

MAKING A DIFFERENCE IN THE BALKANS: THE EAST-WEST INSTITUTE ACTION NETWORK FOR SOUTH EASTERN EUROPE

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Background

South Eastern Europe remains one of the most volatile regions in Europe today. The conflict that erupted with the disintegration of Yugoslavia exacerbated decades-old ethnic and political tensions inherent in the countries of the region. The international community has conceived a plethora of initiatives in an attempt to abate hostilities and to foster a spirit of peace and cooperation in the region.

Yet bringing peace and stability to the region requires more than an end to the conflict, emergency refugee assistance and rebuilding destroyed infrastructure. The international community now has a rare opportunity to address the core issues that have brought instability and conflict to this part of Europe.

The EastWest Institute (EWI), with nearly 20 years of experience working at both the grass-roots and top policy levels in the region and throughout Central and Eastern Europe, has launched a multi-year initiative designed to promote peace, stability, economic revitalisation and integration of South Eastern Europe into the Euro-Atlantic community. The initiative - the Action Network for South Eastern Europe (ANSEE) - incorporates clusters of projects which are cross-border in nature.

Goals and Objectives

The impetus behind ANSEE is to encourage regional, cross-border approaches to economic and civic development in South Eastern Europe. Projects will address issues concerning private sector development, foreign assistance and investment, strengthening democracy and civil societies, and transfrontier co-operation. ANSEE will involve indigenous actors to build a local capacity for economic development. It will also work closely with grass-roots initiatives to develop policy strategies for long-term, sustainable growth.

ANSEE will endeavour to facilitate close co-operation among the governments of the region and create new channels of communication among policymakers, regional and non-governmental players. The most important objective of ANSEE

is to help prepare the countries in the region for integration into larger European structures.

Methodology

EWI will work closely with local partners and select private and public sector leaders from the region and the international community to develop viable and implementable reconstruction strategies. EWI encourages the involvement of other regional initiatives such as the Southeast European Cooperative Initiative (SECI), the Southeast European Co-operation Process (SEECOP), the Central European Initiative (CEI), the Black Sea Economic Co-operation (BSEC) and the Royatimont Process. Institutions with a regional focus are also welcome to contribute to ANSEE.

EWI furthermore invites all European industries and private sector leaders to contribute their expertise to individual projects or groups of projects in the framework of joint co-operative action. In implementing the goals and objectives of ANSEE, EWI hopes to forge close co-operative ties with the European Commission. EWI will also rely on the expertise and experiences within the Commission in project implementation.

Participating States

ANSEE activities will target the following countries in the region: **Albania, Bosnia-Herzegovina, Bulgaria, Croatia, Federal Republic of Yugoslavia, the former Yugoslav Republic of Macedonia, and Romania.** Responding to the pressing demand to become engaged, the EastWest Institute has developed four major areas of involvement, which form the cornerstone of ANSEE's programmatic activities:

- **Reintegration of the Federal Republic of Yugoslavia into a civilised relationship with its neighbours and the global community.**

Peace with and within Serbia is a precondition for long-term stability in South Eastern Europe. The international community must avoid creating "second-class" countries or nations in the region. An isolated Serbia will only bring more instability and suffering to its own people and to those nearby. At the same time, it is necessary to build democracy and a free market within the FRY to assure its active participation in the post-war reconstruction process and its reintegration into the global economy.

In the framework of ANSEE, EWI will involve key pro-reform FRY leaders in regular dialogues - both internal and with the international community - evaluating the situation in Yugoslavia and preparing basic strategy documents for future reconstruction aid. The first such dialogue took place in Bratislava on July 21-22, 1999 in the framework of a conference entitled "The Future of the Federal Republic of Yugoslavia in the Context of the Post-War

Reconstruction.” The Conference, which was organised by EWI in co-operation with the Ministry of Foreign Affairs of Slovakia, brought together high-level officials from the international community, academics, businessmen and investors from the region, other Eastern European countries, Western Europe, Russia and the United States.

One of the recommendations of the Conference was that pro-democracy forces within FRY should establish a **Community for Change** rather than unity around leaders. Another recommendation called for the international community to establish a New International Partnership with the people of the FRY. As a result, a **Task Force on the Future of the Federal Republic of Yugoslavia** was established in order to promote this new international partnership. The Task Force will evaluate programmes of different organisations and individuals belonging to Community for Change and will recommend that support be given to those programmes that are beneficial for building democracy in the FRY. The Task Force will also serve as an important link between members of the Community for Change and the international community. Finally, it will provide assessments and recommendations on policies for social and economic transformation and development in the FRY. The Task Force will operate in the framework of ANSEE.

