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**4<sup>th</sup> Anniversary  
of the Stability Pact  
for South Eastern Europe**



**BRIE-Paper**

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## **4<sup>th</sup> Anniversary of the Stability Pact for South Eastern Europe**

The Stability Pact was created after the Kosovo War in July 1999. Caused by a common feeling that something in the field of crisis intervention and crisis prevention had to be done, there were some exercises before.

After the war in Bosnia and Herzegovina was ended by an American initiative, the so-called “South East European Cooperation Initiative” was founded. The abbreviation for it is SECI – as I will use it in the following. There was a “Memorandum of Understanding” with the European Union dealing with the cooperation on this particular issue. It started in December 1996 and I was chosen as the coordinator of this initiative.

The initiative has an office in the framework of the Organization for Security and Cooperation in Europe (OSCE) in Vienna. It is paid, to put it quite straight, by the Americans, by the Austrians, by the Italians, by the Swedes and, for three years now, by the Czechs. Do not imagine a big office with a lot of people there. We have been the utmost three or four persons working for SECI and I am quite happy that my deputy coordinator who is now based in Vienna is Michael Ungureanu from Romania.

What is SECI doing? In a typical American manner: projects down to earth. The idea was that if there shall be stability in the region, you need an improvement of economy. The economy in the region can only be better when there is trade between the different cultures.

But there are a lot of problems hindering this trade – the borders are one of them. Therefore we started a “Border Improvement Program” in 1997. A lot of border stations were improved by electronic means, by better border control, and by better houses and so. That was mainly done for countries,

which were not among the candidate countries. For example the border station between Bulgaria and Macedonia was improved. As a consequence, we still have training programs for customs as well as police officers.

We created a memorandum of understanding on transport of the main roads through the region and, facing the situation, we started fighting organized crime. After this, a so-called “Center for Fighting Organized Crime” was created in Bucharest. Twelve countries from the region are involved. They are paid in the main part by themselves. They are exchanging information and they are doing campaigns on special fields of crime. It now exists for almost three years. The leadership in the beginning was a rotating leadership between a Hungarian police officer, a Romanian police officer and a Macedonian customs lady. Now the leadership lies in the hands of a Turkish policeman and the two deputies are a Hungarian police officer and a Bulgarian customs lady.

How is it practically working? A truck is arriving on the border owned by a certain enterprise driven by a certain chauffeur. Then one country is asking the other countries: Do you have any information on the truck, on the enterprise and/or on the chauffeur? Through this and with some other campaigns we had outstanding results. Tons of drugs were kept. Victims and perpetrators of human trafficking (thousands of women and children) were kept. Tons of small weapons and light arms were kept. We are fighting falsification of banknotes and the copying of credit cards. We are, for example, now launching a campaign on stolen vehicles – in the last campaign we found over 2,000 of them.

I may tell you the result. More and more of these crimes are not created from within the region. They are coming from the outside and they are going outside. The region is a transit region for crime. To give you a few examples: 90% of heroin is coming from Afghanistan. The women sexually misused are mainly coming from Ukraine, Russia, Central Asia, Iran and even Vietnam and China. The problem is that sometimes the local administration and the police in the region are too weak to keep them.

Now we are working on a closer cooperation if somebody is being kept. He has a nationality ‘A’, he did something in country ‘B’ and he was kept in

country 'C'. The victim himself is coming from country 'D'. To put this together and to bring him to court is not so easy – we are working on this issue. Being in line with SECI politics, we also did something on electricity issues, transport on the River Danube with unfortunately no success until now and so on and so on.

Then the Kosovo War broke out. Afterwards it was completely clear that we needed to do something for the stabilization of the whole region, not only of the Kosovo. So the Stability Pact was created in a huge ceremony in Sarajevo. The responsibility there is quite broader than in SECI, it is a little bit European. The Stability Pact is responsible for a better democracy and better human rights.

The Stability Pact is responsible for minority rights and the media. We are responsible for issues concerning gender problems. We are responsible for local democracy and cross-border cooperation. That is all together in one working table.

There is a second working table responsible for infrastructure, for energy, for business promotion and for creating a free trade zone.

And there is a third working table responsible for security, divided into a military security and a civil security sector. Within the military security field we have to downsize the armies. We are collecting small arms and light weapons. We are trying to bring back refugees.

On the civil side we are fighting organized crime and corruption.

The secretariat of the Stability Pact is based in Brussels. And, of course, the first move was the organization of a donor conference, which brought up to EUR 3,8 billion. I am not going to tell you every single detail – I will judge the results up to this moment.

Concerning democracy, all of the elections in the region, the last ones, were fair and correct. The party system is not stable yet. The legislation concerning minority rights is okay, but how are they handled in practice? The media legislation is okay too, but what is the actual state of the media?

