

The Quality of Governance and EU Regional Policy as a key determinant in the process of the integration of the Western Balkans into the EU

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Abstract

This paper analyzes the quality of governance and financial assistance as key determinants for successful functioning of the process of integration within the European Union (EU). Moreover, the paper develops a comparison of the Western Balkans with current EU members and the forthcoming, on the basis of the selected indicators of governance (rule of law, democracy, corruption, political stability, and effectiveness of state) with the experience of the implementation of the reforms of public administration. Various surveys show that the Western Balkans, by all quality of governance indicators, especially in the rule of law, lags behind 28 (twenty eight) of the current EU countries (without taking in account the Great Britain). The low level of the functioning of rule of law, combined with inadequate and unreformed public administration is potentially the biggest obstacle in the association agreement of the Western Balkans with EU, but also as challenge in achieving sustainable social and economic development.

Whereas in the case of the Western Balkan countries, there is an obvious difference between proclaiming and internal reality, which is further compounded by a difficult political and economic transition, as well as in social domain - where poverty and corruption are the most worrying. The research

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data obtained from independent bodies - academic and research institutions, civil society and international organizations - confirm this controversial picture of the Western Balkans. Negative attitudes still prevail in Western Balkans political elites and if given the chance to political manipulation, may behave unpredictably. All this makes it obligatory to make a comparative overview, for depicting in particular the quality of governance as *sine qua non* for the Western Balkans countries' integration in EU.

Keywords: Governance; regional policy; the EU, the Western Balkans; integration;

1. Introduction

At the beginning of this paper, is explained the meaning of governance and the relationship with financial assistance as key determinants for successful functioning within the European Union. After the every declaration of the conditions for EU membership, it is described the quality of governance as key determinant for membership. Assessment of the quality of governance is based on the rule of law, development of democracy, the scale of widespread corruption, political in/stability and the general effectiveness of the Western Balkan countries. The experience of some European countries in public administration reform is the core of the main governance issues in the Western Balkans on the path towards the EU.

It is quite difficult to answer the question: 'what is actually governance?'. There is no consensus regarding the definition, although all assume that this is something that has a unique complex of historical, political and socio-cultural background and therefore requires an interdisciplinary approach. A number of definitions are as: the science about government and its performance (Dethier, 1999, p. 5). The World Bank, which downplayed the role of government, describing the concept of governance as the way in which power is exercised through the management of economic resources and social development of a country (World Bank, 1992, p. 1). It can be therefore characterized as the ability of formal environmental and informal institutions (operating between themselves or with other individuals, social groups, civil associations and government officials / officers) in order to implement a particular policy, to

improve coordination in the private sector (Ahrens, et al. 2002, p. 128). So as we noted above, the key words regarding the governance are state institutions, and the main issues are how?, how much?, how well?.

As about the common problems it is needed a uniform regional approach, irrespective of the bilateral relations with each country, which has been operating with the EU so far. EU in 1996, launched a regional approach within which gave great financial support and trade preferences to the Western Balkans, provided political cohesion, especially with the Dayton and Paris agreements such that particularly were associated with the return of the displaced people and enabled the full cooperation with the International Criminal Tribunal for the former Yugoslavia.

The regional approach of the European Union included a multilateral approach to the Western Balkans and was in line with the development of inter-regional relations in the Western Balkans, but not in bilateral relations with non-member countries. It was supposed to be also a way to encourage the Western Balkan countries to restore mutual relations and economic policy. But the EU in its relations with the countries of the Western Balkans, still maintained the principle of conditionality. Access conditions are set for each country of the Western Balkans. However, the Western Balkan countries still hesitate its fulfillments which noting a sign of EU skepticism, noted as not being comprehensive in its monitoring of the regional policy of accession.

