

## REGIONAL COOPERATION IN SOUTH-EAST EUROPE IN INTER WORLD WARS TIME AND POST COLD WAR

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Given the complexity of the information related to the issue under consideration, there is no simple approach to such a topic. A comparison between the interwar and the post-cold war periods in terms of regional cooperation should take into account several important indicators (or fields of cooperation, such as cooperation on political, economic, military levels, etc.). Undoubtedly, an assessment of the international background of regional cooperation in the two periods should also be examined.

At the core of this scientific approach lies the wish to give answers to the following questions: Are the two periods different in points of regional cooperation? If yes, what would be their distinct features? Are there any similarities and, if yes, what would they be? Undoubtedly, it is fairly difficult to address in such a paper the host of features identified when making such a comparison. Therefore, I shall merely point out the most important among these.

A delimitation of South-East Europe, such as in the case of Central Europe, is difficult to make, since several geographical and non-geographical criteria should be resorted to. More often than not, the term “South-East Europe” is employed as a substitute for “the Balkans”, in an attempt to avoid negative connotations.

The defining of regional cooperation and regionalism proper is no less difficult to make, as regional cooperation is a historical process having undergone considerable change; in other words, there are differences between the regional treaties of the interwar period and those of the post-cold war period. Nonetheless, in a timid attempt to define the process, I should say that the process of regional cooperation is an international political initiative, with the object to promote relations on multiple levels among various state entities in a certain geographical area.

The present paper is based on the assessment of various formulae of regional collaboration in the interwar period (the Little Entente, the Balkan Entente) and in the first decade of the post-cold war period (the South-East European Cooperation– SEC, the Royaumont Process, the South-East Cooperation Initiative– SECI, the Black Sea Economic Cooperation – BSEC).

In both periods, the higher international organizations adopted stands in relation to regional cooperation. Thus, in the interwar period, the Pact of the League of Nations encouraged regional cooperation, Article 21 stipulating that international agreements and regional agreements aiming “to maintain peace are not considered in disagreement with any stipulation of the present Pact.”<sup>1</sup>

For the post-Cold War period, essential in points of regulation of regional cooperation were the stipulations of the UNO *Chart*, which allowed “the existence of regional agreements and bodies meant to solve issues that, although related to world peace and security, can be approached at regional level, on condition that these agreements or bodies and activities should be concordant with the goals and principles of the United Nations Organization.”<sup>2</sup> Quite important to the evolution of regional cooperation in the post-cold war period was the *Joint Declaration of State and Government Heads in South-East European Countries* issued in Crete on 4 November 1997. Here, the representatives of Albania, Bosnia-Herzegovina (as an observer), Bulgaria, Greece, the ex-Yugoslav Republic of Macedonia, Romania, Turkey, and the Federal Republic of Yugoslavia pledged to promote regional cooperation from equal and mutual stands, with the conviction that “each of us has a lot to learn from the others.”<sup>3</sup> As proof of deeper involvement of the signatory states in regional cooperation, the joint declaration also stated that, “we reconfirm our support to the existing projects of regional cooperation, as well as to the Royaumont Process, the South-East European Initiative of Cooperation and the Black Sea Economic Cooperation.”<sup>4</sup>

The two formulae of South-East European regional cooperation of the interwar period – the Little Entente and the Balkan Entente – were crystallized and evolved with as a main objective the maintaining of the territorial *statu-quo* established by the peace treaties at the end of World War I. The three states that laid the foundation of the Little Entente were interested in defending their national sovereignty and integrity, and believed that such an alliance, of defensive nature, could act as an important element of security under the threat of the revisionist tendencies of Hungary. As a consequence, according to the alliance conventions, the three states signed military agreements which stipulated the intervention of the

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<sup>1</sup> O. Hoijer, *Le Pacte de la Société des Nations. Commentaire théorique et pratique*, Paris, 1926, p. 351.

<sup>2</sup> *Charte des Nations Unies et Statut de la Cour Internationale de Justice*, Chapitre III, Art. 52, New York, 1946, p. 20.

<sup>3</sup> *Joint Declaration of Heads of State and Government from South-East Europe*, Crete, 4 November 1997.

