied as a response to the issue of the Western Balkans, introducing the “regional approach” for the first time. As this was the time when the Balkan conflict had just ended, with the war in Bosnia and Herzegovina coming to a conclusion, the regional approach was primarily a means to consolidate peace and security in the region. For that reason, the agreements that were later concluded with each country were focused on maintaining political stability and economic prosperity through cooperation among the countries themselves, with the neighbouring countries and with the EU (Delević, 2007:23). While they were treating all these countries together as one whole, they were at the same time paying great attention to the specific position of each one of the countries. Entering into such an agreement was conditioned by the readiness of each country to work on peace building, adopting democratic values with the emphasis on the respect on human and minority rights and willingness to re-establish cooperation with the neighbours.

Thus, the EU attached much greater importance to regional cooperation in the case of the Western Balkans, than it had with CEE, for now regional cooperation was

promoted to one of the compulsory preconditions for EU integration and it was to be closely monitored and assessed in the course of the countries' progress towards EU membership (Delević, 2007:24). In May 1999, the European Commission came up with a more comprehensive and ambitious plan for the development of the Western Balkan region and its eventual integration into the EU. In order to foster the accession process for candidates and potential candidates in the Western Balkans, the EU has developed a policy known as the Stabilization and Association Process. The Stabilization and Association Process (SAP) was initiated in May 1999, showing long-term orientation of the EU to assist the countries of the Western Balkan region in their political efforts by the means of financial and human resources aid that would finally lead to full EU membership. Albania, Bosnia and Herzegovina, Croatia, Macedonia, Montenegro, Serbia and Kosovo are all involved in SAP, which is a constituent part of the overall enlargement policy and which prepares the whole region for EU integration. The process is at once bilateral and regional, since on the one hand it contributes to the establishment of relations among the countries involved in this process and the EU, and on the other fosters their mutual regional cooperation.

As defined by the European Commission, SAP is "the framework for the EU negotiations with the Western Balkans countries, all the way to their eventual accession with three main aims:

- Stabilizing the countries and encouraging their swift transition to a market economy
- Promoting regional cooperation
- Eventual membership of the EU" (The European Commission, 2006:5)

The core component of SAP overall is the emphasis on regional cooperation. SAP should not be understood as a process that occurs only between the EU and a SAP signatory, but it is very much concerned with cooperation and mutual assistance among the countries of the region themselves. This is specifically underlined in the SAA chapter on the regional cooperation, where it is stated that the signatory country will be actively promoting cooperation throughout the region. Upon signing the Agreement, a country becomes obliged to start negotiations and conclude bilateral agreements on the regional cooperation with the other countries that have already signed the SAA.

With regard to regional cooperation, the countries participating in AP have obligated themselves to achieving concrete objectives and implementing specified initiatives in accordance with the Thessalonica agenda from 2003³ in the area of regional trade liberalization, facilitation of the visa regimes within the region, the rounding up of small weapons and arms, creating a regional market for gas and energy, developing an energy infrastructure, transportation network and telecommunications, water management, environment protection, cross-border and parliamentary cooperation, as well as science and research (The European Commission, 2006:6). Constructive regional cooperation is of crucial value and indicates that a country is ready to integrate into the EU. The Western Balkans' approach to the EU has to be accompanied by an enhancement of regional cooperation modelled upon cooperation within the EU itself. The Western Balkan countries have also become fully aware of the shared problems that they have, most of which have strong cross-border characteristics, from which the responsibilities towards each other arise. They now realize benefits and results that regional cooperation has brought to each one of them, which gives further incentive to continue strengthening cooperation.⁴

Nevertheless, regional cooperation purely within the Western Balkans will not be a sufficient response to the challenges these countries are faced with and which need to be solved prior to joining the Union. Lack of experience and poor resources common to all the Western Balkan countries are a serious obstacle to tackling existing challenges at the regional level. While the European perspective is certain for the Western Balkans countries, it is still remote for many of them and inability to fulfil the requirement of the regional cooperation in a satisfactory manner might prolong the accession process even more. In such a context the Danube Region Strategy might be a needed solution and answer for the Western Balkans.

DANUBE REGION STRATEGY –

A NEW PERSPECTIVE FOR THE WESTERN BALKANS

The Danube Strategy is the first EU initiative in a long time which, besides the priority fields, affects the neighbourhood and enlargement policy. It is not just a catalyst of

³ The Thessalonica agenda extended and enriched SAP with some elements that were introduced due to then imminent enlargement towards the Central and Eastern European countries; it also introduced a range of new tools and instruments to underpin the reform processes in the Western Balkans and bring it closer to the EU.

⁴ http://www.euroresources.org/guide_to_population_assistance/european_community/ipa.html

good-neighbourly relations in the region, but it brings closer the EU member states and third countries and strengthens their relations. The Strategy may be perceived as a bridge between the current state of the Western Balkan countries and their full membership which can greatly facilitate the integration of the Balkans in the European structures. It is an outstanding opportunity for these countries to be a part of a macro-region strategy and to be closely linked with some of the member states through the matters of mutual interest and benefits (Council of the European Union, 2011).

The Danube Region Strategy includes eight EU countries (Germany, Austria, Hungary, Czech Republic, Slovak Republic, Slovenia, Bulgaria and Romania) and 8 non-EU countries (Croatia, Bosnia and Herzegovina, Montenegro, Ukraine and Moldova).

Map 2: Territorial coverage of the Danube Region for the Danube Region Strategy



Source: http://ec.europa.eu/regional_policy/cooperation/danube/maps_en.htm

Based on the previous results of the macro-regional strategies in the European Union, the European Council proposed development of an EU Strategy for the Danube Region. The Danube Region Strategy, just like the Baltic Region Strategy, is a way to establish a macro-regional model for efficient territorial cooperation. It is expected to

bring better coordination among the official authorities and organizations working in the Danube area and result in prosperity, sustainable development, the opening of new employment opportunities and strengthened security in the region (European Commission, 2011). Motives and goals of the Strategy are best summarized in the Final Declaration of the Conference of the Regional Leaders of the Working Community of the Danube Regions held in Linz 2008: *“For the Danube Region and its successful integration of the states, regions, municipalities and citizens, there is the chance and obligation to come out of the new international surroundings stronger than before, by pooling strengths, joint actions, and formulating a policy for the Danube region for the future. Only in this way, the Danube region can again become one of the leading intellectual, economic and cultural centers of Europe and the world, as it has been before. Together, the regions along the Danube are strong and with them also Europe.”*⁵

It was recognized at an early stage that none of the stated goals would be achievable if the scope of the Strategy did not step beyond the EU borders. A great value of the Strategy lies precisely in the fact that it has been created not solely for the EU member states, but that it involves all the countries that have been a part of the Danube Cooperation Process (European Commission, 2011). This new partnership is of special interest and importance to the Western Balkan countries, as the Danube basin has been a historical link and main gateway to European integration of the Western Balkans. Such an envisioned strategy opens the possibility for candidate and potential candidate states to directly cooperate with the member states, some of them the most developed and oldest ones, to receive guidelines and adopt best practices for responding to the challenges the Danube Region countries share.

The Danube Region Strategy has been launched with the aim of enhancing and cohering socio-economic development, strengthening security and recognizing multiculturalism in the Danube Region. Since all the states involved in the Strategy have been severely affected by the global economic crisis, the Danube Strategy primarily tries to contribute to sustainable economic growth in the region. The Strategy emphasizes economic interdependence of the countries in the Danube region and their potentials for economic development. It proposes establishment of the business networks and non-governmental trade promotion bodies which will generate

⁵ Working Community of the Danube Regions. (2009.) Final Declaration: Sustainability Shaping the Future of the Danube Region. Working Community of the Danube Regions, Linz.

future development opportunities, especially for SMEs, increase employment and stimulate efficient and sustainable growth (Council of the European Union, 2011).

Strengthening safety and security is another very important aspect of the Strategy, as the Danube Region comprises both Schengen and non-Schengen countries, as well as member states, candidate countries and potential candidate countries whose laws and security policies are not harmonized, which requires continuous and comprehensive cooperation in security matters. Interlinked through the Strategy, the participating countries will be able to cooperate much more closely, to exchange information more frequently and organize joint actions aimed at strengthening security and safety in the region. For the candidate and potential candidate states this will also be an opportunity to become much better acquainted with the laws and security policies of the member states and to adapt domestic laws and policies to European standards.

Furthermore, the Strategy stresses the need for recognizing multiculturalism, as the Danube basin has always been comprised of different peoples and nationalities. Bearing in mind multicultural, religious and national structure of the Western Balkans, this aspect gains additional value and significance.

The priority areas of the Danube Strategy are among the major obstacles to the advancement of the Western Balkan countries and those strongly favoured by the EU. Therefore, being integrated into the Danube Strategy opens great opportunities for the Western Balkan countries to improve fields that are lagging behind through cooperation and joint efforts with much more developed countries and certainly at a faster pace than they would do on their own. On the other hand, the Strategy will enable a change in the position of the Western Balkan countries, from passive observers and aid recipients to states taking an active part in the implementation of the Strategy. For the first time, these countries will be in a position to provide input and give advice on how to approach the issues the Strategy focuses on. The Western Balkan countries will have the opportunity to provide initiatives, propose solutions and act as equal partners with the member states in matters of mutual interest and concern. Assuming an active role in this process will help in changing the perception of these countries and positively reflect their affirmation at the European level.

CONCLUSION

The Western Balkan countries, both from their individual and common perspectives, believe that the Strategy will open great possibilities to fully employ their economic,

cultural, ecological and other potential in the Danube area. Facilitating social-economic development, improving connectivity and communication services, protecting the environment and mitigating risks of natural disasters are among the top priorities of each country, which within the framework of the Danube Strategy have much better chances to be achieved.

The Danube Strategy's benefits to the Western Balkan countries could be many and they could be a foundation for future cooperation, joint work and common goals shared with the European Union. Whereas for the time being contributions from the Western Balkans might be few, it is highly likely that in time this micro-region could grow into an equally contributing and valuable partner. Gradually, a whole new chapter both for the Western Balkans and the European Union might be begun and prove why the Danube Strategy has been considered a success even before its creation.

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THE DANUBE STRATEGY AND THE ENERGY SECURITY OF THE DANUBE MACRO REGION

SVETLA BONEVA

MACROREGIONS: THEORETICAL CONTEXT AND POLICY DEVELOPMENTS IN THE DANUBIAN PERSPECTIVE

The concept 'Macro-region' belongs to economic and political geography and spatial planning. The term has been widely used in a range of contexts, and in the present volume different authors approach it from various angles. After the adoption of the EU macro-regional strategies for the Baltic Sea Region (European Commission, 2009), the Danube Region (European Commission, 2010) and, having in mind the idea of the establishment of other potential macro-regional strategies concerning the Mediterranean, the Alpine and the Black Sea areas, the concept of macro-regions has increased its prominence in contemporary European policy debates.

Evolution in regional economic development and territorial integration theories evolution has introduced new concepts. The experience gained from the past and present European territorial cooperation programs resulted in the introduction of the term "macro-region" in current European policy making. The term "macro-region" is a descriptive term concerning a geopolitical subdivision that encompasses several politically defined regions.

Since the 1990s, interest in *European territorial cooperation* has increased, mainly due to *cross-border cooperation* (between adjacent regions), *transnational cooperation* (involving regional and local authorities) and *interregional cooperation* (involving large-scale information exchange and sharing of experience). All forms of European territorial cooperation stimulate integration of markets and trade. Thus borders have gradually transformed from barriers to "bridges" between the countries (regions) involved. Common problems and challenges, such as climate change, pollution, flooding, loss of bio-diversity, energy supply problems, economic problems, etc., demand joint coordinated actions. Undertaking common coordinated actions and effective territorial cooperation can be a major social resource as well, providing new

opportunities for regions, nations and companies. European territorial cooperation is considered to be a major factor of economic growth, creating jobs and improving the quality of life (Gorzelak, 2010:7).

The spatial configuration of crossborder links requires a rethinking of the geography of economic development. Schamp (1995) defines the “*functional regions*” – interdependent territories that do not necessarily coincide with the political and the administrative territorial units outlined by national borders. Functional regions clearly illustrate the link between territorial cooperation and territorial development. Border regions are usually located in geographical peripheries of their state and are often more underdeveloped than the central regions. Cooperation across borders stimulates development and synergy by encouraging mutual business between regional firms and contacts among local NGOs. Apart from cross-border cooperation, other forms of territorial cooperation (transnational and interregional) also contribute to the development of cooperating areas and create networking opportunities between regions across the EU.

Place-based policy approaches are based on specific resources and growth potential of regions. These approaches stem from efforts to support the development in a country's regions. The same idea is applied to functional regions for cooperation among regions of different countries. These regions should try to identify and exploit their territorial capital, i.e. those of their comparative advantages that allow them and the whole region to grow. This approach requires clear understanding of the local strengths, weaknesses, opportunities and threats in the process of planning and implementation of policy measures (and could lead to adapting interventions to fit regional contexts). The creating of cooperative links, potential synergies and learning opportunities is an asset contributing to a region's capital. The assumption that cooperation helps regions to identify their endogenous growth potential has rarely been subject to empirical studies, and the precise role of territorial cooperation in regional development has rarely been examined in depth. The ESPON program-funded project, “Territorial cooperation in transnational areas, between regions and across internal/external borders” (ESPON applied research project 2013/1/9, 2009:7) partly fills this research gap.

The objective of territorially coordinated interventions is familiar in spatial planning. Since the 1970s, there has been an awareness of the growing disparities at regional, national and European levels, as well as a perception that the Union is divided into a highly developed geographical core and developing peripheries. The

efforts to erase these disparities resulted in the need to provide some sort of “spatial justice” European level.

In analysing the European spatial planning development, several important documents are worth mention. In 1991 the European Commission published “Europe 2000”, an analysis of the European territory (Commission of the European Communities, 1991), highlighting existing disparities and outlining future trends. The follow-up document “Europe 2000+” demonstrated a growing acceptance of spatial planning at EU-level and presented policy options to promote territorial equity (Commission of the European Communities, 1994). In particular, the report observed that Member States were increasingly taking cross-border and transnational issues into account in their territorial development planning. Highlighting past experiences of transnational coordination between Member States, the report argued that planning coordination between countries was necessary to promote balanced development.

The “European Spatial Development Perspective” (ESDP) was the first step to the coordination of planning at EU-level in the field of spatial development (Commission of the European Communities, 1999). Agreed by the ministers of regional development and spatial planning in Potsdam in May 1999, the European Spatial Development Perspective was a non-binding framework document streamlining the policies that have a spatial impact on European cities and regions. The basic objective of the European Spatial Development Perspective was to achieve ‘balanced and sustainable development of the territory of the EU’. The document points out that territorial cooperation could be a tool for the coordination of sectoral policies and for ensuring consistency in planning between different countries. Spatial planning coordination in the macro regions of the Baltic Sea and the Danube river can be considered a way of reaching this goal. Before the adoption of the European Spatial Development Perspective the spatial planning debate at European level was led mainly by the Member States. The ESDP itself was a result of an intergovernmental process that did not envisage a leading role for the European Commission. The intergovernmental process however stalled soon after the completion of the ESDP. Then the European Commission published its “Second Report on Economic and Social Cohesion”, which has been followed by more Commission activities in the field. Territorial cooperation across regions is the focal point of the European Commission’s *objective of “Territorial Cohesion”*. Both the Constitutional Treaty and the Lisbon Treaty set the triple goal of social, economic and territorial cohesion.

The European commission adopted the *European Union Strategy for the Danube Region* (EUSDR, the Strategy) on 8 December 2010. The EUSDR covers eight EU member states and six non EU member states falling within the Danube river basin. The Strategy is a comprehensive macro-regional strategy, covering several EU policies. The policies concerned by the Strategy are included in two EUSDR plans: *the Communication Plan* and *the Action Plan*. The implementation of the strategy started in 2011 after its official endorsement by the EU Member States at the 2011 EU Council under the Hungarian presidency of the European Union.

Figure 1: Territorial span of the European Union Strategy for the Danube Region



The Strategy follows the principles of the previously adopted EU strategy for the Baltic Sea: it relies on existing policies and structures. Since no new legislation, financial instruments (funds) or institutions will be created to secure its implementation, the Strategy has met great criticism and skeptical voices concerning its outcomes have been heard. Criticisms of the Strategy state that no one should expect too much because of the so called three “NOs” accompanying the strategy—NO legal framework, NO new financing and NO new institutions.

The EUSDR involves *six key areas*:

- I) ENVIRONMENTAL PROTECTION, covering three priority areas:
 - 1) restoration and maintenance of water quality;
 - 2) management of environmental risks; and
 - 3) preservation of biodiversity, landscapes and the quality of air and soil.
- II) MOBILITY, concerning the untapped shipping potential and the poor condition of road and rail transport connections
- III) ENERGY CONNECTIONS
- IV) Uneven SOCIO-ECONOMIC DEVELOPMENT
- V) Uncoordinated EDUCATION, RESEARCH AND EDUCATION SYSTEMS
- VI) Shortcomings on SAFETY AND SECURITY

To tackle the challenges in these six priority areas the strategy proposes an *Action plan*, elaborated by the European Commission in partnership with the member states, regions and other stakeholders. The Action Plan comprises four pillars covering 11 priority areas as follows:

Table 1: The Four pillars of the EUSDR Action plan and their priority areas.

I. Connecting the Danube Region	II. Protecting the environment in the Danube Region	III. Building prosperity in the Danube Region	IV. Strengthening the Danube Region
Priority areas:	Priority areas:	Priority areas:	Priority areas:
1.To improve mobility and multimodality in terms of: a) inland waterways; b) road, rail and air links	1. To restore and maintain the quality of waters	1. To develop the knowledge society through research, education and information technologies	1. To set up institutional capacity and cooperation
2.To encourage more sustainable energy	2. To manage environmental risks	2. to support competitiveness of enterprises, including cluster development	2. To work together to promote security and tackle organized and serious crime
3.To encourage culture, tourism and people to people contacts	3. To preserve biodiversity, landscapes and the quality of air and soils	3. To invest in people and skills	

Source: European Commission, COM (2010) 715 final, European Union Strategy for the Danube Region, p. 6., Brussels, 8 December 2010

The Action Plan is an indicative framework that is supposed to evolve as work on the Strategy progresses. Its *basic objective* is to promote territorial cohesion within the Danube macro-region, creating good links between urban and rural areas, better access to infrastructure and services and comparable living conditions. This objective will be fulfilled through the implementation of projects and actions that should:

- demonstrate immediate and visible benefits for the people in the region;
- have an impact on the whole macro-region or a significant part of it. Projects should therefore promote sustainable development and cover several regions and countries;
- are coherent and mutually supportive, creating win-win solutions;
- are realistic (technically feasible and with credible funding).

The EUSDR is intended to make the best use of existing EU policies and funding in order to produce results. To provide this, the European Commission has established a framework for cooperation comprising all complementary actions and stakeholders at national, regional and other levels. *The European Commission* is responsible for the *policy-level coordination* in the process of the Strategy's implementation, supported by a High Level Group (HLG) representing all EU member states and non-member states falling within the Danube River basin. To facilitate the practical aspects of the strategy implementation, National Contact Points (NCPs) assist the European Commission.

The EU member states coordinate the priority areas in consultation with the European Commission, the neighboring non-member states and other regional or European relevant bodies. Priority areas coordinators have trans-national, inter-sectoral and inter-institutional approaches to the work; they should demonstrate Danube-wide commitment and expertise and ensure the implementation of the respective projects.

Implementation of all actions of the Strategy is the responsibility of all actors at national, regional or local level. Implementation of the Strategy's actions requires the transformation of the respective actions into concrete projects. Funding for the implementation of the Strategy's actions comes from the existing EU financial instruments available for the region that amount to 100 billion euro for the period 2007 -2013 and come mainly from the structural funds, IPA and ENPI.

Reporting and evaluation of the Strategy implementation are carried out by the European Commission in partnership with the Priority Area Coordinators. The latter

identify the progress in their priority area related to the achievement of targets as a result of the implemented projects.

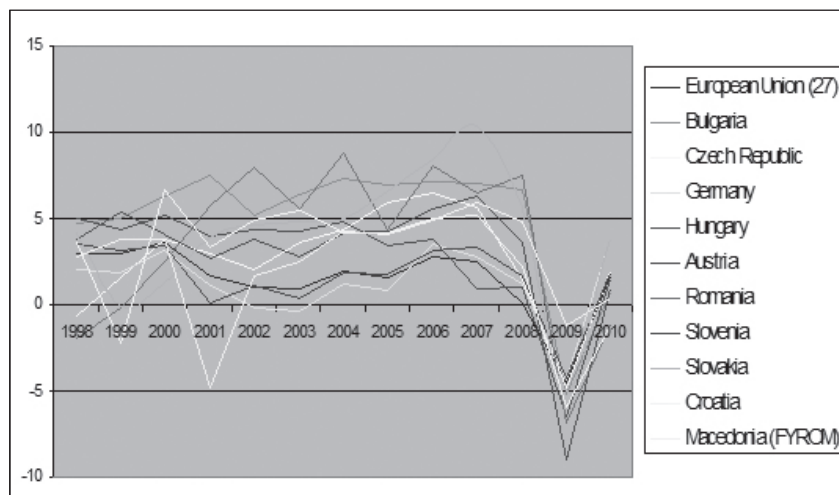
The EUSDR reinforces the achievement of the “Europe 2020” strategy goals. It supports *sustainable growth*, because it is aimed at reducing the energy consumption and increasing the usage of renewable energy sources as well as introducing more economically friendly transport and promoting “green” tourism.

