

UNIVERZA V MARIBORU • FILOZOFSKA FAKULTETA



ODDELEK ZA GEOGRAFIJO

REVIJA ZA GEOGRAFIJO

JOURNAL FOR GEOGRAPHY

1 – 3 2008

MARIBOR
2008

REVIJA ZA GEOGRAFIJO
JOURNAL FOR GEOGRAPHY
1-3, 2008

ISSN 1854-665X
UDK 91

Izdajatelj / Published by

Oddelek za geografijo, Filozofska fakulteta, Univerza v Mariboru
Department of Geography, Faculty of Arts, University of Maribor

Mednarodni uredniški odbor / International editorial board

dr. Dragutin Feletar (Zagreb), dr. Uroš Horvat (Maribor), dr. Marijan Klemenčič (Ljubljana), dr. Karmen Kolenc – Kolnik (Maribor), dr. Lučka Lorber (Maribor), dr. Jörg Maier (Bayreuth), dr. Pavel Ptaček (Olomouc), dr. Igor Žiberna (Maribor)

Glavni in odgovorni urednik / Chief and Responsible Editor

dr. Igor Žiberna
Oddelek za geografijo
Filozofska fakulteta
Univerza v Mariboru
Koroška cesta 160, SI – 2000 Maribor, Slovenija
e-pošta / e-mail: igor.ziberna@uni-mb.si

Recenzenti / Reviewers

dr. Josip Farčić, dr. Rahman Nurković

Za vsebinsko in jezikovno podobo prispevkov so odgovorni avtorji. Ponatis člankov je mogoč samo z dovoljenjem uredništva in navedbo vira.

The authors are responsible for the content of their articles. No part of this publication may be reproduced without the publisher's prior consent and a full mention of the source.

<http://www.ff.uni-mb.si>

Tisk / Printed by

MCA Grafični studio, Printing, naklada 100 izvodov

KAZALO - CONTENTS

LUČKA LORBER	
Predgovor	7
Preface	8
MILAN BUFON	
The changeable political map of the Upper Adriatic region: from conflict to harmony	9
Povzetek	23
ANDREJ ČERNE	
The significance of regional planning	25
Povzetek	34
PETER JORDAN	
Principal space-related transformation processes demonstrated by maps of the atlas of eastern and southeastern Europe	37
Povzetek	55
LUČKA LORBER	
New challenges of geography in cultural and institutional association within the european higher education	57
Povzetek	66
ZOLTÁN GÁL	
Knowledge base of the region - role of the universities in regional innovation (the case of south Transdanubia)	67
Povzetek	79
PAVEL PTÁČEK	
Institutional framework and typology of economic transition in post-communist countries of Central and Eastern Europe: the role of Bretton Woods institutions	81
Povzetek	92
ZORAN STIPERSKI, JELENA LONČAR	
Former Yugoslav countries in the Balkan context and differences in their economic development	93
Povzetek	107
LUČKA LORBER	
Slovenian economy on the way from independence to catching up average economic development of EU – 27	109
Povzetek	123
Navodila za pripravo člankov v Reviji za geografijo	125

Predgovor

Filozofska fakulteta Univerze v Mariboru je v času od 14. do 27. septembra 2008 organizirala mednarodno poletno šolo GEOREGNET z naslovom Evropa Regij – Evropa kot regija v okviru srednjeevropskega programa CEEPUS (Central European Mobility Network). Namen poletne šole je bil, da razširimo in okrepimo sodelovanje partnerskih znanstvenoraziskovalnih ustanov v GEOREGNET mreži in s svojim pedagoškim delom prispevamo k boljšemu razumevanju družbenogeografskih procesov v srednji Evropi in na zahodnem Balkanu.

Tema poletne šole je bila usmerjena v analizo procesov regionalnega povezovanja evropskega prostora. Sodelujoči geografi so razpravljali o različnih vidikih evropske integracije s posebnim poudarkom na vlogi srednjeevropskih držav v tem procesu. Prispevki so bili usmerjeni k razumevanju socio-ekonomskega položaja v državah zahodnega Balkana in njihovim prizadevanjem za vstop v Evropsko unijo. Avtorji posameznih prispevkov so poudarili prostorske in funkcionalne spremembe do katerih je prišlo v času tranzicijskih procesov v postsocialističnih državah, pomen zagotavljanja konkurenčnosti gospodarstva posameznih regij ob vstopu na evropski trg, zlasti pa nujnost oblikovanja skupne regionalne politike v obmejnih območjih. V diskusijskih prispevkih je bil poseben poudarek dan ugotavljanju uspešnosti in sprememb v vrednotenju evropskega modela »združenosti v različnosti« v območjih družbenega in kulturnega stika.

Posamezni gostujoči profesorji so se prijazno odzvali na naše povabilo in svoje teme oblikovali v prispevke za revijo, ki je pred vami. Tako bodo tudi dodiplomski in podiplomski študenti iz Avstrije, Bosne in Hercegovine, Češke, Hrvaške, Madžarske, Slovaške, Slovenije, Srbije in Poljske prejeli revijo kot študijsko gradivo, kar je še posebej dragoceno.

V imenu mednarodnega programskega odbora se zahvaljujemo Filozofski fakulteti Univerze v Mariboru za vso pomoč pri organizaciji in izvedbi mednarodne poletne šole GEOREGNET.

Lučka Lorber

Preface

The Faculty of Arts at the University of Maribor organized, within the CEEPUS programme (Central European Exchange Programme for University Students), the 1st International GEOREGNET Summer School entitled *Europe of Regions – Europe as Region*, which took place from 14th to 27th September 2008. The purpose of the Summer School was to expand and strengthen the cooperation of partner research institutions in the GEOREGNET network, and to contribute through pedagogical work to a better understanding of socio-geographical processes in the Central Europe and the Western Balkans.

The topic of the Summer School was focused on the analysis of the regional connection processes in the European area. The participating geographers discussed the different aspects of the European integration, with a special emphasis on the role of the Central European countries in these processes. The contributions were focused on the understanding of the socio-economic situation in the countries of the Western Balkans, and their endeavours to enter into the European Union. The authors of the articles stressed the spatial and functional changes which emerged during the transition processes in the post-socialist countries, the importance of assurance of competitive economy of individual regions at the entrance into the European market, and particularly the need to form a common regional policy in the border areas. In the discussion contributions, a special emphasis was put on the analysis of the success and the changes in the evaluation of the European model "united in differences" in the social and cultural contact areas.

The participating professors kindly accepted our invitation to prepare review contributions on the topics presented in their lectures. Thus, the undergraduate and graduate students from Austria, Bosnia and Herzegovina, the Czech Republic, Croatia, Hungary, Slovakia, Slovenia, Serbia and Poland will receive this Review as a study material, which gives it a special value.

On behalf of the international Programme Committee, I would like to thank the Faculty of Arts at the University of Maribor for its help and assistance in the organization of the International GEOREGNET Summer School.

Lučka Lorber

THE CHANGEABLE POLITICAL MAP OF THE UPPER ADRIATIC REGION: FROM CONFLICT TO HARMONY?

Milan Bufon

Ph.D., Professor

Department of Geography

Faculty of Humanities Koper

University of Primorska

Titov trg 5, SI-6000 Koper, Slovenija

e-mail: milan.bufon@fhs.upr.si

UDK: 911.3:911.7

COBISS: 1.01

Abstract

The changeable political map of the Upper Adriatic region: from conflict to harmony

The paper will present a geopolitical and political geographical overview of the Upper Adriatic region as an area of contact between different cultural, social, economic and political entities, producing potential of conflicts, particularly in the period of growing nationalism and emerging nation-state formulation in this region.

Key words

Upper Adriatic, political geographical transformations, cross-border cooperation, social and spatial convergence and divergence

1. Introduction

Thanks to the political transformations after the First and the Second World War and to the conflicts arising from the solution of the status of Trieste, the region of the Upper Adriatic has become a prime example for geopolitical handbooks and a real laboratory for studying contemporary geographic-political geo-political transformations (Bufon and Gosar 2007). The region is ideal for tracing new political borders, and studying the effects of the changes of the border on the borderland and its inhabitants. The process of setting boundaries in this region, from its apotheosis in the first half of this century, to its end in 1991 with the independence of Slovenia and Croatia, also saw the evolution of a particular geographic-political attitude. This attitude at the beginning had followed Ratzel's geopolitical principles, according to which the flexibility of defining borders shows directly the change in the power ratio between the countries. Later on the attitude shifted more toward modern integrative ideas about looking for harmony and the elimination of international conflicts. First, we will trace an overview of the development of this so very characteristic "contact" region with a special emphasis on the links between the geopolitical and ethnic transformations in the Upper Adriatic, and on more recent developments bringing harmony to the region.

2. The construction of political space in the Upper Adriatic

The origin of the "modern" border in this region has its beginning in the 16th century by the international treaty in Worms between the Republic of Venice and the Hapsburg Empire. Interestingly enough this border had undergone only minor adjustments until the First World War, and actually still represents the basis of the majority of the contemporary border between Italy and Slovenia. Its upper part, the Alpine segment, can be therefore set among the oldest and most stable boundaries in Europe. On the contrary, its southern part, the Adriatic boundary, has suffered through a different destiny characterised by instability. Here the historical border between Austria and Venice coincided again with a natural principle, this time a hydrographic one. It followed mainly the flows of Idrijca and Ansa in the West, so that the coast together with Grado and Monfalcone to the mouth of Timavo was ruled by the Republic of Venice, as was the coast of Istria to the south of Muggia. Until the middle of the 18th century both countries had agreed that, as a means of rationalisation and more precise definition of the territory, only the setting out of boundary markers on this territory was needed. At the time of Napoleon the new French rule used the same "natural" principles for drawing up borders. The border between the two political units under French rule, namely the Reign of Italy and the Illirian Province, followed the flow of Soča/Isonzo from its source to its mouth, and the watershed of Rateče, that became for the first time the marker of the national border. In spite of its "naturalness" the new border caused much discontent among the population living on both sides of the Soča river. After Napoleon's defeat Austria gained the all of northern Italy and the previous border with the Republic of Venice became an internal border and remained such until 1866, when the border between the previous Austrian Lombard-Venetian Kingdom and the District of Gorizia and Gradisca became an international border, namely between the new independent Kingdom of Italy and the Austrian Empire. This caused many disadvantages for the Friuli region; the railway connection between Trieste and Venice, and between Udine and Tarvisio, in fact, was disrupted. On the other hand, despite their "frontier" position, both Gorizia and even more Trieste began to develop more intensively. Gorizia maintained even after the First World War its role as a regional centre, since

the borders of the new region of Gorizia in Italy coincided mainly with the borders of the previous region of Gorizia in Austria, with its old eastern administrative border now the new political boundary between the Italian Kingdom and the Kingdom of Serbs, Croats and Slovenes. Meanwhile its western border, which represented the historical boundary between the Republic of Venice and the Hapsburg Empire acquired the role of an internal provincial border. On the other hand Trieste, in spite of an increase in industrialisation, lost its role as a major port, which caused a slowdown in its demographic and urban growth that had earlier characterised the city (Valussi 1972). So, in spite of these border changes prior to the Second World War, the borderland social construction at the regional level remained essentially unchanged.