<sup>4</sup> *Ibidem*.

partner states within 48 hours at the most, with all forces at hand, at the request of the state under potential aggression by Hungary. The same motivation – to maintain the *statu-quo* established at Versailles – can also be seen in the second interwar regional entity under consideration, the Balkan Entente, directed against the territorial ambitions of Bulgaria and the peril they posed. After the signing of the Pact on 9 February 1934, a similar process of settling military conventions followed, albeit more tedious than in the case of the Little Entente. Bilateral military conventions (between Romania and Turkey, August 1934; Turkey and Yugoslavia, June 1934; and Turkey and Greece, October 1934), were thus followed by trilateral conventions (Romania, Yugoslavia and Turkey, 6 November 1936), and the signing of a military convention among four members (Romania, Yugoslavia, Turkey and Greece, 10 November 1936).

In this first fundamental feature one may also identify the first element of distinction between the two periods making the object of the present analysis. Regional cooperation in the interwar period focused, both in the case of the Little Entente and the Balkan Entente, especially on defending the existing territorial *statu-quo*, whereas in the post-cold war period this concern can no longer be seen. The context was different, and “revisionist states” wishing to change the territorial *statu-quo* by the use of force, either on their own or in association with other state entities, no longer existed in the area. As a result, none of the cooperation formulae of the post-cold war period included military conventions, unlike the cooperation formulae of the interwar period.

The new regional entity created by Czechoslovakia, Romania and Yugoslavia also targeted the strengthening of political and economic cooperation among the three countries. Indeed, one of the prominent figures of this regional entity, Eduard Beneš, pointed out that the new formula of regional cooperation would be more flexible than any other existing political and economic union<sup>5</sup>. The same, in an attempt to sum up the achievements of the Little Entente, noted that, “today, after three years of existence, the Little Entente has offered an example of close cooperation, loyalty, and friendship in its policy; it has preserved peace in the area at the most critical moments [...] and brought about such a degree of cohesion around and within the member states that no prominent statesmen of today can ever question its validity.”<sup>6</sup>

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<sup>5</sup> E. Beneš, *La Petite Entente et la reconstruction de l'Europe Centrale*, in “Europe nouvelle”, 1920 September 19.

<sup>6</sup> Eduard Beneš, *The Rationale for the Little Entente*, London, 1924, pp. 12-13.

Gradually, the states making the Little Entente considered closer cooperation within this regional entity, given the alarming course taken in international relations, and the fact that the League of Nations had started to show signs of weakness when its existence had been tested by the Japanese invasion of Manchuria. The concern of the three member states grew with Hitler's access to power in Germany, and newspapers such as "Morning Post" and "Manchester Guardian" termed the event as a catalyst for the adoption of a new pact of organization. Romania, Yugoslavia and Czechoslovakia considered thus necessary the adoption of a Pact of Organization of the Little Entente (February 1933), whose essence was that no member of this formula of regional cooperation was allowed to settle political or economic conventions with other states without the consent of the partners. Therefore, the member states of this regional entity were expected to adopt a common line of action in their external policy. Four years later, a first infringement of the pact of February 1933 occurred, with Yugoslavia, through the Stoiadinovici Government, signing on 24 January 1937 a pact of "permanent and true friendship" with Bulgaria, without requesting the consent of her allies. Although unwilling to recognize the treaty, Romania eventually gave in to the pressures exerted by France. The same pact was clearly infringing upon the stipulations of the Balkan Entente. Thus, Bulgaria had given up her claims of revision of the border with Yugoslavia, but not of revision of the borders with Romania and Greece, whereas the Balkan Pact allowed a rapprochement to Bulgaria only on condition that this state would acknowledge once and for all the borders of all four states, the member states of the Balkan Entente otherwise agreeing to keep equal distance in relation to Bulgaria. This particular behavior, by which a state committed to a formula of regional cooperation abandons or does not respect all engagements, but rather pursues its own goals to the detriment of its partners, could also be seen in the post old war period, when the South-East European states involved in various formulae of regional cooperation started to disregard regional cooperation, as competition for Euro-Atlantic integration became more fierce. This situation was termed by Michael Mandelbaum in *The Dawn of Peace in Europe* a "free-rider" attitude<sup>7</sup>. In the post-cold war period, a more profound implication in regional cooperation was often tempered by the fear of the state leaderships to compromise the long term objective of their foreign policies, namely Euro-Atlantic integration.