*Table 2: Real GDP per capita in the EUSDR countries, growth rate
(Percentage change on previous year, Euro per inhabitant)*

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
EU (27)	2,9	2,9	3,6	1,7	1	0,9	2	1,5	2,8	2,5	0,1	-4,6	1,6
Bulgaria	4,7	5	6,3	7,5	5,2	6,4	7,3	6,9	7,1	7	6,7	-5,2	0,7
Czech Republic	-0,7	1,5	3,8	2,9	2,1	3,6	4,4	6	6,5	5,6	1,4	-4,9	2
Germany	2,1	1,9	3,1	1,1	-0,2	-0,3	1,2	0,8	3,5	2,8	1,2	-4,4	3,8
Hungary	5	4,4	5,2	4	4,4	4,3	4,8	3,4	3,8	0,9	1	-6,5	1,4
Austria	3,5	3,1	3,4	0,1	1,1	0,4	1,9	1,8	3,1	3,3	1,7	-4,2	1,9
Romania	-1,9	-0,2	2,5	5,8	8	5,5	8,8	4,4	8,1	6,5	7,5	-6,9	-1,1
Slovenia	3,8	5,3	4,1	2,7	3,8	2,8	4,2	4,3	5,5	6,3	3,6	-9	0,9
Slovakia	4,2	-0,1	1,3	3,9	4,6	4,8	5	6,6	8,4	10,4	5,6	-5	3,8
Croatia	3,6	-2,2	6,7	3,3	4,9	5,4	4,2	4,2	5	5,2	2,2	-5,9	-1,2
Macedonia (FYROM)	2,8	3,8	3,8	-4,9	1,6	2,5	4,3	4,1	4,9	6	4,8	-1,2	0,4

Source: Eurostat, 2010.

*Figure 2: Real GDP per capita in the EUSDR countries, growth rate
(Percentage change on previous year, Euro per inhabitant)*



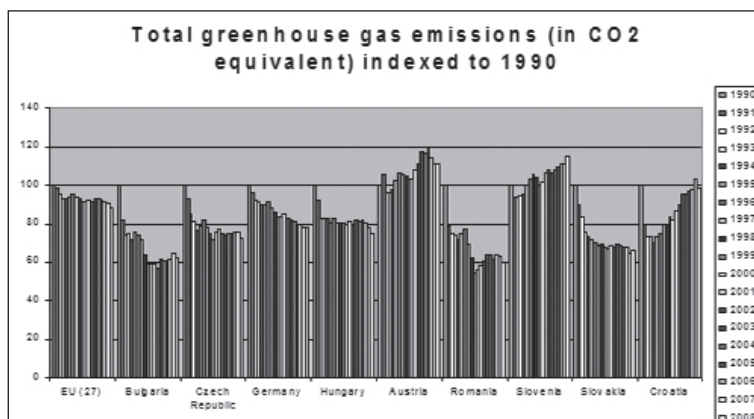
Source: Eurostat, 2010.

Table 3: Total Greenhouse gas emissions in the EUSDR countries
(in CO₂ equivalent) indexed to 1990, index base year = 100

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
EU (27)	100	98.2	94.8	93.2	92.7	93.7	95.6	93.7	93.9	90.9	90.9	91.9	91.1	92.5	92.5	91.9	91.6	90.5	88.7
Bulgaria	100	81.7	73.7	74.3	72.2	75.7	74	71.4	61.7	59.2	59	59.3	56.7	61.2	60.6	60.3	61.4	64.7	62.6
Czech Republic	100	93.1	84.6	81.5	76.3	78.7	82.1	78.5	74.4	72.2	75.6	76.7	74.5	74	74.8	74.5	75.3	75.6	72.5
Germany	100	96.3	92.1	91.2	89.7	89.4	91.1	88	86.1	83.4	83.2	84.5	82.8	82.3	81.2	79.4	79.8	77.7	77.8
Hungary	100	91.8	82.6	82.9	82.5	80.8	82.9	80.9	80.6	81	79.2	81.3	79.1	82.2	81.2	82	80.3	77.8	75.1
Austria	100	105.2	96.6	96.6	97.7	102	106	105.5	105	103	103	108	110.4	117.6	116	119	115	111	111
Romania	100	79	74.7	73.8	71.7	74.5	77	69.4	62	54.8	56.3	58.2	60.8	63.5	64.2	61.8	63.7	63.1	60.3
Slovenia	100	94	93.4	94.4	95.3	99.9	103	105.3	104	101	102	107	108	106.3	108	109	111	111	115
Slovakia	100	89.6	83.3	76	73.6	72.1	70.1	68.5	69.1	68.2	66.6	68.5	67.5	69	68.7	67.8	67.4	64.6	66.1
Croatia	100	79.1	73.5	73.5	70.5	73	74.7	79.1	79.4	83.1	82.4	86.4	89.4	94.8	94.9	96.7	98.1	103	99.1

Source: Eurostat, 2008.

Figure 3: Total Greenhouse gas emissions in the EUSDR countries
(in CO₂ equivalent) indexed to 1990, index base year = 100



Source: Eurostat, 2008.

It supports *inclusive growth*, because investment in people and their skills is one of the basic priority areas of the EUSDR. The support of competitiveness of enterprises, including cluster development, represents the main field of action in another basic Priority Area of the Strategy. The strategy is also aimed at improving the environment in the Danube macro-region as well as the further removal of the internal market bottlenecks.

The EUSDR supports *intelligent growth*, because one of its four basic pillars (pillar III: “Building prosperity in the Danube region”) is supported by priority areas focused

on developing the knowledge society through research, education and information technologies. The implementation of the EU strategy for the Danube region is not supported by a special EU financial instrument. All potential projects falling within the scope of the eleven priority areas identified by the strategy will be funded by the existing European financial instruments. These instruments include all national operational programs in the region's EU member states (cumulative funding for these programs amounts to 100 bn. EUR coming from the ERDF, ECF and the CF) as well as the cross-border, trans-national, IPA – CBC (the cross-border cooperation programs funded by the Instrument for pre-accession) and the ENPI programs (the European Neighborhood Partnership Instrument programs). Thus the available financial support should be used to stimulate macro-regional cooperation and tackle the region's problems.

The importance of the Danube region for the development of the EU is indispensable and largely supported by public finance: out of the 52 EU *cross-border cooperation programs* along the internal borders of the Union (amounting to a total of 5,6 bn. EUR) 18 programs cover member states situated in the region. Out of the 13 EU funded *trans-national cooperation programs* that cover larger areas of cooperation and amount in total to 1,8 bn. EUR, 3 programs (the Alpine space program, the Central Europe program and the South East Europe Program) encompass EU members. Moreover, 6 IPA CBC programs between the EU and accession countries include countries of the region. Besides these, 3 ENPI CBC programs between EU and third countries cover the area (the ENPI-CBC Black Sea Basin Program, the ENPI-CBC Romania-Hungary-Slovakia-Ukraine Program and the ENPI-CBC Romania-Moldava-Ukraine Program) out of a total of 15 ENPI-CBC programs¹ funded by the EU.

The *interregional cooperation program* (INTERREG IVC) and the 3 networking programs (Urbact II, Interact II and ESPON) cover all 27 Member States of the EU and some other countries. Therefore all EU member states falling within the territory covered by the Danube strategy can benefit from it. The interregional cooperation programs provide a framework for exchanging experience between regional and local bodies in different countries and receive ERDF contributions amounting to 445 million EUR. Interregional cooperation builds networks to develop good practice and facilitate the exchange and transfer of experience by successful regions. It showcases

¹ The 15 EU funded ENPI-CBC programs are divided into three major categories: 9 land-border programs, 3 sea basin programs and 3 sea crossing programs. Information for these programs is available at: http://ec.europa.eu/europeaid/where/neighbourhood/regional-cooperation/enpi-cross-border/programmes/index_en.htm

what regions do well, to the benefit of those still investing. The INTERREG IV C program enables EU regions to work together and is structured around two priorities: innovation and the knowledge economy and protection of the environment, and risk prevention. The ERDF contribution to this program is 321 million EUR. The program covers the territory of the EU-27 countries, Norway and Switzerland.

The 3 *networking programs* from which the Danube Basin countries can benefit are the URBACT II program, the INTERACT II program and the ESPON program. *The URBACT II program* brings together actors at local and regional level to exchange experience and to facilitate learning on urban policy themes. The program supports thematic networks and working groups between cities, conferences and development of tools. The ERDF contribution to this program is 53 million EUR. The program covers the territory of the EU-27 countries, Norway and Switzerland. Jointly with the URBACT II program and the INTERREG IVC program are the driving forces for the EU initiative “Regions for Economic Change”, which is designed to support regional and urban networks in developing and spreading best practice in economic modernization. The most innovative projects in this field can compete for the annual RegioStars award. *The INTERACT II program* provides training, services and tools to program managers and administrators of co-operation programs in order to improve the management of these programs. The ERDF contribution to this program is 34 million EUR. The program covers only the territory of the EU-27 countries.

The “*European Spatial Planning Observation Network*” (ESPON) program provides scientific information for the development of regions and larger territories through applied research, analysis and tools. The ERDF contribution to this program is 34 million EUR. The program covers the territory of the EU-27 countries, Norway, Switzerland, Iceland and Liechtenstein.

The *European Grouping for Territorial Cooperation (EGTC)* is also to be mentioned as an option for the Danube Basin countries. Unlike the structures which governed this kind of cooperation before 2007, this new European legal instrument, designed to facilitate and promote cross-border, transnational and interregional cooperation, is a legal entity and as such enables regional and local authorities and other public bodies from various member states to set up cooperation groupings on a legal basis.

Is the funding for all these programs enough for the implementation of the Danube strategy? The budget of these programs comes from the the European Territorial Co-operation objective, financed by the European Regional Development Fund (ERDF)

and amounts to 8.7 billion EUR. Thus the objective European Territorial Cooperation accounts for 2.5% of the total 2007–13 allocation for cohesion policy, including the allocation for Member States to participate in EU external border co-operation programs supported by the IPA and ENPI instruments. Given this information, we could conclude that sufficient funding exists that could be used for the implementation of the European Union Strategy for the Danube River.

THE DANUBE STRATEGY AND THE ENERGY SECURITY OF THE DANUBE REGION

Energy has been pointed out as a priority in all of the Danube strategy countries' position papers² sent to the European Commission. Energy is not only a part of the connectivity and communication pillar of the future strategy—without a sustainable energy sector in the region, none of the four strategic pillars can be implemented.

The energy sector of the Danube region strategy member countries reveals a diverse landscape, resulting from the economic diversity of the region, technological and cultural divergence and the different historical evolutions of the Danube countries. Nevertheless there is a common feature of the Danube strategy member countries (both EU member states and non-members): all of them are increasingly dependent on the import of primary energy sources—mainly gas and oil—and these imports are often imported exclusively from one source.

Domestic production of fossil fuels (oil, gas, coal, uranium) coming from conventional sources is insufficient and in decline, while the development of renewable energy resources is generally still underdeveloped (with the exception of Austria).

² The EU member states position papers are available at the web site of the DG Regional policy of the European Commission: http://ec.europa.eu/regional_policy/cooperation/danube/documents_en.htm

*Table 4: Share of renewable energy in gross final energy consumption (%)
in the EUSDR countries*

	2006	2007	2008	2020
EU (27)	8,9	9,7	10,3	20
Bulgaria	9,3	9,1	9,4	16
Czech Republic	6,4	7,3	7,2	13
Germany	7	9,1	9,1	18
Hungary	5,1	6	6,6	13
Austria	24,8	26,6	28,5	34
Romania	17,5	18,7	20,4	24
Slovenia	15,5	15,6	15,1	25
Slovakia	6,2	7,4	8,4	14

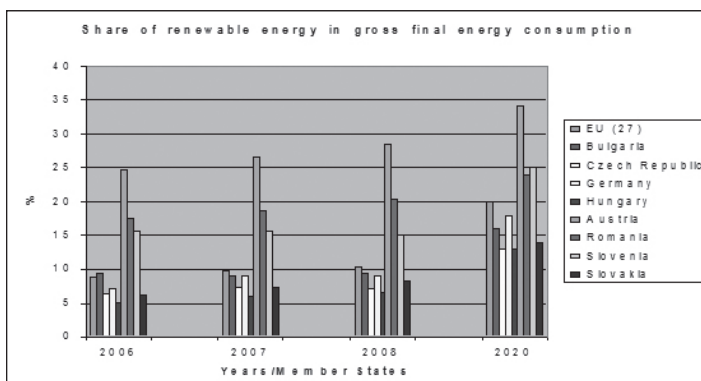
Note: This indicator is calculated on the basis of energy statistics covered by the Energy Statistics Regulation.

It may be considered an estimate of the indicator described in Directive 2009/28/EC, as the statistical system for some renewable energy technologies is not yet fully developed to meet the requirements of this Directive.

At the same time, the contribution of these technologies is still very small. The renewable energy shares calculation methodology and Eurostat's annual energy statistics can be found in the Renewable Energy Directive 2009/28/EC, the Energy Statistics Regulation 1099/2008 and at: http://ec.europa.eu/energy/renewables/index_en.htm>DG ENERGY transparency platform

Source: Eurostat, <http://epp.eurostat.ec.europa.eu/tgm/table.do?tab=table&init=1&plugin=1&language=en&pcode=tsdcc110>

*Figure 4: Share of renewable energy in gross final energy consumption (%)
in the EUSDR countries*



Source: Eurostat, <http://epp.eurostat.ec.europa.eu/tgm/table.do?tab=table&init=1&plugin=1&language=en&pcode=tsdcc110>

Most of the power and heat generation facilities in the region were built four decades ago and are obsolete, inefficient and highly pollutant (Table 5, Fig. 5). A large part of the region's energy transportation and distribution infrastructure (pipelines, power lines, etc.) have reached and even exceeded their life expectancy and need major replacement.

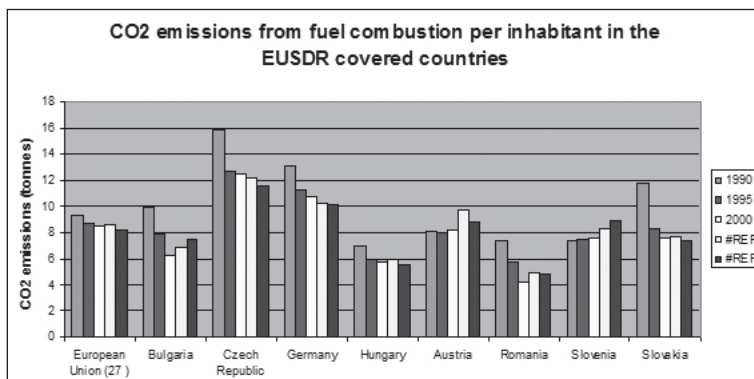
Table 5: CO₂ emissions per inhabitant in the EUSDR countries (Tonnes)

	1990	1995	2000	2005	2008
European Union (27)	9,3	8,7	8,5	8,6	8,2
Bulgaria	9,9	7,9	6,2	6,9	7,5
Czech Republic	15,9	12,7	12,4	12,2	11,6
Germany	13,1	11,3	10,8	10,3	10,1
Hungary	7	5,9	5,7	6	5,6
Austria	8,1	8	8,2	9,7	8,8
Romania	7,4	5,7	4,2	4,9	4,8
Slovenia	7,4	7,5	7,6	8,3	8,9
Slovakia	11,8	8,3	7,6	7,7	7,4

Note: The indicator compares the level of CO₂ emissions from fuel combustion in the EU.

Source: Eurostat, <http://epp.eurostat.ec.europa.eu/tgm/table.do?tab=table&init=1&plugin=1&language=en&pcode=tsdgp410>

Figure 5: CO₂ emissions per inhabitant in the EUSDR countries (Tonnes)



Source: Eurostat, <http://epp.eurostat.ec.europa.eu/tgm/table.do?tab=table&init=1&plugin=1&language=en&pcode=tsdgp410>

Most of the national energy transportation networks in the Danube region have few interconnections and most of them are not bi-directional (do not allow reversible energy flows), which makes them vulnerable to supply crises like the winter gas crisis

of 2009 caused by the Russian-Ukrainian gas transit conflict. The Balkan countries of the Danube region still have relatively low energy efficiency in all sectors of the economy: from industry to household energy consumption. Energy poverty, the lack of or insufficient access to affordable energy, is still a widespread phenomenon in the Balkan countries that has been caused mainly either by low levels of income that negatively impact the energy affordability or by the lack of power and heat distribution networks in certain areas. Other important issues are the general lack of cooperation in the energy field among the Danube region countries and the absence of functional regional energy markets.

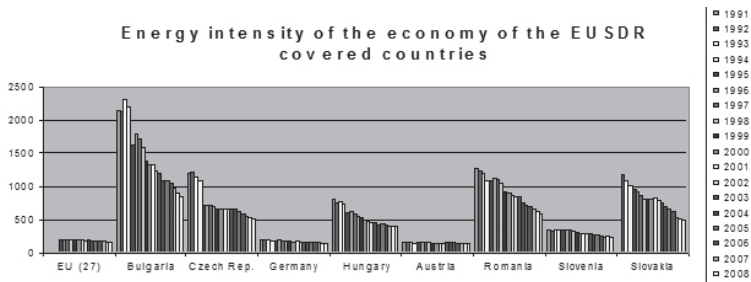
Table 6: Energy intensity of the economy in the EUSDR countries (Gross inland consumption of energy divided by GDP, kilogram of oil equivalent per 1000 Euro)

	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
EU (27)	208,96	212,25	204,76	200,22	192,99	187,29	187,74	184,88	186,68	184,06	181	175,5	168,7	167,4	165,2
Bulgaria	1638,77	1790,95	1712,4	1589,17	1378	1332,85	1332,38	1247,74	1207,91	1105,14	1095,63	1057,63	977,62	910,39	842,54
Czech Rep.	729,9	723,29	733,26	715,24	661,17	671,06	672,01	665,8	671,39	658,69	612,78	587,05	552,62	525,58	514,09
Germany	183,23	187,47	182,68	178,06	170,91	166,6	169,21	165,43	167,24	166,04	162,83	158,86	150,71	150,57	150,55
Hungary	611,51	621,87	588,17	554,86	528,91	492,21	485,61	466,87	458,07	434,08	444,72	425,73	414,3	408,61	413,48
Austria	152,32	158,66	154,61	151,77	145,67	140,67	146,95	146,43	153,26	151,19	153,69	147,79	140,4	138,56	136,24
Romania	1095,79	1128,9	1116,17	1037,95	924,41	906,05	869,24	857,74	847,43	786,7	732,99	704,78	659,09	612,76	576,9
Slovenia	350,1	352,46	348,94	330,81	313,04	299,77	306,06	298,51	293,7	290,19	284,27	269,65	252,55	257,31	252,28
Slovakia	962,41	913,9	876,02	814,51	818,05	815,4	824,64	795,12	754,62	708,24	681,63	622,67	532,93	517,89	496,57

Note: This indicator is the ratio between the gross inland consumption of energy and the gross domestic product (GDP) for a given calendar year. It measures the energy consumption of an economy and its overall energy efficiency. The gross inland consumption of energy is calculated as the sum of the gross inland consumption of five energy types: coal, electricity, oil, natural gas and renewable energy sources. The GDP figures are taken at chain linked volumes with reference year 2000. The energy intensity ratio is determined by dividing the gross inland consumption by the GDP. Since gross inland consumption is measured in kgoe (kilogram of oil equivalent) and GDP in 1 000 EUR, this ratio is measured in kgoe per 1 000 EUR.

Source: Eurostat

Figure 6: Energy intensity of the economy in the EUSDR countries (Gross inland consumption of energy divided by GDP, kilogram of oil equivalent per 1000 Euro)



Source: Eurostat

Although the EU Strategy for the Danube Region is budget-neutral (it uses only existing EU financing programs) and will not create new institutions, the strategy encourages coordination among the participating countries for the use of the existing financing schemes and creates momentum for the implementation of projects of regional importance in the energy sector. The Danube strategy countries have the chance to define and promote their priority energy projects that will be developed at national level or in cooperation with other countries.

The position papers³ of the Danube strategy countries, sent to the European Commission in the process of preparation of the strategy, highlight the priorities of the energy sector in this region. The Romanian contribution document lists priorities such as development and expansion of existing energy infrastructure; promotion of energy production from renewable sources; continuation of the Romanian nuclear energy program, and support for the thermal rehabilitation of buildings. Romania has expressed a special interest in the creation of a regional energy market. In this context, the country's proposal for including the Energy community in the EU Strategy for the Danube Region is very important.

Bulgaria is interested in jointly updating with Romania the assessment of hydro-power potential for the Danube segment that the two countries share; the development of energy network interconnections with the neighbor countries (currently a Bulgaria-Romania gas interconnection is under development) and regional energy transit infrastructure (Bulgaria is currently discussing its participation in the Nabucco South Stream and Burgas-Alexandroupolis regional pipeline projects; expanding the power

³ They are available at: http://ec.europa.eu/regional_policy/cooperation/danube/documents_en.htm

and gas distribution networks; and increased use of renewable energy sources, as well as improved energy efficiency.

The Serbian contribution documents list for example a series of energy projects such as the development of a new hydropower plant on the Danube: Djerdap III (Djerdap/Portile de Fier I and II have been built in cooperation with Romania); a new hydro-power plant in Novi Sad; the construction of the Banatski Dvor underground gas storage facility; the rehabilitation and development of the gas distribution network and the construction of a pipeline transportation network for oil products, as well as the construction of the regional Pan-European Oil Pipeline (PEOP).

Croatian energy priorities listed in the preliminary contribution document include: increasing the security of energy supply by developing the domestic production of primary energy; the development of interconnections with neighboring countries (such as the Ernestinovo-Pecs power transmission line and the Donji Miholjac-Dravaszerdahely gas pipeline, both of them connecting Croatia with Hungary); the use of renewable sources of energy, and increasing energy efficiency in the public sector.