After the Second World War the upper part of the boundary between Italy and Yugoslavia was again set along the old historical border, based prevalently on the orographic principle. The southern section of the contemporary border between Italy and Slovenia, however, was based on a totally new criterion of "ethnic balance". According to this criterion, the border was to coincide as much as possible with the ethnic divide between Italian and Slovene speakers, while at the same time having in both countries the same number of minority group members. This created the problem of splitting up traditionally rather persistent regions such as Gorizia and Istria as well as Trieste (Klemenčič and Bufon 1991). In the case of Gorizia the new political boundary coincided with the ethnic border between the Romance (Italian and Friulan) and Slovenian populations, in the sense that the ethnically mixed town of Gorizia and the transport connections the town needed with Trieste and Udine remained in Italy. In the case of Istria and Trieste the principle of "ethnic balance" was used, since in this region there is no clear territorial ethnic border between the Romance and Slavic (Croatian and Slovenian) population (Moodie 1950). The difficulty of drawing up boundaries in this territory is clear if we consider the fact that for the most problematic segment, Trieste, a temporary solution was found in the interim as a more suitable agreement between the international powers and the local expectations was delayed. This was the creation of so-called Free Territory of Trieste divided into two zones. Zone A, including the city of Trieste, was ruled by the Anglo-American military, whereas Zone B, including Istria, came under Yugoslav rule. This situation was finally solved in 1954, when, with a slight modification of the border advantageous to Yugoslavia, the northern part of the Free Territory of Trieste (Zone A) was left to Italy, while the southern part (Zone B) was left to Yugoslavia. The validity of this border was accepted and confirmed by Italy and Yugoslavia with small modifications, at the Treaty of Osimo in 1978.

A new problem arose with the independence of Slovenia and Croatia in 1991, when the republic boundary drawn along the ethnic border between Croatian and Slovenian population became an international border. At this point a more precise and more rational definition of the border on the ground was needed as it was on the sea, namely in the Gulf of Piran; a problem not yet fully solved (Gosar and Klemenčič 1994; Gosar and Klemenčič 2000).

As we have seen the maritime zone of the Upper Adriatic offers an interesting example of interdependence between the political and ethnic border. Both of them can be even parallel or perpendicular to each other and, particularly in Istria, they trace an interesting ethno-political "cross" (Bufon 1993a; Bufon 1999). Its vertical axe came into being between the 13th and the 15th century, when the Republic of Venice increased its power in Istria. In the second half of the 13th century it ruled

the whole western and southern coast of the peninsula of Istria, while a major part of northern Istria became Venetian in the 15th century, when the Republic of Venice obtained the land of the patriarchs of Aquileia in Muggia, Buje, and Buzet. This vertical, traditionally political axe of the "cross" of Istria is anything but a straight line, its shape is that of an inverted 'S'. The historical ethnic border on the Italian, or rather Romance population, is straighter. It includes the contemporary Slovenian coast from Koper to Dragonja, where it heads inland to Motovun, and then through Višnjan. It then runs back to the coast to Poreč, Rovinj and Pula on the western coast of Istria, while on the eastern coast it includes the hinterlands of Labin, Opatija, Rijeka, and the Islands of Kvarner. As a consequence of the Venetian "colonising", or mercantile populating policy this Italian area is characterised by various ethnic "islands" not bonded to each other, made up by sea-towns and their immediate hinterlands, on the contrary it has a more cohesive shape only between the rivers of Dragonja and Mirna. Generally speaking it can be said that the traditionally Italian ethnic area in Istria comprises a greater part of western Istria, and that the ethnic border between the Romance and Slavic ethnic groups in this area runs along the nearly straight line between Koper and Pula.

More or less during the same period between the 12th and the 15th centuries, the horizontal axe of this interesting cross of Istria, namely the ethnic border between the Slovenian and the Croatian population, took shape. Nevertheless this axe had until recently no political function. The Slovenian dense population in the area stopped at that time by the river of Dragonja and along the line north to Buzet and Rupa and it has essentially not changed since. This is rather uncommon, since, as we have already seen, this ethnic border has never been politically sustained. In this regard one thing should be stressed. Neither the vertical Romance-Slavic ethnic border nor the horizontal Croatian-Slovenian border has ever represented a true "linguistic" border between the populations of Istria. The three languages and their dialects, in fact, have merged into one another. This has occurred not only in the towns but also in the countryside creating in the areas where the three ethnic groups have been coexisting a particular dialect of Istria, that contains elements of all three different languages (Bufon 2000).

After the Republic of Venice collapsed in 1797 the whole of Istria was ruled by the Austrians, who annexed it to the Region of Kranjska. The previous political boundary in this region remained an administrative border, since western and southern Istria had a temporary provincial government in Koper. Also during the brief French rule (1805-1813) the former Venetian Istria was an independent province with its headquarters in Trieste, whereas the rest of the peninsula was part of the Croatian Province with its headquarters in Karlovac. So the old border between Austria and Venice lost its role only after the annexation of Istria to Austria, when the whole peninsula became one administrative unit with its headquarters in Pazin. Istria became a region and the seat of its regional administration was in Poreč, and the captaincy was in Rovinj. Istria, however, remained an independent province, with its headquarters in Pula. And Pula remained the capital when ruled by Italy after the First World War. The use of ethnic principles in defining borders after the Second World War showed again the contradiction of the traditional "cross" of Istria. In this sense Italy was very active in trying to revive the political function of its vertical axe. A slight influence of this axe can be seen also in the so called Morgan Line, that, from 1945 till the end of the peace conferences in 1947, divided the Anglo-American occupation region from the Yugoslav one within the controversial zone between the historical Austrian-Italian border and after the post-First World War

border between Italy and Yugoslavia. The Morgan Line ran from Ospo to the hills of Muggia and reached the sea at Debeli Rtič, dividing the frontier zone in two parts (A and B); the northern A zone also included the enclave of Pula. Its position, however, influenced the French compromise border proposal, which suggested the creation of an intermediate, politically hybrid zone, namely the Free Territory of Trieste. The southern border of this area coincided with the Morgan Line. With the end of the Free Territory of Trieste in 1954, the political function of the vertical axe of the "cross" of Istria also terminated. After a long period of vertical definition of borders in Istria, based on the Roman/Slav divide, a new era started; that of the horizontal definition of borders. This, however, sets a major part of the peninsula under the rule of one government, that of the newly constituted Croatian state. Virtually the entire peninsula, in fact, was annexed to Yugoslavia within which the ethnic border between Croats and Slovenians acquired for the first time the status of an administrative border between republics. Moreover, in 1991 the previous "no-border" horizontal line became an international border, and in December 2007 also acquired the function of the EU's external Schengen border (Bufon 2006b).

3. Changes in the ethnic structure within the cultural contact areas of the Upper Adriatic as a consequence of the political partition

All these Twentieth Century border modifications following a long period of geopolitical stability, have deeply influenced the ethnic structure of the Upper Adriatic. After the First World War, in fact, the increasingly Fascist-like Italian policy of assimilation forced the traditionally ethnically mixed coastal towns to follow the new pattern of Italian "ethnic purity", and hence they become "*città' italianissime*". This in particular was the case of Trieste, where the 1910 census found 30% of the population in the commune to be Slovenian, whereas only ten years later this figure had decreased to only 8%. According to the analysis of Čermelj, after the First World War about 100 thousand Slovenians left their homes in the ethnically mixed towns of the occupied territories (Čermelj 1965). The political emigrants moved mainly to Yugoslavia, whereas the economic ones moved overseas, to both South and North America. The political emigration of Slovenian population from Trieste continued after World War Two, especially after the Yugoslav administration departed, whereas the economic emigration increased after the end of the Free Territory of Trieste and the annexation of Trieste to Italy.

The first two decades after the Second World War were very dynamic and important for Trieste. Even though the number of its inhabitants remained virtually stable (about 250 thousand inhabitants), the structure of the population changed radically. In this period, according to the best estimates, about 50 to 60 thousand people immigrated from the areas that became part of Yugoslavia, whereas on the other hand about 30 to 40 thousand people, including many Slovenians, emigrated abroad for economic reasons mainly to Australia. Also among the immigrants the ethnic structure was different: mostly they were Italians from Istria and Rijeka, but there were also from the same areas also many Croats and Slovenes from different part of Slovenia, whose ideas were pro-western and who disagreed with the Tito communist regime. Generally speaking, the shift in political boundaries and the annexation of the city to Italy influenced also the immigration flow towards Trieste and hence also the territorial origins of its inhabitants. From the comparison of the situation in 1910 and 1991, an increase of the people born in the town (from 49% to 62%) can be seen, this means a decline in the immigration dynamic, and indirectly also in the attractiveness of the town among the hinterland inhabitants.

On the other hand, we can see also a different spatial orientation. Thus the percentage of people that immigrated to Trieste from Italy increased remarkably (from 11% to 17%) as did the number of immigrants from Istria (from 8% to 14%). On the contrary, the number of immigrants from western Slovenia decreased (from 12% to only 1%), as it did the number of the immigrants from the rest of Yugoslavia (from 10% to less than 1%), and also from Austria too (from 5% to 0%). The only figure that remained nearly unchanged is that of the immigrants from Rijeka and Dalmatia (2%) and from other countries (3 to 4%).

Tab.1: The change in the structure of the population of Trieste according to birthplace, in 1910 and 1991 (%).

Birthplace	1910	1991
Trieste	49	62
Istria	8	14
Western Slovenia	12	1
Italy	11	17
Rijeka and Dalmatia	2	2
Former Yugoslavia	10	1
Austria	5	0
Other countries	3	4

Source: Authors' analysis of statistical data.