To resume my considerations on the two forms of regional cooperation in the interwar period, both the Little Entente and the Balkan Entente gave in under

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<sup>7</sup> Michael Mandelbaum, *The Dawn of Peace in Europe*, New York, 1996, pp. 70-74.

pressure at critical moments, owing to a number of factors. One may say that the failure of these regional entities which resulted in the dismembering of the member states, with the exception of Turkey, was due to the fact that these member states had to face a number of situations very different from the ones anticipated at the time when the political or military agreements in question had been settled. Therefore, one should admit that even though the forces of the member states of the Little Entente could withhold an attack by Hungary, and the member states of the Balkan Entente, a Bulgarian or Albanian aggression, such situations were very unlikely to occur. In fact, one of the issues of "Ossevatore Romano", the press organ of the Vatican, makes a rather accurate assessment of the regional agreements existing at the time: "the Little Entente had especially an anti-Hungarian character, being meant to counteract Hungarian revisionism. However, no one foresaw the emergence of more serious perils from other directions." A similar remark was made in relation with the Balkan Entente: "so as not to fuel any illusory hopes, one should keep in mind that the Balkan Pact of 1934 stipulates no form of mutual assistance in case of aggression by non-Balkan countries [...] only consultation is stipulated in such a case [...] such a hypothesis, of an attack by a Balkan state was admissible in 1934; however, it is highly improbable nowadays" [...] the Balkan Entente was at the beginning directed against Bulgaria, but nowadays, when Yugoslavia has settled an agreement of perpetual friendship with Bulgaria, this target has lost all interest."<sup>8</sup>

As to the way in which the member states of the Little Entente and Balkan Entente pursued their interests in relation to national security, one may identify in their mentalities what western historians term "wishful thinking." The reaction of France and Britain to two events essential to the future developments, the remilitarization of Rhenania and the conference of Munich, caused all hopes in an intervention by these two states to crumbles.

As to another important dimension of regional cooperation, namely economic cooperation, one may assert that economic exchange, even if present in both periods under consideration, ranked second by order of importance in the interwar period, and, during the post cold war period, although steps were taken in developing a series of projects, the volume of trade remained far behind what the signatories of the regional cooperation formulae had forecast.

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<sup>8</sup> Arhives of the Ministry of Foreign Affairs, "Înțelegerea Balcanică" Fund, vol. 20, report no. 195 of 21 March 1940, signed by N. P. Comnen, including excerpts from "Osservatore Romano" of 16 March 1940.

In the interwar period, the Little Entente gave little weight to economic cooperation among member states; however, after the meeting of Ioakimov (May 1927), economic issues started to gain importance on the agenda of this regional entity. More firm steps towards economic cooperation were taken at the meeting of Belgrade (December 1932); however, the most important stage was the Organization Pact of the Little Entente of February 1933. The most important in terms of economic collaboration was article 7, stipulating the creation of an Economic Council for coordination and promotion of economic relations among the three member states. The Economic Council included in its *Statute* cooperation among the three member states in all the economic fields.

As known, among the member states of the Little Entente, Romania and Yugoslavia had a similar economic structure, often exported the same commodities, and competed over foreign markets, whereas the third member state, Czechoslovakia, was better developed and had a predominantly industrial economy. Indeed, Romania and Yugoslavia on the one hand, and Czechoslovakia on the other hand, held divergent stands related to the regime and the structure of economic exchange among the three members of the Little Entente (the Czech markets are known to have often been closed to Romanian or Yugoslav agricultural produce). A suggestive report was sent in this respect by the Romanian Legation in Prague in November 1933. According to this report, the Czechoslovakian Minister of Agriculture (Hodza), when speaking about the agricultural policy of Czechoslovakia and the Economic Little Entente, had declared that, "the crisis experienced by the agrarian states would be solved at international level, by finding a new western market for the distribution of the surplus of agricultural produce, since no imports of grain are needed in Czechoslovakia."<sup>9</sup> And further on, "if a distribution market can be secured in Western Europe, at least for part of the agrarian surplus in Romania, Hungary, Yugoslavia and Bulgaria, this would release the pressure exerted on the Czechoslovak agriculture by the low prices practiced in the South-Eastern European countries [...] one cannot expect the Czechoslovak agriculture to make new sacrifices by accepting superfluous imports for the sole reason that the industry should be able to make exports."<sup>10</sup> A far more accurate picture of the causes preventing the growth of trade can be found in a report addressed by the Union of Chambers of Commerce and Industry to the Economic Direction of the Ministry of Foreign Affairs of Romania, entitled *Dificultățile*