- **Championing regional voices in strategies for sustainable economic development.**

The international community has produced a plethora of projects, proposals and initiatives for South Eastern Europe. In spite of this, the region still lacks a viable, result-oriented strategy for overall sustainable economic development, which is practical and non-academic in its approach. In response to this need, EWI has launched a **Task Force on Economic Strategy for South Eastern Europe** under the auspices of ANSEE.

The Task Force will prepare concrete policy recommendations for stimulating foreign investment and developing the private sector in South Eastern Europe. It will analyse the business-operating environment in the region and will propose strategies for economic growth. Particular attention will be paid to local participation in post-war reconstruction, integration in the European economy and development of the SME sector in the region.

The Task Force will also contribute to developing a viable strategy for the implementation of the goals and objectives outlined in Working Table Two of the EUs Stability Pact for South Eastern Europe. The strategy needs to reflect the priorities of the region as articulated by the key actors and decision-makers in the region. These proposals will be compiled in a strategy paper which will be disseminated to the European Commission, the Office of the Stability Pact Co-ordinator, EU governments, IFIs and other international organisations involved in the reconstruction effort. The paper should serve as a policy guideline for further action.

To strengthen the economic prerequisites needed for peace and stability in South Eastern Europe, EWI will work with local partners and government officials in the region to support indigenous private sector development and the growth of small and medium enterprises. EWI will co-operate closely with the **Business Advisory Council** to SECI in order to develop and implement strategies for making efficient use of outside assistance in conjunction with local businesses.

- **Building local capacity and leadership for sustainable peace and prosperity.**

Reconstruction and development in South Eastern Europe cannot take place without the determined efforts of strong local institutions working together with reform-minded parliamentarians. To address this issue, EWI has begun to work with key local NGOs, government and private sector representatives to strengthen their capacity and expertise, and to help them create critical mass through coalition building between the three sectors.

Furthermore, the Institute will form an **MP Network** in the region that will offer direct practical information on democratic development issues, inter-ethnic relations and leadership development practices. This network will create a forum for open dialogue among reform minded MPs, train the group in leadership development to ensure that these leaders create a stable, market-driven and democratic government for future generations, and create a practical network for South Eastern European parliamentarians to work together towards implementing the principles outlined in Working Table One of the Stability Pact for South Eastern Europe. In creating this network, EWI will closely co-operate with the European Parliament, the Council of Europe, the European Commission, the OSCE, SEECP and the Royaumont Process.

- **Embedding transfrontier co-operation in South Eastern Europe.**

Border areas in South Eastern Europe are the “friction plates” of the region. They are the areas where different ethnic groups and religions meet, and thus are prone to potential future conflicts. EWI has a ten-year history of promoting transfrontier co-operation in Central and Eastern Europe, and will respond to requests to help revive cross-border co-operation between Hungary, Vojvodina and Romania (the Danube-Tisza-Maros Euroregion) where such cooperation was interrupted by the war. It will also encourage new efforts between Bulgaria, Macedonia and Serbia, and between Montenegro, Croatia and Bosnia-Herzegovina.

Transfrontier co-operation is also essential for the development of the region’s infrastructure and adequate means of financing and management structures for oversight and control need to be elaborated. This is an area where partnership between the public and private sector is required. EWI will work to facilitate such partnerships among these regions and work to establish new “euroregions” in South Eastern Europe in co-operation with the EU, regional and sub-regional initiatives.

Implementation

In implementing all activities, EWI will work closely with the key international actors, the EU states and institutions, UN, OSCE, the Southeast European Cooperative Initiative, and the Council of Europe.

To address the needs and guide the projects outlined above, EWI will create two Advisory Boards: an Advisory Board for Policy and Strategy which will guide ANSEE and develop policy strategy for top-down projects in the region; and an Advisory Board for Local Initiatives which will co-ordinate bottom-up approaches using local resources and focusing on co-ordination of private and volunteer activities between countries in the region and their immediate neighbours.

These advisory boards will work in close co-ordination and consultation with the ANSEE Leaders Network, the Economic Strategy Group, and the Task Force on the FRY. In launching ANSEE, EWI hopes to embark on a wider co-operative effort which will combine the Institute's vast experience and proven track record in East Central Europe and Russia with the experience of regional initiatives such as SECI, Royaumont, BSEC and CEI, as well as the expertise in international organisations such as the UN/ECE and OSCE. Most importantly, EWI has to make sure that it is involved in any discussion that the EU might have concerning any regional stability pact/plan. In light of all the proposals ensuing from the EU states and institutions, OSCE, US, and individual countries and institutions in the framework of these groupings, it is imperative that no new structures are created but rather that all existing organisations, institutions and groupings are able to maximise their full potential. Through ANSEE, EWI is ready to work within the parameters of the Stability Pact and implement the principles contained within.