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SHAPING THE FUTURE OF THE BALKANS THROUGH DIFFERENTIATED INTEGRATION: THE EU EXPERIENCE

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Abstract

This paper addresses the perspective of the European Union as a differentiated integration, where the Member States participate in certain common policies and choose certain policies they are (or not) willful or able to participate. The European integration experience shows such cases – the European Monetary Union and the Schengen Agreement. The objective of this paper is to explore the differentiated integration model in the Balkan context, within the circles of integration, and thus, to identify a model of “multi-speed” Balkans. The main research intention is to explore the significance of the EU as a “multi-speed” model of integration. In the end, this paper concludes that the model of multi-speed Europe could restrictively be applied on the Balkans, introducing four integration speeds, or integration orbits.

Keywords: *European integration, differentiated integration, reconciliation, regional networking*

INTRODUCTION

This paper addresses the European Union as a form of differentiated (asymmetrical) integration, through the model of Multi-Speed Europe, with a purpose of its application in the Balkan context. The EU is regarded as a socio-political manifestation of the differentiated integration, covering

Member States which participate in certain common policies, while others, have the possibility not to participate, but not to block the integration dynamics. The mutual relations each Balkan country has established with (in) the European Union are also analyzed. Officially, some of the Balkan countries are EU Member States, while the others are not, but have been articulating desirability and determination for EU membership status, and on the other side, the EU looks toward finalization its territorial integration. In that sense, even the Balkan countries which are not EU members, are located and are part of the European integration processes, based on the mutual relations they have established with the EU.

THE EU EXPERIENCE OF DIFFERENTIATED INTEGRATION: WHAT'S IN THE BOX?

Political integration as a term indicates two understandings of its essence, firstly as a process of establishing a political community, and secondly as a certain stage in the same process. The theorist Ernst Haas defined political integration as the process whereby: “nations forgot the desire and ability to conduct foreign and key domestic policies independently of each other, seeking instead to make joint decisions or to delegate the decision-making process to new central organs” (Lindberg, 1963). The process involves the activity of delegating the power of decision-making to new central organs, which includes delegation of the sovereignty from a national level to a newly established – supranational one (Ilievski, 2015). As a stage, it denotes a particular phase in the process of integration, and mainly refers to the last one – full political integration, identified as a stage, where the units (Member States) have handed over the major part of their decision-making power (sovereignty), to the supranational entity (Castaldi, 2007), have stopped being direct subjects of international public law (Dosenrode, 2010), and have established “*finalité politique*” (Kovacevic, 2013) or a “political union”. In its institutional and political development, the EU has gone through three major integration stages. Each of them is transparently shown on the integration cascade (ladder), also known as “ratchet fusion process” (Wessels and Bopp 2008, 6). Otherwise, with locating the Lisbon Treaty’s place within the European integration process in mind, we have upgraded this “ratchet fusion” with the dashed arrow, presented in Figure 1.

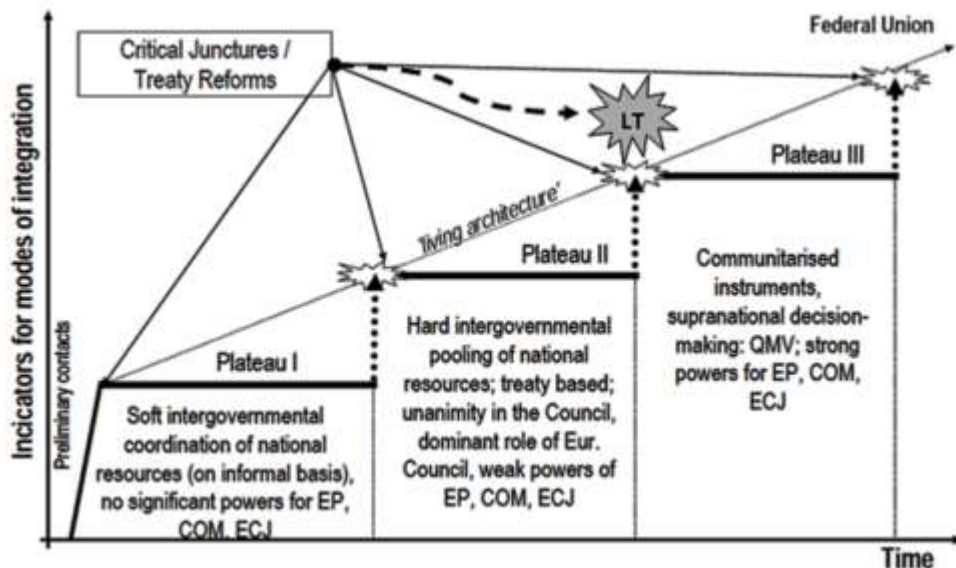


Figure 1: “Ratchet fusion” (Source: Wessels and Bopp 2008, 6)

Stages shown on the cascade are directly derived from the legitimization basis of the EU, which covers the constitutive treaties that condition its foundation and its institutional and political development.