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<sup>9</sup> AMAE, "Mica Înțelegere" Fund, vol. 45 (economic issues), Report of the Romanian Legation in Prague of 22 November 1933, signed by Emandi.

<sup>10</sup> Ibidem.

*întâmpinate de exportatorii români la exportul în țările din the Mica Înțelegere* (Difficulties Experienced by Romanian Exporters in their Trading Relations with Member Countries of the Little Entente)<sup>11</sup>. The report mentions: “our wines cannot be exported to Czechoslovakia also owing to the fact that this country favors the imports of Italian wines [...] our fruit exports to Czechoslovakia are hindered by the high transportation costs on the Czechoslovakian railways and the additional fito-sanitary taxes [...] our finite oil products, such as petrol and lamp oil, cannot be exported on the Czech market owing to excessive customs duties.”<sup>12</sup>

After the creation of the Economic Council of the Little Entente, a sensible intensification of trading relations among the three member countries was nevertheless noted. Thus, at the seventh session of the Economic Council, an increase by approximately 50 percent in the volume of economic relations was noted, as compared to the level of these relations in 1933<sup>13</sup>. Despite the fact that economic cooperation increased every year, on the whole, the volume of economic exchange was not the one foreseen.

A similar situation, in points of regional cooperation at economic level, was noted in the case of the other interwar regional organization – the Balkan Entente. The signatories of the Pact decided that an Economic Council would be set up with the purpose to foster economic relations among the four member states. Each of the four national departments was in charge of the commercial and agricultural policy, also dealing with industrial, financial and communication issues. A characteristic of trade among the four member states of the Balkan Entente was the fact that throughout the interwar period, the balance of economic exchange between Greece and the three other member states of the Balkan Entente continued to exhibit massive deficit for Greece, especially in the relation with Romania, despite all efforts made at the sessions of the Economic Council. The analysis of interwar regional cooperation will also point to the ever more important role held by Germany in this space, especially towards the end of the interwar period, in comparison with other countries, such as Yugoslavia, Bulgaria, and Romania.

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<sup>11</sup> AMAE, “Înțelegerea Balcanică” Fund, vol. 29 (economic issues), Report of the Union of Chambers of Commerce and Industry No. 1051 of 24 February 1939, addressed to the Ministry of Foreign Affairs, Economic Department.

<sup>12</sup> Ibidem.

<sup>13</sup> AMAE, “Mica Înțelegere” Fund, vol. 34, f. 236, La clause régionale de la Petite Entente. Instrument de rapprochement économique. These results are all the more important as the world economic crisis continued to have serious effects.

As to regional economic cooperation in the first decade of post-cold war period, all formulae included economic cooperation in their agenda. However, the regional entity with the most important economic activity by far is the Black Sea Economic Cooperation. It is the most diverse and unique regional entity, both in the interwar period and in the post-cold war period, being the only form of regional cooperation having gained the statute of organization with the adoption of a *Chart* at the meeting in Yalta of June 1998. After ratification of the *Chart* by the member states, in 1999, this formula of regional cooperation turned into an organization. The membership of this entity has not been limited to riparian countries. Thus, in June 1992, upon its establishment, the *Declaration of the Black Sea Economic Cooperation* was signed by eleven states: Albania, Armenia, Azerbaijan, Bulgaria, Georgia, Greece, Moldavia, Romania, the Russian Federation, Turkey, and Ukraine. The member states of the BSEC, making a market of over 320 million inhabitants, developed joint projects in the fields of transports, energy, telecommunications, industry, commerce, and banking. A Bank of Commerce and Development of the Black Sea was thus created, with its headquarters in Salonika, which can be considered a premiere at the level of regional cooperation. This bank started out with an initial capital of approximately 1.4 billion USD in 1994, and its first achievement was the financing of a trans-Balkan gas pipe, within a joint project developed with the European Bank for Reconstruction and Development. Other projects within BSEC were financed by U.N.I.D.O. – the United Nations Organization for Industrial Development, and the European Union. According to a report by the European Commission, the Black Sea area is a space of increased interest to the European Union, since it is a vital transit route for energy resources towards Europe and, at the same time, an extremely important market for the commodities of the European Union<sup>14</sup>.