CONCLUDING REMARKS

The next three years will be critical for the success of the new European Union initiative for the Danube region. For the Balkan countries, the strategy represents a unique opportunity to enhance regional cooperation between EU member countries and countries outside of the EU, and to promote the most important projects for the development of the regional energy sector.

With the implementation of some or all of the priority energy projects, significant short and long term business opportunities will be created in the Danube macro region, both for local companies and foreign investors.

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FROM DEVELOPMENT TO SUSTAINABILITY? THE EU STRATEGY FOR THE DANUBE REGION

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We live in an era of great transformations, in which Europe is being “re-invented”. It is clearly outlined that the member states cannot form a unified, competitive Europe with such symbolic steps as cross-border initiatives in a nation-state perspective. Meanwhile, the urgency of effective cooperation is emerging. Cities, regions, communities are pressurizing Europe to a new logic to get formulated and development to get on the ground. The new progressive formations—in addition to the administratively-structured states—began with the formation of functional macro-regions. This process was started with the EU Baltic Sea Region Strategy in 2009. The international nature of the Danube river basin will not allow a purely national context of bilateral relations as a perspective for the current macro-region. Concerted international cooperation and development is needed. Therefore, the existing thematic forums of international cooperation began to develop a comprehensive strategy with the participation of fourteen countries. This is the currently ongoing building process of the EU Strategy for the Danube Region (hereinafter EUSDR), which identifies the Danube river basin as one cultural, research, developmental, social, and not least natural conglomerate, in summary: a macro-region. This study focuses on the historical development of the Danubian cooperation which led to the emergence of the EUSDR. It also concerns the challenges of the new formation of joint action from the perspective of sustainability. What are the visible weaknesses from the environmental, the social and the economic perspectives of the strategy? Will the given opportunities solve the cross-border issues of the member states (especially in Hungarian relations)?

HISTORICAL APPROACH – GENERATIONS IN STRATEGY-MAKING

The economic value and natural weight of Europe’s longest river has traditionally been appreciated. At the beginning of the modern age the Danube was the main waterway

of the freight transport network in the Carpathian Basin. From the beginning of the nineteenth century it “fed” the booming agricultural sector along with industrial and military facilities. The first significant international act was the Paris Treaty of 1856, which first defined the Danube as an international river after the Crimean War. With the establishment of the European Danube Commission it was mainly based on the common interest of free navigation for all riparian states from the military neutralized Black Sea upstream as far as those river sections which could be used for shipping. In 1919, the Versailles Treaty defined the new borders in the Carpathian Basin, and also had to define the river’s multilateral and international status. It established the International Danube Commission as a strategic international forum of improving navigation and transportation. The main challenge of the Danube region development was the sudden change of borders after the war when the basin became a two-, then, later on a multi-sided arena of the cooperative international perspectives. Mainly bi- and later, multilateral acts defined the geopolitical agenda along the river, which resulted in a relatively developed institution, CRED (the Commission de Regime des Eaux du Danube) in the 1920s. Among its earlier aims, CRED integrated other new priorities, such as the issue of flood protection. The next main stage of the evolution of the cooperation started after the Second World War. The new world order and the emergence of the Iron Curtain rearranged this cooperative process. From the institutionalist perspective it was a step backward. As we can see, in the history of the Danube basin there have been many different regimes, changes in riparian borders and disputes over the top priorities of river utilization. Each and every war and change of political influence in the relatively unstable arena made fractures in the development of the vulnerable cooperation. The 1948 Belgrade Convention could only come into practice with the common perspective of navigation and trading among the *COMECON* member states (except for Austria from 1960).¹ This phase was the age of reconsidering the earlier status quo. Hungary, being in the heart of the region, had to re-negotiate earlier acts on the protection of the River Danube with the Soviet Union in 1949, with Romania in 1950, with Czechoslovakia in 1954 and with Austria in 1956. These treaties were mainly based on water transportation and navigation and bred by the cold war situation. After the transition in the late 1980s and early 1990s a new multilateral and institutional opportunity was released for the newcomers from each bloc. The riparian states on the eastern side of the Iron Curtain could join the

¹ The Federal Republic of Germany only had an observer status from 1948

major international statements on protection of the transboundary waters such as the Helsinki Convention (Convention on the Protection and Use of Transboundary Watercourses and International Lakes) or the Danube River Protection Convention (signed in Sofia in 1994 and coming into force in 1998). Eight states of the river basin are also member of the European Union. From the western side, the opportunity for cooperation over the basin opened. After the collapse of the Soviet Union, the interests of cooperation of the post-communist states started to turn westward and the Belgrade Convention could be reformed and revised in the '90s. Until the 1990s there was no suitable geopolitical environment which could breed a chance for an integrated, institutionalized and equally utilized river system and there was no accentual effort by the states to sustain the river and Danubian hinterlands; they were treated as military waterways and battlefields. Although acts can be found from the mid-seventies, the efforts for the legal integration of sustaining the quality of surface waters in the EU started in the early 1990s. The European Union Water Framework Directive (hereinafter EU WFD) on one hand was based on the earlier resolutions, while on the other attempted to cover current deficiencies. The WFD is not just a checklist of national legal proposals; it creates a real opportunity for cooperation. The directive emphasizes the principles of integrated water resource management on the settlement of transboundary watercourses, and does not merely mention certain countries within the designated river sections, but the river basin(s) as catchment units. Since the establishment of ICPDR (the International Commission for the Protection of the River Danube) in 1998, the riparian states can put their earlier recognition into practice: the environmental consolidation of the Danube Basin and the integrated development of navigation, tourism, cultural heritage and not least the economic capabilities are strictly mutual parallel aims. The participants of these cooperative actions were initiated in the Danube Cooperation Process (DCP), which was based with the aim of strengthening regional cooperation and became a consultation forum of the foreign ministries of the basin states², collating the main forums of regional development of the Central and Eastern European region³ as key partners. The main

² Austria, Bosnia Herzegovina, Bulgaria, Croatia, Czech Republic, Germany, Hungary, Moldova, Romania, Serbia, Slovakia, Slovenia and Ukraine

³ Danube Commission, the ICPDR, the International Sava River Basin Commission (ISRBC), the Working Community of the Danube Regions (ARGE Donaulaender), the Steering Committee of Corridor VII, the Central European Initiative (CEI), Adriatic Ionian Initiative, Southeast European Cooperative Initiative (SECI), South East European Cooperation Process (SEECP), Black Sea Economic Cooperation (BSEC) and Central European Free Trade Agreement (CEFTA)

function of the DCP is to promote the stability of the region and harmonize efforts at establishing the political and economic dimension of the Danube Basin as one structural body, without creating new institutions.

The European Commission proposed the reunification of the Danube Basin in 2008, and as part of the European central and south-eastern integration processes Danuta Hubner⁴ supported the statement of the European Danube strategy with a long-term goal of laying the new foundations for growth on a Central and Southeastern European axis. The concerned states⁵ of sustainable development of the region adopted a declaration on joint cooperation on 6th May 2009. The purpose of this statement was a strategy based on territorial, economic and cultural cohesion of the riparian states (the EDRS) and based on the “Danube Region”, which could be defined as a joint development and research area at the beginning of the new budget period starting in 2014.

As could be perceived, in the last decade the institutional development of Danube-Basin cooperation has reached a higher level. The parallel objectives and aims needed to be structured and implemented into one common strategy. The EU Strategy for the Danube Region is going to emerge with the purpose of filling in this strategic hiatus. By the contributions of the member states and the EUSDR action plan the system of strategic planning (priorities and pillars) is based on the concerning priority areas, which have been developed in the recent past. At first the elements of interregional reconnection can be recognized by the navigation developments of the areas, which were disrupted by the Versailles Treaty (1920). Secondly, there is the matter of (not just transboundary) environmental issues: the legal practices will be developed with the policy focus on the whole catchment areas of the river-system, which was a fundamental geopolitical investment and received recognition in the 1990s in the Central European region. Thirdly, there is the fostering of the regional cohesion of the newcomer states from the eastern bloc by opening new opportunities in enterprises with investments to involve these societies in the artery of western economic flows, and moreover to sustain their cultural heritage and characterize and maintain the unique Danubian identity.

⁴ European Commissioner for Regional Policy

⁵ Germany, Austria, Slovakia, Hungary, Romania, Bulgaria, Serbia

ENVIRONMENTAL SUSTAINABILITY: THE NEXT GENERATION?

As of today, if we speak about water issues on the supranational level in the central-eastern European macro-region, we are discussing the European Danube Region Strategy. The EU SDR is planned with the aim and common vision of sustainable development. Cooperation-based development is the engine of this mechanism. There are many major issues to be addressed in the region including economic and social disparities, infrastructure deficiencies, environmental status, prevention against risks, and so on. The attributes of development are connected with one natural network: the Danube. Protection of the environment and treating the river as an eco-system is the most fundamental factor of cooperation. Among the other EU institutions and statements, the European Parliament also underlines (with the EUSDR resolution) that proper strategic and environmental impact assessments, including assessments of effects on the entire ecosystems of the river, should be a request for all transport (and energy)-related infrastructure projects in order to guarantee that international standards of environmental protection are met after consulting those partners which might be affected by the decisions of the strategy. There is no clear evidence for the sustainable utilization of the river flows within the Danube Basin. Environmental consolidation *primus inter pares* among other aims is needed to be clarified in the EU SDR preparation process. If the health of the river is inadequate, we cannot expect healthy growth-potential from it. Every strategy connected to the Danube must be based on secure and essential ecosystem goods and services (natural capital) as the basis for all human health and well-being. Economic security, as well as human well-being is fundamentally dependent on environmental goods and services—every person in this river-connected network primarily depends upon the ability of intact ecosystems to sustain freshwater provision, climate regulation, nutrient recycling and waste assimilation, transport, social and economic benefits coming only second and third.

One of the main pillars of the EUSDR is the connection of riparian states in the most practical way: by using the Danube as a transportation corridor (Corridor VII) connecting it to the Trans-European Transport Network. Through strategic implementation this method can compare with road or aerial transport in a sustainable way, although it might have debatable effects on the health of the rivers' ecosystems. The main political challenge of application and development of inland freight waterway transport is the difficulty in constructing a suitable infrastructure. It is always hardest to keep in sight a triple-win strategy, suitable for the environment,

human health and transportation itself. It is true that marine transportation consumes the least energy and creates a lower impact on the global atmosphere through relatively low greenhouse gas emission. Conversely, transportation on inland waters has an important pre-condition: the sink capacity (navigability) of the river basin.. The supporters of river freight usually argue the natural availability of infrastructure. From one aspect this is true, but for effective industrial freight usage it needs to be improved. The EUSDR strategic action plan contains the elimination of bottlenecks, and improved navigation on the concerned sections (mainly on the Hungarian, Serbian, Romanian and Bulgarian sections). Navigation and river freight capacity can be improved in two ways (as the strategic action plan mentions). First is the soft method, which does not require large-scale construction and modification to river physics. It makes river navigation more effective through monitoring and communication technologies. By these techniques the monitoring of the flow and the riverbed morphology can be measured precisely in service of management of freight lines and cargo periods. The other method might have a greater effect on the natural environment and water habitat: the hydro-morphological consolidation and improvement of the riverbed (for example, regular riverbed dredging). This method requires closer cohesion with further environmental directives such as the Water Framework Directive, the Danube River Basin Management Plan, the Habitat and Birds Directives, the Ramsar Convention, etc.

The EUSDR mechanism approaches the finalization period in 2011, but the dilemma of environment versus eco-social benefits remains: do we have the capacity for proper utilization, or will we ship empty barges on a hydromorphologically modified river without any great benefits? During the European Commission-initiated consultation process in 2009 the states were invited to indicate how the topics might be considered together and how they could interact in a positive way. They outlined a framework in the Budapest Statement in February 2010. In accordance with this framework the riparian EU members will seek the synergic and indeed horizontal connections between aims and priorities. The protection of the natural habitat was also clearly declared by the states in this current document, making it dependent on synergic-horizontal patterns. Since then, the aims and principles of the statement have sunk in the river of individual state plans. If we analyse the programming aims, we can recognize a 'pillarised' structure. From the first and second contribution of the countries to the EU SDR in 2010, we can clearly see that aims are concentrated

on a single vertical order, without significant numbers of horizontal interactions or practical links between them. Bearing in mind that the EU SDR goals are typically conceived horizontal measures, the programming should be asserted as a reasonable horizontal approach, rather than a vertical approach. This would be the most sustainable way of keeping the strategic planning on the original ideological path.

SOCIAL-ECONOMIC ISSUES

The decision-making and the political weight of the common macro-regional issues are society-dependent. Decisions over development, large-scale investments, strategies and programmes could not be done without or only partly with the region's civil sector. The effective operation of European principles of partnership, subsidiarity and additionality are vital for wide civil cooperation at the local, regional and macro-regional levels. The decision-making on each and every level of governance requires the highly-integrated *vox populi*, the political culture of dialogue between the political and societal arenas. In developed western European democracies civil control is a constitutional principle, a check or balance against the (local and regional) governments' aims and for social interests. It is of different nature and has several types, functions and forms of participation, the actors and their cooperation. A macroregional strategy could strengthen the common responsibility by cooperative projects sharing best practices and experience. Such a strategy can be a real opportunity for collective action aimed at the Danube Basin's wide environmental protection, as well as economic development, cohesion and colourful cultural representation.

The main problem of the macro-region is the diverse nature of social capital, rooted from the different social and economic development of the former western and eastern sides of the historic Iron Curtain. For example, in the developed upper-flow states like Germany and Austria, the civil networks are deeply rooted in the decision-making processes and the principle of partnership can be realized in full terms. The statistics show the best how huge the gap between the state patterns on the upper and lower flow is: in 2001 Germany had over 550 000 NGOs and foundations, which had 5% of employment of the full society and the civil sector budget compared with the country's GDP, which then was 3%. Contrast this with Hungary, where the non-profit sector was born with the regime change in the early 1990s and tried to find ways to develop at the end of the decade. In the history of post-socialist states, there are no clear aims of model type involvement of civil partnership in the decision-making

processes. In terms of transition of economic and governmental systems, public involvement in political processes was only slowly able to emerge. Public involvement is just developing in these states, the process is on the way to modernization, with difficulties that are state-specific (cultural issues), governance-specific (bipolar and regularly changing ideology patterns) and society-specific (the lower-middle classes are not concerned about common issues due to lack of personal free time and fair income). In the western democracies of the macroregion (Germany, Austria) the third sector is professionalized and fully involved, with strong representation as a watchdog status on the input and a protester status on the output level of democracy. The different patterns of political culture and the unequal social and economic situation could lead to a failure of macro-regional civil and cultural partnership building.

In comparing the riparian states' economic background, the differences among them seem to be more significant. The Gross Domestic Product per capita in the wealthiest, Austria, is six times higher than in freshly-joined Romania. Compared with the Baltic macro-region, the economic development of the post-Soviet states are more homogeneous, and the average difference of the GDP is steeper. The EU did not allocate a separate fund for the EUSDR budget. The financial resources in the 2007–2013 period can be used from the European Regional Development Fund, the Cohesion Fund and the European Social Fund. These funds provide a small basis of some 100 billion Euros. For strategic investments this amount is clearly not enough. It can be concluded that the terms of development are different in the western part of the macro-region and in the eastern states. These facts cause the strategy to drift not in a common direction, but towards a collection of vertical aims and approaches.

ENVIRONMENTAL OPTIONS FOR HUNGARY WITH THE EU SDR

Hungary will play a coordinating role mainly in two fields in the EU SDR: environmental disasters, i.e. floods, droughts, and protecting and conserving water quality. Environmental (esp. flood) disaster-related policies are quite new to the community. Hungary's suitability as a state dealing with such topics on a macro-regional level is borne out by the regular flooding and also regular river-poisoning that it has suffered in its recent history.

According to studies on climate change and hydrologic terms, the Carpathian Basin can expect medium or small floods every 2–3 years, significant ones every 5–6 years, and extreme floods in intervals of 10–12 years. Hungary is located in one-

quarter of the flood-risk areas, where nearly one-third of the population live and 30% of the country's GDP is produced. In cohesion with the Structural Funds (mainly in support of development in flood prevention) the Solidarity Fund was created in 2002. The European Commission submitted a community-wide flood control proposal to the Environmental Council in 2004, with the intention of initiating common action to reduce flood risks and effectively defend the European areas against disastrous floods. As a result of the proposal, the European Parliament and Council Directive 2007/60/EC (hereinafter referred to as Flood Directive) of the flood risk assessment and management was born in 2007. The directive introduces measures for international cooperation on transboundary rivers, especially in Central Europe, by setting up institutions to ensure a co-ordinated approach to river basin management. Such institutions (among which Hungary had also operated) were established for the main task of risk management based on control. The strategic aim, which is a development policy area, states that numerous ramparts and high dams are no longer necessary for an effective defense in Europe. Thus, the control strategy must be designed to be arranged with the realistic residual risks. Such risks increase significantly on a protection system (a dam) after flood devastation, the possible impact factor also increasing on future floods. As a result, the Floods Directive led to a collective action in Hungary, Slovakia, the Czech Republic and Poland: in 2009, the meeting of experts from the Visegrad States decided that the possible cooperation in the framework of a joint consultative work would be conducted by 2011. This action will cover the preliminary flood risk assessment, which is required for the Directive, and Hungary, as a downstream state will have a key role in the cooperation. The further development of preliminary actions of the Floods Directive will lead the states of the Danube basin to the formation of a joint operational policy in the next few decades. The strategic duty of flood protection policy has already prepared movement and actions. The 6th Research Framework Programme of the European Commission created a risk strategy and research background within the FLOODsite project. A complex research programme is aimed at single risk assessment, a scientific methodology for the creation and establishment of a database, which would store the obtained measurement results. This system could be really useful in helping decision-makers in member states to make appropriate protective strategies in the implementation stage of the Floods Directive. The Community had already tried—even in the accession phase—to invite the candidate states for a joint interaction with the flood prevention scheme. The

flood-drain skill was tested in Danube's old riverbed along the Slovak-Hungarian section within the framework of the PHARE programme in 2002. The INTERREG Community Initiative also completed flood protection services of the 2000–2006 budget period. Within this initiative, neighbouring states with specific regions of the successful projects were implemented, such as the Hungarian-Ukrainian joint flood warning system for the expansion and improvement of flood control information system between Nyíregyháza (Hungary) and Satu Mare (Romania).

The other topic covered within the Hungarian scheme is the policies for better water quality. From the hydrographical point of view, Hungary is a typical downstream country. This can be seen when we look at surface waters: 96% of surface waters come from outside the borders of the country, and only 4% originate from domestic sources. The Baia Mare cyanide pollution (in 2000) at the sources of the River Tisza, and the debated Rosia Montana project have shown that the future of the region is not safe from another possible disaster threatening the whole Danubian ecosystem. Although part of the international law basis can provide a comprehensive policy for future consolidation, nevertheless, contrary to the valuable methods of economic interests (i.e. the total cyanide extraction technology), to stop precious rivers basin can only have very low probability. The red sludge disaster (in Kolontár, Hungary, 2010) also proved that the economic interests are in a number of cases over-emphasized as opposed to the environment and the society's interests. The Hungarian role for water quality improvement policies has to be active in charging potential pollution sources in the Carpathian Basin. In spite of the strategies and obligations under international law imposed on states, a radical system of regulations will have to evolve in the years to come. In the cases of river pollution, the "polluter pays" principle is not deterrent enough. Also, steps need to be taken in a progressive manner to support the best possible use of technology in industrial activities and also where the slightest chance of groundwater or surface water pollution is recognized, there the polluting source must be fully removed, and these factories and mines eliminated forever.

CONCLUSION

The national interests are clear, but the basis of cooperation still holds debatable points. For example, the main aims of the developed upper-flow states are to improve the quality of the economic capacity of the river system. These state plans also lay the foundation for environmental protection. The shortening of water transportation

routes could decrease the relatively large amount of CO₂ emissions by the transportation of the surrounding states. What could be the balanced, fair solution to this very specific issue? Hungarian strategic interests are divided between the soft and the hard solution of navigation improvement. Various scientific fora state that the solution to the problem might be found in technologic invention. Smaller barges with less sink depth could adapt to the naturally shallow and winding river. Others say the combination of other Trans European Transportation Network(s), for example cargo rail networks, could decrease the pressure on the development of the waterways. The civil sector's answer to the problem is to consume less and transport less and there is no question of capacity improvement. Various spheres of cooperation concerning the protection of the mother nature could be observed, but these steps do not take into consideration the next generation on the Danube river, and the patterns of EU EDS are not clearly compatible with sustainable development and the balanced relationship among natural, economic and social systems.

The EU Strategy for the Danube Region is a wide-ranging plan for the future of the political sub-continent. Strategic development in the Danube Basin has decades of history, and the EU EDS is a significant step for a more comprehensive and stated process. The questions of the vertical structures (divided treatment of the pillars of sustainable development) could underpin the whole process. It still depends on the attitudes of the member states as to how and in which directions to develop this region. Are they treated as a united arena of aims, or just a collection of different sectorial interests? It is incontrovertible that contact among them will be stronger, for the opportunities to cooperate in more than an interregional perspective spread before them the horizon of opportunities.

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CONSTRUCTION OF A SUSTAINABLE TOURISM DESTINATION: THE DANUBE REGION

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INTRODUCTION

The Danube River Basin is characterized by diverse development perspectives, especially in the new framework of the EU Strategy for the Danube Region (EUSDR). Tourism and culture are two important pillars of this strategy and can contribute significantly to economic growth in the region. The attractiveness of the Danube region as a tourist destination is given by cultural heritages as well as attractive landscapes. One of the most important criteria for the development of tourism should be sustainability.

This paper aims to give an overview of integrated interests, projects and activities in the area of tourism and sustainable regional development with a focus on the Middle and Lower Danube region. A special emphasis will be put on the Danube Delta, the largest and most sensitive wetland in Europe, which is now subject to considerable efforts in conservation and protection. Furthermore, the paper intends to explore the opportunities and challenges of the EUSDR with regard to tourism and to provide some suggestions of key elements of a Danube tourism identity in order to promote it as a European tourism destination.