Also the census figures regarding the ethnic structure of Istria show the impact of the political transformations on the ethnic and demographic situation of the area. According to the Austrian census of 1910 there were on the whole peninsula, excluding Trieste and Rijeka, about 250 thousand inhabitants, 52% were Italians, 39% Croatsians, and 9% Slovenians. Whereas according to the 1921 Italian census of a total of 265 thousand inhabitants, 66% were Italians, 24% Croatsians, and 9% Slovenians. Thus it seems that in a mere ten-year period the number of Italians increased by 50 thousand, whereas the number of Croatsians decreased by 30 thousand. It is clear that the cause of such a huge modification in this ethnic structure cannot be explained solely by the emigration flow of the native population and by the immigration of Italian colonisers and state employees. According to Schiffrer, the figures of the real ethnic structure were rather distorted. His figures for 1939, in fact, are the following: about 150 thousand Italians, 97 thousand Croatsians, 44 thousand Slovenians, and at least 28 thousand ethnically mixed inhabitants, and nearly 10 thousand inhabitants of other origins (Schiffrer 1946). What is immediately clear from this analysis, besides the exaggerated number of Slovenians, is the difficulty of ethnic identification among the population. This can be seen in the big number of ethnically neutral inhabitants and in the author's opinion that the people living in north-west Istria between Dragonja and Limski Kanal speak a Croatian-Italian dialect, that cannot be said to be part of any of the two languages. Something similar was noticed by Rutar at the end of the 19th century (Rutar 1896). All these difficulties of ethnic identification can be seen also in the post war census in 1948, that somehow turned upside down the statistics of 1921. Even though the emigration of Italians from Istria began in this period, this phenomenon was rather limited in the very first post-war years and therefore does not justify the finding that only 80 thousand Italians remained in Istria. Obviously many of them, who were included among the Italians twenty years before, changed their minds more or less "voluntarily". The real "exodus" of the Italian population began after 1947 and lasted for a decade; by 1961 the number of Italians in Istria had decreased to 20 thousand, thus about 100 thousand native Italians, or one third of the whole population, had joined the emigration flow. This gap has been only

partly filled with new immigrants from the rest of Yugoslavia. On the other side of the border the majority of the emigrants from Istria was settled in the area between Trieste and Monfalcone, the area which has been historically densely inhabited by the Slovenians. Thus a trend towards a "normalisation" on both sides of the border is evident, which means that the political and ethnic border should better coincide. The north-west coast of Trieste mainly inhabited by Slovenians should have become from the ethnic point of view "Italian", whereas the western coast of Istria inhabited by Italians should have become "Yugoslav" (Bufon 2003).

The influence of "external" factors on ethnic identification and self-identification is also evident in the later movements of the Italian population in Istria. According to the statistics their number, in fact, had by 1981 decreased to only 13 thousand. On the contrary, in 1991, when there was a big political and economic crisis in Yugoslavia, the number of Italians increased again to 21 thousand (Juri 1991; Repolusk 1990). Usually the biggest changes in ethnic structure occurred in the traditionally ethnically mixed urban centres, to which Italians, Slovenians, Croatians, and people of other origins had immigrated during the Austrian period. In this area a remarkable decrease in the German population, and in other more distant populations can be noticed, as it can be seen a decrease in the native population, depending on the nationality. Thus in Trieste a decrease in the Slovenian population can be seen and at the same time the Italian population, which has been traditionally the majority, has increased. In Koper, Pula, and Rijeka the formerly dominant Italians have withdrawn, and have been partly substituted by the local Slovenian or Croatian population, and by immigrants from the less developed regions and republics of former Yugoslavia (Gosar 1993). For example, more than 30 % of all the immigrants that have moved to Koper were from these areas.

Tab.2: The changes in the ethnic structure of selected towns in the Upper Adriatic between 1910 and 1991 (%).

Town	Year	Italians	Slovenians	Croatians and other Yugoslavia nations	Germans and other nations
Gorizia (Gorica)	1910	44,8	40,0	1,2	14,0
	1991*	77,0	14,0	-	9,0
Trieste (Trst)	1910	64,7	24,8	1,0	9,5
	1991*	84,0	10,0	3,0	3,0
Koper (Capodistria)	1910	78,2	18,5	1,3	1,9
	1991	2,2	82,4	15,4	-
Pula (Pola)	1910	52,0	4,9	23,2	19,9
	1991	8,1	1,9	88,0	2,0
Rijeka (Fiume)	1910	48,6	4,7	26,7	19,9
	1991	1,8	1,6	95,7	0,9

*Estimation; names in brackets are indicating that minority topography is not recognized officially.

Source: Bufon 1992; Perselli 1993.

While the census figures show clear trends in ethnic identification and the influences of the political situation, they are not very useful in assessing the "real" dimension of the ethnic structure, given that the ethnic minority groups often behave like "submerged" linguistic communities and their "visibility" depends primarily on their degree of social integration, i.e. on the protection measures taken. From more accurate surveys it is evident that in Slovenian Istria only 73% of the Italian speaking population identify themselves as Italians, and in Croatia this figure is even lower (Bogliun Debeljuh 1989 and 1994; Milani Kruljac 1990). This difference between the objective and subjective ethnic identification occurs to an even greater

extent among the Slovenians in Trieste, whose degree of formal protection is rather inferior. Here only 40% of the people who can speak Slovenian or can understand it identify themselves explicitly as Slovenians (Bufon 1992).

4. Building harmony in the Upper Adriatic borderlands

The contemporary image of the Upper Adriatic from a political-geographic point of view is thus completely different from the old image. Ethnic-political transformations in this area have erased to a great extent the formerly persistent ethnic borders. Even though cultural spaces have lost many of their traditional traits they still influence the shape of the specific territorial identity, which can be seen in the people who have moved into these places from somewhere else. Moreover, the emigration of native peoples has widened the space of original regional identity and has been influencing the forms of spatial bonds within a wider regional context (Klemenčič 1993). In this way especially the bonds between Trieste and Istria have become stronger, since in and around Trieste now lives the majority of the Istrian native Italians, who are still very bonded to their land of origin. Trieste consequently is becoming, in spite of the two borders that separate it from the rest of Istria, the new "Caput Istriae", and it is likely that this function will become even stronger in the future, since Istria is devoid of a specific regional centre. Considering that contemporary processes of integration follow the principle of "unity in diversity", it is likely that Trieste can assume again its regional function in this area, on condition that at the same time its multicultural tradition is revived (Bufon 2002).

It is a common rule for all "new" borderlands that after the elimination of political and ideological hindrances, they are the most receptive to new forms of integration between the two neighbouring countries (Bufon 1994a and 1996). This search for a wider co-operation derives from the process of overcoming the conflicts caused by the division of traditionally homogeneous administrative, social, economic and cultural spaces, and it is becoming quite evident also in the case of the »three-border« area of Trieste and Istria (Sanguin 1996; Zupancic and Repolusk 1995). "Old" borders - and the northern part of the current Italo-Slovene border is a good example of this - are based, in fact, on the "old" concepts of defining borders, that coincide with the so called natural, usually orographic, boundaries, whereas the "new" borders often penetrate in urban and densely populated areas, where the communication among the inhabitants used to be intense (Bufon 1993b; Klemenčič and Bufon 1994).

This is particularly the case of the Gorizia region. Here, the area of the Goriška Brda/Collio was cut in two and thus lively social and economic relations between the Goriška Brda and Friulian centres, representing the main outlet for the Brda agricultural products, were interrupted. Moreover, the new border hampered the access from the major part of the Goriška Brda to the villages of Solkan and Šempeter, where a new urban centre, an »alternative« to the town of Gorizia, was developing, making thus the Goriška Brda a dead enclave within its own state territory. On the other hand, the very birth of the town of Nova Gorica (»The New Gorizia«) was unusual not because it meant the construction of a »twin« town along the border, a relatively frequent phenomenon, but rather because it had to grow virtually overnight for a precise purpose: that of joining the two villages of Solkan and Šempeter into a larger and more attractive urban centre which would have to overshadow the »old« Gorizia.

These examples show that the border, drawn between Italy and Yugoslavia in 1947, opened up two possible, but extremely different perspectives: on the one hand, the strengthening of the dividing character of the border and the limitation of cross-border relations would provoke a gradual disintegration of the social and economic tissue of the border area, but on the other, the opening of the border and the promotion of traditional local ties would contribute to the integration and the development of the two border areas. It is not clear to what extent this dilemma influenced the drawing up of that part of the Peace Treaty in which the two parties are required to jointly solve certain »technical« problems regarding water and power supply. Nevertheless, the important fact is that already in 1949 the Italian and Yugoslav governments agreed to make the boundary more permeable, initially only with regard to the cross-border traffic of those farmers whose land remained on the other side of the border. But from 1955 onwards they agreed to include all local cross-border transit within a range of 10 km either side of the border. During the same year local trade within the same area was greatly liberalized. The effects of these agreements were extraordinary and undoubtedly contributed to the amicable settlement of other open questions and to the creation of a more favorable political climate both at a local and national level. Towards the end of the sixties, after the abolition of entry visas for international traffic and the stabilization of political relations, the Italo-Yugoslav border became known as one of the »most open« boundaries between Western and Communist Europe, which was undoubtedly true considering the substantially less permeable borders between other neighbor states with profoundly different political systems. But the openness of the current Italo-Slovene border, particularly with regard to local relations, was even greater than that of many other »stable« Western European cross-border regions (Bufon 1995). Intense local relations may not be so important from a macro-economic point of view, but they undoubtedly contribute to the shaping and development of more integrated cross-border regions.

In this way, not only the »berlinization« of both major urban centres along the border was avoided, but the adopted policy also deeply influenced cross-border social and economic transactions. Cross-border trade stemmed on the local level from the rather asymmetric political division: in the Gorizia region Italy obtained only 8% of the territory of the former Province of Gorizia, but 74% percent of its population and 52% of commercial businesses. It was like an apple cut in two parts: one smaller, but containing the core, the other greater, but without the core. The local border agreements permitted this »apple« to link up again, and therefore it is not surprising that after the liberalization of local cross-border traffic in 1955, the latter increased in only five years by nearly 900%. The intensity of the local cross-border traffic has undoubtedly influenced the shaping of a particular and complementary type of economic border space around the towns of Gorizia and Trieste, where the Slovenian area attracts the inhabitants of the Italian side with its cheaper petrol and food-stuff, restaurants and duty-free shops, as well as its casinos, but also with its better preserved environment, while the Italian border area is more attractive for the Slovene neighbours because of its job and shopping opportunities. A particular phenomenon, which far exceeds the local cross-border relations, is represented by the Trieste and, on a minor scale, Tarvisio daily shopping fair (Minghi 1994). The former has known its »golden age« in the seventies and eighties thanks to the Yugoslav, and particularly Croatian, shoppers, the latter, instead, has always been an Austrian target.

On the other hand, several researchers (Sussi 1973; Delli Zotti 1982) have revealed

the importance of social cross-border transactions. Investigations revealed that economic ties could develop only when local personal cross-border contacts had been established, based on cultural homogeneity, kindships and friendships. On the basis of these contacts several social contacts and other events, such as sports and cultural, could first develop. Only then, could political relations develop. Significantly, these were strengthened and finally »normalized« in the late 1970s. It seems that particularly knowledge of both languages and national or ethnic intertwining of the border population provide for more sophisticated and intense forms of social and cultural cooperation and integration. Traditionally as much as two thirds of local cross-border »public« contacts were maintained by the Slovene ethnic community in Italy, a minority which is present along the entire Italo-Slovene borderland (Bufon 1994b). This situation has only partially changed after the independence of Slovenia, even though there are now increasing efforts to give a more structured frame to these extraordinarily intense local cross-border contacts and create a new Euroregion in the Upper Adriatic, which will most probably be generated by different areas of interest such as the northern border sector, the Gorizia sector, and the Trieste sector, which could also act as the leading Euroregion for the Istrian three-border area.