The **first stage** (plateau I) covers the primordial political integration of the EU Member States (then Community) as a basis for creating coherence in their political activities for the purpose of defining and establishing the European political identity. This stage, generated by initiating and formalizing the European political cooperation (starting with the report from Luxembourg, to the Single European Act), undoubtedly leads to certain progress in terms of political communication and closer political cooperation among the EU Member States. The significance of such political cooperation effectuates a relatively flexible, non-obligatory and voluntary “system” of interstate decision making.

The **second stage** (plateau II), began by establishing the institutional - political architecture of the Union through the Maastricht Treaty and up to the Treaty of Nice. This stage is characterized by the final integration of the “political cooperation” within the structures of EU, the installation of the three-pillar system. This stage is characterized by existence of the predominant intergovernmentalism in decision-making process, democratic

deficit, military underdevelopment, institutional non-transparency, strengthening of the bureaucracy, etc.

The **third stage** (plateau III), represented on the integration ladder as a stage of *finalité politique*, has still not been reached from this perspective, despite the Union “efforts” to achieve final institutional and political establishment of its political identity as a federation. This stage involves a final political unification of the Union, in which it should be transformed into a political union of a federal type. Within it, the Union will have to be able to generate institutional and political architecture, compatible with supranational and communitarian concepts (or the “Community method”), as well as political expansion and strengthening of the authorities and prerogatives of its institutions. All this implies a change in the decision-making process, from a system of unanimity to a (qualified) majority system.

In that context, we believe that it is important to emphasize that the European federalists see extending and fostering as much as possible the Community method in various areas of the Union’s activities as the only method for increasing coherence within the EU, and as an efficient tool for incremental building of a European democratic federation. Namely, the Community method implies “pooling of national sovereignty in certain defined respects and the empowerment of supranational institutions to advance and give effect to joint solutions to shared problems” (Duff 2011, 2-16). Thus, the Community method should not be confused with the Monnet method, which descriptively speaking represents a method of “integration by stealth” (Majone 2009, 13). The theorist Giandomenico Majone used the “label ‘crypto-federalism’ to denote a type of federalist revisionism, characterized by this roundabout approach to the political integration of Europe” (Majone 2009, 72). This approach (of which Jean Monnet is a central figure) is highly different from the orthodox (Hamiltonian) federalist worldview, mainly recognizable through the work of the prominent European federalist Altiero Spinelli. In fact, Monnet used the expression “the *United States of Europe* more as a tribute to the USA, a country he knew well and loved, than as a definite ideological commitment” (Majone 2009, 73). This method, according to Giandomenico Majone “consists in pursuing political integration, not by frankly political means, but under the guise of economic integration” (Majone 2009), and it primarily represents a product of “quasi-constitutional principles derived from the founding treaties and from neofunctionalism” (Majone 2009).

Unlike the neofunctionalism, the federalist concept requires the adoption of a European constitution as the ultimate democratic asset for establishing a European democratic federation. The establishment of such a European democratic federation, according to the federalists, will be pursued through a gradual reform of the existing constitutive treaty, such as the Lisbon Treaty, or as MEP Andrew Duff stressed, “it is obvious that the new European federal constitution will be based largely on the existing EU treaties” (Duff 2011, 5). This means that the specific nature of the Union will continue to exist, but in **enhanced** and modified form, which in the future should serve as the legitimization basis for its further political modelling.

However, with the “fall” of the European constitution, the Union was forced to start thinking in an **alternate direction**, in order to find a solution for overcoming the “post-constitutional” crisis and thus to intervene in the process of establishing an international political identity as a global actor. Consequently, the Lisbon Treaty in its essence represents a quasi-federal act, because of its confusing, complex and vague content, and also its partly constitutional determination, which is done through a “compromise” with the protagonists and opponents of the European federalism, seeking to satisfy both sides, and thus to constitute a distinctive type of federalism without a federation. Or, as the famous author Zbigniew Brzezinski says: “at best, the European political union would have grown into something less than the United States of Europe, and something more than the European Union as a corporation” (Brzezinski 2001, 21).