THE DANUBE MACRO REGION – NEW OPPORTUNITIES FOR TOURISM

More than ever before, Europe is facing a new “territorial reconfiguration” especially through the European Union integration mechanisms: borderless economic, social and environmental challenges which require joint policies. Third countries are equally involved through different programmes such as INTERREG. These new cooperation territories are increasingly associated with the term “macro region”, the most recent experiments being the Baltic Sea Strategy released in 2009, followed very closely by the Danube River Strategy in 2010.

The political framework for tourism in the EU has changed with the coming into force of the Lisbon Treaty. Tourism is a very important economic sector and the Lisbon Treaty has created a new competency to support it. This was the first official recognition of the crucial role that tourism plays for the European Union's economy, with a contribution of more than 5 % to the EU GDP (European Commission, 2011). According to Mercedes Bresso, President of the Committee of the Regions, this support should include a more integrated approach to tourism (The Parliament, 2010). Article 3 of the Lisbon Treaty improves the EU's ability to promote economic, social and territorial cohesion and solidarity among Member States. Tourism is an economic activity which can reinforce territorial cohesion.

One of the four main objectives of the new tourism policy of the European Commission regards the promotion of sustainable and responsible development and high quality tourism. Sustainable destination management is critical for tourism development, especially through effective spatial and land use planning and development control and through investment decisions on infrastructure and services. It requires the involvement of all regional and local stakeholders and an efficient structure within which partnership and effective leadership are facilitated (European Commission, 2007).

In this context, it is entirely in concordance with the EU's agenda for a sustainable and competitive European tourism development that tourism is one of the priorities for the EUSDR. Sustainable tourism development in the entire Danube region is a must and should integrate the experiences of the Western European countries on the upper Danube regarding the importance of a good balance between tourism, environment protection and economic growth. Tourism actions in the Danube region depend particularly on the EU tourism policy. Among the fourteen countries in the Danube Basin which are the concern of the EUSDR, eight are EU member states while some other countries are (possible) candidates. More than 100 million people living in the Danube region have expectations from this new "Danube macro region" territory and the opportunities that it can open in the future. The priority tourism for the Danube Region is to develop tourism and capitalise on its natural, cultural and historical heritage by strengthening the specific infrastructure and implementing intensive promotion activities (European Commission, 2010:27).

The present study aims to investigate tourism development and cooperation aspects in the Middle and Lower Danube, related to different levels of development.

Unlike Germany and Austria, which are among the richest and most developed countries of the EU, the GDP per capita of many of the other Danubian countries is below the EU average. The question is how the countries of the Middle and Lower Danube will be able to enhance the development of the Danube region.

In this respect, tourism development is a great opportunity to promote cross-border cooperation between states, regions and communities and can thereby be an important tool for the integration of countries from south-eastern Europe into the EU. Tourism can help in spreading a positive image of the “Blue Danube” to South-Eastern Europe as a whole. It also helps in establishing tourism products on a sustainable basis, focusing for example on nature, rural areas, viticulture, cycling, river tours and cruises (GTZ, 2005).

It can thus be concluded that cooperation is a central requirement for sustainable planning and the development of destinations (Bramwell & Lane, 2000). An important role in the application of the tourism policy for the Danube region could be taken over by existing actors and networks that are based on cooperation, such as the Danube Tourist Commission, the Danube Competence Center, DATOUR Way project etc.

MIDDLE AND LOWER DANUBE

The Danube is the second longest river of Europe after the Volga, and the only one crossing Europe from west to east. The similarities between the Upper and Lower part are given by the natural potential and the differences are given by the level of development. While cultural and urban tourism potential exists all along the Danube, the number of tourists visiting Vienna or Budapest cannot be compared with those visiting Belgrade, for example.

The Middle and Lower sector of the Danube correspond to Central and South-Eastern Europe, which is economically less developed and therefore has an almost non-existent tourism image and visibility. The common aspect of many of the countries from this part of Europe is the fact that they share the same kind of challenges regarding environment protection, lack of infrastructure, poor development of tourism or lack of qualified personnel working in the tourist industry.

Moreover, the situation of tourism in these countries is strongly related to their recent history after the 1990s, characterized by important social, economic and political changes. Many Danube countries faced important challenges related to the affirmation of their national identity. Some of them, such as Croatia, took tourism into

consideration in defining this identity; others just ignored it, as for example Romania where tourism was strongly affected by political instability (Hall et al., 2006).

The last two decades were crucial in the creation of competitiveness in tourism and reinvention of national brands. Unfortunately, not all were success stories and modest economical performances in the tourist industry were registered. The main causes were the funds lacking for investment in the development, modernization, and rehabilitation of specific infrastructures, little diversification of entertainment or the quality of tourism services (Tigu et al., 2010).

That notwithstanding, Central and South Eastern Europe can offer a number of tourist attractions along the Danube River. Starting in Serbia, two big cities, Novi Sad and Belgrade are bastions of culture and civilization. Numerous relics of ancient civilizations and the Roman Empire, medieval fortresses, Baroque churches and monasteries as well as attractive landscapes and national parks such as the Iron Gates and the Danube Delta offer a broad range of interesting tourist destinations.

The development of tourism along the Middle and Lower Danube therefore highly depends on internal factors (strengths and weaknesses) but also on external factors (opportunities and threats). The following SWOT analysis will give a short overview of key elements:

Strengths

- New and undiscovered area
- Diversity of attractions in the region
- Numerous cultural and natural elements

Weaknesses

- No homogenous destination
- No clear image of the Danube region
- Illegal development (especially in the protected areas)
- Poor infrastructure (accommodation, accessibility, lack of sewage and water treatment systems)
- Pollution (domestic, industrial)
- Poor cooperation in cross border areas
- Insufficient tourism promotion
- Low competitiveness in tourism offers

Opportunities

- Green tourism
- River cruise tourism
- Expansion of cross-border cooperation programs
- Demand for “new” products and attractions
- Possibility to benefit from the larger experience of the western Danube countries
- Support from the EU
- Media interest

Threats

- Potential conflicts between different organizations
- Potential political and/or economic problems
- Potential ecological problems
- Decline of traditional activities
- Climate change

As can be seen, the lower part of the Danube region has a lot to offer and moreover represents a new attraction for seasoned travellers, for example German tourists. Nevertheless, the same category of tourists has usually high expectations regarding the quality of tourism services which—with few exceptions—have to be improved. The same type of problem exists regarding the infrastructure: either it is missing, or it has not been modernised for many years and is not corresponding anymore with today’s demands.

Fortunately, in the framework of the EUSDR things are likely to change. There is a great European interest in this region and the stakeholders should take advantage of this. Even though it is clearly mentioned in the strategy that there will be no specific financial allocation, there are many cross-border cooperation programmes that can be made use of.

Even so, there are a number of hazards that could jeopardize the development of this region. Many countries are not sufficiently prepared to maintain the ecological integrity of the Danube and even less to cope with possible ecological disasters. Regarding the situation from a political point of view, there is a threat that sustainability as a concept is not well understood and applied and that governments will push for the development for immediate benefits and growth without taking into

consideration sustainable development measures. Other serious menaces are the lack of funds, corruption and the non-involvement of stakeholders.

FIRST STEPS TOWARDS SUSTAINABILITY:

THE EXAMPLE OF THE DANUBE DELTA

Romania and Ukraine share one of the most threatened ecosystems in Europe: the Danube Delta. Recognised internationally since the 1990s as a UNESCO natural world heritage site, as a wetland of international importance (the Ramsar Convention) and as a Biosphere Reserve within the UNESCO Program “Man and the Biosphere”, the Danube Delta is facing many challenges today (DDBRA, 2011). The main threats are related to different economic activities; fishing, hunting, livestock and subsistence farming, reed harvesting as well as tourism.

The Danube Delta has great importance as an area of biodiversity: it hosts more than 5,300 types of plants and animal species and 30 different types of ecosystems, 23 of which are natural and 7 that are man-made. However, the Danube Delta remains famous particularly for its bird populations. More than 330 species live here, the most well-known being the white pelican, the Dalmatian pelican, the pygmy cormorant and the white-tailed eagle. But the Danube Delta is not only a nesting place, but also a resting place for millions of birds during their migration. Besides its high biodiversity value, the Danube Delta is also home to 17 different ethnic communities living here in peaceful coexistence, providing a somewhat exotic atmosphere of cultures and traditions. The biggest groups are Romanians, Ukrainians, Turks, Greeks, Tatars, Russians and Lipovens. During communism, the Danube Delta was extensively exploited and converted into farmland. As a result, the natural ecosystem has suffered serious degradation and high losses of biodiversity. The creation of the transboundary biosphere reserve increased hope that shared socio-economic problems would be solved and, at the same time, help to maintain the delta's ecological balance and biodiversity. Today, 20 years after the creation of the reserve, many changes have occurred but not necessarily for the better. Many initiatives for the conservation of natural resources have been undertaken with more or less success, but the economic situation of the people living in the Danube Delta has not improved. On the contrary, the region is facing great economic problems. The tourism sector, which could represent the economical pillar of the Danube Delta area, lacks coordinated action and is characterized by poor skills and lack of a qualified workforce.

Map 1: Danube Delta Map

Source: <http://commons.wikimedia.org/wiki/File:DeltaRBDD.jpg>

The immense value of the delta has also been recognised by Naturefriends International (NFI) and its members, which proclaimed the Danube Delta “Landscape of the Year 2007–2009” in Europe. Through this Landscape of the Year model, NFI accompanies the chosen region on the road to a better future, mounting activities, offering advice on professional tourism and regional development and fostering media and public relations (NFI, 2009).

The outcome of the project focused mainly on:

- Tourism: Europe-wide promotion, improvement of quality, capacity building and job creation
- Reeds: traditional reed architecture / new products—in order to revitalize reed cultivation, cooperation has been established with the National Park “Neusiedler See” in Austria in order to exchange knowledge and experience on new products made out of reed
- Environmental education: waste and energy efficiency
- Culture & others: fish & art festival

The “Danube Delta Landscape of the year 2007–2009” initiative of Naturefriends International was the framework and the starting point for launching discussions

about the future of the tourism in the Danube Delta. Much has been achieved during this time, but it turned out that some initiatives, such as the planned cross-border cooperation with Ukraine (NFI, 2009), required more time for implementation,. Tensions at the political level and the fact that Romania joined the EU in 2007 were factors which made cross border cooperation and communication more difficult, this aspect also being reflected in the Danube Delta.

In December 2010 the “Quality improvement for cross-border tourism in the Danube Delta (Romania, Moldova and Ukraine)” project was launched by the Danube Competence Center (DCC), with NFI as project manager.

The Danube Competence Center, established in 2010 in Belgrade, Serbia is one of the first organizations which focuses its activities on the middle and lower sectors of the Danube, due to its great economic potential for tourism. The goal is to encourage joint performance by stakeholders who could, through coordinated development projects and activities in European institutions, contribute to a much faster development of the Danube community which could become more competitive in the tourist industry compared to the more developed countries of the Upper Danube Region (DCC, 2011).

The DCC’s commitment was recently affirmed by the organisation of a floating conference on the Danube within the framework of “Blue week”, celebrated for Danube Day on 29th June. Besides some productive discussions, one of the main outcomes of this conference was the signing of the “Declaration of the Danube Floating Conference” by ministers and heads of delegations from Romania, Bulgaria, Serbia and Croatia. They agreed to develop and foster closer cooperation in order to position the Danube area as a tourist destination, to ensure common tourism promotion, to encourage and stimulate initiatives from private and public stakeholders of the Middle and Lower Danube area, etc. The “Danube Floating Conference” and “Blue Week” represent the first steps in materializing a vision of how the Middle and Lower Danube could be one day: a region with diverse tourist attractions, accommodation facilities of all categories, a developed infrastructure, a wide network of bicycle paths and developed water sports, a region that everyone would want to visit and discover its unspoiled nature and cultural and historical landmarks (DCC, 2011).

It can be concluded that there is a great need for these kinds of sustainable tourism projects and in particular, for cross border projects that can help to improve the ability of the local people in international cooperation.

THE UPPER AND LOWER DANUBE – CONVERGENCE INTO ONE EUROPEAN TOURISM DESTINATION

Up to now, the Danube has always been managed with a sector approach, either from the point of view of resources or of interests. Although Danube countries are at different levels of development, the EU neglected for many years the potential of this macro region as a whole. The region lacks the tools and solutions to balance the development of this undertaking. The European Union should take advantage of the possible positive impact of cooperation between the western and eastern Danube countries. This is the context in which the European Union Strategy for the Danube Region made its appearance.

The EU territorial cooperation mechanisms and the development of the macro regional concept focused on territorial cooperation offered an opportunity for transformation of the existing Danube region into a more specific, concrete and comprehensive cooperation framework (Busek & Gjoreska, 2010).

Regarding the tourist sector, the countries should realize this great opportunity to create together a new tourism offer on the European market. On the one hand, the western countries of the Upper Danube—Germany, Austria, Slovakia and Hungary, need to expand and improve what they already offer in terms of tourism along the river (cycling paths, cruises etc). On the other side, the success of these existing projects and products can be definitely assured and increased if they are continued along the Middle and Lower Danube. For example, the Danube Bicycle Route coming from Germany through Austria and into Hungary has started to be continued in some parts in Serbia and the plan is to continue all along the Danube to the delta.

Other “material” tourism cohesion items also mentioned in the EC Communication announcing the EUSDR are the development of river cruises and hiking routes. Moreover, people can be attracted to the region by cultural events, and the promotion of a calendar of Danube tourism/cultural events could be another element in constructing the Danube brand.

Lately, the European Commission has been encouraging trans-national thematic tourism products such as cultural heritage itineraries, cycling routes, greenways, protected natural sites etc. In this respect, the Danube is one of the best examples of European trans-national destinations suitable for this type of project, but its implementation is put under the condition of cooperation among a number of partners.

It is evident that cooperation is a key to future development. Fierce competition between different countries along the Danube might possibly have some immediate advantages but in the long run without a common strategy the region will not have any chance to compete with others similar regions, for example the Baltic Sea. However, the development of tourism in the Danube region depends on a number of developments in associated sectors:

- new infrastructure as well as harmonisation of the existing infrastructure
- improvement of the environmental conditions of the Danube
- development of a modern system for education and training in the field of tourism all along the Danube
- development of territorial cooperation mainly between the countries in the Middle and Lower Danube region

Within the framework of the European Union Strategy for the Danube Region, this river valley, throughout history the object of controversies, today has a chance to construct a fresh identity, and tourism and culture can contribute to this process.

OUTLOOK AND CONCLUSIONS

The most recent European challenges in territorial cooperation are the two established macro regions: the Baltic and the Danube region. Both of these are long-term strategies and we are now witnessing the beginning of this long race.

At this point it is still difficult to speak of the Danube as an entity. In order for the EUSDR to be successful there is a need for concrete and visible action to overcome the challenges that the region is facing. One of the easiest ways to start building the Danube valley identity is through tourism and culture. The projects should focus first on the Middle and Lower Danube because these countries have a stronger need in obtaining acceptable standards regarding infrastructure and service quality. Romania and Bulgaria, which are leading the tourism priority of the Danube strategy, should work together with others in order to stimulate new projects. In the very best situation there should be more private and public cooperation.

The first steps towards sustainability of action on the Middle and Lower Danube were taken in the Danube Delta. Due to its value, it becomes imperative that measures should be taken in order to preserve this European biodiversity hot spot. The organisation of workshops and trainings for the local population with regard to the

sustainable way of making use of the accommodations, or in nature guiding, were successful due to the intervention of Naturefriends International, but this type of measure should be continually applied. However, this will represent an incentive for further activity initiated by private and/or local stakeholders.

Meanwhile, the Danube River and its cultural and natural heritage should be promoted as one entity at international travel fairs and in tourist brochures. The construction of a tourism destination is a long and complex process which in this case should be “*rather based on geographical commonalties than on dividing nationalities*” (DCC, 2011). Also, besides the common promotional policy, development of joint touristic products will definitely contribute to exploiting the Danube’s tourism potential. In economic terms, this will mean the creation of new jobs and will bring income to the countries.

Would it be possible one day for a tourist to say that he is going to visit the Danube region? More than ever this is a real perspective. Still, there is a great need for joint activities of all involved actors on many different levels.

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THE ROLE OF EDUCATION IN THE IMPLEMENTATION OF THE EUROPEAN UNION STRATEGY FOR THE DANUBE REGION WITH AN EMPHASIS ON THE POSITION OF SERBIA

MARIJANA ALAVUK

INTRODUCTION

The Danube River Basin covers more states than any other basin in the world. Around one hundred million people of diverse cultures and histories are dependent on the waters of the Danube. Thus, the European Union Strategy for the Danube Region plays a fundamental role in the regional development of the Basin States. In this process, education has a significant place in various aspects concerning the priority areas of the implementation of the Strategy. This article analyzes current practices, referring to the education system in Serbia, its potential and challenges, as well as its capacity for innovation, special emphasis being laid on the possibility of the realization through education and training of the principles set out in the Strategic framework for European cooperation. Sustainable economic prosperity for the non EU Member States of the Danube Region has to be focused on the improvement of the quality and efficiency of education. In this article, special attention will be paid on factors concerning the system of e-learning in Serbia as one of the most practical dimensions of distance learning. In accordance with the age of the population in the Danube Region, lifelong learning presents an important aspect of education. It will therefore undergo specially analysis throughout this study. The aim of this paper is to present the education in Serbia and regional cooperation in this sphere as the key elements of EUSDR and a necessary base in order to maintain and improve the competitive position of the States of the Danube Region in the global economy.

RIVER AND EDUCATION

The Danube is one of the world's most international river basins, which covers a vast area of 801,463 km². It flows through ten countries and around hundred million people of diverse cultures and histories are dependent on the waters of the Danube. The Danube Basin includes 10% of mainland Europe and represents a highly complex European region (Rieu-Clarke, 2007). If we are to agree with the statement that "possibly no other natural resource has so many uses as a river" (Linnerooth, 1990), countries of the Danube Region are provided with a great potential for economic development. Looking from the historical perspective, as a commercial route the Danube has never lived up to its potential and has always been a political question (Campbell, 1949). Despite the fact that various political issues have been involved in the Danube Region, cooperation among the Danube Basin States could not be jeopardized since they all shared the common interest addressed at the protection of the waters of the Danube as a significant aspect of sustainable economic prosperity.

The framework for long term, strong cooperation on a wide range of topics among the countries of the Danube Region is established by the European Union Strategy for the Danube Region (EUSDR). Countries of the Danube Region are meeting different challenges mostly caused by different historical, geographical and political backgrounds. On the other hand, they equally share many opportunities that could be realized through the EUSDR.

Education occupies a significant place the implementation of EUSDR goals. Generally speaking, knowledge provides for unlimited potential of sustainable growth (Obradović et al, 2007). Therefore, education represents a unique impetus for sustainable development and economic prosperity.

The third Pillar of the EUSDR, *Building Prosperity in the Danube Region*, refers specifically to the role of education in following Priority Areas:

- developing the knowledge society through research, education and information technologies;
- investing in people and skills.

It is important to emphasize that education is included in various issues and principles of the EUSDR. The aim of this paper is to provide an overview of certain aspects of the education system in the Republic of Serbia, referring to its capacity for the implementation of the EUSDR. Before the analysis of education issues, the

focus of the article will be to examine public awareness in environmental protection, since it represents the starting point which shows the main problems that need to be addressed through the education system.

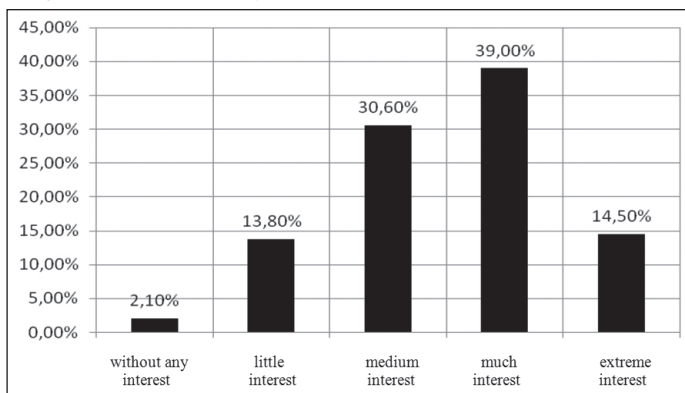
PUBLIC AWARENESS OF ENVIRONMENTAL PROTECTION

In the late eighteenth century Thomas Malthus wrote that human civilization would face warnings of impending disaster if it failed to recognize the natural limits to growth on planet Earth (Huffman, 2009). In light of this statement, a respect for nature, as well as awareness of the part of the public concerning environmental protection, should be the foundation for realizing the principle of sustainable development.

Public awareness of environmental protection is a necessary condition in the implementation of EUSDR. The author will also analyze the state of awareness of the general public referring to environmental issues in the Republic of Serbia. In order to illustrate the aspects of the above-mentioned theme, the results of the research project “Eco Research 2010” will be used.¹

The strongest dimension of public awareness in environmental protection is the people’s interest in the environment. Asked the question, “How much are you interested in environmental protection?”, respondents in the study provided the following answers:

Figure 1: How much are you interested in environmental protection?