But besides an increasing process of re-integration of the Upper Adriatic within the frame of the European Union and the established Schengen space, there is also a process of social and spatial dis-integration on the Slovenian-Croatian border, showing how influential remain to be wider political-geographical transformations on this interesting European contact area. Recent investigations (Bufon 2008) have revealed that expectations for future developments in cross-border cooperation are quite different among Slovene respondents at the border with Italy and Croatia: positive expectations prevail on the former, whilst negative expectations persist on the latter, as shown in Table 3. Nevertheless, both border areas are sharing the same level of potential social cross-border connection, as 81% to 83% of respondents at the border with Italy and Croatia indicated that they have friends living on the other side of the border. Significantly different is, instead, the structure of functional cross-border traffic, both in terms of intensity and motivations (see Tab. 4). On the Slovenian-Italian border, as much as 19% of the population is used to cross the border daily or at least weekly, whilst those types of visits involve only 5% of the population on the Slovenian-Croatian border. Moreover, in this border area not less than 18% of the population never cross the border in comparison with only 7% at the border with Italy. For what the motivations for cross-border movements is concerned, shopping prevails at the border with Italy (48%), whilst the same percentage goes on the border with Croatia for recreation motivations.

Tab. 3: Recent convergence and divergence processes in the Upper Adriatic – different expectations for the development of cross-border cooperation among Slovene respondents at the border with Italy and Croatia (in % of respondents).

How have cross-border relations changed after Slovenia joined the EU?

	SLO/I	SLO/CRO
Better	36,0	6,0
Same	55,0	29,0
Worse	6,0	62,0

How will cross-border relations change after the Slovenian entrance into the Schengen space?

	SLO/I	SLO/CRO
Better	49,0	14,0
Same	42,0	29,0
Worse	4,0	52,0

Source: Bufon, 2008.

Tab. 4: Recent convergence and divergence processes in the Upper Adriatic – different structure of cross-border visits among Slovene respondents at the border with Italy and Croatia (in % of respondents)

Intensity of cross-border visits

	SLO/I	SLO/CRO
Every day	7,2	1,6
At least once a week	12,0	3,6
At least once a month	33,5	20,2
At least once a year	40,2	56,7
Never	7,1	17,9

Motivations for cross-border visits

	SLO/I	SLO/CRO
Work	5,6	3,6
Supply	48,2	8,7
Visits to relatives/friends	17,5	15,5
Visits of cultural events	4,0	2,4
Recreation/Excursion	14,3	48,4

Source: Bufon, 2008.

5. Conclusions

The Upper Adriatic is a region of intense cross-border intertwining on a cultural, social, economic and political level. The diffused practice of bilingualism has been in recent times reinforced by developments in local cross-border relations and cross-border information exchange produced by the neighbouring mass media, in which border minorities have taken an important role in creating contact opportunities.

This area provides an interesting illustration of an apparently paradoxical process within borderlands: where the greater the conflicts in political partitioning of a previous homogeneous administrative, cultural and economic region, the greater have been opportunities for such a divided area to develop into an integrated cross-border region, once the appropriate conditions are given. Reflecting on the border landscape concept on the basis of this case study, it becomes clear that the political or economic "macro" approach in studying cross-border regions is not sufficient. The real qualities of these regions, however, may be found when local cultural and social elements of cross-border relations are taken into account. This great variety of micro-transactions, supported by the border population, is the result of its spatial mobility in satisfying daily needs regarding basic social functions such as shopping, work, leisure time, or even education. But they are also the result of the activity of the border population in maintaining traditional cultural links very often were forged in the relatively stable period preceding political partition. Hence, the study of border regions undoubtedly brings additional aspects to bear on the standard theory of centre-periphery relations, while opening up a range of new problems and possibilities (Bufon 2006a). Many of these are becoming increasingly more topical in today's world, as we try to enhance our mutual understanding in the culturally rich

and diverse European space. The geography of border landscapes in its social and cultural dimension is thus definitely assuming an important role in the process of "humanisation" of the traditional geographical approach to borders and border conflict resolution (Rumley and Minghi 1991).

The Upper Adriatic remains therefore a very interesting area subject to continuous geopolitical transformations. Since this area is now divided into three states it is fast becoming a new and special kind of European borderland or »Euro-region« where both convergence and divergence processes could be studied, providing thus continuous stimuli for boundary researchers. Moreover, the states involved in this region should see that their vested interests are best served by allowing it to remain an area of international and multiethnic integration and co-operation into the future. The history of the Upper Adriatic region proves, after all, that it is much more difficult to divide than to bond it together.

Literature

- Bogliun Debeljuh, L. 1989: Analisi dell'autoidentificazione etnica tra i figli dei matrimoni nazionalmente misti. V: Atti del Convegno Lingue e culture in contatto. Rijeka-Fiume.
- Bogliun Debeljuh, L. 1994: L'identità etnica - gli Italiani dell'area istro-quarnerina. Rovinj-Rovigno.
- Bufon, M. 1991: Un caso di identità etnica e territoriale: gli Sloveni in Italia. Rivista Geografica Italiana 98. Firenze.
- Bufon, M. 1992: Prostorska opredeljenost in narodna pripadnost: obmejna in etnično mešana območja v evropskih razvojnih silnicah - primer Slovencev v Furlaniji-Juljski krajini. Trst.
- Bufon, M. 1993: Istra: novi problemi starih regij. Annales 3. Koper.
- Bufon, M. 1993b: Cultural and social dimensions of borderlands: the case of the Italo-Slovene transborder area. GeoJournal 3. Dordrecht.
- Bufon, M. 1994a: Local aspects of transborder cooperation: a case study on the Italo-Slovene border landscape. V: Gallusser, W. (ur.), Political Boundaries and Coexistence. Bern.
- Bufon, M. 1994b: Nacionalne manjšine in njihova funkcija v mednarodnih integracijskih procesih: iluzija ali realnost? V: Štrukelj, I. in Sussi, E. (ur.), Narodne manjšine danes in jutri. Trst.
- Bufon, M. 1995: Prostor, meje, ljudje - razvoj prekomejnih odnosov, struktura obmejnega območja in vrednotenje obmejnosti na Goriškem. Trst.
- Bufon, M. 1996: Social integration in the Italo-Slovene border landscape: the Gorizia transborder region. TESS 3. Utrecht.
- Bufon, M. 1999: Slovene Istria and its neighbourhood: problems of shaping of social and cultural spaces. V: Šmitek, Z. in Marušič, R. (ur.), MESS - Mediterranean Ethnological Summer School, Vol. 3. Ljubljana.
- Bufon, M. 2000: Transformations ethniques et géopolitiques en Adriatique septentrionale: entre conflits et perspectives d'intégration. V: Sanguin, A.L. (ur.), Mare nostrum: dynamiques et mutations géopolitiques de la Méditerranée. Paris.
- Bufon, M. 2002: Confini, identità ed integrazione - nuove prospettive per l'Alto Adriatico. Trieste.
- Bufon, M. 2003: Cross-border cooperation in the Upper Adriatic. V: Anderson, J., O'Dowd, L. in Wilson, T.M. (ur.), New Borders for a New Europe. London.

- Bufon, M. 2006a: Between social and spatial convergence and divergence: an exploration into the political geography of European contact areas. *GeoJournal* 4. Dordrecht.
- Bufon, M. 2006b: Geography of border landscapes, borderlands and euroregions in the enlarged EU. *Rivista Geografica Italiana* 1. Firenze.
- Bufon, M. 2008: Na obrobju ali v osredju? Slovenska obmejna območja pred izzivi evropskega povezovanja. Koper.
- Bufon, M. in Gosar, A. 2007: New borders in a new Europe – Eliminating and making borders in Central Europe. V: Armstrong, W. in Anderson, J. (ur.), *Geopolitics of European Union Enlargement*. London.
- Bufon, M. In Minghi, J. 2000: The Upper Adriatic borderland – from conflict to harmony. *GeoJournal* 52. Dordrecht.
- Čermelj, L. 1965: Slovenci in Hrvatje pod Italijo med obema vojnoma. Ljubljana.
- Delli Zotti, G., 1982: Transnational relations in a border region: the case of Friuli-Venetia Julia. V: Strassoldo, R. in Delli Zotti, G. (ur.), *Cooperation and Conflicts in Border Areas*. Milano.
- Gosar, A. 1993: Nationalities of Slovenia - changing ethnic structures in Central Europe. *GeoJournal* 3. Dordrecht.
- Gosar, A. in Klemenčič, V. 1994: Current problems of border regions along the Slovene-Croatian border. V: Gallusser, W.A. (ur.), *Political Boundaries and Coexistence*. Bern.
- Gosar, A. in Klemenčič, M. 2000: Les problemes de la delimitation de la frontiere Italie-Slovenie-Croatie en Adriatique septentrionale. V: Sanguin, A.L. (ur.), *Mare Nostrum – Dynamiques et mutations geopolitiques de la Mediterranee*. Paris.
- Juri, F. 1991: Manjšinsko vprašanje v etnično mešanih okoljih: primer Istre. *Geografija v šoli* 1. Ljubljana.
- Klemenčič, V. 1993: National minorities as an element of the demographic and spatial structure of the Alpine-Adriatic-Pannonian region. *GeoJournal* 3. Dordrecht.
- Klemenčič, V. in Bufon, M., 1991: Geographic problems of frontier regions: the case of the Italo-Yugoslav border landscape. V: Rumley, D. in Minghi, J.V. (ur.), *The Geography of Border Landscapes*. London.
- Klemenčič, V. in Bufon, M. 1994: Cultural elements of integration and transformation of border regions: the case of Slovenia. *Political Geography* 1. Oxford.
- Milani Kruljac, N. 1990: La comunità italiana in Istria e a Fiume fra diglossia e bilinguismo. *Etnia* 1. Rovinj-Rovigno.
- Minghi, J.V. 1994: The impact of Slovenian independence on the Italo-Slovene borderland: an assessment of the first three years. V: Gallusser, W.A. (ur.), *Political Boundaries and Coexistence*. Bern.
- Moodie, A.E. 1950: Some new boundary problems in the Julian March. *Transactions and Papers*. London.
- Perselli, G. 1993: I censimenti della popolazione dell'Istria, con Fiume e Trieste, e di alcune città della Dalmazia tra il 1850 e il 1936. Rovinj-Rovigno.
- Repolusk, P. 1990: Spreminjanje narodnostne strukture prebivalstva kot element demogeografskega razvoja v Koprskem primorju. V: Primorje, Zbornik 15. Zborovanja slovenskih geografov. Ljubljana.
- Rutar, S. 1896: Trst in mejna grofija Istra. Ljubljana.
- Sanguin, A.L. 1996: La 'communaute submergee': les Italiens de l'Istrie croate et slovene. *Bulletin de l'Association de Geographes Francais* 73. Paris.
- Schiffner, C. 1946: La Venezia Giulia: saggio di una carta dei limiti nazionali italo-jugoslavi. Roma.