Therefore, we are giving seminars for journalists for example. On Friday and Saturday we will have a meeting in Vienna with TV stations out of the whole region. Here we can see how the practice really looks like.

Concerning infrastructure, we have 51 projects: the bridge of Vidin-Kalafat, a lot of highways, we built the airport in Sofia etc. It is a long list of different projects. 73% of the projects are still under construction. For a lot of time we were criticized that nothing was happening. That was right. The problem was to prepare conditions under which it is possible to start a project.

We are now working on the creation of a regional electricity market for South East Europe. And from 2006 on we want to start to integrate the electricity system into the whole European system. We have to build some new transmission lines, we are missing some transmitter stations, we have to introduce regulators, and we have to change the structure of the electricity companies because of the state influence which is still too strong.

Until February this year we concluded 21 free trade agreements between all the countries of the region. The next step is to create a free trade area followed by the creation of a common market as a preparation to enter the EU. We are now working on the improvement of these agreements because, for the moment, 97% are actually free but there are also so-called non-tariff regulations: no customs fee but limits on measures, limits here, limits there, limits nearly on everything. Now we are trying to bring this down.

We are working for more foreign direct investments. There is a common regulation, the so-called 'Investment Compact', which is regulating the way foreign direct investments in the region are dealt. We created a business advisory council to promote foreign direct investments for the region. There are businessmen from the region. For Bulgaria, for example, it is Ivan Stanchov, a former foreign minister of Bulgaria and Mr. Alexandrov, also a businessman from Bulgaria. But there are also a lot of businessmen coming from outside the region.

I am coming from Bucharest, where we had a meeting to work on this issue. We built up the so-called "Business Support Offices". If somebody wants to go to the region he can get advice. We have one in Istanbul, in

Thessaloniki, in Venice, in Vienna and in Szeged. And for none of the offices and the activities the taxpayer is paying. All costs are covered by the enterprises themselves.

We managed to attract some foreign investments in Bulgaria, for example Solvey from Belgium, a chemistry company. I think a lot of things happened in this direction and we are providing help that they are able to invest. And we also try to bring in international banks. I think this process is nearly finished.

On the security side, we are now downsizing the former Yugoslavian army, which was the third strongest military in Europe. Regarding the Bulgarian army, it is very difficult to bring former officers to do other jobs out of other professions. And what to do with the whole military complex and so – that is a quite difficult question.

Concerning organized crime and civil security we are now working on an improvement of the court system. That is the most complicated issue because you can change the state president or government, but what to do with the judges. They have experienced another political system and we are trying to give advice, to give assistance and so on.

This is, I think, an overview of the list of activities we are doing now, but there are also some sub-channel aims. First of all, we are trying to enhance regional cooperation because you can only solve the problems if the countries of the region are working together. For example we are working now on visa regulations in the region.

The region wants to get easier conditions concerning traveling with the help of the Schengen visa. But right now, if you have a Schengen visa you need a visa going through each of the countries of the region. My suggestion would be, that if one has a Schengen visa, then he should go through all the countries for free.

We need regional cooperation concerning organized crime. We need regional cooperation concerning the transport system. We need regional cooperation along the river Danube. Here the so-called South East European

Cooperative Process was created. It is still at the beginning but it is improving.

Why is it necessary? I think everything in 1821, when the uprising of the Greeks against the Ottoman Empire started, every decision for the region was made from the outside. It was made by London, by Paris, by Berlin, by Vienna (until the end of the First World War), by St. Petersburg and Moscow. You have a beautiful example of this historic development in your country: the name of your Prime Minister – it is, indeed, not a Bulgarian name.

And this is the case in all the countries, only Serbia is a little bit different but there has been a big input from outside. And what I have to do is to encourage the region's countries to decide by themselves.

The second aim is to prepare all the countries of the region to go to the European Union. It is easier because Bulgaria and Romania are candidate countries and we can expect Croatia being a candidate country soon. But for the other countries we create the so-called Stabilization and Association Agreement.

That paves the way for the next steps, but I think, it is still far away from the European Union and we have two unsolved problems in the region. The one is divided Bosnia: a strong Bosnian government is non-existent. It is divided between the Republika Srpska and the Federation.

The other problem is Kosovo. It is now being administered by the United Nations. The dialog in Vienna started between Belgrade and Pristina but do not expect too much being improved soon. The reason is quite clear – there are elections in Serbia next year, there are elections in Kosovo next year. Therefore, everybody is focusing on principles and not on solutions.