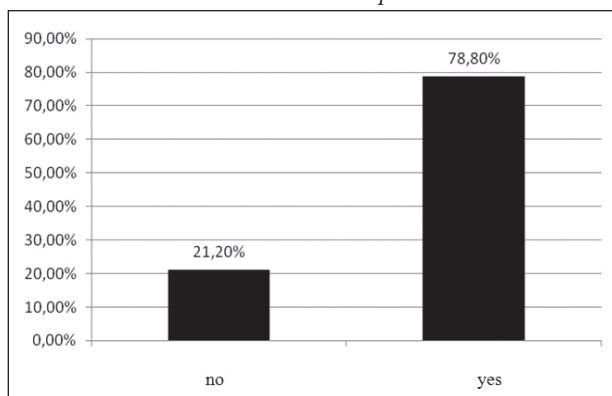


Source: http://www.ecoland.org.rs/rezultati_istrazivanja2010.html

¹ “Eco Research 2010” is a research project organized by NGO “Ecoland”. The study concerned the identification of certain problems referring to urban ecology. The study lasted for four months and it involved 1000 research respondents from the Republic of Serbia. Additional information available at: <http://www.ecoland.org.rs/Eco-research2010.php>

The fact that more than 80 % of respondents showed medium or higher interest in the protection of environment can be seen as the result of a high level of public awareness of examined issues. This statement is further borne out by the following study results referring to following question: “Would you like to be involved in certain actions aimed at environmental protection?”

Figure 2: Would you like to be involved in certain activities aimed at environmental protection?



Source: http://www.ecoland.org.rs/rezultati_istrazivanja2010.html

The willingness of almost 79 % of respondents to take part in actions related to the protection of environment is another expression of a high level of public environmental awareness. We cannot ignore the fact that a certain percent of respondents remained indifferent to the subjects under examination. One way of dealing with this problem could be to engage the education system and its responsibility to provide a more effective approach to environmental protection through its study program.

EDUCATION OF CHILDREN AND YOUNG PEOPLE

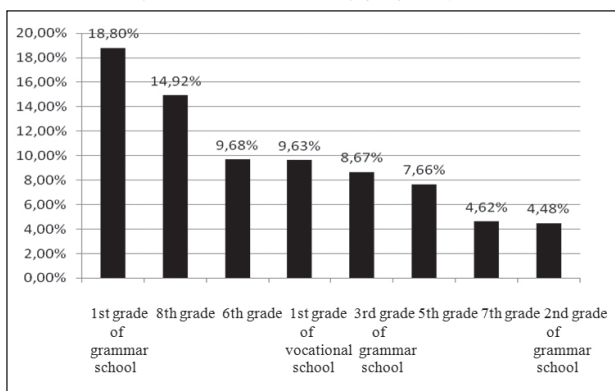
Through the education process, an environmental awareness is primarily developing in children and young people (Nedeljković, 2002). The analysis of the role of education of young people in light of implementation of EUSDR in the Republic of Serbia would mostly focus on examination of the school study program in the context of environmental protection.

The idea of including the issues concerning the protection and improvement of the environment in the school curriculum dates from the 1970s, when the Working

Meeting on Environmental Education was organized in Nevada by the International Union for Conservation of Nature (Matić, 2011), where it was stated that during the educational process young people should develop an appropriate attitude towards natural values, as well as a feeling of responsibility towards the environment. A final aim would be to prepare students to actively take part in various ecologic activities and to teach them to act in accordance with nature in everyday life (Jovanović et al 2010). From the educational point of view it is considered that ecologic content should be integrated into the school curriculum within biology and geography courses (Matić, 2011).

An analysis of the Serbian education system through its primary- and secondary-school programs shows that Geography is the most important school subject as regards environmental issues.² The presence of ecological information in the information structure of the Geography textbooks used in primary and secondary school program is presented in the following Figure (Figure 3) (Jovanović et al, 2010).

Figure 3: The proportionate presence of ecological items of information in the information structure of geography textbooks.



The proportional share of information related to the problems of the protection of the environment³ in the information structure of the analyzed textbooks goes from 4.5% to 18.9%, 9.8% on average (Jovanović et al, 2010). According to this analysis, it can be concluded that ecological content is insufficiently presented in the structure

² In the Republic of Serbia Geography is a subject taught in the 5th, 6th, 7th and 8th grades of primary school, as well as in the 1st, 2nd and 3rd grades of grammar school and in the 1st or 2nd grade of the secondary vocational school.

³ More about the categories of ecologic pieces of information in textbooks in Jovanović et al, 2010

of the various geography textbooks. The textbooks used in primary school for the 7th grade include one of the lowest levels of information related to the environment. If the lowest result of this parameter was registered in the textbook for the 5th grade it could be partly justified by the learning capabilities of pupils of that age. However, no logical explanation for the result of the research could not be found. The author therefore concludes that this should be regarded as a failure of the Serbian school system. The leading textbook from the aspect of the presence of ecological content is that written for the 1st grade of grammar school. If we observe this fact in accordance with the common claim in Serbia that grammar schools provide general knowledge at a higher level than the secondary vocational schools, this situation is not so surprising. On the other hand, even this highest percentage is inadequate and we should not ignore the fact that the survey only included the quantity, and not the quality of ecologic content, which should be the subject of special research.

The author concludes that the Serbian education system needs to develop a stronger presence of environmental issues in school programmes. A system of ecology-related knowledge and the initiation of environmental consciousness should be initiated in pupils at the youngest possible age.

Another aspect concerning the role of education in the development of young people in light of implementation of EUSDR in the Republic of Serbia refers to the Balkan reconciliation process. This aspect will not be presented in detail in the present study. The author's intention is only to draw the reader's attention to this topic.

As the base of EUSDR is regional cooperation, the process of reconciliation is an extremely important part of the implementation of this strategy. This process is crucial for each generation, but it seems to be the most significant for young people, since they are going to be the decision makers of the future who will need to have a "healthy" attitude towards the past. The literature on peace building or stabilization focuses primarily at the creation of institutions, legal reform, security and economic development (Halpern, Weinstein, 2004). However, all these aspects of reconciliation are completely in vain if we ignore the social and psychological dimensions of people's behavior. Thus, it is of essential importance for regional cooperation to teach young people that the period of war is a part of the past that should be overcome and that we need to find a way to trust each other in order to achieve a better future.

One way that young people can be educated about the above issues is through various seminars, summer schools and similar events, where they have an opportunity

to meet each other and set common goals for the future. In the author's opinion, the process of reconciliation is characterized by highly positive development and this trend should continue in the future.

LIFELONG LEARNING

The countries of the Danube Region are facing an observable demographic change. EUROSTAT estimates (2010) show that in 2030 23.3 % of the population in the Danube region will be aged 65 and over. This being the case, lifelong learning (LLL) programs are most necessary for the societies in the Danube Region. The significance of these programs is confirmed by "ET 2020" (strategic framework for European cooperation in education and training), according to which LLL is set out as one of the long term strategic objectives.

The idea of LLL, and the related concept of lifelong education, has been around for some time. Its origins have been traced back to the writings of Dewey, Lindeman and Yeaxlee in the early 20th century. Lifelong education was adopted as a "master concept" by the United Nations Educational, Scientific and Cultural Organization (UNESCO) in 1970 (Tight, 1998).

In what follows the author will present certain aspects of Serbian society related to its potentials and capacities concerning the implementation of principles set out in EUSDR and "ET 2020" in the context of LLL programs.

First of all, as in the entire Danube Region, the Republic of Serbia is also facing the problem of an aging population. According to the 2009 data of the Statistical Office of the Republic of Serbia, one quarter of the whole Serbian population is more than 60 years old.⁴ Secondly, the educational level in Serbia is unsatisfactory, something that can be confirmed by the fact that around 50% of the adult population has only a basic or even lower level of education. Furthermore, Serbian society is characterized by a transition of work structure and job positions in all fields.

In light of above, it appears obvious that Serbia needs to develop LLL programs aimed at raising the quality of its human resources and their professional fulfillment. An illustrative example of such a program is the Tempus Project, "Development of lifelong learning framework in Serbia". The general objective of this project is the development of the LLL framework in Serbia. The University of Kragujevac participates in this project as its coordinator. The main goals of this project are: "to

⁴ <http://webzrzs.stat.gov.rs/WebSite/Public/ReportResultView.aspx>

define the system of monitoring the changing needs of labor market, to develop modules, courses and teaching material, to establish e-lifelong learning system , to set up and equip LLL centers and begin with training , to design national system of the recognition of skills acquired during LLL”.⁵

Moreover, by adoption of the document, “Strategy of Lifelong Learning Development in the Republic of Serbia, 2006”, which is in line with similar EU documents, the Government of the Republic of Serbia has confirmed the importance of LLL as the part of Serbian education system.

E- LEARNING

New information and communication technologies (ICT) have a huge impact on education systems all over the world. As early as in 1989 Soren Niper identified the ICT as the new generation of distance learning (Guri-Rosenblit, 2005). Definitions of distance learning vary significantly in their scope and critical features. For the purpose of this paper, the author will use Holmberg’s perspective, according to which “distance education includes the various forms of study at all levels which are not under the continuous, immediate supervision of tutors present with their students in lecture rooms or on the same premises, but which, nevertheless, benefit from the planning, guidance and tuition of a tutorial organization” (Larreamendy-Joerns, Leinhardt 2006).

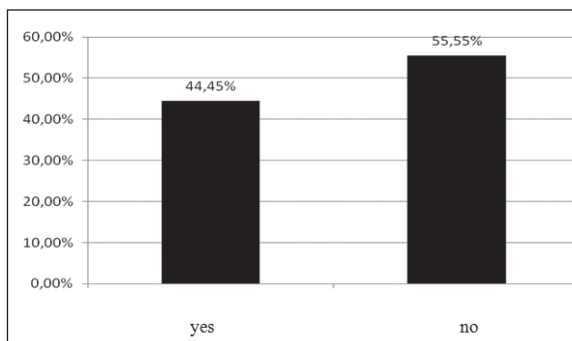
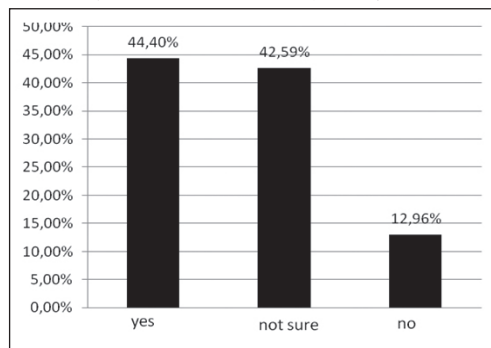
The situation in Serbia concerning e-learning will firstly be presented through one research study made at the Mihajlo Pupin Technical Faculty of the University of Novi Sad (Desnica et al, 2010).⁶ In addition, answers to certain questions included in the study will be offered.

Only 30 out of 54 Serbian students knew the meaning of “distance concept”. This should be major sign for education system to react immediately.

Furthermore, the result according to which only 24 out 54 students would like to use some aspects of distance education is not really a surprise in light of the result above.

⁵ More about the Project is available at: <http://www.delfis.kg.ac.rs/>

⁶ Research involved 54 respondents, who are students at the Technical Faculty Mihajlo Pupin in Zrenjanin. More about this research study available at: [http://scindeks-clanci.nb.rs/data/pdf/0350-0373/2010/0350-03731004243D.pdf#search="e-učenje"](http://scindeks-clanci.nb.rs/data/pdf/0350-0373/2010/0350-03731004243D.pdf#search=)

Figure 4: Do you know what distance learning is?*Figure 5: Would you like to use some aspects of distance learning?*

Another problem related to e-learning in Serbia is that according to data from 2010 of the Statistical Office of the Republic of Serbia, 43.7% of people in Serbia have never used the computer.⁷ This is mostly the result of the general standard of living in Serbia. It therefore seems that the overall problem addresses not only the education system, but country as a whole.

Despite the above, e-learning in Serbia is present in various spheres and has a great potential for future development. On the other hand, Serbia needs to be aware of the current state, which results in the capacity of the Serbian education system being seriously reduced in the context of the implementation of EUSDR.

⁷ More about this statistic available at: <http://webzrzs.stat.gov.rs/WebSite/repository/documents/00/00/10/39/PrezICT2010.pdf>

CONCLUSION

The aim of this study was to demonstrate the importance of the role of education in the process of the implementation of EUSDR, as well as to provide an analysis of certain segments of the Serbian education system in this context. Despite each segment deserving further scientific research, the intention of the author was to briefly represent the most significant spheres of the above-mentioned system from the aspect of EUSDR.

The study shows that if the education system in Serbia is to be improved it is necessary to take the following measures:

- even though public awareness of environmental protection is quite high, it should be further raised through the education system;
- environmental issues should be more prominent in educational programmes for children and young people;
- the trend of developing and executing LLL programmes should be continued;
- the concept of e-learning should be presented as an important element of the education system.
- These measures are the responsibility of the whole Serbian society, not only of the education system. Therefore, the success of its implementation will depend on the efforts of everyone. However, the Government of the Republic of Serbia should take a leading position in this process with an adequate education policy.

To conclude, the EUSDR represents a new approach to regional cooperation, according to which education plays a significant role in achieving the common goals of the countries of the Danube Region and provides a necessary base in order to maintain and improve their competitive position in the global economy. Thus any investment in education should be considered as an investment for a prosperous future for, in the words of Benjamin Franklin: “An investment in knowledge always pays the best interest”.

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UNDERSTANDING TRANSNATIONAL ADVOCACY NETWORKS: HOW THE POLITICAL OPPORTUNITY STRUCTURE IMPACTS THEIR EMERGENCE

ALEXANDRA-MARIA BOCŞE

It is an increasingly accepted fact that international politics are shaped nowadays by a diversity of actors as states interact in world politics with individuals, civic groups, international organizations and international nongovernmental organizations (INGOs), among others (Held, 1991). The interaction between these entities is often structured in terms of networks (Castells, 1996; Keck and Sikkink, 1998). We call these networks transnational as their constitutive entities are situated across state borders and at least one actor in the network is a non-state agent or does not act on behalf of a state (Risse-Kappen, 1995).

This paper will engage with a particular subspecies of transnational networks, the 'transnational advocacy network' (TAN). A TAN is defined as a set of: 'relevant actors working internationally on an issue, who are bound together by shared values, a common discourse, and a dense exchange of information and services' (Keck and Sikkink, 1998, 2). TANs are only those transnational networks 'organized to promote causes, principled ideas, and norms, and they often involve individuals advocating policy changes that cannot be easily linked to a rationalist understanding of their *interests*' (Keck and Sikkink, 1998, 9). In the case of TANs, the factor that motivates action is intellectual and emotional dedication on behalf of the participants (Rodrigues, 2004). The TAN actors will be referred to throughout the paper more broadly as activists or advocates.

The proliferation of transnational networks in recent decades has led to an increasing interest among International Relations scholars in investigating the role that these structures play in world politics (Castells, 1996; Keck and Sikkink, 1998; Khagram et al., 2002; Betsill and Bulkeley, 2004; Kahler, 2009; Yanacopulos, 2009). Despite the fact that progress has been achieved recently in documenting transnational networks in general (and TANs in particular), questions concerning the way these

networks form, the way they operate and the degree to which they impact on world governance are still a matter of debate. This paper aims to contribute particularly to the debate on how these transnational structures emerge and to show how the interplay between the domestic and the international political opportunity structure is instrumental in fostering the emergence of a TAN. We now turn to explaining in more depth the concept of ‘political opportunity structure’.

INTRODUCING THE THEORETICAL CONSIDERATIONS SURROUNDING THE CONCEPT OF ‘POLITICAL OPPORTUNITY STRUCTURE’

The concept of ‘*political opportunity structure*’ was developed by the social movement theory and is defined as ‘the set of social and institutional variables that are likely to affect the development of collective action’ (Diani, 1995, 14).

Sikkink makes a clear distinction between the domestic and the international political opportunity structure (Sikkink, 2005). The domestic opportunity structure is defined as ‘how open or closed domestic political institutions are to domestic social movement or NGO influence’ (Sikkink, 2005, 157). The larger the number of parties, the more independent the legislative branch, the easier the procedures with which to build policy coalitions, the more open the political opportunity structure will be to different interest groups (Kitschelt, 1986). The international political opportunity structure ‘refers mainly to the degree of openness of international institutions to the participation of transnational NGOs, networks and coalitions’ (Sikkink, 2005, 156) and is most often comprised of: “*a number of international governmental organizations like the UN, the EU, the World Bank and the IMF, establishing a number of formal treaties, international regimes, systems of global governance, as well as, sometimes, structures of norms and values.*” (Van der Heijden, 2006, 32).

Such international institutions serve as sites that can bring parallel groups together internationally, but also as targets for group protest (Tarrow, 2001) as they are: ‘likely to increase the availability of channels that transnational actors can use to target national governments in order to influence policies’ (Risse-Kappen, 1995, 31). The ‘boomerang pattern’ becomes manifest ‘when channels between the state and its domestic actors are blocked [...] NGOs bypass their state and directly search out international allies to try to bring pressure on their states from outside’ (Keck and Sikkink, 1998, 12). Domestic groups will seek the support of foreign governments or intergovernmental organizations in the hope that, by taking a stance on the issue,

these entities will exert additional pressure on the national authorities (Keck and Sikkink, 1998).

Both the domestic and the international opportunity structure are dynamic. The opportunity structure includes both 'highly inert components that are more or less permanent features of the terrain' (Ferree et al., 2002, 62) and 'windows of opportunity' which are open only briefly (Gamson and Zald, 1996). The domestic opportunity structure 'varies primarily across countries, but it also varies over and across issues within countries' (Sikkink, 2005, 157), while the international opportunity structure varies 'over time and across intergovernmental institutions which in turn is related to variation across issues, and across regions' (Sikkink, 2005, 156-157). In addition, favourable political opportunity structures are not only found, they can also be created (Sikkink, 2005). For instance, human rights activists from Argentina and Chile brought cases of human rights abuse committed by their governments to the Spanish National Audience Court, which accepted their cases and in this way opened new arenas for the activists' actions (Sikkink, 2005).

For the purpose of this paper, the role that the political opportunity structure plays in the emergence of TANs will be discussed in relation to a Central and Eastern European (CEE) transnational advocacy network calling for the banning of cyanide-based mining, a technology potentially harmful to the environment. The network will be referred to as the Cyanide Ban Network (CBN) in this study¹. The CBN integrates, among others, nongovernmental organizations (domestic NGOs and INGOs, international NGOs), politicians (Members of National Parliaments, MPs), and Members of the European Parliament (MEPs), scientists and local social movements from Romania, Hungary, Bulgaria and Greece.

The discussion on the CBN will be conducted in relation to the campaigns waged so far by different segments of the CBN or the entire network, that is to say, campaigns demanding national cyanide bans in Romania, Hungary, Bulgaria and a campaign to ban cyanide at the EU level. As will be shown below, it was particularly the domestic failure of the Romanian activists to ban cyanide domestically that triggered the internationalization of the cyanide-ban campaign and implicitly the formation of a transnational advocacy network.

¹ Presently, cyanide-based mining is banned in the EU in the Czech Republic, Germany and Hungary, in the last case as a result of the CBN, whilst used in gold exploitation and/or processing in Bulgaria, Sweden and Finland (European Commission 2010).

A CLOSING DOMESTIC POLITICAL OPPORTUNITY STRUCTURE

When the campaign to ban cyanide began in Romania in 2007, the domestic political opportunity structure was extremely favourable. Activists could count on the support of two members of the Romanian Senate (Upper Chamber of the Romanian Parliament) who were willing to propose a cyanide ban. In addition, the Rumanian Ministry of the Environment issued several public declarations and provided the Parliament with expert statements in support of the ban as a result of NGO pressure (author's interview with the former Romanian Minister of the Environment, 2010). This increased the support for the ban at the parliamentary level. An activist advocating with the Romanian Parliament for a ban remarked: 'the Ministry of the Environment expressed public support for the legislative initiative and this triggered a snowball of support in all the Parliamentary Commissions in the Chamber of Deputies' (author's interview with a representative of the Romanian environmental NGO Terra Mileniul III, 2010).

There was also widespread opposition to the use of cyanide in mining at the level of Romanian public opinion. A survey conducted by an independent Bucharest-based market research institute at the request of CFR showed that 66% of Romanians were in favour of banning cyanide-based mining (IMAS 2008). As parliamentary elections were following in autumn, MPs became more sensitive to public opinion and were reluctant to oppose a highly publicized proposal that benefited from wide public support: *"the people in the Parliament are not interested in subjects less central to their agenda unless there is an electoral moment when things get precipitated and all the subjects are potentially important for certain groups, the moment 2008 was a climax moment for the campaign, we reached the Parliamentary Commissions, we had promises because that was an electoral moment."* (author's interview with a representative of the Romanian environmental NGO The Independent Centre for Environmental Resources, 2010).

The support that the Romanian activists managed to attract for their proposal at the domestic level was lost in late 2008 after the elections took place. The two Senators supporting the ban lost their positions and a new political configuration opposing the cyanide ban obtained most of the seats in the Parliament and in the Executive. Aware that they might have to wait for another legislative electoral opportunity to achieve a national ban (author's interview with the coordinator of the Romanian cyanide ban campaign, 2010), the activists decided to seek international support hoping that in this way they would be able to put pressure on the domestic institutions: *"when you have*

a blockage at the national level, you try to find other environments, other structures of political opportunity so that you can keep the problem on the public agenda and in this way you can hope that by creating strong enough external pressure you will be able to impact any kind of political configuration that forms at the national level.” (author’s interview with a volunteer and legal adviser in the Romanian cyanide ban campaign, 2010).

TAKING ADVANTAGE OF THE OPEN INTERNATIONAL POLITICAL OPPORTUNITY STRUCTURE

Although the Romanian political arena was closing, the regional arena was gradually opening up. As argued by Schattschneider (1960), the losers in a policy debate will try to switch arenas and will appeal to those not involved in the debate. In this way, they hope to change their position to a winning one as new persons brought into the debate will most probably take their side. The Romanian campaigners turned to the Hungarian NGOs who had started a similar cyanide ban campaign in Hungary in early 2009 (author’s interviews with the initiators of the Hungarian cyanide-ban campaign, 2010). Romanian and Hungarian activists were equally involved in shaping and implementing the Hungarian cyanide-ban campaign. According to an interviewee central to the campaign, the Romanian and Hungarian activists virtually ‘sat together’ and decided on how to go about banning cyanide in Hungary: ‘this is a great example, the cyanide ban equally provoked by Hungarians and Romanians’ (2010).