Regional initiatives have been crucial in helping the countries of the Western Balkans to ensure integration into the EU, or a significant extent have failed to change the political climate, economic and social situation in the region due to the lack of impact of the beneficiary countries in the process of regional goals, the complex bureaucratic procedure, cost inefficient use of available funds, modes of coordination and division of work, lack of economies complementary to the Western Balkans and the non-participation of these countries in the initiatives of the large regional (especially blocking Kosovo by Serbia). Positive trends were constitute of a very liberal trade regime between the EU and Western Balkan countries, trade agreements within South East Europe, deepening relations with the EU and the concretization of regional needs. Finally, the establishment of relations between the EU and the Western Balkans was in 2004, when the Western Balkan countries were offered a clear perspective for EU membership, so if they will continue the path set by MSA, as pole leading to all future relations in the region. This should be considered separately,

the responsibility of the state aimed at membership, ie “willingness to accept all the targets and the EU obligations arising from membership” (Azizi, 2010, p. 349-350). This is done in the act when a state presents its application for EU membership.

2. Governance and the European Union's regional policy

Governance and EU regional policy are key determinants of the process of integration of the Western Balkans into the EU. Regional Policy of the EU includes financial support for countries and regions through projects for infrastructure development, the promotion of industry and employment, in order to achieve economic convergence in the region in the EU and to strengthen regional competitiveness. For candidate countries for EU membership, such as the countries of the Western Balkans, there is the possibility of financial support from available funds, such as the Instrument for Pre-Accession - IPA, in support of European integration, as well as financial support and expert reforms. Regional policy programs include financial support from the structural funds (European Development Fund and European Social Fund) and structural, for some Member States, the Cohesion Fund program.

European Regional Development Fund is the main instrument for the implementation of regional policy. The funds from ERDF are aimed at alleviating the differences between EU regions to strengthen economic and social cohesion and strengthening the European territorial cooperation, where the most important cooperation is the inter-border cooperation. Thus, this fund supports investments in small and medium businesses to create new jobs. The European Social Fund is the main instrument for the implementation of EU policy in the field of employment and human resources development. From this fund, are financed measures in order to increase the employment in the regions of Member States and regions of the EU, particularly in less developed countries, with particular emphasis on the implementation of measures to combat unemployment of youth, women and persons who are long-term unemployed. Cohesion Fund provides financial support for projects in the field of environmental protection and transport, as well as investment in infrastructure, especially railways and construction of treatment plant wastewater. It can be used by Member States whose GDP is less than 90% of the EU average.

IPA component refers to the transition support and institutional capacity building. It is available to candidate countries and potential candidates for membership. Western Balkans benefit from IPA component. Component II of the IPA, which belongs to regional cooperation and cross-border aims to promote good neighbourly relations, fostering stability, security and prosperity in the interest of all participating countries and to encourage a balanced and sustainable development.

It is worth mentioning some of the IPA components for the Western Balkans. Thus, in the second component, some of the countries of the Western Balkans (Albania, Bosnia and Herzegovina, Croatia, Serbia, Macedonia and Kosovo), have received within the neighborhood relations, but some of them even in the Programme IPA Adriatic countries and also the transnational programme (Eastern Europe and Mediterranean Programme). The third component of IPA - Regional Development, provides support in the field of environment and transport. The main objective of the operational program for IPA component III in the previous period (2012-2013), stipulated standards and improving environmental conditions in the region, in accordance with national policies and strategies of these countries as well as EU policies and standards. The fourth component of the IPA refers to support in the following areas of human resource development, employment, education, scientific and research work and social development.

The main objective of the Operational Programme for Component IV of the IPA for the period 2012-2013, was to promote sustainable development of human resources, modernization and development of education, training and research in the Western Balkans, in accordance with the policies and EU standards, with a special focus on youth employment. These funds by the components of the third and fourth IPA are dedicated only to the countries that have the status of candidate country for EU membership. Also, it was necessary an approval of the strategic coherence framework from the governments of the WB countries and the adoption of operational programs for components III and IV of the EC, and the inclusion of decentralized management. The fifth component of IPA supports the candidate countries in the field of agriculture and rural development. The right to use the funds from this component have only countries with candidate status for EU membership and after the adoption of appropriate strategic documents and involvement of decentralized management of EU funds. Some of the Western Balkan countries currently

benefit from the components of the first and second IPA. These funds are managed by the Delegation of the EU in these countries, according to the rules of centralized management of EU funds.