In addition, the European integration is identified as a differentiated integration, since it does not represent a **uniform** or **symmetrical process** of integration but covers existing of more levels (stages) of vertical integration - involves adopting different formal and informal arrangements, inside or outside the EU treaty framework (Matarrelli, 2012). The differentiations in the integration are determined by the Member States’ preferences and possibilities for it. Differentiated integration, as a theoretical expression, finds its practical socio-political application in the whole process of European integration. It is evident that certain Member States participate in certain common policies (**opt-in**), while others are not (**opt-out**). Among other cases, a visible representation of the differentiated integration is the cooperation established within the framework of Schengen Agreement and the Eurozone.

The Schengen Agreement tends to remove the border-checks among the Member States of the Union. The cooperation started outside the EU treaties framework, among the Member States of the Union and certain states that are not Member States (Switzerland and Norway), based on an inter-state treaty (Piris, 2012). Later, in 1997 with the Amsterdam Treaty, the cooperation was transferred on an institutional European level, through incorporation into the constitutive treaties of the EU and position itself on supranational level *acquis* (Ilievski, 2015). This cooperation provides an instrument for **opting-out** for the Member States wishing not to participate in that particular sector of integration, while at the same time establishing **institutionalized differentiation**. The Eurozone stands for a cooperation of the EU Member States in the area of monetary policy, particularly by establishing a single monetary system followed by a single currency – Euro. On the other side, there are Member States that have expressed their will not to participate in this policy, besides their capacity of fulfilling the conditions of participating (e.g. the Kingdom of Denmark). The Kingdom of Denmark is opting-out, formally based on the Maastricht Treaty, particularly in the Protocol on Denmark, stipulating: “The provisions of Article 14 of the Protocol on the Statute of the European System of Central Banks and of the European Central Bank shall not affect the right of the National Bank of Denmark to carry out its existing tasks concerning those parts of the Kingdom of Denmark which are not part of the Community” (Treaty on European Union, 1992).

The integration cases of the Schengen Agreement and the Eurozone represent the most adequate examples of differentiated integration within the European Union. Furthermore, the differentiations in the integration are institutionalized with the Lisbon Treaty, stipulating the mechanism of **enhanced cooperation**, which institutionally frames a potential integration in each particular area of integration (Ilievski, 2015). Put briefly, as Articles 20 and 326-334 of the Treaty on the functioning of the European Union (TFEU) state:

Enhanced cooperation is regarded as a measure of last resort and applicable only if the Council establishes that certain objectives cannot be obtained within a reasonable period of time by the Union as a whole. At least nine Member States have to participate in the enhanced cooperation which can only deal with policies within the framework of the Union’s

non-exclusive competences. The enhanced cooperation is open to all Member States at any time (Groenendijk, 2011, 2).

Conceptually examined, the process of European integration embraces various processes unfolding within the European Union, but also includes the ones it has established and developed with the non-member countries, which tend to achieve membership, while gravitating towards the Union. In addition, the integration is observed in 2 ways, and covers 2 types of integration, **vertical** and **horizontal** integration (Figure 2). The vertical one is identified with the processes of political, and/or economic integration, where the indicator of the integration (vertical) is the stage of economic/political integration achieved by the EU Member States. The dynamics of vertical integration tend to establish a political union, operationalized in a certain type of federation. On the other side, the horizontal integration tends to institutionalize the relations with the neighboring countries, positions the goal of membership of those countries, and in that way, attempts to play an active role in the process of vertical integration. The process is finalized when the whole continent is ultimately integrated into the Union, and the non-EU countries become members of it.