NGOs in Hungary acted out of solidarity with their Romanian cyanide-ban campaigners, but also because they feared trans-boundary pollution in case several cyanide-based mining projects were implemented in Romania. Not faced with the serious threat of a cyanide-based mining project being implemented in Hungary, the organizers of the Hungarian campaign hoped to impact the Romanian environmental legislation. As one of the leaders of the Hungarian Green Party involved in the campaign recalls: ‘we thought that an official act like this, the ban of cyanide in Hungary, could help the efforts at the regional level and in Romania to advance with the national cyanide ban’ (2010). The Hungarian campaign aimed to trigger a ‘boomerang pattern’ and put pressure on the government in neighbouring Romania to favour a cyanide ban.

A favourable domestic political opportunity structure was essential to achieving the cyanide ban in Hungary. As highlighted in an interview with a representative of Greenpeace Hungary: ‘the timing for the campaign was perfect’ (2010). Several

factors were perceived by the activists as fostering a favourable political opportunity structure. Firstly, the Hungarian parliamentary elections were approaching so all the political parties were interested in supporting a ban that benefitted from wide public support (author's interview with a representative of Friends of the Earth Hungary, 2010). An opinion poll conducted in early December 2009 indicated that 74% of the respondents favoured a cyanide ban (Median 2009). Public opinion in Hungary was already well aware of the impact that cyanide had on the environment owing to the pollution of the Tisza as a result of the 2000 Baia Mare cyanide spill. Secondly, the fast-moving Hungarian ban campaign left little time for any kind of opposition on behalf of the industrial mining lobby (that in general is weaker in Hungary than in Romania) to coalesce into a counter-campaign (author's interviews with the campaign coordinators, 2010). Thirdly, activists were successful in adjusting the political opportunity structure when needed and made it work in their favour. Hungarian politicians were provided with the draft of the bill and presented the prospect of passing the ban as an effective way of improving their public image. According to a representative of Greenpeace Hungary, 'our tactic was to win all the parties in the Parliament and to provide them with an extended draft looking almost like the text of a law, they like it if they do not have to work too much'.

By achieving a cyanide ban in Hungary, activists managed to attract in their network a new type of actor, a state, Hungary. After cyanide use in mining was banned in Hungary, Hungarian official representatives adopted a discourse highly supportive of a cyanide ban at the CEE and EU level: *„we think in Hungary that a technology based on cyanide is dangerous, is unsafe. We have the counterarguments of Sweden, Finland, Canada claiming that those technologies are safe, that they are not worse than the nuclear technology. We do not believe so. We think that cyanide technology as such is not safe. We oppose whenever and wherever somebody uses cyanide technology in mining.”* (author's interview with the Hungarian Ambassador to Romania, 2010).

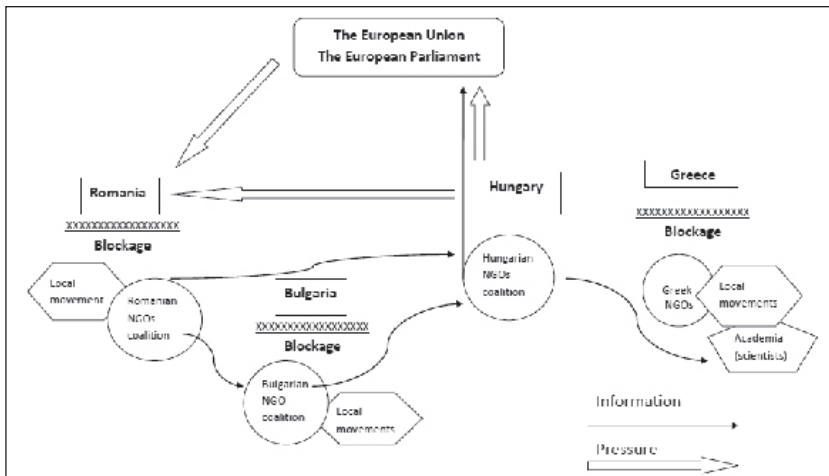
The Hungarian government attempted to impact upon environmental norms in neighbouring countries. The Hungarian officials engaged in dialogue on the topic of banning cyanide with their Romanian counterparts, trying to push for a change in the position of the Romanian authorities in relation to cyanide-based mining. The Hungarian Ambassador to Romania has stated while interviewed that: 'we are in constant dialogue with the Romanian government on this topic. They are saying that the technology is safe and at this point we reach a deadlock. We claim that it is

unsafe. They claim that it is safe'. However, despite external pressure, little change in the position of the Romanian authorities was achieved.

The Hungarian government has also secured the support of the Visegrad group, a group of Central European states (Hungary, Slovakia, the Czech Republic and Poland) that tend to synchronize their point of view on environmental affairs (interview with a former Romanian Minister of the Environment, 2010). Hungary and other countries from the Visegrad group (particularly Slovakia) have expressed their interest in achieving a ban at the EU level, hoping that in this way they will impact the national legislation of several CEE countries whose waterways are connected with those of the Visegrad group countries. For example, Hungary and Slovakia have recently overcome their traditional rivalry and exercised political pressure in supporting a cyanide ban at the European level (interview with the Hungarian Ambassador to Romania, 2010).

The alliance with the Hungarian NGOs has enabled Romanian activists to gain the support of a state actor that has attempted to put diplomatic and political pressure on the Romanian government and to support (as will be shown below) the CEE and Greek civil society efforts to achieve a cyanide ban at the EU level. In this way, a 'boomerang pattern' was triggered (figure 1) in response to the closure that the Romanian, Bulgarian and Greek cyanide ban movements were facing at the domestic level and with the hope that the external pressure would make the authorities in these countries change their mind.

Figure 1: The 'boomerang pattern' as defined and illustrated by Keck and Sikkink (1998) applied to the cyanide ban campaigns. Illustration by the author.



ACCESSING THE POLITICAL OPPORTUNITY PROVIDED BY THE EUROPEAN UNION

The EU has been credited with providing from many aspects a fertile ground for the emergence of transnational networks. Scholars have claimed that the EU opens several points of access for different interests, given its interdependent institutions and its dynamic agenda (Hooghe and Marks, 2001). Environmental interests are no exception. The EU adds an extra layer of supranational environmental regulation, generally promoting higher environmental standards at the European and global level (Sbragia, 2000; Zito, 2000; Pridham, 2002; Sbragia, 2002; Van der Heijden, 2006).

Not surprisingly therefore, the European institutions have been found to be spaces of political opportunity in demanding a cyanide ban by CEE-based NGOs and social movements. After achieving the Hungarian ban, CEE-based, Greek and transnational NGOs contacted several MEPs who were more likely to take a similar initiative at the European level (author's interviews with both NGO representatives and MEPs' assistants, 2010-2011). In early 2010, the office of János Áder, a Hungarian MEP (member of the Hungarian Civic Union, the main conservative party in Hungary and a member of the European People's Party in the EP) started to work on a European Parliament (EP) cyanide ban resolution. János Áder was soon joined in his efforts by other MEPs, mainly from Hungary, Romania, Greece and Bulgaria. On the day of the vote, 5 May 2010, the EP resolution recommending the ban of cyanide-based mining technologies in the EU by the end of 2011 was passed with 448 votes in favour, 48 against and 57 abstentions.

By turning to the EU arena and changing EU environmental norms, activists from CEE and from Greece hoped they would be able to change national environmental norms in their own countries, whose governments were unresponsive to their demands: *"after the Hungarians succeeded in banning cyanide, we had a couple of meetings and then it first came up as a target to ban cyanide across Europe. We thought of the possibility of banning cyanide in each of our countries, but this would have been very difficult in Greece and Bulgaria."* (author's interview with the representative of the Greek environmental NGO Hellenic Mining Watch, 2011).

Activists have noticed that when acting in the European arena, CEE politicians often go through a process of metamorphosis that allows them to show more interest in environmental affairs: *"we have the support of the MEPs. It is easier to support us at the European level. Environmental politics is a topic that they are more willing to*

approach [...] when you look towards Europe you want to be clean and you want to be idealistic as you hope that in this way you will attract a lot of young voters, but in Romania you have to be 'Mioritic'², because this is reality still." (author's interview with a campaigner based in Romania, 2010).

Romanian campaigners saw an opportunity in turning to the EP especially as some allies of the national ban campaign in the Romanian Parliament have meanwhile become MEPs and could use several non-legislative parliamentary tools such as declarations, parliamentary questions addressed to the Commission and resolutions to bring the topic to the attention of the EU institutions. *"At this moment [Dec 2010] it is easier to influence European legislation than Romanian legislation. It is a cleaner process. In Romania we do not have any supporters in Parliament anymore. The structure of political opportunity has changed, from the Romanian Parliament it was transferred to the European Parliament."* (author's interview with the coordinator of the Romanian cyanide ban campaign, 2010).

The EP was also perceived as a more feasible space of political action by environmental activists from Bulgaria and Greece. While the 2008 Bulgarian activists' proposal for a national ban did not secure the support of the National Bulgarian Assembly, the Bulgarian MEPs in general supported a European ban. This was due to peer pressure in the EP (author's interview with the representative of the Bulgarian Centre for Environmental Information and Education, 2011). In Greece, due to wide political support in the legislative and executive branches of the government for the mining industry, activists were aware that an attempt to achieve a Greek cyanide ban would be unlikely to succeed (author's interviews with representatives of Greek NGOs and Greek MEPs' assistants, 2011). As the representative of the Greek environmental NGO Hellenic Mining Watch stated when interviewed by the author: 'a cyanide ban was something that we could not have pursued in Greece directly because we do not have that kind of power in Greece, we do not have the leverage over the members of the Parliament' (2011). Therefore, the main opportunity for these groups remains at the supranational level, the EU. As one Greek activist has noted: 'at the EU level it is easier to change legislation than in the national level, where there are many people who think that these projects will create jobs and will bring some money to the public budget during these difficult times' (2011).

² In the Romanian jargon this implies being grounded, interest driven and flexible in achieving one's interests.

The lack of response on the part of the domestic authorities towards the activists' demands in Greece and Bulgaria is well known by MEPs. Green MEPs from the region expressed support for the cyanide mining technologies ban in order to overcome the apathy which activists face on the domestic level. One Greek MEP assistant noted: 'every help that we can provide from the European to the local level is welcomed by the local initiatives that are against the cyanide-based mining projects' (2011).

The efforts of the CEE-based NGOs and local movement representatives were matched at different stages by the actions of a state, Hungary. After the EP voted the resolution demanding a cyanide ban, Hungary requested that the Commission and the Council take legislative action in line with the EP resolution: *"we tried to persuade the European Commission to prepare a draft that would ban the use of cyanide. The Commission has refused. They said that we have a regulation for it, that it is a regulation that works. This is the end of the story for the time being, but we will be repeating and repeating and repeating that we are against this technology and that this technology is not safe and we would like to see much stricter regulation, a ban."* (authors' interview with the Hungarian Ambassador to Romania, 2010).

Although the resolution is a political declaration and not binding legislation, most of the cyanide ban advocates across Europe feel that it has been very effective in firmly placing the issue on the European agenda. This is an important step towards legislative change bearing in mind the other precedents in which changes in legislation were produced as a result of the environmental lobby at the EU level (Meyer, 2010). In addition, the resolution has sent a message to the Member States that at least some of the European institutions strongly support the phasing out of the use of cyanide in gold mining, so the national legislation that is to be adopted by Members should mirror the EU trends. The resolution called: 'on the Commission and the Member States not to support, either directly or indirectly, any mining projects in the EU that involve cyanide technology until the general ban is applicable, nor to support any such projects in third countries' (The European Parliament, 2010).

As anticipated, the political opportunity structure at the level of the EP was better able to accommodate activists' demands. Similarly to the Hungarian ban, the EP resolution is the result of a TAN's efforts, the CBN. Social movements, NGOs, scientists, etc., whose demands have not been met at the domestic level, sought support internationally as they perceived these external arenas as being more open. The findings in this chapter on the CBN are consistent with the observation made by

Marsh (1998) in relation to domestic policy networks. Marsh argued that the context will affect the network shape and the behaviour of the agents that are part of the network, but that in the end the response that the network sends to the environment is dependent on how the network actors interpret a particular context.

Contrary with the pre-existent theoretical assumptions, this chapter has also shown that not only obstacles but also success at the national level motivate collective action at the supranational level. This happened in the case of the Hungarian NGOs when the national legislation change was perceived as a milestone in a larger norm change process and there was an interest in externalizing and spreading the newly-adopted national environmental norms.

CONCLUSION

Analysing the political opportunity structure offers a feasible way of explaining the existence of TANs. As shown in the case of the Cyanide Ban Network, the interplay between the closure of the domestic and the opening of the international political opportunity structure can easily trigger the externalization of certain demands that are not satisfied at the domestic level. Faced with domestic unresponsive authorities, the environmental activists in Romania networked and joined in collective action with their counterparts in Hungary, Bulgaria and Greece. They aimed to change legislation in Hungary in order to be able to set a CEE model and then took their fight to the EU level.

Their intention in waging an internationalized campaign triggered the formation of a TAN. This structure managed to attract a wide variety of actors and emerged as highly heterogeneous. Although it was predictable that NGOs, INGOs and social movements would engage in collective action, this study has shown that even governmental actors can network with civil society in order to press other governments to adopt higher environmental standards.

This is not to say that other factors cannot account for or contribute to the emergence of TANs. On a more general level, the proliferation of transnational networks is linked by most scholars with globalization and the revolution in communication and transportation taking place in recent decades (Giddens, 1990; Castells, 1996; Held et al., 1999). In addition, the existing literature on transnational networks has attributed the emergence of TANs to the role that existing social networks play in fostering the emergence of new issue networks (Yanacopulos 2009). However, it is beyond the scope

of this paper to investigate how these factors have contributed to the emergence of the CBN or other TANs. Further research needs to be conducted in order to gain a better understanding of the all factors that might influence the formation of TANs and the combination in which they lead the emergence of these social structures.

An investigation of the political opportunity structure remains, however, crucial in explaining not only the existence of TANs, but also the successful outcome of certain advocacy campaigns. Comparison between the domestic circumstances in which the campaigns to ban cyanide took place in Romania and Hungary have shown that activists are more likely to achieve their goals when they benefit from the support of different branches of the government, especially in moments preceding parliamentary elections when politicians are under greater pressure from public opinion. Acting promptly and taking advantage of the political opportunity structure is crucial for the success of any campaign. As one CBN member stated: 'political results can be achieved if the timing and the set up [for a campaign] are good or are perfect and it is really important to seize this kind of opportunities' (2010).

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CONTROL OF MARKET CONCENTRATION (MERGERS) IN BOSNIA AND HERZEGOVINA: LEGAL FOUNDATION AND PRACTICAL IMPLEMENTATION

JELENA TEŠIĆ

INTRODUCTION

Measures of economic policy in the field of protection against excessive market concentration represent one of the segments in the broader field of competition policy. The reason for existence and application of measures of market concentration control is that imperfect market structures, generally speaking, lead to decline of social welfare.

Terms such as merger, takeover, acquisition and integration describe a situation in which companies that are independent of each other unite in company under the same property, which increases the level of concentration in the industry¹. There are different ways to measure the level of market concentration. Two commonly used measures are: 1) The share of the four largest firms: this measure represents the sum of the share of the four largest firms in the industry; it is linear and does not differentiate among firms as long as those firms are the four largest firms with the biggest market share, 2) Herfindahl-Hirschman Index: HHI is the sum of squared market shares of all firms; this measure is a convex function of market share and it is therefore sensitive to their inequality; greater importance of the given amount of index is given to the companies with a bigger market share; HHI is therefore better accepted as a measure of concentration in the process of market concentration control in industries (Shy, 2001: 123). There are two main reasons why measures of concentration are important: 1) they provide comparability of concentrations in the different industries of the same or different countries, and, something more important for the analysis in this paper, 2) they represent adequate

¹ In this paper the terms concentration and mergers will be used alternately since they describe the same situation.

tools to the competent authorities when they have to carry out regulation of market concentration. A competent authority must have some measure when assessing whether they should prevent or permit certain mergers, i.e. concentration.

Although concentrations of firms, that is, mergers lead to increased concentration and reduced competition in the industry, they do not a priori imply a decline of social welfare. Merged companies can become more efficient due to economies of scale, for example, and they can spread out part of the increased prosperity to the consumers. If the effect of increased efficiency is more significant than the effect of reduced competition, a certain merger could be useful to the consumers.

Regarding the work of regulatory bodies that exercise control and prevention of excessive market concentration in the context of the welfare effects of mergers, there are two types of errors that can arise when assessing the usefulness of a merger. Those two errors are represented in the following table.

Table 1: Overview of types of error and welfare effects

		Welfare effect of the merger	
		Negative	Positive
Decision by the authority	Approval	Error Type I (direct welfare loss)	Correct decision (direct welfare gain)
	Prohibition	Correct decision (avoidance of welfare loss)	Error Type II (foregone welfare gain)

Source: Christiansen, A., (2006).

The “more economic approach” in EU merger control – A critical assessment, Deutsche Bank Research, Working Paper Series, Research Notes 21

The existence of these two errors always makes the control of market concentration such a complex and topical issue. As Shy states that “the main reason for the study of industrial organization is to understand why the concentration that we see is so common” (Shy, 2001: 124).

The subject of this paper is the analysis of control of market concentration in the case of Bosnia and Herzegovina. First we will present the control of concentration in the case of the European Union (EU), since its legislation represents the basis for the countries that aspire to become its members. The first part refers to the legal sources of merger control in the EU, and a chronological overview of the introduction of merger control under the jurisdiction of the European Commission as the EU’s

executive body. The second part describes in detail the technical implementation of merger control procedure, i.e. control of market concentration in the EU and its Member States, while the third part of the paper is dedicated to the analysis of the process of merger control in Bosnia and Herzegovina. In the third part we will present some indicators of the efficiency of market concentration control and its practical implementation in BiH.

EUROPEAN UNION REGULATION OF CONCENTRATION CONTROL

Introductory considerations: legal and economic sources of regulation

European Union Law on mergers, i.e. on market concentration, is part of a broader legal framework in the field of competition policy of the European Union. Measures to prevent excessive market concentration in EU legislation are regulated by the control of concentrations between undertakings. These measures are officially given in the Council Regulation (EC) No 139/2004 on the control of concentrations between undertakings. In practice, for the said Regulation, a shorter expression is usually used—Merger Regulation².

Merger Regulation is just like any other legal document based on *higher legal acts*, in this case, the Treaties of the European Community, that is, the European Union. These treaties, in the first place, regulate the functioning of a common European market based on the principles of market competition (Parisi, 2010). According to Article 101 of the Treaty on the Functioning of the EU-TFEU, which replaced former Article 81 of the Treaty Establishing the European Community-TEC, all that is incompatible with the internal market is prohibited: all agreements between undertakings, decisions by associations of undertakings and concerted practices which may affect trade between Member States and which have as their objective or effect the prevention, restriction or distortion of competition within the common market. TFEU Article 102 (ex Article 82 of TEC) says that any abuse by one or more undertakings of a dominant position within the internal market or in a substantial part of it shall be prohibited as incompatible with the internal market in so far as it may affect trade between Member States. Other articles which are related to the

² For the said regulation in the paper the expression *Merger Regulation* will be used. The Number of Regulation, if stated, has a scope to differentiate between current Regulation 139 adopted in 2004 and previous Regulation 4064 adopted in 1989.

functioning of the common market and therefore constitute the legal basis of Merger Regulation 139/2004 are 3, 14, 103, 104, 105, 119 and 346 (European Commission, 2010).

The economic principles underlying the control of excessive market concentration are described in detail in the *Guidelines on the assessment of horizontal mergers*³, which is one of the accompanying legal documents regulating the issue of merger control. In most countries competition laws are based on the principle of protecting consumers' welfare, i.e. maximizing consumers' surplus. This is also the case with the EU legislation. The consumers' welfare is also a basic standard in competition law in the United States (Buccirosi et al, 2006).

The term which is used to describe a situation in which a certain concentration significantly hinders effective competition in a way that it leads to distortion of the principles of the common market, is the *creation or strengthening of dominant position*⁴. Concentrations that lead to the creation or the strengthening of a dominant position are considered to be incompatible with the principles of the common market.

Historical review of merger control in EU

The issue of practical regulation of market concentration control is split between the European Commission and national authorities. The European Commission has jurisdiction over *concentrations with community dimension*⁵, while the other concentrations are left to the national authorities of the member states. We will later define the criteria used to differentiate between concentrations with community dimension regulated by the Commission, and "ordinary" concentrations which are the responsibility of national authorities.

However, it should be noted that the issue of market concentration was not under the jurisdiction of the European Commission until 1989. Merger control is not exclusively mentioned in the Treaty of Rome which created the European Economic Community, the forerunner of the EU and its institution.

³ *Guidelines on the assessment of horizontal mergers under the Council Regulation on the control of concentrations between undertakings*, Official Journal of the European Union. <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:C:2004:031:0005:0018:EN:PDF> (14. 5. 2011)

⁴ *Guidelines on the assessment of horizontal mergers under the Council Regulation on the control of concentrations between undertakings*, Official Journal of the European Union. <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:C:2004:031:0005:0018:EN:PDF> (14. 5. 2011)

⁵ In this paper we will use the term *concentration with Community dimension*, although in practice it is convenient also to use the term *concentration with European dimension* since the European Community has evolved into the European Union.