In this regard, political and economic transition have not yet surpassed themselves in many of the countries of the region. This theory is deeply analyzed in various research projects shared by different NGOs in the Western Balkan countries. A project analyzed five social components: interpersonal trust, trust in the public sector, trust in government, confidence in media and in membership. Recently in more documents, but previously, highlighting the European perspective of the Western Balkans lies in the EU, but always assessed that Western Balkan countries are still not adequately prepared for their integration in the EU. Even data from comparative research confirm the findings of the World Values Survey according to which there is a close link between social capital and development. Because of a similar level of development, configuration of social capital is almost the same with some of the countries that cover analysis (Macedonia, Albania, Kosovo, Bosnia and Herzegovina, Serbia, Montenegro).

3. Political Context

It is important to know whether control over certain segments is placed in the system? Or to put differently, can the political situation, the value of money, suspicious privatization, that are not yet controllable, be managed? People are always reluctant to remember difficult times. At least this has always been proven by the stories of all nations. Although there is mitigation here, as it is known, difficult times do not last forever. However, no one can guarantee that any change will automatically lead to prosperity. Therefore, people cannot agree with the fact that any change carries risks with them, so they also find it difficult to deal with such obstacles. Beside all, it should be recalled the fact that the transition presents systemic change, which in addition sets also the social transformation. For this reason the overall social transformation is necessary precondition but not a sufficient one. The second prerequisite for successful transition is international integration, respectively, (re) connection with the international communication and sub-regional, regional and global connectivity (Selmani, 2006). So, the term that covers the entire historical

period from fall of communist regime¹ is that of “transition”, a transition that obviously had its beginning, but the end of which, almost always seems unattainable. Precisely for this reason, the transition seems always to have stalled at a point (despite of time passing), standoff that marked the next crisis or scandals that gripped the political scene. In this way, the remaining political reality between two un-attachable points enables us to understand the symbolic effects of dichotomous schemes, because these effects are most powerful when they remain at the level of desire, aspiration, and not in the level of concrete reality. As Lacan says, the paradox of desire is that it aims, not the achievement of an object, but the reproduction of itself - this means that the object of desire must, in a way, be inaccessible (Pula, 2010).

The main objectives of post-communist transition were economic restructuring and keeping under control the social costs of reform. Both of these objectives were only partially achieved. On the one hand, privatization and economic restructuring have been too low. On the other hand, we are aware that it has not been easy to keep under control the social effects of transition. Corruption and poverty are social phenomena that bring more public anxiety. Transition path was longer and more difficult than it was expected to be. It was a long process of change, including an entire structural, economic, legal and social package. The transition began as a complex process of destruction of the old and creation or adoption of new institutions. The reforms and institutions were oriented toward political goals, and the reforms were the fastest in areas where political cost has been low. The transition began with systematic political changes, in other hand the economic reforms started from a position of a total economic collapse, in terms of a lack of existence and institutional weaknesses.

Transition began in terms of a tight fiscal and monetary policy. The economic crisis of the 90s was associated with a significant deterioration of macroeconomic imbalances, creating a huge budget deficit, and causing inflation with epidemic proportions, destruction of foreign reserves, and the falling on external debts. The implementation of economic reforms were accompanied by a tight budgetary and financial policy, rise of interest rates for financing the budget deficit through the issue of treasury bills, and

¹ Transition will be used in historical and political sense. For the first one, more in detail might be seen at: (Lampe, 2006, pp. 256-295)

limiting the credits to the private sector. This period was characterized by the existence of inefficient government institutions; uncertainties of ownership issues, the existence of poor infrastructure, an underdeveloped financial sector, the dependence of national income on income level brought by migrants working abroad.