- Sussi, E. 1973: L'emergenza della regione transfrontaliera Alpe-Adria: transazioni 'pubbliche' tra Carinzia, Friuli-Venezia Giulia e Slovenia. V: Strassoldo, R. (ur.), Confini e regioni. Trieste.
- Valussi, G. 1972: Il confine nordorientale d'Italia. Trieste.
- Zupančič, J. in Repolusk, P., 1995: Regionalism in Istria. V: Koter, M. (ur.), Region and Regionalism - Social and Political Aspects. Opole-Lodz.

**THE CHANGEABLE POLITICAL MAP OF THE UPPER ADRIATIC REGION:
FROM CONFLICT TO HARMONY**

Summary

The paper will present a geopolitical and political geographical overview of the Upper Adriatic region as an area of contact between different cultural, social, economic and political entities, producing potential of conflicts, particularly in the period of growing nationalism and emerging nation-state formulation in this region. The first part of the 20th Century represented a classic example of geopolitical conflict through two World Wars and their related Peace Conferences that produced several versions of political organization of the Upper Adriatic region and a huge number of border proposals. Conflicts arising from the mid-century solution of the so-called Trieste question transformed the Upper Adriatic region into an example in geopolitical handbooks and a real laboratory of contemporary political geographic transformations. Changing geopolitical patterns have also produced considerable modifications in the political, social and ethnic construction of the Upper Adriatic region, driving neighbouring national policies to subordinate the ethno-linguistic structure to the existing state situation. The process of creating new international boundaries in the region actually ended in 1991 with the establishment of an independent Slovenia and Croatia. In this long period of geopolitical transformations in the Upper Adriatic region an evolution of the political geographic attitude can also be detected. Early on it followed Ratzel's geopolitical principles, according to which the flexibility of defining borders directly indicated the change in the power ratio between neighbouring countries, but latterly it has taken into account to a greater extent modern integrative ideas concerning an increasing interest in looking for harmony and the elimination of international conflicts. Greater attention has thus been given to the political geography of «everyday life», inter-ethnic relations and cross-border contacts. Research in the area has shown that the «new» borderlands of the Upper Adriatic region are more receptive to integration, because they are seeking to overcome conflicts caused by the division of traditionally homogeneous administrative, social, economic and cultural spaces. The potential advantages deriving from sharing common spaces among different and hitherto rival ethnic groups on a local level are emerging following the decline or even elimination of political and ideological hindrances on the state level. Since the Upper Adriatic region is now divided among three countries - Italy, Slovenia and Croatia - it is becoming a new and special type of European borderland which will surely increasingly become an object of study for many scholars interested in its social and spatial problems. Moreover, it is now in the best interests of these countries that the region should continue to develop as an area of international and inter-ethnic integration and co-operation, providing thus a possible model of coexistence practices for other European contact areas. After all, the history of the Upper Adriatic region proves that it is much more difficult to divide the region than to bond it together.

Milan Bufon: The changeable political map of the Upper Adriatic region ...

THE SIGNIFICANCE OF REGIONAL PLANNING

Andrej Černe

Ph.D., Professor

Department of Geography

Faculty of Arts

University of Ljubljana

Aškerčeva 2, SI – 1000 Ljubljana

e-mail: andrej.cerne@guest.arnes.si

UDK: 711.2

COBISS: 1.02

Abstract

The significance of regional planning

The article is a short summary of lectures at the 1st International Summer School GEOREGNET held at Faculty of Arts, University of Maribor in Maribor 23 September, 2008. The aim of the lecture was to discuss some of the basic dilemmas about the role of regional planning in a contemporary society within the context of market economy.

Key words

regional development, regional planning

Uredništvo je članek prejelo 21.12.2008

1. The context of regional development

Regional development must mean a clear improvement in the economic, social, spatial and environmental conditions because every person is entitled to better conditions. The development is possibility open to all of a country's inhabitants to enjoy material and spiritual prosperity (Friedmann 1995, xi). Such claims have at least two foundations: human rights and human development. In The Universal Declaration of Human rights (adopted by the General Assembly of the United Nations in 1948) it is stated in the article 25.1: "Everyone has the right to a standard of living for the health and wellbeing of himself and his family, including food, clothing, housing, and medical care and necessary social services, and the right to security in the event of unemployment sickness, disability, widowhood, old age, or other lack of livelihood in circumstances beyond his control" (Friedmann 1992, 10).

"Development is lived by people where they live, learn, work, love, play - and die. The primary community, whether geographical or organizational, is the immediate space open to most people. It is in the village, the neighbourhood, the town, the factory, the school, the union's local, the party's branch, the parish, the sports club, the association - whatever its purpose - that personal and societal development first and best interact" (Friedmann 1992, 4).

We may never know the ultimate limits of human development, nor may we be certain of those conditions that are most conducive to a proper human development, but we can and do know what inhibits it: hunger, poor education, a life of backbreaking labour, a constant fear of dispossession, chaotic social relations. Minority and low-income individuals and groups residing in decaying urban centres and rural hinterlands are often systematically excluded (lacking the time, training, resources, leadership, information, or experience required to participate effectively in the political process, these groups have no effective voice in determining the public policies that shape their world).

The mainstream models of economic development are not fully capable to address the massive problems of development because they emphasis mostly on rapid cumulative growth, its regional and urban bias, and the single-minded pursuit of development. Market is enabling to provide stable economic growth and an adequate standard of living for all of society's members. Market fails adequately to provide collective goods and services that provide small benefits to a large number of individuals.

The classical liberal tradition is based on the minimal state interference in society's economic affairs: to protect individual liberty and promote freedom of choice and action. Competitive markets should coordinate the actions of individuals, provide incentives to individual action, and supply those goods and services that society wants, in the quantities it desires, at the prices it is willing to pay. According to this, government has no independent role other than establishing and enforcing the rules of the game and ratifying the political adjustments worked out among the competing groups.

Market competition, properly structured and augmented, can be more efficient and equitable than traditional forms of public sector planning and regulation; traditional

models of centralized coordination are not possible in a decentralized democratic society.

The normal interplay of private action and market forces often results in situations which the nation is not willing to tolerate and which can only be improved by means of a control mechanism – planning. Special government actions within the system of regional planning referring to reduce conflicts between incompatible land uses, coordinate private development and public infrastructure, preserve open space and historic buildings, and examine the long-range impacts of current actions.

2. The aims of regional planning

Regional planning is extremely ambiguous and difficult to define. It is inherently very complex. Many of the fundamental questions concerning regional planning belong to a much broader inquiry concerning the role of the state in social and spatial transformation. Regional planning is influenced by a wide variety of substantive and procedural ideas beyond its own modest disciplinary boundaries (studies of planning refer to works in political science, law, decision theory, and public policy; writings in urban history, urban sociology, geography and economics).

It covers almost the whole of human experience. It is multi-dimensional and multi-objective in its scope. The basic objective is not well understood; there is more than one objective, and perhaps dozens (economic growth, fair distribution of income, social cohesion and stability, reduction of psychological stress, a beautiful environment – the list seems endless) – these objectives may not be readily compatible, and may indeed be contradictory. Most of the processes which need controlling are human processes, which are less well understood and work with much less certainty than laws in the physical sciences (we have to work with laws of statistical tendency rather than with laws which are constantly reliable. Its method is shared with other sorts of planning activity; its subject matter is distinctively spatial, so it would produce spatial representations of how activities should be ordered on the ground.

The boundary between regional planners and related professionals (such as real estate developers, architects, city council members) is not mutually exclusive – regional planners do not -just plan, and non-planners also plan. Regional planners not only plan development, they also negotiate, forecast, research, survey, and organize financing. On the other hand planners do not have an exclusive influence over regions – developers, businesses, politicians, and other actors that also shape development (Hall 1992).

Regional planning can be understood as a sequence of actions which are designed to solve problems in the future. Regional planning is primarily a way of thinking about economic, social, spatial, and environmental problems, oriented predominantly toward the future. Regional planning as a practical field must be able to predict the consequences of development. This process can be conceptualised into a number of stages: (1) the identification and evaluation of economic, social and spatial conditions and trends of development (2) the identification of the problem; (3) the formulation of general goals and (4) more specific and measurable objectives relating to the problem; (4) the identification of possible constraints; (6) the projection of the future situation; (7) the generation and evaluation of alternative courses of action (policy statement, strategy) (Černe 2005).

Regional planning has an economic bias and is primarily concentrated with the allocation of resources between regions to achieve certain regional and national objectives. It involves the spatial, economic and social planning of development within regions and sub-regions. Regional planning should consider the human and environmental costs of economic growth. Regional planning can and must articulate market and nonmarket relations.

Regional planning is oriented towards process. The subject matter is really that part of geography which is concerned with regional and urban systems. It is concentrated on the objectives of the plan and on alternative ways of reaching them. The emphasis is on tracing the possible consequences of alternative policies.

Regional planning is planning with a spatial, or geographical, component. It considers the effect of the variable, geographical space and distance, environment. The spatial aspect of regional planning need not be limited to the three-dimensional space of Euclidean geometry, but may extend to include notions of economic space (the costs involved in traversing distance), and psychological or perception space). It is concerned with the effect of occupational mobility on the inner city – as against the new suburb – on changing household structure as it affects the housing market near the centre of the city, on household income in relation to items like travel cost for the low-income family. The relationship of parts of the regional system in geographical space is the central concern of the regional planning.

Regional planning is a response to certain problems with a regional dimension with two dominant regional issues: (1) problems of urban regions: rapid population growth, increasing urbanisation and increasing standards of living and personal mobility; (2) problems of depressed regions suffering from economic malaise.

Regional planning is an extension of local planning, dealing particularly with those matters - the movement and distribution of population and employment, the complex interaction of social and economic needs, the provision of major recreational facilities and the main communications network, for example—which can only be decided for areas much larger than the areas of existing local planning authorities.