The need to switch concentration control to the Union level was recognized in the early 70s. It was felt that there is a need to switch merger control to the Union level in order to implement effective measures to facilitate the development of a single and integrated common market of the EU. However, the Commission did not receive authority over merger control until 1989. In 1989 the Council adopted Regulation (EEC) No. 4064/89 on the control of concentrations between undertakings. In 2004 this Regulation was amended and replaced with the Council Regulation No. 139/2004 (Merger Regulation 139/2004), which improved the legal aspects of previous regulation.

ANALYSIS OF THE IMPLEMENTATION PROCESS OF MERGER CONTROL IN EU⁶

Difference between concentration and concentration with Community dimension

Merger Regulation 139/2004 gives to the European Commission an exclusive jurisdiction over the concentrations of Community dimension. Concentrations which don't have community dimension are within the jurisdiction of member state authorities.

Under EC Merger Regulation 139/2004 Article 3 a *concentration* arises where a change of control on a lasting basis results from:

- the merger of two or more previously independent undertakings,
- the acquisition of one or more persons already controlling at least one undertaking, or by one or more undertakings, whether by purchase of securities or assets, by contract or by any other means, of direct or indirect control of the whole or parts of one or more other undertakings, or
- the creation of a joint venture performing on a lasting basis all the functions of an autonomous economic entity.

Concentration with community dimension: according to Article 1, paragraph 2 of EC Merger Regulation 139/2004 concentration has a Community dimension where:

⁶ This chapter is mainly based on the interpretation of the original legal documents governing the issue of concentration. These are Merger Regulation 139/2004 and other accompanying documents. All documents can be found together in the document *EU Competition Law Rules Applicable to Merger Control* issued by the European Commission in 2010 on web page http://ec.europa.eu/competition/mergers/legislation/merger_compilation.pdf, or on the relevant web pages of EU Laws and other legal texts. Merger Regulation is given in the Official Journal of the European Union, *Council Regulation (EC) No 139/2004 of 20 January 2004 on the control of concentrations between undertakings on the web page*. http://eur-lex.europa.eu/LexUriServ/site/en/oj/2004/l_024/l_02420040129en00010022.pdf (12. 5. 2011)

- the combined aggregate worldwide turnover of all the undertakings concerned is more than EUR 5000 million; and
- the aggregate Community-wide turnover of each of at least two of the undertakings concerned is more than EUR 250 million,
- each of the undertakings concerned achieves more than two-thirds of its aggregate Community-wide turnover within one and the same Member State.

A concentration that does not meet the thresholds laid down in paragraph 2 has a Community dimension where:

- the combined aggregate worldwide turnover of all the undertakings concerned is more than EUR 2500 million;
- in each of at least three Member States, the combined aggregate turnover of all the undertakings concerned is more than EUR 100 million;
- in each of at least three Member States included for the purpose of point (b), the aggregate turnover of each of at least two of the undertakings concerned is more than EUR 25 million; and
- the aggregate Community-wide turnover of each of at least two of the undertakings concerned is more than EUR 100 million,
- each of the undertakings concerned achieves more than two-thirds of its aggregate Community-wide turnover within one and the same Member State.

Procedure of merger control implementation

The basic rule of EU merger control says that concentrations with Community dimension must be notified to the Commission prior to their implementation and following the conclusion of the agreement, the announcement of the public bid or the acquisition of a controlling interest (*ex ante* principle). The main goal of the rule is to disable in advance those concentrations which could possibly hinder principles of the common market. This *ex ante* principle is also a general rule in the United States.

Notification procedure (Phase I)

The first phase starts when the Commission has received notification of concentration and from that day “starts the clock” on the 25-day period for the EC to issue its Phase I decision. Within three working days after it has received a notification, the EC has an obligation to publish in the Official Journal the fact that it has received the notification

and to distribute this information in adequate form to all Member State competition authorities. Transition to the second phase depends on a decision on the first phase. Decision on the first phase addresses the following issues:

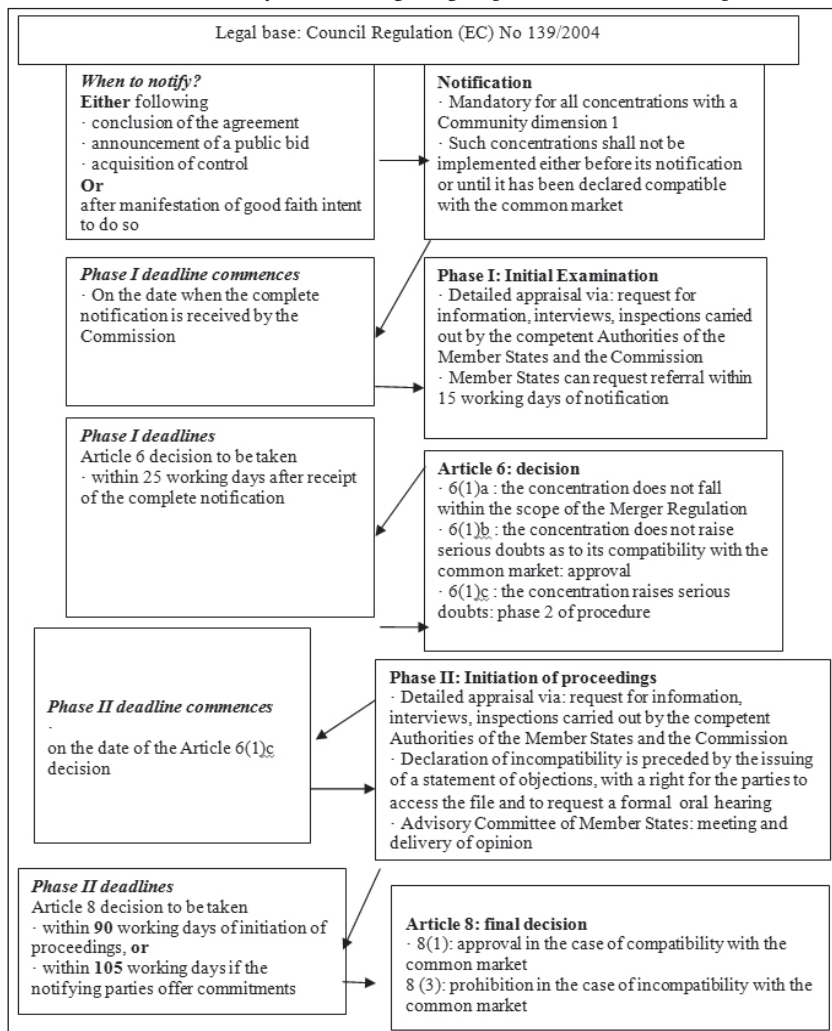
- whether the notified concentration comes under Merger Regulation,
- if it is determined that a certain concentration is under the responsibility of European Commission, then it should be examined whether:
 - the concentration is compatible with the common market
 - the concentration raises serious doubts as to its compatibility

If the proposed concentration does not raise serious doubts, the EC must clear it and concentration can be performed. With this the procedure of concentration notification is finished in the first phase and there is no need for a transition to the second phase. On the other hand, where a concentration raises serious doubts as to its compatibility with the common market, the second phase of procedure must be opened.

Initiation of investigation proceedings (Phase II)

In this phase the Commission conducts a detailed appraisal via: requests for information, interviews, inspections carried out by the competent Authorities of the Member States and the Commission. The Commission has to deliver a decision of the second phase within 90 days. Within 65 days after the beginning of the second phase, parties may propose modification of the concentration (this is called remedies or commitments). If the investigation in the second phase shows that concentration is not deterring principles of the common market then it can be accomplished. Otherwise, if the Commission concludes that the proposed concentration is not compatible with the common market, concentration is prohibited.

Scheme 1: Procedure for controlling merger operations between enterprises



Source: European Commission (2010). *EU Competition Law Rules Applicable to Merger Control, Competition Handbooks*, Brussels. http://ec.europa.eu/competition/mergers/legislation/merger_compilation.pdf (13. 5. 2011)

COMPETITION POLICY IN BOSNIA AND HERZEGOVINA

Legislation of concentration control

From the point of view of Western Balkan countries one important fact is that the EU legislation in the area of concentration control is the basis of legal regulation of market

concentration and total area of competition policy in these countries. Harmonization of legislation with EU regulations is necessary if a country wants to become a member. Since Bosnia and Herzegovina (BiH) has the status of potential candidate and since it is politically committed to further reforms toward EU membership, the issue of competition is one of the areas that should be harmonized with EU legislation. The issue of market competition protection, along with the agreement of free trade, is one of the core elements of the Stabilization and Association Agreement. By signing this Agreement, countries are obligated to legally settle market competition issues in accordance with EU legislation. This means that the countries of our region have already in this phase of membership taken an obligation to harmonize their legislation with *acquis communautaire* in the area of market competition policy. It is important to mention that harmonization of legislation includes not only enactment of laws but also their effective implementation. This implies the construction of administrative capacities which enable implementation of the legal acts. In the cases of BiH, Serbia and Croatia there are operative and independent bodies which have legal authority to protect competition on these markets⁷.

The Council of Competition in BiH was established in 2004 by the Act on Competition passed in 2001. The Council was established as an independent public body mandated to ensure consistent implementation of the Act. For the first time this Act established competition policy as one of a number of important instruments and a pillar in creation and strengthening the single economic area, i.e. the market in Bosnia and Herzegovina. The first Act on Competition, enacted in 2001, comprised the basic rules of competition within the meaning of Article 81 and 82 of the EC Treaty, but it did not follow the practices and resolutions of modern European legislation—*acquis* in this field. For that reason a new Act was enacted, which came into force on July 27th, 2005⁸. As the Council for Competition states, “Compatibility of new Act on Competition with stipulations and regulations of the European Union legislation in the field of the market competition (i.e. Regulations adopted in 2003 and 2004. – EC Council – No. 1/2003, 139/2004, 773/2004, 802/2004, etc) ensures the effective

⁷ In Serbia it is the Commission for Protection of Competition, in Croatia the Competition Agency, and in Bosnia the name of the authority is the Council of Competition.

⁸ Official Gazette BiH, No. 48/05

and transparent application of the law, simple procedures, reduced duration of the proceedings and in general, reduced level of the state intervention in this field”⁹.

The Council of Competition consists of six members appointed for a mandate of six years with the possibility of one re-election. Three members are appointed by the Council of Ministers of BiH, two by the Government of the Federation of BiH and one member is appointed by the Government of the Republic of Srpska. As officially stated on the web site of the Council of Competition, “Members of the Council of Competition are selected among recognized experts in the certain professional fields and their status is equal to such of administrative judges. This status is incompatible with any direct or indirect, permanent or periodical duty, with the exception of academic activities”¹⁰.

An issue of protection against excessive market concentration is regulated by Article 12 of the Act on Competition¹¹. This Article precisely defines concentration. Prohibited concentrations are defined and regulated by Article 13 of the Act. As is written in Article 13, “Prohibited are the concentrations of economic entities, which as a result have a significant distortion of the efficient market competition, in the entire market of Bosnia and Herzegovina or its significant part, especially those which create new or strengthen an existing dominant position”¹². We can see that definition of strengthening and creation of dominant position are also used as criteria in BiH legislation as is the case with EU legislation. Articles 15 and 16 of the Competition Act regulate numerical criteria of total revenue above which the parties are obligated to notify certain concentrations. Assessment of intended concentration by the Council of Competition is regulated by Article 17 and Article 18, while Article 19 regulates the measures following the implementation of incompatible concentrations.

The enactment of the Competition Act in BiH definitely heralded significant progress in the harmonization of BiH legislation with that of the EU. But the core reason why it is essential to have efficient competition on the market, generally seen as an increase of social welfare, is much more important. In the following section of

⁹ Bosnia and Herzegovina Council of Competition, <http://www.bihkonk.gov.ba/en/index.html> (15. 7. 2011)

¹⁰ Bosnia and Herzegovina Council of Competition, <http://www.bihkonk.gov.ba/en/index.html> (16. 7. 2011)

¹¹ Official Gazette BiH, No. 48/05, 76/07 and 80/09, Article 12. <http://www.bihkonk.gov.ba/en/index.html> (12. 7. 2011)

¹² Official Gazette of BiH, No. 48/05, 76/07 and 80/09, Article 13. <http://www.bihkonk.gov.ba/en/index.html> (14. 7. 2011)

the paper we will present some indicators of the efficiency of competition policy and market concentration control policy in BiH, Croatia and Serbia.

Some indicators of the efficiency of competition policy and market concentration control in BiH

The indicators presented in the following tables are truly shocking when it comes to practical implementation of laws on market competition.

Table 2 contains indicators about competition policy regarding the issuing of private property, domestic competition and the effectiveness of anti-monopoly policy. The indicators given represent subcategories of the Global Competitiveness Index (GCI) issued by the World Economic Forum.

Table 2: Subcategories of Global Competitiveness Index for 2010

	Ordinal of 139 countries and results from 1 to 7		
	Property Rights	Domestic competition	Effectiveness of anti-monopoly policy
BiH	Rank 133, score 2,54	Rank 113, score 3,25	Rank 125, score 3,05
Serbia	Rank 120, score 3,02	Rank 118, score 3,64	Rank 137, score 2,76
Croatia	Rank 81, score 3,82	Rank 110, score 3,72	Rank 98, score 3,65

Source: World Economic Forum, *Global Competitiveness Report 2010-2011*, <http://gcr.weforum.org/gcr2010> (14. 6. 2011)

When it comes to the issue of competition policy, similar results can be seen in the 2010 Transition Report issued by European Bank for Reconstruction and Development¹³. For the purposes of this paper the analysis of two categories will be of interest: *Markets and Trade* with its two subcomponents – the Trade and Foreign Exchange System, which shows progress in the liberalization of international trade of goods and capital movement, and *Competition Policy*, which shows progress in competition protection on the domestic front¹⁴.

¹³ This Report provides insight into four aspects of progress in transition: transition of Enterprises, Markets and Trade, Financial Institutions and Infrastructure. Further, these four categories are broken down into subcategories. The issue of the Report for 2010 is named „Recovery and Reform“ where this *recovery* refers to the latest crisis.

¹⁴ Scores in the report are ranked from 1 to 4+ where 1 represents little or no shift from a rigid centrally-planned system of economic management, and 4+ is the standard for the industrialized market economies.

Table 3: Progress in transition for category Markets and Trade, EBRD Transition Report for 2010

	<i>Trade and Foreign Exchange System</i>	<i>Competition Policy</i>
BiH	4	2
Serbia	4	2+
Croatia	4+	3

Source: European Bank for Reconstruction and Development, Transition Report 2010: Recovery and Reform, <http://www.ebrd.com/downloads/research/transition/tr10.pdf> (14. 6. 2011)

As can be seen in the EBRD's Transition Report, the result in the area of competition policy is 2. If we compare BiH with its closest neighbours we can see that the situation in Serbia is slightly better, while in Croatia there is solid progress since it is now a candidate country for EU membership and its result by this indicator is 3.

Finally, if we want to show the progress in protection against excessive market concentration, i.e. mergers by a certain indicator, an adequate indicator would be a sub-index of the Global Competitiveness Index called *Extent of Market Dominance*. This sub-index directly shows what is to be achieved by the control of market concentration; that is, prevention of *creation or strengthening of dominant position*. The situation as it concerns this issue in BiH and its closest neighbours is also bad.

Table 4: Subcategory Extent of Market Dominance, Global Competitiveness Index for 2010

	<i>Extent of Market Dominance (Ordinal of 139 countries and results from 1 to 7)</i>
BiH	Rank- 137, score- 2,52
Serbia	Rank- 138, score- 2,50
Croatia	Rank- 121, score- 3,05

Source: World Economic Forum, Global Competitiveness Report 2010-2011, <http://gcr.weforum.org/gcr2010> (14. 6. 2011)

CONCLUSION

In the end it is worth mentioning again that the harmonization of legislation with the EU includes not only enactments of laws but also their effective implementation. As we could see in the case of BiH and its neighbours there have been established operative and independent bodies which have the legal authority to protect

competition on the market. But concerning the efficiency of these bodies the situation is not so praiseworthy. As the EBRD transition report shows, progress in the area of competition policy is slow, showing a result of 2 out of a maximum 4+. The worst result, 1, is not scored only because we have enacted a law on competition and an operative body in charge of conducting the law. The efficiency of these national authorities is a frequent topic of different media and the professional and scientific community. But it is sure that it will take some time before the countries of former Yugoslavia gain the specific level of experience necessary to improve their work, given the fact that these countries lack any tradition in the field of competition protection.

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EVALUATION OF THE HUNGARIAN LABOR MARKET IN TERMS OF A SHORTAGE OF SKILLED LABOR IN GERMANY

JENNIFER HORVATH

FUNDAMENTALS OF THE ASSIGNMENT

The German labor market is changing. The changes are due to such currently discussed factors as demographic change, globalization and the general economic structure which converts into a service economy. The actors at the labor market are asked to deal with current structural developments.¹ The biggest problem is a projected decline in the labor force potential, which results in a potential shortage of skilled workers². In the future, companies will need to be prepared for this situation. In the wake of EU enlargement and the associated free movement of workers³ it is therefore for international acting companies nearby to examine the current and potential labor force at neighboring markets. Germany and Hungary already have a long history-charged past and maintain good economic and political relations. The aim of the scientific preparation in hand is to evaluate and take a closer look at the labor market of Hungary in terms of a shortage of skilled workers as compared to the German labor market. This study aims to point out that German companies with branches in Hungary are able to diminish the threatening shortage of skilled workers on the German labour market through corporate activities on the Hungarian market and therefore through the assignment of Hungarian skilled workers in Hungary.

The work in hand will first analyze the German labor market in general and seek possible reasons behind current developments. The objective of this work is to evaluate whether German companies can reduce the current skills shortage in Germany with appropriate activities in Hungary. Subsequently, a German-based evaluation about the Hungarian economy will be presented. An evaluation of the Hungarian labor market and the local labor force will follow which attempts

¹ Cf. Federal Employment Agency, January 2011: 3.

² Cf. Federal Employment Agency, January 2011: 7.

³ Cf. European Commission, 2011: Freizügigkeit.

to answer the question in focus. Finally, a conclusion follows with a short business outlook including the latest analyzed developments and assessments.

ANALYSIS OF THE GERMAN LABOR MARKET

Changes in the Working Environment

Most journalistic authors are of the opinion that today change in the labour market is more difficult than in the past. This opinion may stem from the fact that the examined external developments such as globalization and demographic change, which the media characterizes as irresistible, introduce an unprecedented level of complexity to labor market theories. The complexity of the labor market in the course of progress is ever increasing and can be influenced by several factors.

The actors on the market face external factors such as demographic change and an advancing globalization. A significant influence on these developments cannot be noticed. As the population of Germany ages, so do its potential employees. According to (the latest calculations by) the Federal State Office, the decreasing proportion of the population of working age will be perceivable for the first time in 2020.⁴ In addition, increasing competitive pressure comes from declining state frontiers and lower entry barriers to markets. The calculations of companies which want to compete successfully on the markets are always forced to be better, more precise and further-reaching.⁵

Another factor is the enormous technical progress, which has adopted entirely new forms in the twentieth and early twenty-first centuries, especially since the dawn of the digital revolution, and which shows no sign of slowing down. In the manufacturing industry, many tasks previously carried out by employees can now be handled by machines able to work faster and more accurately than their human counterparts.⁶ By changing the conditions there is an economic structural change toward a service economy.⁷ Service economies are characterized by economic growth in advanced economies which is largely supported by consumption and the production of services.

⁸ This trend is confirmed by the global clearly ascertained rise of informal work.⁹

⁴ Cf. Federal Statistical Office, 2009: 17ff..

⁵ Cf. Press and Information Office of the Federal Government, 2009.

⁶ Cf. Rifkin, 2005.

⁷ Cf. Gramke, 2010: 5f..

⁸ Cf. Gabler Economic Dictionary: Dienstleistungsgesellschaft.

⁹ Cf. German Parliament, 2002: 242.

Informal work is usually the production of demand-oriented, non-monetary marketed products and social or technical services.¹⁰

Developments of Labor Force Potentials

Considering these new findings, it is not possible to give an easy and satisfactory reply to the question of whether a shortage of skilled workers in the labor market is likely or not. According to the demographic scenario of the Institute for Labour Market and Employment Research (IAB), the so-called labor force potential (EPP) will fall in Germany without immigration and at constant employment rate from just under 45 milliard by the year 2050 to nearly 27 milliard people.¹¹ The forecasts of the various institutes demonstrate a staffing bottleneck on the labor market, despite not quite matching results. A McKinsey study estimates a deficit of two million in the workforce by 2020. The Prognos Institute predicts a so-called „experts gap“ of 5.2 million people, consisting of 2.4 million graduates and 600,000 low-skilled workers by the year 2030.¹² The critical question is at what point can one talk about a lack of skilled workers. By definition, a shortage of skilled labor occurs if the macroeconomic demand exceeds the macroeconomic supply of professional skills. If companies actually find no or only a few suitable applicants for any advertised position, this may be due to a shortage of skilled workers. However, it remains important to note that staffing problems can occur even when a macroeconomic excess supply exists. This might be the case when the contracting parties cannot reach an agreement due to differing orientations.¹³

Matching of Labor Supply and Demand

An adequate and often used indicator for the comparison of demand and supply on the labor market is vacancy time¹⁴. The economic upswing which followed the crisis in 2008¹⁵ is responsible for the fact that unfilled positions remain vacant for a longer time. Thus, the Federal Employment Agency recorded a growth of three days in terms of vacancy from August 2010 to July 2011 compared to the same period in the previous

¹⁰ German Parliament, 2002: 241.

¹¹ Cf. Federal Employment Agency, January 2011: 6f..

¹² Cf. Federal Employment Agency, January 2011: 6f.; Cf. Gramke, 2010: 1.

¹³ Cf. KfW Bankengruppe, 2011: 1.

¹⁴ The average time a company needs to assign a vacant position with an adequate skilled worker. (Cf., Federal Employment Agency (July 2011): p.11.)