When former communist countries began their post-communist transition, the main focus was on the idea of implementing democratic institutions, governmental and nongovernmental ones, through which significant democratic reforms might be achieved, through:

- Separation of state powers
- Finding a way to fill the gap between government and people (building a civil society)
- The transition from a centralized economy to a free market economy.

This idea and its time limits are expressed quite synthetic in Ralph Dahrendorf's book, "Letter to a friend from Czechoslovakia" (1989). His forecast is very familiar: whether to amend the legislation will take us six months, or, to experience the significant changes in the economy would take six years, at the end, building civil society, i.e. to fill the gap between people and power, would take sixty years. This prediction turned out to be too simplistic and that in many ways does not fit all former communist countries. After more than ten years of post-communist transition it is clear that different eastern countries have moved in different directions. In more than one aspect no longer makes sense to compare Poland, Hungary, Czech Republic with Balkan countries. They have had very different experiences of transition. Today, one can talk about some kind of bifurcation which is also a sign of progress. Even in the Balkans, it had different experiences and stories over the years. Unlike other Balkan's countries, Macedonia is facing also the so called - name issue, encountered as main challenge of national identity with international integration consequences². Given the difficulties encountered so far, Macedonia continues to be the country with a fragile democracy, still unconsolidated institutions entirely with efforts to legislate democratic and market economy, still disoriented as it should. In this sense, analysts consider the political and economic transition has not

² This paper will not have extent analysis of so called FYROM's name issue. There is historical, geographical and political issue which put in analysis for this subject. Some of above mentioned contexts are analysed in (Carter F.W., 1996, pp. 131-155)

yet surpassed itself so far. This theory was analyzed deeper into by an NGOs joint research project held in Macedonia. A project that has analyzed five social components: interpersonal trust, trust in the public sector, trust in government, trust in the media and membership. Comparative data derived from the research confirms the findings of the World Values Research, according to which there is a close link between social capital and development. Because the same level of development, the configuration of social capital is approximately the same as some of the countries that cover the above research-analysis (Macedonia, Albania, Kosovo).

If we only concentrate on the situation in Macedonia, we would note the following aspects:

- There is less confidence in the new institutions of democracy.
- Citizens do not have confidence in their ability to influence the political events;
- There is great interest in the membership in the parties (seeing prospects of employment);
- General interest in politics is lower than in the other two countries;
- TV and print media have been less influential in shaping political opinions (especially it serves state apparatus);
- Participation in the last parliamentary elections were lower than in other countries;
- There is a membership interest in various forms of international organizations, particularly in the EU and NATO, even though numerous surveys show an even greater interest in Albania and Kosovo. This data sets, on one hand, the low level of trust and on the other, a relatively high percentage in favor of membership in international organizations.

Regarding Kosovo's progress in politics and establishing credible institutions in accordance with the Council conclusions of December 2010, the Commission long ago was supposed to start a visa dialogue with Kosovo. As for now everything remains within a concretization of the accession plan. In fact, the European Union has given some signs of intensifying its cooperation with Kosovo on visa issues and signs to start a dialogue on mobility and migration and is expected to continue to identify concrete steps required from Kosovo towards visa liberalization in future. An important step is that Kosovo has taken the necessary actions for early completion of visa liberalization reforms.

A careful study of political culture and its effects on political development can facilitate the process of democratization, especially in post-communist countries with authoritarian regime and with ethnically divided structure, as some of the countries of the Western Balkans are. Today's political culture lacks participatory element - a phenomenon shaped by the third wave of the transition which the region is experiencing. First of all, the policy in the Western Balkans should be stripped of demagoguery and amateurism that characterizes today's politics, and to become not only more representative, but, above all, more professional and accountable. Reforms in all areas of its development and, in particular, the liberalization of the economy, the focus should be seen in the creation of financial resources that create real opportunities for the public investment budget and, particularly in the areas of public service. The entire process should be undertaken bearing in mind the conditions that must be met in this context, as well as the factors that influence the processes of integration in the global economy.