Several projects were also launched by other formulae of regional cooperation in the post-cold war period. However, the hurdles were the same: insufficient funding, a rather high rate of inflation in most of the countries involved, a decline in production and living standards.

Although initiated by states belonging to Central Europe, more exactly Czechoslovakia (since 1993, the Czech Republic and Slovakia), Hungary and Poland, another formula of regional cooperation, CEFTA – the Central European Free Trade Area, subsequently included South-East European states, such as Romania (starting with July 1997) and Bulgaria. The main goal of CEFTA, as

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<sup>14</sup> Tunk Aybak, *BSEC and Turkey: Extending European Integration to the East?* in Tunk Aybak (ed.), *Politics of the Black Sea. Dynamics of cooperation and conflict*, Ankara, 2001, p. 54.



initially defined, was to gradually create an area for free trade among its members. After ascribing commodities to three categories, the members decided to remove customs barriers for these three categories at specific dates. Therefore, as early as 1 March 1993, customs barriers were removed for a number of industrial goods and raw materials, whereas the customs duties for agricultural produce were gradually lowered in 1995–1997. Eventually, the members agreed to lift the customs barriers for the last and the most difficult to regulate category of commodities, which included cars, steel, and textiles<sup>15</sup>.

To resume my considerations on the characteristics of these formulae of regional cooperation in the interwar period and the post-cold war period, I shall also take note of the supporters of these entities. Therefore, in the interwar period, the preponderant part was held by France, whereas in the post-cold war period one may notice the support and involvement of the United States, in the case of the South-East European Cooperation Initiative, through Richard Schifter, and the involvement of the European Union in the Royaumont Process, a formula which included, alongside the South-East European states, the Russian Federation and the United States.

Another distinctive element of regional cooperation in the two periods under consideration was the extension undergone by the notion of security. The regional character of security ceased to strictly refer to the defense of the borders of the related states, such as was the case in the interwar period, and assumed a larger sense, with the including of the struggle against criminality across the borders and terrorism, and the approach to issues such as illegal immigration, refugees, threats posed by tension among minorities, organized crime, etc.<sup>16</sup>

Another element to be taken into account when looking at regional cooperation is the particular path taken by one of the states involved in the process. This would be the case of Yugoslavia, a country which in the post-cold war period continued its involvement in the process of regional cooperation (intermittently, due to the war) through the new republics created after the dismantling of the former state entity.

After the assessment of the main features describing regional cooperation in the aforementioned periods, one may assert that, despite the identified common features and given the distinct elements, the two intervals are dissimilar rather than

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<sup>15</sup> *Central European Free Trade Agreement* (signed by the Czech Republic, Poland and the Slovak Republic) in “Russian and East European Finance and Trade”, t. 1 30, no. 1, January-February 1994.

<sup>16</sup> Othon Anastasakis, *Towards Regional Cooperation in the Balkans: An Assesment of the EU Approach*, in *The Effects of Regional Initiatives*, Belgrade, 2002.

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similar. The international background of regional cooperation in the geographical space under consideration was different in the two periods; thus, the cooperation formulae underwent transformations, new themes of cooperation being approached. Although notable progress was made in the post-cold war period as compared to the interwar period (in the economic field an organization was created with the exclusive goal to promote economic exchange among the member states - the BSEC), a number of flaws in the formulae of regional cooperation dating to the interwar period can still be seen in the initiatives of regional cooperation of the post-cold war period, the “free-rider attitude” of some member states, mentioned in the present paper, being almost notorious.