¹⁵ Cf. DIW Konjunkturbarometer, 2011.

year.¹⁶ This indicates a shortage of available professionals on the labor market - with a rising tendency. This seems paradoxical when at the same time some three million people were unemployed in July 2011 and the nationwide unemployment rate noted 7.0% in the German labor market.¹⁷ This phenomenon is based on a simple explanation which occupies a crucial point in the discussion about the skills shortage. Work itself is merely the collective term for various types of activities. Finally, the qualification for the capabilities is critical. An alleged lack of skilled workers by coincidental unemployment is thus a structural phenomenon in the labor market, and increases in cyclical upturns.¹⁸

When despite existing unemployment vacant positions are left unoccupied, it is called a „mismatch“ in economics. On the one hand, this mismatch exists due to searching and information deficits. On the other hand, labor demand and supply in relation to one another do not match professional qualifications, regions and sectors. Skill gaps especially often represent problems which cannot be removed quickly, because they depend on long-term educational and investment-related decisions.¹⁹

A difficulty in covering demand on skilled workers can be derived from the combination of different key data. Suitable examples are significant changes in the vacancy time of registered jobs, the proportion of older employees (through retirement admissions of expected replacement demand), the ratio of registered unemployed to unregistered sites and monthly agency surveys by the Federal Employment Agency to supply and demand for certain occupational groups. For example, the current average vacancy period for machinery and automotive engineers in Baden-Wuerttemberg, Bavaria and Hamburg is more than 40% higher than the national average for all occupations. Nevertheless, in spite of such shortages in certain occupational groups and regions, a general shortage of skilled workers in Germany is out of the question.²⁰

Basically it is difficult to predict mismatches and skill shortages since in market economies wages and prices, and labor demand and supply continuously adapt to the market. Persistent gaps between supply and demand can be thus observed, particularly in the areas where wages are only partly controlled by the market. The

¹⁶ Cf. Federal Employment Agency, July 2011: 10f..

¹⁷ Cf. Statistics Federal Employment Agency, July 2011: 10f..

¹⁸ Cf. Federal Employment Agency, January 2011: 6f.

¹⁹ Cf. Gramke, 2010: 5f.; Cf. Wagner; Jahn, 1997: 64f..

²⁰ Cf. Eurostat, 2010: 315.

health and education sector serve as an adequate example of this situation. Gaps between labor demand and supply currently tend to occur in academic professions and here especially in occupations with a technical focus. The situation may be to a large extent cyclical, but independent of economic trends an increasingly difficult skilled worker situation has to be assumed in the medium term.²¹

EVALUATION OF THE HUNGARIAN ECONOMY

Evaluation of the Hungarian Economic Situation

The evaluation of the Hungarian economy can well be shown by the annual surveys of the German-Hungarian Chamber of Commerce. In 2011, surveys on the economic situation and economic prospects were recorded for the seventeenth time. The survey participants were mostly German companies but also foreign ones whose corporate language is German. In addition, qualitative factors such as investment conditions and the quality of location were recorded.²²

Although Hungary's economic situation is assessed as relatively poor by 44% of those polled, compared to the previous year's result of 63%, a significant improvement is in place. Moreover, there are very optimistic expectations for 2011 since nearly half of the respondents expect an improvement in the economic situation, whereas only 13% await a worsening of the situation. Besides, personal development in terms of sales trends, profit expectations and the firm-specific economic situation are seen as substantially more positive than the previous year. It is noteworthy that foreign firms contribute significantly to the economic development of Hungary and the creation of new jobs. Due to the favorable economic situation, nearly 40% of the surveyed companies plan to hire new personnel, while only one in six companies arrange for personnel reductions in the near future. In addition, about one third of the companies plan to invest further into the site whereas only 19% are planning an investment loss.²³

Role of Foreign Investments

Foreign investment plays a particularly large role in Hungary. The total volume of foreign investments is equivalent to about 70% of Hungary's gross domestic product. By the end of 2009, foreign companies had invested around 59 billion euros in Hungary,

²¹ Cf. Bonin et al., 2008: 3.

²² Cf. DUIHK, 2011: 5.

²³ Cf. DUIHK, 2011: 5f..

of which approximately 70% came from companies in the European Union.²⁴ From all these investments around one quarter arise in German companies. In the calculation period for 2009 invested total of 14.81 billion euros was invested directly by German companies in Hungary. In addition, during the study period starting in 1998, a steady increase from initially some six billion euros of investments in Hungary by German companies can be observed up until the present.²⁵ One in three jobs in the private Hungarian economy is in a foreign company with over 50 employees. If foreign companies with fewer than 50 employees were also to be enumerated, as well as suppliers and service providers, foreign investors could be said to secure about half of all jobs in the Hungarian private sector.²⁶

The reinvestments of profits play a decisive role, especially from the German perspective. Measured since 1995, approximately 40% of profits were not paid to owners but reinvested in Hungary. Of these reinvestments, solely 55% fall upon German firms, which shows that German companies want to invest in Hungary for reasons of sustainability and not only for short-term profit maximization.²⁷

Particularly interesting is the origin of German direct investment. The majority of German direct investment is made basically by Baden-Wuerttemberg, Bavaria and North Rhine-Westphalia. In percentage terms, this means that Bavaria alone accounts for 44.7%, Baden-Württemberg for 15.9% and 26.4% in North Rhine-Westphalia. The other 13 states together contribute only 13.0% of German direct investment in Hungary. Most investments are made in the vehicle construction industry, at 33.1%. The other manufacturing industries as well as energy and water supply are each 17.1% and 16.1%. The remainder is covered by services of all kinds.²⁸

Further Factors for Investment Decisions

The labor market, legal security and the tax system turned out to be particularly important factors for investment decisions. Employment-related factors, especially motivation, productivity, staff qualifications and the availability of skilled workers are the most important factors for new investments among the surveyed companies.²⁹ It is often stated that the lower personnel costs are a very important motive for

²⁴ Cf. DUIHK, 2011:7.

²⁵ Cf. DUIHK, 2011: 8.

²⁶ Cf. DUIHK, 2011: 7f..

²⁷ Cf. DUIHK, 2011: 7.

²⁸ Cf. DUIHK, 2011: 8.

²⁹ Cf. DUIHK, 2011: 5.

companies to choose Hungary for a base. However, proximity to customers and market development for the company are of great importance and should not be underestimated. Compared with these, tax benefits are irrelevant to companies.³⁰

The improved economic situation is reflected clearly in a more positive assessment of the quality of investment and location conditions. In contrast, corruption and crime remains a big problem. Two out of three companies sense the combating of these as insufficient. It seems therefore extremely worrying that the level of legal security is assessed as progressively worsening. Already 45% of firms indicate that they are dissatisfied with this.³¹

EVALUATION OF THE HUNGARIAN LABOR MARKET

Evaluation of the Hungarian Labor Force

Basically, German investors are satisfied at a high level with the labor market in Hungary. As in previous years, the companies assign high marks particularly in terms of motivation, skills and productivity of workers. The availability of skilled workers is estimated as similar to if not better than it was in the past. However, this should be mainly attributed to the crisis conditioned state of the labor market, thus, this issue is by far not yet complete. It is expected that according to an improving economy, the availability of skilled labor will decrease. Such a development could entail a significant inhibition in the economic boom.³² In terms of labor costs the companies have voted better than the year before. Although the tax burden was not reduced to the labor factor, by introducing a flat income tax rate from 16% in labor costs it should significantly reduce pressure on employers.³³

Evaluation of the Cost-Performance Ratio on the Hungarian Labor Market

With regard to the labor market, the new positive-minded employment plans could maybe help to reduce the currently very high level of unemployment from 11.2%³⁴ in 2010. However, the creation of new jobs will very much depend on whether companies in Hungary will find suitable employees. In recent polls, the availability of skilled

³⁰ Cf. DUIHK, 2010: 2.

³¹ Cf. DUIHK, 2011: 6.

³² Cf. DUIHK, 2011: 13.

³³ Cf. DUIHK, 2011: 17; Cf. BCG, 2005: 8.

³⁴ Cf. DUIHK, April 2011: 1.

workers is estimated better than previously. However, at this point there is a very strong connection to the current crisis caused by high unemployment noted.³⁵

It is relatively difficult to obtain information about the current labor market situation from the Hungarian point of view. In principle, a lack of skilled workers in Hungary can be expected, coexistent with very high unemployment. Many potential employees on the Hungarian labor market are qualified in business areas which are not requested. Consequently, such employees have little chances of obtaining a job within the labor market. For that reason the Hungarian government is determined to counter this “disorientation” and convince young people to be trained in other and more popular disciplines.³⁶

In terms of income distribution, according to a study by the German-Hungarian Chamber of Commerce together with Kienbaum Management Consultants, the average base salary in 2010 increased by 6.6%. For 2011, an increase in basic salaries by 4.3% is again predicted.³⁷ Professionals obtain in 2010 an average annual total compensation of 4.4 million forints³⁸ which equates round about 16.000 Euro according to current exchange rates³⁹. Skilled workers and ordinary workers receive an approximate total of 2.4 million forints as average annual total compensation which in turn is equivalent to about 8.600 Euro. Executives, however, earn by far not as much as German officers but with an average of 38.000 Euro total annual reference they are on a relatively high level compared to the measured salary of previous years. The Hungarian wages are lower compared to other countries in the region such as Slovakia and the Czech Republic. At the same time the availability of professionals with a grade of 1.7 is assessed better than in the other countries with 1.9 in Slovakia and 2.2 in the Czech Republic.⁴⁰

All the more astonishing are the survey results with regard to vocational training and academic education, which seem to offer room for improvement.. The proportion of satisfied companies in relation to the vocational training system was shrinking from 2010 with 23% to 18% in 2011. In addition, 33% of the companies are particularly dissatisfied with the training of Hungarian employees. The satisfaction with higher education has gotten similarly worse during the course of the previous year.⁴¹ The

³⁵ Cf. DUIHK, 2011: 13.

³⁶ Cf. Departement for Foreign Affairs, 2010.

³⁷ Cf. DUIHK, 2010: 1.

³⁸ The Hungarian Forint is the currency in Hungary.

³⁹ Current exchange rate: 1 Euro = 271,762248 Forint (Date: 03.08.2011)

⁴⁰ Cf. DUIHK, 2010: 4.

⁴¹ Cf. DUIHK, 2011: 20; Cf. Departement for Foreign Affairs, 2010.

reason could be that some companies had disappointing experiences with graduates from educational institutions. Although these grievances have been detected and fundamental changes desired to be made, no clear contour of the discussion can be detected so far. In consequence, the companies are additionally unsettled and the long-term planning of their personnel and training policies is aggravated.

Not least should it be kept in mind that the eastern European expansion of the EU is going to decrease the labor supply. Therefore, the general wage level will rise and undermine the actual Outsourcing Tendencies. It remains to be seen how the connections between the German and Hungarian economy will be expanded and whether or rather how much the German economy can counteract the lack of skilled workers in Germany. But it is certainly in the short and medium term, a good and safe option for the German companies to come up against the growing competitive pressure with a simultaneous shortage of skilled labor.

Evaluation of the Cultural Differences

It must again be noted that especially in the labor sector many different factors and influences need to be involved. Accordingly, the labor costs or the education level do not play a solely decisive role but their relationship to various aspects which attract employers does.⁴² In addition to purely quantitative factors such as tax rates, labor costs or infrastructure costs, qualitative factors play a likewise important role. Above and beyond schooling and vocational education, these qualitative factors also include cultural traits and competencies. Especially in the field of corporate communication it has gained great importance.

Essentially, Hungary is more open-minded and more focused in paralinguistic in communication when compared with Germany.⁴³ Hungarians basically maintain a lighter manner in business than the Germans would usually do on the professional level.⁴⁴ This feature runs through the whole level of communication. The only exception in this context is criticism, a kind of communication much more conservative and more “between the lines”.⁴⁵ The only significant difference and cultural point of

⁴² Cf. DUIHK, 2011: 17.

⁴³ Cf. Lewis, 2000: 285; Lewis, 2000: 225.

Cf. Derjanecz, 2003: 118.

Cf. Lewis, 2000: 282.

Cf. Lewis, 2006: 291. Lewis, 2000: 282.

⁴⁴ Cf. Lewis, 2000: 285; Lewis, 2006: 225.

⁴⁵ Cf. Derjanecz, 2000: 118.

conflict is the handling of timing and thus compliance of plans. Although both countries aspire to punctuality, there are differences in how time is handled once a meeting has begun.⁴⁶ Hungarians maintain a more relaxed use of agendas and discuss apparently important tasks with greater frequency. They also discuss longer than the schedule provides for. When confronted with German punctuality and order this property holds a significant potential for conflict.⁴⁷ As a result, communication partners have to learn to deal with mutual communication patterns. The above-mentioned cultural differences and similarities are based on general characteristics. For reasons of simplicity individual variation will not be listed. The work in hand makes no claim to completeness.

CONCLUSION AND FORECAST

It is obviously the case that German companies are satisfied with the Hungarian labor market and plan constant reinvestment to expand connections with Hungary in the future. The most important question is whether it is possible for German companies to compensate for the skill shortages in Germany with activities on the Hungarian market.

It is quite conceivable that the German and Hungarian economies are creating a win-win situation for both parties through increased activities of German companies in the Hungarian market. The Hungarian economy is heavily dependent on foreign investments and is struggling to its feet. The investors are largely satisfied with the education system. Nevertheless there is a very high level of unemployment which the Hungarian economy cannot reduce on its own. Through appropriate reinvestment and tax levies of the German companies the Hungarian infrastructure is strengthened, boosting the economy and reducing unemployment. Additionally, there is a strong motivation for German companies to invest in Hungary. Besides the advantages of lower costs and cultural proximity, an increasing number of other companies will expand their economical and interpersonal connections from Germany to Hungary.

However, it cannot be assumed that all work could be easily outsourced to Hungary. It should be kept in mind that firstly there are some existing cultural differences—even if they are minimal compared with other countries. Secondly, German companies are sometimes not satisfied with the education system or, thirdly, pleased with the work process.

⁴⁶ Cf. Lewis, 2000: 282.

⁴⁷ Cf. Lewis, 2006: 291.

Germany and Hungary have a long shared history and strong links still seem to be maintained. The bilateral relations should be considered from two perspectives. On the one hand, both countries seem to benefit from the fact that German companies invest in Hungary. The economically strong Germany can offer less strong Hungary a helping hand and promote the welfare of the citizens by providing new jobs. However, the impression could emerge that the stronger German market is exerting certain economical and political pressures on Hungary. Consequently, the German market forces demands which would be economically useful for the German economy. Nevertheless, the existing bilateral relations are very healthy and have improved over the years. The companies and employees of both countries have converged and it seems that they have already learned to deal with each other and to bridge cultural differences. In conclusion there are good opportunities to reduce the impending shortage of skilled workers in Germany and at the same time to reduce unemployment in Hungary, accordingly promoting the national economy.

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8th DRC (Danube Rectors' Conference) Summer School on Regional Co-operation



EU Strategy for the Danube Region — Perspectives for the Future

2011, Vienna





www.d-r-c.org

Official website:
www.drcsummerschool.eu



www.idresearch.hu



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Special thanks to:



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The DRC Summer School project was initiated by the IDM (Institute for the Danube Region and Central Europe/Institut für den Donauraum 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 8th 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 IDRResearch 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 8th edition of the Summer School puts its focus on the EU Strategy for the Danube Region. 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:

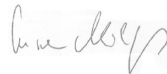
- to enhance the awareness for the significance and possibilities of regional co-operation;
- to discuss and develop strategies for the improvement of co-operation in the region;
- to bring young scientists from the countries of the Danube Region and Central Europe together in order to establish a regional 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 seven Summer Schools, the results and best quality papers of the 8th Summer School will be published in a proceedings volume by the end of 2011.



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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

Programme

3 July
Sunday

Arrival in Vienna

16.00-17.00 Registration
BOKU Hostel: Accommodation for participants

17.00-18.00 Introduction, First meeting
BOKU Hostel

19.00 Dinner at Mayerei, Türkenschanzpark

4 July
Monday

08.15-09.00 Registration
BOKU

09.00-09.15 Welcome
Josef GLÖßL
*Vicerektor of BOKU – Universität für Bodenkultur /
University of Natural Resources and Life Sciences, Vienna*

Klaus FIESINGER
Hanns Seidel Stiftung, München

09.15-09.30 Opening
SUSAN MILFORD, ISTVÁN TARRÓSY

09.30-10.15 Keynote speech

Danube - Unity and Variety
ERHARD BUSEK
Chairman, IDM



10.15-10.45 Break

10.45-12.15 Plenary lectures

10.45-11.30 **Economic and Demographic Challenges and Opportunities
for the Danube Region 2011-2030**

RAINER MÜNZ

*Academic Director of Erste School of Banking and Finance,
Erste Group Bank AG*

11.30-12.15 **Foreign Policy of Hungary in the Interwar Period**

ÁRPÁD HORNYÁK

University of Pécs

12.15-13.15 Lunch

(Mayerei)

13.30-14.15 **The Danube: A European River as Street, Bridge and Frontier**

MICHAEL WEITHMANN

University of Passau

14.30-18.00 Workshop sessions

19.00-20.00 Dinner

(Mayerei)

5 July
Tuesday

09.15-12.30 Plenary lectures

09.15-10.00 **The Work of the ICPDR and Protection of the Danube River
as a Basis for Sustainable Development**

PHILIP WELLER

*Executive Secretary ICPDR - International Commission for the
Protection of the Danube River*





10.00-10.45 **Regional Cooperation along the Danube**

Heribert BUCHBAUER

Federal Ministry of Science and Research, BMWF

10.45-11.00 Break

11.00-11.45 **Corridor VII, the Danube – Backbone of the EUSDR**

OTTO SCHWETZ

CORRIDOR VII

11.45-12.30 **Danube Strategy on the Way to Implementation –
an Austrian Perspective**

ROLAND ARBTER

The Austrian Federal Chancellery

13.00-14.00 Lunch
(Mayerei)

14.30-18.00 Workshop sessions

19.00 Dinner
(Mayerei)

6 July
Wednesday

10.00-13.00 Sightseeing in Vienna

13.00-14.00 Lunch
(Wohlleben Beisl)

14.00-19.00 Free time

19.00-20.00 Concert by DANUBE GUITAR DUO
(Festsaal BOKU, Gregor Mendelstraße 33, 3rd Floor)
FRANZ HELFERSDORFER, KARIN ZIMMERMANN (A)



20.00 Reception

7 July
Thursday

09.15-12.30 Plenary lectures

09.15-10.00 **The EU Strategy for the Danube Region: Opportunity to connect Regions and Cities, using the example of the Working Community of the Danube Regions**

PETER DE MARTIN

Arbeitsgemeinschaft Donauländer / Working Community of Danubian Regions

10.00-10.45 **Green New Deal - Sustainable Economic Prosperity for the Danube Region**

BENEDEK JÁVOR

Pázmány Péter Catholic University

10.45-11.00 Break

11.00-11.45 **The Danube and Black Sea Region: A Priority of Austrian Foreign Cultural Policy**

ALEXANDER WOJDA

Federal Ministry for European and International Affairs, Austria

11.45-12.30 **Stronger Europe? - The Future of European Integration in Light of the New Dynamics of a Changing Global Arena**

ISTVÁN TARRÓSY

IDResearch Ltd., University of Pécs

13.00-14.00 Lunch
(Mayerei)





14.30-18.00 Workshop sessions

19.00 Dinner
(*Mayerei*)

8 July
Friday

09.00-13.00 Field Trip
VIA DONAU, HYDROELECTRIC PLANT FREUDENAU

13.30-14.30 Lunch
(*Essl Museum*)

14.30-16.00 *ESSL MUSEUM*

16.30-18.00 *MONASTERY KLOSTERNEUBURG*
Wine tasting

18.30 Dinner
(*Heuriger Redinger*)

9 July
Saturday

10.00-13.00 Workshop sessions – Final reports

13.00-14.00 Lunch
(*Mayerei*)

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

17.00-17.30 Closing ceremony



- 18.00 Dinner
 (Fischer Bräu - Billrothstraße 17, 1190 Wien)
- 21.00 Farewell party
 (AKUT, Müllnergasse 14, 1090 Wien)

10 July
Sunday

Departure



9



Workshops and informations

1. Regional Cooperation along the Danube - Culture, Education, Science
Leader: Miruna Troncota
2. History and Geopolitics in the Danube Region
Leader: Michael Weithmann
3. Economy vs. Environment - Challenges along the Danube: Economic, Social, Infrastructure Development
Leader: Gergely Takács
4. Danube Strategy - How Much "Stronger Europe" Can Be?
New Chances for Regional Co-operation and European Integration
Leader: Patrick Scherhauser

Workshop sessions

4 July, Monday	14.30-18.00 – First meeting
5 July, Tuesday	14.30-18.00
7 July, Thursday	14.30-18.00
9 July, Saturday	10.00-13.00 – 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.



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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.drcsummerschool.eu);
- the Publikon project (portal for social science research and publishing house (www.publikon.hu);
- think tank and project leader on migration-related issues in the form of the European Integration Fund-supported scheme 'Black and white - Here we are!' and 'Immigropoly' (www.ittvagyunk.eu);
- publisher of the Hungarian African Studies (Afrika Tanulmányok) periodical and initiator of several researches, conferences and workshops on African issues (www.afrikatanulmanyok.hu);
- publisher of the journals of Modern Geográfia (Modern Geography; www.moderngeografia.eu) and the Central European African Studies Review (CEASR);
- collaborator in the International Cultural Week in Pécs international studies summer school series (www.icwip.hu);

We offer complex services

Scientific Research, Market Research

Conference Organisation

Project Management

Publishing Books and Journals

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Media Analyses, Promotion Campaigns, Campaign Communication Trainings

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