Promoting economic competition, even neighboring ones, through the development of economic-national capacities, Western Balkans should aim to be associated with the development of incentive policies, which would help the Albanian business to be strengthened, but also to learn the rules of market economy, respect the market liberalization process of the work, rigorous legal framework that encourages that opening.

4. Toward new standards of EU

The most immediate requirements of the Western Balkan countries are to join the EU, which remains mainly with the conditions of strengthening of democratic institutions. As a result of the past, the Western Balkans has become a reference of "dirty" and controversial term (as referring to the phenomenon of Balkanization). Today, instead, is used the term "Eastern Europe". Results of recent years in this part of Europe are promising. There are serious efforts to consolidate peace, as we have examples of regional cooperation as the dominant type of interaction between the countries, with various sources of European financial institutions which enabled different joint projects in WB. Integration is a long way. To integrate means to work with institutions founded on the common values of democratic European, to protect human rights or individuals, provide equal opportunities for citizens, promote the common good, characterized by the principle of

justice, accept diversity, that they are open and transparent for citizens to speak the truth, to ensure their loyalty, so naturally to promote democratic and non folk patriotism of citizens³ to participate in social issues and to be responsive to the democratic nature of today's societies.

Despite substantial efforts to maintain a balance somewhat nondiscriminatory for diversity management, there are still gaps in civic competence and social capital. One can still emphasize a low level of effective citizen participation and political trust, which makes it necessary to continue the implementation of diversity policies.

The historical period of early XXI century is dominated by a number of important factors. Opening and further development of society, political transition, economic and social (...) towards new standards, increasing the impact of free market forces and global economy, rapid technological developments and corporate culture of managerial efficiency, new social relations, that are created between the individuals, community, society and the state, on the one hand, and labor, capital, private, public and state on other side; fundamental changes in philosophies and classical concepts of politics, in both directions, with neoliberal forms and post-ideological trends⁴ which reveals, toward a pragmatic approximation; adaptation ever greater political integration of new policies and delegating decision-making responsibilities, as a result of the process of joint participation in international institutions by wilfully becoming part of the sovereignty and political decision-making; New perceptions of the nature of conflict, crisis resources, and Re-dimensioning standards and safety factors that determine our individual, national, regional and global levels; All these, for too many reasons, raise the question of what stage of development in the society we are, how skilled and prepared we are to deal with these challenges, what economic, political and executive capacity we possess, what concepts, ideology or form of internal party organization should we adopt to deal successfully in the current context of economic-political-social status of the country (Dervishaj, 2004, fv. 8-9).

³ In more extreme cases, how Russian historian Eleazar Meletinsky is detecting, are the patriotic feelings embedded with spiritual context. Or, more risky is the fact that additional consequences might have when racial and spiritual genesis of national feelings is promoted to a political public speeches. The latter is so closed to folkloric patriotism and racist theories, not rarely founded in post-Yugoslav war-times. More details on *The Myth of Spiritual Space of Nation* can be seen at: (Colovic, 2012, pp. 52-64)

⁴ More on post-ideological and post-modern politics see: (Haber, 2002, pp. 36-56).

Recently more documents, also in the Thessaloniki Summit statement is noted the European perspective of the Western Balkans, through the expression that “the future of the Balkans is within the EU”, without exceptions. Also, it is estimated that the preparation of the Western Balkan countries to integrate into European structures is a major priority of the European Union.

In numerous analysis of international institutions is noted the lack of political will to fight corruption. A number of scandals with institutions and state officials have negatively affected the public perception of efforts to eliminate this problem. Corruption is widespread in everyday life of the citizens of Macedonia for a long time, however, the idea of anti-corruption action is not having long history within the state. To be more precise, it started with the adoption of the Law on Prevention of Corruption and the establishment of the Anti-Corruption Commission in 2002 (Commission recently criticized the Government for its lack of will to fight corruption).