I think these two problems and the unfixed situation in Macedonia are politically seen as the main problem of the region and for the Stability Pact. Here are some consequences. We are working, for example, on border management between Macedonia and Kosovo. I stepped in between the Serbs and the Kosovo Albanians that we are putting up an agenda that they should negotiate and explain to the partners in Bosnia that for example a



Ministry for Security with only eight collaborators is not enough for security.

In Bosnia you have two armies – it is split up, which is rather senseless, and it costs a lot. Here you can see the existing practical problems. A positive message: the situation has improved – caused by the war we had five years ago. It was the last out of four wars in the region. We were able to arrange a new map in the region. All the region's countries are now sitting together and are negotiating, trading and cooperating with each other.

We are far off of having solved all the problems. I will tell you the problems regarding the Stability Pact that I can see. We have no dealing with education, science, research and culture. The reason for this fact is that the European Union has no responsibility on these fields. Therefore, the Stability Pact is not allowed to do something. I am a former Minister of Education and therefore I pushed the Austrian government to create the so-called “Graz Process” to do something on this field. I pushed the European Commission to do something concerning science. Therefore, the Thessaloniki summit decided that the mobility programs would generally be open to the whole region.

Sometimes I am able to move some countries, foundations etc. to do some exhibitions in exchange of cultural products. We have another problem – there is “too much history” in the region. Churchill said: “The Balkans have more history as they can consume”. We have to do something on reconciliation that is connected to the understanding of history.

If you talk to some Serbs about it, they will tell you about the battle of Kosovo Pole in the 14<sup>th</sup> century. You can see, there is still a long way to go until we arrive in the 21<sup>st</sup> century. Therefore, the European perspective is extremely important. Let me tell you the one reason why the governments are moving eastwards: perspective to the European Union and NATO.

I will try to summarize it. First of all, I may say as a Westerner, there is a lack of knowledge about Euro regions in the Central European and the Western parts of my continent. I am running around explaining what the value and the region's contribution means to whole Europe. That is why,

we have to explain that this is also a part of Europe with the same right as the other parts of it.

The other problem, which I am facing, is a little bit ridiculous. A lot of politicians, analysts and so on are saying to me: "South East Europe is not interesting any more, you are not in the headlines of news." And I am telling them: "We will be back in the headlines if somebody is assassinated, like Zoran Djindjic, if we have a small war, or if somebody starts ethnic cleansing again. Therefore, we can be happy that we are out of the headlines."

There is one more problem: if you are not in the headlines, it is more difficult to get money. Therefore, I need to explain to everybody: "We need money, the same amount as always, but we are not in the headlines." And I have to explain: "If I am getting money we will never be in the headlines again." Seriously speaking, to raise attention for our region is rather difficult when looking on Iraq, Afghanistan and Central Africa. Here at the University I may say that the young generation especially is moving in a very impressive way towards a common Europe and I am admiring the way in which you are doing so. That is creating a good competition.

I will give you a very primitive example – the director of the Technical University of Vienna is an old friend of mine. He has a beautiful German name: Skalitzki. He came to me some weeks ago saying: "My friend, you are always working with Eastern and Southeastern Europe." I said: "What is the problem?" He said: "We have some cooperation with universities and they intend to work on the weekend and our people want to go home at Friday lunch time."

I am telling you this anecdote because there is an impression that things are moving forward because the population is very much engaged. In a certain way, it is a story of success just happening. I am born in the time of the Second World War and I can refer back to how my country moved forward after 1945. I am quite happy that things are going faster in the region now in comparison to those former times. The positive message is that if we are looking and working together on the subject, then we will succeed. For the region, I may say, we have left behind the worst things. I am not naive, a

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lot of things are still missing, but let us say we are moving in the right direction. Therefore, I am quite glad to refer to this because it is a successful exercise.

The **Bulgarian-Romanian Interuniversity Europe Center (BRIE)** encompasses two programs, European Studies in Rousse (Bulgaria) and Business Informatics in Giurgiu (Romania). This unique project at the Danube bridge between the two countries is the farthest-reaching example of cross-border cooperation in education and research in South Eastern Europe. At the end of 2000, the project was initiated by the German Rector's Conference with assistance from the Center for European Integration Studies (ZEI). The German Federal Ministry for Education and Research and the Hertie Foundation promote the BRIE project as a part of the Stability Pact for South Eastern Europe.

**BRIE-Paper** already published:

- 1 (2004) Walter Schwimmer  
The Role of the Council of Europe in Building One Europe
- 2 (2004) Erhard Busek  
4<sup>th</sup> Anniversary of the Stability Pact for South Eastern Europe
- 3 (2004) Emil Mintchev (ed.)  
The European Perspectives of South Eastern Europe.  
Documentation of the 6<sup>th</sup> Conference of the Network  
of European Studies in South Eastern Europe