Regional planning is concerned with inter-regional flows of population and employment, with the availability and use of resources, and with long term economic prospects which cannot properly be considered except in the context of the balance to be achieved between growth in one region and growth requirements. Intra-regional planning is directed towards resource allocation within regions - its concern is with the allocation of resources between the subregions of the region, and between various policy fields economic development, social, environmental, transport, etc. within the region and its sub-regions; to achieve a satisfactory relationship between people jobs and the environment within the regions - social objectives concerned with factors such as the provision of housing, social, cultural and recreational facilities. Economic objectives are relating to the control of the diseconomies of the congested cities and the distribution of new investment. Environmental objectives are relating to issues such as the quality of urban form and the prevention of urban sprawl, can be identified (there may be conflict, for example, socially desirable housing distribution may conflict with the preservation of

areas of attractive landscape, and a ranking of priorities and trade-off between them may be necessary) (Glasson 1978).

Balance in the regional context does not imply equality, uniformity or conformity. Equality of opportunity for each region means to redress demographic, economic, social and environmental weaknesses and to achieve its full potential, thus ensuring that the quality of life is not mere a function of the area of the country in which people happen to live and work.

3. The role of regional planning

What role can regional planning play in development within the constraints of a market economy and a democratic political system? The need for regional planning is not constant. There are considerable disagreements over the scope and function of regional planning. Glasson (1978) rises four basic questions: (1) why is there a need to plan at all, (2) what is planning, and how does regional planning fit in, (3) why is there a need for regional planning and (4) what form does it take? Regional planning as an intervention with an intention to alter the existing course of events - the timing and legitimacy of planned intervention become questions central to regional planning: Why and in what situations should regional planners intervene? Basic questions within the concept and the system of regional planning are therefore (1) who shall plan, (2) for what purposes, (3) in what conditions and (4) by what devices.

Regional planning neither overrides nor fully controls all aspects of development. Regional planning can be defined as a form of professional intervention in the development process dominated more or less by the private sector. Any justification for regional planning thus demands evidence that such intervention produces a better regional development than that which could be generated by the economic development or by the market alone. Nevertheless, regional planning does not replace the economic and spatial development, but work through it, and with it, effecting the regional development and creating potentially development opportunities for others to implement. The extent to which regional planning can successfully influence the development process is dependent on the institutional structure of the planning itself on the different resources it can attract, the powers with which it is entrusted, and particularly on the depth of its relationship with landowners, developers, investors and other significant actors within the planning process (Thornley 1993).

Regional planning can be fully consistent with consumer sovereignty, individual freedom in production and trade, and decentralized market choice: (1) providing the information needed for informed market choice through indicative planning, the development of urban information systems an a preparation of long-range population economic land use projections; (2) provision of public goods, through transportation, environmental, and economic development planning; (3) control of externalities and resolution of prisoner's dilemma conditions (urban renewal, community development and natural resources planning, and the use of traditional land regulatory devices); (4) health housing and other forms of social planning to compensate for inequities in the distribution of basic social goods and services.

Regional planning intervenes in the private market. The duality between planning and the market: a person's opinion of planning reflects assumption about the

relationships between the private and public sectors - and how much regional planning should intervene. Triad of conflicting goals of economic development, social justice, and environmental protection has created deep-seated tensions for regional planning. It is most commonly assumed that the alternative to regional planning is the free market, but it could equally be chaos or myopic self-interest. On the one hand, regional planning should replace the chaos of the market; on the other hand, the logic of the market should replace the chaos left by regional planning. The function of regional planning is to confront the private market or helping the market along. It has no monopoly on power or expertise over its object of work. It works within the constraints of the economy, and their visions compete with those of developers, consumers, and other more powerful groups. Regional planning cannot command the resources to make it happen. It must rely on either private investment or a commitment from political leaders. Regional planning works within the constraints of democracy and of the bureaucracy of government (their goals, often have low priority within the overall political agenda). Regional planning is frequently restricted to regulatory roles. The most powerful regional planning is that who can marshal the resources to effect change and get projects built; public-private partnerships (planners as developers) make the planner more activist. The aim of regional planning is to coordinate the multiple development and regulatory initiatives undertaken in a region or between regions. Success depended on a high level of knowledge and capability to use it. It requires a level of knowledge, analysis, and organizational coordination which is extremely complex (Hall 1992).

Regional planning can intervene in the regional and spatial development process at least through three main instruments: plans, control and promotion. Therefore, regional planning has two main levers: (1) the power to control public investment, especially in elements of infrastructure (roads, railways, airports, schools, hospitals and public housing schemes); (2) the power to encourage or discourage initiatives from the private sector for physical development, through incentives or disincentives to industrial development, controls on land use, and environmental regulations (Adams 1994).

Regional plan provides a context for control decisions by stating the aims, principles, goals, objectives and targets, strategies, programmes and projects that the planning authority will adopt in seeking to manage different aspects of development. Regional plan indicates whether an planning authority wishes to encourages development (also by allocating land for special purposes), prevent it (by defining land as green belt or protected area because of natural beauty, heritage or conservation) an direct it (through a combination of the first two actions, it is by allocating land for new industrial development within the region, while preventing its development in agricultural area). Such regional guidance provides a framework for the land market, bay helping landowners, developers, investors and society as a whole to know in advance what is likely to be acceptable in some areas as well as in neighbouring communities.

Development control provides first of all a planning instruments and an administrative mechanism for the planning authority to exercise directions on specific development proposals, by deciding in each case whether to uphold the regional development plan or depart from it. Development control those enables landowners, developers and investors to challenge the regional development plan, after its adoption. The planning authority may try to control the spatial form of the development (polycentric, concentric, dispersed, corridor) as well as its location

(spatial pattern), specifying requirements for matters such as transport access, scale, environmental impacts. Although regional development control is in essence a passive process, responding to the proposals submitted for the approval for the planning authority, it is far from negative, since many authorities aim by negotiation to transform proposal that conflict with the regional development plan into ones that contribute to its implementation. Refusal is usually a last resort, except in protected areas or areas of particular restrictions (natural heritage, river, sea and lake banks).

Development promotion is the most active way in which regional planning interacts with the development process. Authorities seek to stimulate development and investments within the region or area by promoting and marketing areas, settlements and locations, making land available to developers and providing different grants and subsidies. Such important activities are often neglected in academic account of regional, spatial and urban planning, since they are usually not statutory duties under regional and spatial planning legislation and are often undertaken in specialist units or departments which have no responsibility for regional planning and control. However, as a form of planning intervention in the regional development process, promotion of development is conceptually no different from the regional plans or control.

4. The constraints and justification for regional planning

Regional planning attempts to plan for and direct developmental change have always been controversial. Conflicts are referring to comprehensive versus incremental planning, objectivity versus advocacy, centralization versus decentralization, top-down versus bottom-up leadership, and planning for (with) people versus planning for place.

Traditional arguments for planning: (1) need for representing the collective interests of the community: calls for planning as an independent function of government charged with promoting the public interest; (2) need for considering the external effects of individual action: conception of planning as comprehensive coordination - planning is required to provide information on the physical development and the long-range implications of current actions.

According to Klosterman (in Readings in Planning Theory 1996) there are four major types of arguments that have been used to criticize and defend planning are: economic, public goods, prisoner's dilemma conditions and distributional questions.

Economic arguments for abandoning planning, reducing regulation, and restricting the size of government call for increased reliance on private entrepreneurship and the competitive forces of the market. Regional planning has been accused to stifle entrepreneurial initiative, impede innovation, and impose unnecessary financial and administrative burdens on the economy.

Prisoner's dilemma refers to conditions that are linked with circumstances in which individuals' pursuit of their own self-interest does not lead to an optimal outcome for society or for the individual involved.

Distributional questions refer to presumption that perfectly competitive markets will allocate resources (given an initial distribution of resources) in such a way that no one can benefit without someone else being harmed (neither the initial nor the final

distribution can be assumed to be in any way optimal, both are determined largely by inherited wealth, innate talent, and blind luck and can range from states of perfect equality to extremes of tremendous wealth and abject poverty economic efficiency alone provides no criterion for judging one state superior in any way to another. Given a societal consensus on the proper allocation of resources, government tax collection and income transfer programs are justified to achieve these objectives with minimal market interference.

Within this context many believe (Readings in Planning Theory 1996) that, despite limitations, markets are still more effective than attempts at centralized coordination by government through the regional planning system:

- Government responsibility in a market society need not be regional planning matters at all - government decisions concerning the provision of public goods, the control of externalities, and so on can be made in a number of ways: by professional planners, elected or appointed public officials, by the proclamations of a divine ruler, or by pure happenstance involving no deliberate decision process at all.
- The inability of existing markets to allocate society's resources adequately does not necessarily imply that government provision, regulation, or planning are necessary advisable.
- Suitably defined and administered performance standards, building codes, development requirements may guide the land development process more effectively than traditional master planning and zoning techniques.
- Effluent charges can often control pollution discharges more efficiently than the direct enforcement of effluent standards.
- Public facilities and services may be provided more equitably by leasing and voucher systems than directly by government.
- The appropriate role for regional planning may not be the preparation of formal end-state plans but the establishment and maintenance of the appropriate system of quasi - markets.

From this aspect regional planning is limited to the "adjunctive" functions of providing information, analyzing alternative public policies, and identifying bases for improved group interaction (improving existing decentralized decision processes by providing the information needed for more informed decision making).

According to Hall (1992), regional planning should not claim the instant ability to solve complex problems, unique expertise and should not claim to know what is good for people. Regional planning should be exploratory and instructive. It should aim to help communities think clearly and logically about resolving their problems. It should try to examine alternative courses of action and trace through the consequences of each of these for different groups of people in different places. Regional planning should not seek to avoid the difficult questions of who exercises political power on behalf of whom, and by what legitimacy. It should make recommendations, but it should not seek impose prescriptions. And at last but not list it should claim modestly that planners may perhaps be more capable than the average person to conduct this kind of analysis (it should aim to provide a resource for democratic and informed decision-making).

Literature

- Adams, D. 1994: Urban Planning and the Development Process. UCL Press, London.
- Černe, A. 2005: Strokovne analize v prostorskem planiranju. Geografski pogledi na regionalni razvoj. Dela 23, Oddelek za geografijo, Filozofska fakulteta, Ljubljana, str. 115 – 161.
- Friedmann, J. 1995: Empowerment. The Politics of Alternative Development. Blackwell, Cambridge.
- Friedmann J. 1988: Planning in the Public Domain: From Knowledge to Action. Princeton University, Press, Princeton.
- Glasson, J. 1978: An Introduction to Regional Planning. 2nd edition, The Built Environment, UCL Press, London.
- Hall, P. 1992: Urban and Regional Planning. Routledge, London, New York.
- Readings in Planning Theory. 1996, Ed. by Scott Campbell and Susan Fainstein, Blackwell, Cambridge.
- Thornley, A. 1993: Urban Planning Under Thatcherism. The Challenge of the Market. Routledge, London.