Under international representatives in Macedonia corruption continues to be one of most serious problems facing Macedonia. Anti-Corruption Commission faces also different operating problems and obstacles that have to do with the place, role, and its legislation that it needs to complete its function. For these reasons, the Commission accused the Government that the Law on Prevention of Corruption was adopted in a form that does not produce any results in the fight against corruption, and its sole purpose is to present the legislation in this area to the international community.

Public opinion polls in Macedonia show recognition of the problem, how serious it is and that it is growing. On the other hand, current knowledge about the essence of the problem, the format in which it appears, remains at a relatively low level. Despite the evident rise of corruption, the number of charges brought compared to proceedings regarding violations and corruption are not numerous. Allegations of corruption against high-ranking officials and public office holders are more of a political game than a result of a clear position taken by the citizens. The NGO sector in Macedonia is organized under coalition “Macedonia without Corruption”. Unfortunately, the capacities of NGOs to undertake anti-corruption actions are quite limited. Only some of NGOs received real trainings on the forms and possibilities of anti-corruption action, which does not mean that there is no interest for it.

5. Commitment and the EU assistance

It is now necessary to go beyond reconstruction and rehabilitation phase and to support the late political and economic transition, including aligning legislation with the European Union, appropriate, with a view to eventual EU membership. The European Union will strengthen its support for the Western Balkan countries in their efforts to meet these challenges.

Commitment and EU assistance can be compared with a real commitment of governments to carry out needed reforms, to create the necessary administrative capacity and to cooperate among themselves ... In this context, a high priority should be given to fight against organized crime and corruption; Progress in this area is essential to ensure the rule of law, creating confidence in state institutions, to generate private investment and insure countries closer to European Union membership.

Having noted the European perspective of the Western Balkan countries, as confirmed by the Copenhagen European Council in 2002 and by the European Council of Brussels in 2003, are proposed further development of the Stabilization and Association process, introducing some elements that might be in help in pre-accession process. Given the progress made in all countries of SAP, as well as the discontinuities, ones should consider the relations with European Partnership for the Western Balkan countries. Inspired by the pre-accession process these partnerships, similar to European Integration Partnerships, will be able to identify priorities for actions in support of efforts to get closer to the European Union. The goal of these partnerships is to identify short-term and medium-term reforms that countries should commit to serve as measuring progress and provide guidance for assistance under the CARDS program (it is suggested to serve as "screening" mechanism). Partnership priorities are based on political and strategic priorities of the Commission, in light of the evaluation of the Annual Reports.

The support for building institutions can be achieved through various programs. TWINNING - has been shown to be an effective tool for building institutions in the EU candidate countries and can be effective for the SAP countries. TAIEX (Technical Assistance Information Exchange Office) - was created also as a part of the pre-accession strategy to provide technical assistance to candidate countries in terms of the Acquis. Its services are well suited to the needs of the Western Balkan countries (modalities are under discussion).

Recognizing the need to improve the knowledge and skills of civil service staff in the region, the EU will encourage the financing of a regional school or an Institute for Higher Education on Public Administration Reform. The rule of law is a fundamental value of the European Union ... this will initiate a dialogue with the countries of the region, with a target of identifying achieved benchmarks, measurable and realistic one, in order to assess progress in the field of JHA. This will also serve to distinguish the priorities in the field of justice reform in the European Partnerships.

SAP countries have expressed a particular interest for the liberalization of the EU visa regime and its migration policy in general. The Commission is conducting concrete discussions with countries in the framework of the Stabilization and Association Agreement, regarding the requirements of how to take forward the issue in concrete terms.

The priority should be given to assistance programs that should be strengthened in this regard. The Commission is willing to consider the necessary matters - legal and financial support - in order to achieve this objective. The Commission will also continue to provide assistance in the area of economic development.