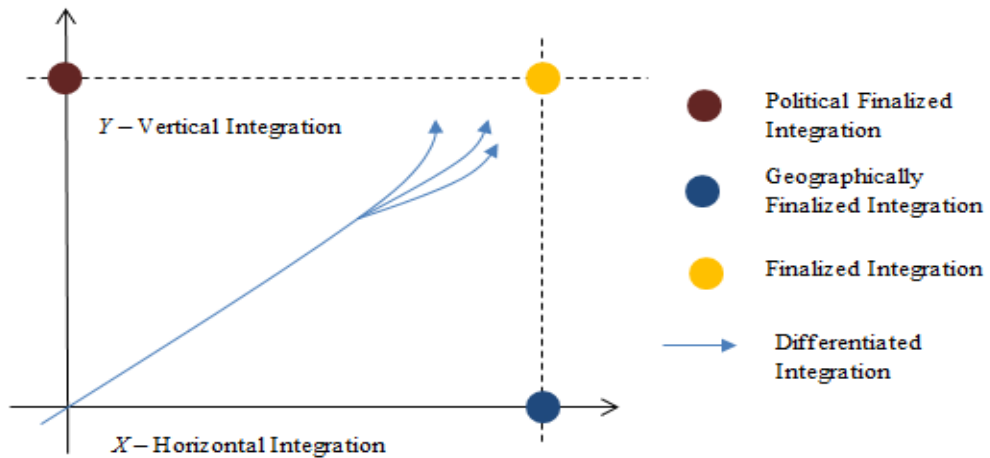


Figure 2: Horizontal, vertical and differentiated integration (source: Our own depiction)

When the Union is positioned as a subject of the integration process, it could be stated that it has not finished its vertical, neither its horizontal integration. Certainly, the Union cannot be defined as a federation (or a

federation *in statu nascendi*), nor it refers to the whole continent of Europe and all European countries.

SKETCHING THE MULTI – SPEED BALKANS

The differentiations in the case of the Balkan EU Member States are of temporal character, and relate the particular (non)participation of certain countries in certain policies. The temporality of the differentiations is based on Bulgaria's and Croatia's determination to achieve the next stage of the integration process, particularly to join the Schengen Agreement and the Eurozone. Greece is part of Eurozone since 2001, and of Schengen Agreement, since 2000. The Republic of Bulgaria is also EU Member State which joined the Union in 2007. It has committed to adopt the Euro once it fulfills the necessary criteria, and currently is in the process of joining the Schengen Agreement, and accordingly, it is not officially a part of the Schengen Agreement and the Eurozone. The Republic of Croatia joined the Union in 2013, has committed to adopt the Euro once it fulfills the necessary criteria, but is not part of the Eurozone, neither of the Schengen Agreement. Consequently, the model of Multi-speed Europe is applicable among these countries, represented as an integration core, consisted of Greece, and integration orbit, consisted of Croatia and Bulgaria.

Despite that, seven Balkan countries are not EU Member States, but have declared their pro-EU orientation, and have initiated the process for a potential EU membership. In addition, certain division also exists among the Balkan non-EU countries, introducing two groups, namely, **candidate** and **potential candidate countries** for EU membership (Figure 3).

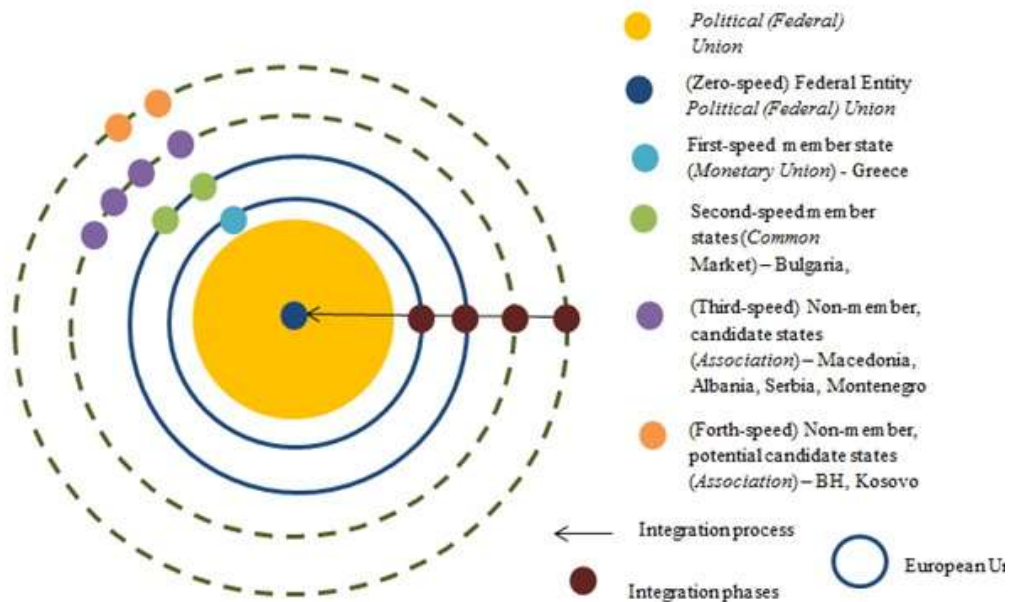


Figure 3: Multi-speed Balkans (source: our own depiction)