POMEN REGIONALNEGA PLANIRANJA

Povzetek

Regionalno planiranje niti ne more preseči niti v celoti nadzorovati neprestane spremembe v regionalnem razvoju, vendar pa na njih poskuša vplivati na tak ali drugačen način. Regionalno planiranje lahko opredelimo kot oblika intervencije v razvojnem procesu v katerem prevladuje zasebni sektor.

Kakršno koli opravičevanje regionalnega planiranja zahteva neko obliko dokazov o tem, da posegi v razvoj ustvarjajo boljšo regionalno strukturo, kot pa je tista, ki bi bila posledica zgolj tržnih razmerij. Kljub temu pa velja poudariti, da regionalno planiranje ne more nadomestiti tržišča, marveč deluje skozi tržne pogoje, saj vpliva na vrednost zemljišč in s tem na njihov nakup in prodajo ter ustvarja potencialne razvojne možnosti. V tržnih gospodarstvih ni torej veljavna nobena teorija o regionalnem planiranju, ki bi predpostavljala, da lahko regionalne planerske institucije v celoti nadzirajo regionalni razvoj. Nasprotno, uspešnost vplivanja regionalno planerskih institucij na razvojni proces je odvisna pravzaprav od virov, ki jih te institucije lahko angažirajo, moči zaupanja in še prav posebej od razmerij z lastniki zemljišč, investitorji, lokalnimi skupnostmi in drugimi pomembnimi razvojnimi dejavniki.

Regionalno planiranje lahko vpliva na razvojni proces, več ali manj samo na dva načina: (1) z močjo nadzora javnih investicij, posebno na področju infrastrukture (ceste, železnice, letališča, šole, bolnišnice, socialna stanovanjska gradnja) in (2) s spodbujanjem ali preprečevanjem pobud zasebnega sektorja pri razvoju, in sicer na podlagi politike regionalnega razvoja, nadzora nad rabo zemljišč, okoljskih normativov in standardov itd. Regionalno planiranje lahko intervenira v regionalnem razvoju na podlagi treh glavnih instrumentov: planov, nadzora in spodbud.

Regionalni plani so neke vrste kontekst za sprejemanje odločitev, ki se nanaša predvsem na namene, načela, cilje, strategije, programe in projekte, ki jih regionalno planiranje oblikuje za potrebe doseganja ciljev na področju regionalnega razvoja. Regionalni plani kažejo na to kje želi država, zaradi doseganja regionalno-razvojnih ciljev spodbujati razvoj (tudi z določanjem območij za poseben razvoj), v katera območja in področja ga želi usmerjati (z opredeljevanjem posebnih razvojnih območij) in na katerih območjih ga želi preprečevati.

Nadzor nad razvojem je predvsem tisti planerski instrument in administrativni mehanizem, ki omogoča regionalno planerskim institucijam uresničevati usmeritve na področju regionalnega razvoja, in sicer na podlagi ugotavljanja skladnosti regionalnih planov s politiko in strategijo regionalnega razvoja. Planerske institucije lahko nadzorujejo prostorsko obliko regionalnega razvoja (policentrično, prostorsko koncentrirano, koncentrično), kakor tudi samo prostorsko razporeditev (prostorski vzorec). Čeprav je nadzor nad razvojem v bistvu pasivno dejanje, saj predstavlja odgovor na predloge za razvoj, pa vendar ni negativen, saj se na podlagi medsebojnega sporazumevanja med različnimi razvojnimi dejavniki najpogosteje oblikujejo nove in primernejše rešitve za uresničevanje ciljev regionalnega razvoja. Zavrnitev predloga za razvoj je najpogosteje zadnja opcija, razen v nekaterih varstvenih območjih oziroma območjih, ki so pod posebnim varstvenim režimom.

Promocija razvoja je verjetno najaktivnejša oblika s katero lahko regionalno planiranje sodeluje v razvojnem procesu. Institucije poskušajo spodbujati razvoj in

investicije znotraj regija ali posameznih območij na podlagi promoviranja in »trženja« teh regij in območij, njihovih naselij in posameznih lokacij. Take dejavnosti regionalnega planiranja najpogosteje nimajo velike podpore v akademskih krogih, saj najpogosteje niso del uradne politike in strategije regionalnega planiranja. Čeprav promocija razvoja, kot oblika planerske intervencije v razvojnem procesu, ni konceptualno v nasprotju z regionalnimi plani in nadzorom nad razvojem.

S teh treh vidikov se zastavlja vprašanje, kakšno vlogo naj ima regionalno planiranje v razvoju sodobne družbe v pogojih tržnega gospodarstva in demokratičnega političnega sistema. Temeljna razhajanja med planerskimi strokovnjaki glede sodobnega koncepta in sistema regionalnega planiranja se nanašajo na vprašanja o tem (1) kdo naj planira, (2) s kakšnim namenom (3) pod kakšnimi pogoji in (4) na kakšne načine.

PRINCIPAL SPACE-RELATED TRANSFORMATION PROCESSES DEMONSTRATED BY MAPS OF THE ATLAS OF EASTERN AND SOUTHEASTERN EUROPE

Peter Jordan

Ph.D., Associate and Honorary Professor
Austrian Academy of Sciences
Institute of Urban and Regional Research
Postgasse 7/4/2, A-1010 Wien, Österreich
e-mail: peter.jordan@oeaw.ac.at

UDK: 911.7:914

COBISS: 1.02

Abstract

Principal space-related transformation processes demonstrated by maps of the atlas of eastern and southeastern Europe

The article highlights some principal transformation processes in the post-Communist transformation countries of Central and Southeast Europe. This comprises (1) environmental change, (2) growing spatial disparities, (3) democratic transformation with a focus on administrative decentralisation and (4) the consequences of a rise in national and ethnic consciousness. As its main source this article is based on the Atlas of Eastern and Southeastern Europe, edited as a thematic map series since 1989 by the author of this article.

Key words

transformation, Central Europe, Southeast Europe, environment, spatial disparities, administrative decentralisation, national consciousness

1. Introduction

This paper highlights some main directions and problem areas of the transformation process. It refers spatially to all former Communist countries of Europe, but focuses on the transformation countries of Central and Southeast Europe. Maps of the Atlas of Eastern Europe serve as the main source of spatial reference and spatial differentiation. The Atlas has been published in 26 instalments since 1989 and portrays in this way very well the spatial dimension of transformation.

Major directions and problem fields to be highlighted are (1) environmental change, (2) the problem of growing spatial disparities, (3) democratic transformation and the problems accompanying developing democratic structures as well as (4) the "second national awakening" and conflicts arising from exaggerated national consciousness.

Other important thematic fields of the transformation process like economic transformation, the change of modal split in transportation or the suburbanisation processes around larger cities are just marginally mentioned.

2. Goals and concept of the Atlas

The Atlas of Eastern and Southeastern Europe (Jordan 1989) is published, first by the Austrian Institute of East and Southeast European Studies, now by the Austrian Academy of Sciences, since 1989 succeeding the Atlas of the Danubian Countries (Breu 1970-1989).

It is a scientific thematic map series published in individual numbers and attempting to highlight spatial effects of current transformation processes in the transition countries of Central, East and Southeast Europe. This is done partly by survey maps in smaller scales (1:1.5 mill., 1:3 mill., 1:6 mill.) rendering a topic in a transnational and comparative way, partly by case studies of individual countries or parts of countries in relatively large scales (down to 1: 200,000). Survey maps of larger regions like Central and Southeast Europe or Central Europe offer, compared to a wide choice of national cartographic products of partly excellent quality, but confined to a state territory, the added value of comparable presentation across country borders. The usual variety in data structure and cartographic methods is in this way supplemented by harmonized data sets and methodologically homogeneous presentations. This is combined with a rather detailed spatial resolution, for reasons of map scale not achievable by school, hand and world atlases. So far, 26 issues or instalments have been published in the framework of this atlas. They are composed of at least one map and an accompanying text book in German and English, but include partly several maps. 13 of the instalments are devoted to larger regions enabling comparison across country borders, two more are right now in elaboration. Two instalments are also available as an interactive internet version accessible via www.aos.ac.at.

3. Environmental change

When looking at the main types of environmental changes that occurred from the late 1980s to the late 1990s, the most obvious is the vanishing of the former

gradient in environmental pollution from the "Black Triangle," the former GDR, southern Poland, and the Czech Republic, due to the relatively successful restructuring of industry and agriculture, as well as the application of new production and environmental protection technologies in the most advanced reform countries of East Central Europe. In contrast to Poland, the Czech Republic, Slovakia, Hungary, and Slovenia, environmental pollution in the east and southeast of Europe (mainly Ukraine, Moldavia, Romania, and Bulgaria) has not been reduced significantly since the late 1980s. Apart from this general pattern, the comparison between the two temporal cross-sections as portrayed by two instaments of the Atlas (Nefedova et al. 1992, Hartung et al. 2003) reveals a number of minor and more local developments, which, however, tell a lot about local and national approaches towards economic restructuring and environmental protection.

3.1 The situation in the late 1980s

3.1.1 Large-scale air pollution

The representation of large-scale air pollution on the map (Nefedova et al. 1992) is based on the concentration of sulphur dioxide (SO_2), since comparable data were available across the whole region only for this indicator. Various other indicators such as dust or nitrogenoxide concentration were used additionally to define peaks of pollution.

The map shows a compact zone of increased air pollution from the south of the former GDR, across former Czechoslovakia, southern Poland, and Hungary, to the north of former Yugoslavia, western Romania and Bulgaria. Isolated patches of increased, high or very high air pollution can be found in eastern parts of Romania and Bulgaria, as well as in parts of the former Soviet Union. Within this compact zone some regions stand out by high and very high concentrations: the south of the former GDR, where thermoelectric power production based on local brown coal, and the chemical industry contributed most to pollution; northern Bohemia (Čechy), where similar polluters were also responsible for massive damage to forests in the Ore Mountains (Erzgebirge/Krušné hory); southwestern Poland and northern Moravia (Morava), especially Lower Silesia (Dolny Śląsk) with its copper smelting plants, and the Upper Silesian Industrial District with its comprehensive heavy industry based on black coal mining; the Horná Nitra basin in Slovakia, where the polluting effect of a thermoelectric power station burning brown coal was multiplied by temperature inversions in winter; the industrial axis through northern Hungary (from Bakony across Budapest to Miskolc and Ózd) with aluminium huts in the west, chemical production concentrated in Budapest, and iron and steel mills in the northeast; the central part of Slovenia, especially from coal mining and thermoelectric power production in Trbovlje and Soštanj, with impacts reaching as far as southern Austria; some mining and industrial regions in Bosnia (Bosna) and Serbia (Srbija), as well as in Romania, with lignite mining and burning in the Motru basin, steel mills and black coal mining in Hunedoara and Petroșani, respectively, and the industrial agglomerations of Bucharest (București) and its surrounding areas, including Pitești with its oil refinery, and Ploiești with its petrochemical industry; finally the lower Marica basin in Bulgaria with its large thermoelectric power stations burning brown coal.