Trade is essential issue in this regard. The Commission will continue to develop its assistance and other possible measures to improve the ability of countries to benefit from free trade measures. The creation of a free trade area in the region in the medium term would be desirable, because it will enable the countries to get additional benefits from this trade liberalization, or promoting a greater or intra-regional trade. Improving the environment for the operation of small and medium enterprises as a key source of jobs, is, so to say, the essential for the transformation of a centralized economy to a market competitive economy.

It should be emphasized the necessity of extending the Internal Energy Market across the region. As it comes to financial support (CARDS), the Commission had proposed (and approved) a budget increase for region - CARDS program, in addressing priorities such as institution building, strengthening management and law capacities and other internal affairs, according to the needs and capacities of each country particularly. Regional cooperation is an integral part of the preparations for integration into European structures. Considerable progress:

- Creation of a regional electricity market in South East Europe;
- Encouragement of cross-border cooperation with Member States of the EU;
- Stability Pact.

European Affairs Committees of Parliaments should encourage the development of their contacts at regional level in the context of a Balkan Conference of European Affairs Committees (as an example). Association Agreement with EU statements for CFSP. Western Balkan countries should be invited to join the EU statements. Common attitudes and other decisions in the framework of the Common Foreign and Security Union. This will reinforce the order of priorities and brings them closer to the political sphere of the EU.

Regarding the political and institutional stability in Macedonia, so far there were not marked any dramatic deteriorations. What is perhaps most worrying is that the situation in this segment has not marked many improvements. Although there is a lack of intensive political activities (especially after local elections), this period - which is the subject of analysis - can again be described with low scale confidence in most of institutions. Although we cannot address the lack of credibility of state institutions in comparison with this issue, again, worrying is the fact that in longer period, there were not positive trend in most of these institutions.

On the other hand, although the supposed reforms in the economy, most citizens of Western Balkan countries think that these countries are moving in the wrong direction. The situation in this sense is also loaded with the issue that they are moving their countries (Western Balkans) in wrong direction, an issue which caused lively debate, especially in the screening of many agreements reached with the EU. This fact is in direct correlation with the low level of aspiration of the citizens of the Western Balkans to participate actively in political life. Social stagnation in this segment is largely complemented with a status "quo" relative to the socio - economic. The lack of significant economic growth, as well as constant identification of poverty, corruption and unemployment as social chronic condition, noting that declarative commitment to solving these problems is not a sufficient factor to improve the situation.

Also, no significant changes even in the level of foreign direct investment are not noticed, however, partly optimistic trends are observed in exporting activities. But the fact that the Western Balkans is increasingly

moving towards social polarization (reduction of the middle class), is in itself of special analysis and recommendations. The challenges that stand before the governments of the Western Balkan countries in the economic field, were also related to the privatization of public enterprises-especially in electric power, which posed and represents a topic of discussion of political and academic opinion. If it is added to the fiscal decentralization and rate problems - foreign trade is clear that before the Western Balkan countries lies a turbulent period in the economic and social development.

In international relations domain, it can be said that maybe it is the only area which marks upgrades. Although this improvement is not drastic, continuous positive trend again is welcomed. Despite the apparent positive trend in inter-regional relations, gives statistics on that of public attention which is directed to the priority topics, such as integration into the European Union. Not so well socio - economic situation leads to the conclusion that the relationship with the perceptions of citizens (especially in the ethnic domain) are having consequences that arise from the unrealized, it may be the Ohrid Agreement for Albanian-Macedonian relations or agreements between Kosovo and Serbia, which marks the highest degree of stressing (compared to the past). Here, we can underline the fact that "a higher degree of corrections (in 2005) by ethnic Macedonians, but also a higher degree of desperation by ethnic Albanians". Perceptions of ethnic groups are improved compared to the past with a certain dose of optimism among ethnic communities for the future. On the other hand, ethnic barriers are still present and show no obvious trend of decline, while troubling is that the resistance of the majority (ethnic Macedonians), to learning languages optional from the minorities (above all the Albanian language).