The Republic of North Macedonia is a candidate country that signed the Stabilization and Association Agreement in April 2001. In 2005 applied for EU membership, while in December 2005, the Council decided to grant the country a candidate status. In October 2009, the Commission recommended that accession negotiations should be opened. In June 2014, the Republic of Albania was granted candidate status by the EU. The Republic of Serbia is a candidate country that also has signed the Stabilization and Association Agreement with the EU, which entered into force in 2013. In line with the decision of the European Council in June 2013 to open accession negotiations with Serbia, the Council adopted in December 2013 the negotiating framework. The Republic of Montenegro's accession negotiations started on 29 June 2012. Bosnia and Herzegovina is a potential candidate country that has signed the Stabilization and Association Agreement with the EU, which entered into force in 2015. The Republic of Kosovo is a potential candidate country that has signed the Stabilization and Association Agreement with the EU, which entered into force in 2016. All of the Balkan states are located on the agenda of future enlargement of the Union, and accordingly, the existing differences are of temporal character, and set as a base for achieving further integration. The differentiations in the

relations each country has established with the Union are based on the status they got with it, and serve as a temporal mechanism for achieving membership status. The candidate-states tend to form integration orbit outside the EU, but within the wider context of European integration (Figure 3).

If potentially, the goal of the EU is identified with establishing a political union, the zero-speed, or the integration-core, potentially involves Member States (federal entities) participating in all EU areas, which have delegated crucial part of their sovereignty to the federal core. There are no Member States that have achieved this particular stage of integration, neither Balkan, nor European ones. In the Balkan case, the Multi-speed model is projected as four-speed, and introduces four levels of integration.

The **first speed** is represented by Greece, as a Member State participating in all EU policies. Croatia and Bulgaria compose the **second speed**, as part of the Union but still not part of the Schengen Agreement and Eurozone. The **third** and the **fourth** speed are reserved for the Balkan non-EU countries which have developed relations with the EU, such as North Macedonia, Albania, Serbia, and Montenegro, particularly as candidate-countries, or future EU Member States. The fourth speed is consisted of potential candidate-countries, such as Kosovo and Bosnia and Herzegovina. The third and fourth speed are not officially part of the Union, but are definitely part of the wider European integration processes.

The emulation of the EU integration model by the Balkan countries enables and manifests the process of differentiated integration, which is emanated through the creation of circles of integration. In respect of the EU, we can conclude that the Balkan states are “forced” to cooperate with each other in order to achieve their common objective – the full integration of the region into the EU. Hence, the EU integration model and the strife for integration of the Balkans within the EU strongly confirms the significance of the EU as an agent for homogenization and networking of the Balkans.

CONCLUSION

The European integration stands for a process involving vertical and horizontal integration framed in the European context. The vertical integration is identified with the processes of political and economic integration, covering the institutional part of the integration and the process

of developing common approach, building common institutes, making common decisions. On the other side, the horizontal integration examines the process of integration in geographic terms. Moving on the process of European integration, the Member States are facing challenges referring to their will and their ability to delegate part of their sovereignty. On the other side, the Union, represented through its institutions and the unanimity of the Member States, is aware of the difficulties. As a solution to the difficulties and challenges, rises the phenomenon of differentiated integration allowing and initiating creating of several stages of integration, determined by the ability and desirability of the Member States. The differences in the integration processes could be of temporal character, and are established in order to facilitate European integration. In that way, the evolving of Multi-speed Europe is seen as a compromise between the tendency of integration within the Union, and the national preferences and abilities.

The model of Multi-speed Europe could also restrictively be applied on the Balkans, introducing four integration speeds, or integration orbits. The first orbit is consisted of Greece, as the most EU integrated country on Balkans. The second one is consisted of Croatia and Bulgaria, as Member States of the EU, which are not participating all common policies. The third speed introduces North Macedonia, Albania, Serbia, and Montenegro, as EU candidate-countries. The fourth speed is consisted of Kosovo and Bosnia and Herzegovina, which are potential candidate-countries. Although not members of the EU, these countries as part of the third and the fourth integration speed are located within the Union sphere of influence, and thus, they are visible units in the horizontal aspect of the European integration processes.

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