Finally, while identifying the responsibility for ethnic tensions with politicians and the media in some countries of the Western Balkans is a matter of consensus among all ethnic communities. It also had not been as interesting if not in direct connection with the collapse of the legitimacy of political parties with general scepticism about participation in the political mainstream. In this context, the correlation with identification relatively poor minority communities with the state more complicates the picture regarding interethnic relations in WB. Most of the indicators show a situation that is moving more in the direction of oscillation than stabilization. Although some trends provide a positive move, can not be immediately concluded of definitive stabilization of Macedonia, especially

if you bear in mind the trend that is unchanged to some relevant indicator for certain categories of crime.

As of additional sign, sense of local community non-conformity outside home countries, speaks to a certain dose of scepticism of citizens when it comes to the perception of security at the state level. The space left to address the problems in the field of security outside the police forces (more pronounced ethnic Albanians) leaves an opening for the improvement of the security situation, especially at the level of state policy and practice. Already, the government of Western Balkan countries are in search of a specific political agenda for tackling these problems, but it seems that will pass an interval before the first results of these efforts come and for them to be assessed by the EU.

6. Conclusion

For EU policymakers, apparently Western Balkans has become a common geopolitical term for the whole group of post communist countries in Eastern Europe. The common characteristic of the Western Balkans remains a constant threat of ethnic conflicts within and between the states, historical animosities and “fragile states”.

The European Commission has continuously intensified its role in rule of law and dialogue with the countries of the Western Balkans. The aim was to strengthen the preparation in the early stages of pre-accession process, based on the detailed analysis of the sector of justice and home affairs. In this regard, expert missions were carried out in most of the countries involved in the enlargement process. EC increased cooperation and exchange of information with the relevant EU agencies, including Europol, Frontex, Eurojust and the European Monitoring Centre for Drugs and Drug Addiction, as well as regional initiatives, the Council of Europe and other international organizations, where relevant, the criteria are set out in the early stages of the process. Structured dialogue for justice began with Bosnia and Herzegovina and the Commission had proposed a similar dialogue with Kosovo on the rule of law, in order to solve the challenges in this area and support judicial reform.

Visa-free travel to EU countries as a new regime, it is important for the citizens of all partners in the enlargement process. Visa liberalization, as part of the accession process, there were very positive with the abolition of visas for citizens of Macedonia, Serbia, Montenegro, Bosnia and

Herzegovina and Albania, a process that ended in December 2010, when these two countries have met the conditions. EU Commission has repeatedly called on the authorities of the Western Balkan countries to take all necessary measures against abuse of the visa-free regime. On its part, the Commission has increased the post-visa liberalization monitoring, through the establishment of a dialogue mechanism with the countries concerned, including measures to prevent abuse. An important step is that Kosovo has taken the necessary actions for early completion of visa liberalization reforms.

Assistance programs should be strengthened in priority areas that will lead to membership of the Western Balkans into the EU. In all likelihood, the European Commission seems to be willing to examine the issues of necessary legal and financial assistances in order to achieve this objective. The Commission will also continue to provide assistance in the field of economic development.

Regional cooperation in the Western Balkans is one of the basic constraints of European Union policy towards this part of Europe (SEE), which means that regional cooperation conditions are necessary criterion for membership of these countries in the EU. Given the difficulties encountered so far, the Western Balkans remains a country with a fragile democracy, the institutions, still unconsolidated completely with efforts to make democratic laws and market economy, still disoriented as it should.

Still, the main objective of all Western Balkan countries, including those within the EU, is to create a better standard of living. Therefore, from here it is understandable why a growing attention to the quality governance. In the last decade, there is a growing awareness that good governance is a key determinant of the ability to achieve sustainable economic and social development. It is increasingly clear that development is not the only proper policy, but must necessarily have a good institutional structure. Appropriate institutional structure implies the existence of an enabling environment for effective implementation of policies and to encourage individuals to invest in equity, education and technology - as factors of economic development.

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