3.1.2 Air pollution in larger settlements

Air pollution in larger settlements frequently differs from large-scale air pollution due to local industrial, communal and traffic emissions, as well as specific meteorological situations including location in basins, and prevailing wind directions. Therefore, this indicator is shown separately on the map.

Most polluted in this respect were all the cities of Upper Silesia (Górny Śląsk) including the Czech part, as well as Cracow (Kraków), due to its heavy industry (Nowa Huta) and its location in a basin, which prompts temperature inversions in winter (Trafas 1991). The most polluted capitals were Budapest and Prague (Praha); Budapest due to its chemical industry and its location in the wind shadow of the Buda Mountains (Budai-hegység), which impedes proper ventilation; Prague due to its diversified industry and its location in the rather narrow valley of the Vltava river. Chişinău, the capital of Moldavia, rounds out the list of the most polluted larger cities in the east.

Relatively better in air quality were Leipzig, Dresden, Ljubljana, Zagreb, Belgrade (Beograd), Bucharest, Sofia (Sofija) and Kiev (Kiïv). Least polluted capitals in the countries thematically treated were Berlin and Vienna (Wien).

3.1.3 Water pollution

Water quality as it is shown on the map is the result of the harmonisation of divergent national classifications. Some of them were based on chemical, and others on biological indicators.

Generally speaking, in the western parts of the map section river pollution was almost only low in mountain regions, that is, near to the source, while in Belorussia, Ukraine, and Moldavia good water quality was also typical for lowland sections of rivers, due to the overall lower levels of industrial intensity and agricultural land use. Extremely polluted larger rivers include the Elbe, the Oder (Odra), the Vistula (Wisła), the Drava (from the Yugoslavian border), and the Sava.

Water quality among large lakes was poorest in Lake Balaton, especially its western basin, and with some of the Masurian lakes in Poland. Water pollution was relatively low in Lake Ohrid (Ohridsko Ezero/Liqeni i Ohrit), Lake Prespa (Prespansko Ezero/Liqeni i Prespës/Megále Préspa) and Lake Scutari (Skadarsko jezero/Liqeni i Shkodrës).

Comparing water quality along the southern Baltic coast, along the Black Sea coast of Bulgaria, Romania, and the Odessa region of Ukraine, as well as along the eastern Adriatic coast, the Adriatic coast ranked best, while the Baltic coast ranked lowest. Very heavy pollution, especially in the large bays of the southern Baltic, the Bay of Szczecin (Zalew Szczeczinski/Oderhaff), and the Bay of Gdańsk (Zalew Gdański), was caused primarily by their large and heavily polluted confluents, the Oder and the Vistula; and by the shallow water of these bays. Along the section of the Black Sea coast shown on the map, heavy and very heavy water pollution was concentrated in the vicinity of large ports including Burgas, Varna, Constanţa, and Odessa (Odesa), and around industries on the coastline, such as the Năvodari oil refinery north of Constanţa. The comparatively favourable conditions along the eastern coast of the Adriatic can be explained by rather limited settlement and

industrial density, a low intensity of agricultural use, a lack of larger polluted rivers, a system of sea currents providing the eastern coast of the Adriatic with less contaminated water from the eastern Mediterranean basin – water polluted by the large rivers from the Po Plain (Pianura Padana) is exported along the (Italian) west coast – and by the relative deepness of the eastern coast (partly over 100 m), as well as by the occurrence of submarine sources (vrulje) augmenting coastal waters with clean water from the karst hydrologic system. Thus, the water quality along the eastern Adriatic coast is by far superior to that along the western (Italian) coast.

3.1.4 Damage to forests

The map discerns between damage to forests caused by air pollution and damages caused by careless industrial use, neglecting regeneration, age and species structure.

Damage by air pollution was most intensive in the Ore Mountains at the border between the former GDR and Czechoslovakia, in Lusatia (Lausitz) (GDR), in the uplands and mountains around the Upper Silesian industrial district (Beskids (Beskidy), Jeseník), in central Slovenia, in the Romanian Jiu Valley, and in eastern Serbia, as well as in the Balkan Mountains (Stara planina) north of Sofia. Careless industrial use was most obvious in the Ukrainian and Romanian Carpathians, as well as in Belorussia.

3.2 The situation in the late 1990s

After the collapse of the Communist system, the environmental situation in east central Europe improved remarkably. The main reason for this improvement was what could be called "passive sanitation," that is, the closing down or conversion of the heaviest industrial polluters, as well as de-industrialisation of agriculture in at least some of the countries. In addition, some active measures against further pollution were taken, such as the application of filters at thermoelectric power stations, or their replacement by nuclear power stations, as was the case in Slovakia and the Czech Republic.

Active sanitation, however, was definitely responsible for only a minor part of the improvement. Shortage in financial capacities, as well as a still less-developed environmental consciousness were the major reasons for the limited use of active sanitation measures. The condition of the environment was still considered a less pressing problem than economic restructuring by the vast majority of the population. The opinions that economic restructuring will automatically result in a reduction of environmental problems, and that international support is needed for environmental sanitation were also held by many. Environmental movements and parties had, in general, lost their former vigour.

A new threat to the environment had emerged in the dramatic growth of road traffic, which was increasingly replacing railroad transportation.

3.2.1 Large-scale air pollution

What was indicated on the 1980s map as a compact zone of increased air pollution has been dissolved into individual patches on the map showing the state of the late 1990s (Hartung et al. 2003). The "Black Triangle" over the southern GDR,

Czechoslovakia, and southern Poland had lost much of its force, but was still the largest contiguous area of at least "increased" air pollution in the whole map area. However, while air pollution in the countries of East Central Europe (Poland, Czech Republic, Slovakia, Hungary, Slovenia) was decisively lower in the late 1990s than in the late 1980s, the situation further to the east (Belorussia, Ukraine, Moldavia) and southeast (Romania, Bulgaria) had not improved very much. The former concentration of pollutants on the western part of the map section had therefore been replaced by a more even distribution.

3.2.2 Air pollution in larger settlements

Air pollution in larger settlements had decreased in many cases. In the Czech Republic, only Prague and the industrial towns of Northern Bohemia were still heavily polluted, but their levels of pollution were less than they had been in the late 1980s. In eastern Germany, due to de-industrialisation, the pollution of Leipzig, Chemnitz, and Dresden had been at least slightly reduced, and significantly reduced in Halle. All the larger urban centers of Upper Silesia demonstrated values well below those in the late 1980s; only Katowice and Cracow stood out as still having "high" pollution. Budapest, which has had the heaviest pollution of all capitals in the late 1980s, now had remarkably better values. The reduction of heavy industry also positively affected air pollution in the towns and cities in the rest of Hungary's former industrial belt from Bakony to Miskolc. In Romania, former centers of urban air pollution including Bucharest, Ploești, Brăila, Galați, and Giurgiu were much less prominent, while others such as Huneoara, Baia Mare, and Onești remained at the same levels. In contrast to the improvements in at least parts of Romania, the situation in Bulgaria was not better than before; in Sofia and its surrounding areas it had even taken a turn for the worse. Pernik, an industrial town southwest of Sofia, was identified as the nadir of the whole map section in terms of air pollution in larger settlements.

While air pollution in Chișinău had improved from a dangerous situation, the larger cities of the western and central Ukraine, including L'viv, Kiev, and Žitomir had higher pollution values than before.

3.2.3 Water pollution

In contrast to air pollution, river pollution had not been significantly reduced. Still heavily polluted rivers included the Vistula, the Oder, and the Warta of Poland; the Elbe, the upper course of Spree, the Elster, the Mulde, and the Saale in the southeastern regions of the former GDR; the Dye, the Jihlava, and the Morava in southern Moravia; the Váh and the Nitra in western Slovakia; the Danube, the Tisza, the Rába, and the Körös in Hungary; the Sava and the Drava in lowland Croatia; and the Danube and the lower courses of all its major Danube tributaries, including the Jiu, the Olt, the Vede, the Argeș, and the Ialomița in Valachia. Significant improvements in river water quality were confined to the Sava and Drava rivers in Slovenia, and the Mur, Salzach, Traun, and Inn rivers in Austria.

While the water quality of Lake Balaton had not improved significantly, in spite of the construction of a canalisation network, the formerly heavily polluted Masurian lakes now displayed much better levels of pollution.

The coastal waters of the southern Baltic Sea were less polluted than before, especially along the Pomeranian coast outside the large bays. The bays also demonstrated a slightly improved water quality. At the Black Sea coast, the former heavy pollution in the vicinity of larger ports had been smoothed. The eastern Adriatic coast had maintained its low pollution level.

3.2.4 Damage to forests

In the map showing the situation in the late 1990s, damage to forests are not differentiated by particular causes. High intensity damage was still present in northern Bohemia from the Ore Mountains to the Sudeten (Sudety), and in eastern Bohemia (Orlické hory), as well as in a wreath around Upper Silesia, including a zone from Częstochowa to Radom.

4. Growing spatial disparities

Spatial disparities at the sub-national level, i.e. of regions and sub-national administrative units are reflected by several maps of the Atlas, especially by maps on the central place system (Grimm, Friedlein, Müller 1997), population development (Kupiszewski 1992) and migration (Kupiszewski 1993), socio-economic transformation (Jordan, Nefedova et al. 1994) as well as transformation in agriculture (Knappe et al. 2004).

A principal issue to be derived from these maps, but anyway also known from many other sources (e.g., Gorzelak 1996, Fassmann 1997, Heller 1998) is the divide into "winners" and "losers" of socio-economic transformation in the spatial (regional) sense.

Winners of transformation are in the first line metropolitan cities and large regional centres. Due to their favourable infrastructure, easy accessibility, diversified economic structure and rich human capital they succeeded to attract qualified and strategic investment from the very beginning of transformation. Their winner role is reflected also by population growth, mostly, however, directed to the urban fringe and not to the urban core resulting in the very typical effect of suburbanisation. The only major exception in this latter respect is Tirana, which reports a population increase (affecting also the urban core) from about 300,000 in 1990 to currently about 900,000 (qualified estimates, Doka 2005).

A positive effect on regional centres can best be observed in larger countries, where besides the primate city other centres have space enough to play a major role. This is certainly true for Poland, where besides the capital Warsaw (Warszawa) also Poznań, Wrocław, Cracow (Kraków) and Gdańsk show a very positive development. Another good example is Romania, where apart from the capital Bucharest (Bucureşti), certainly at the very top of the country's socio-economic development, also regional centres like Timişoara, Cluj-Napoca, Braşov, Sibiu, Craiova, Iaşi and Constanţa have been rather successful.

In smaller countries or countries with a rather dominant metropolis only one or a few regional centres apart from the capital were more prosperous. In the Czech Republic this can actually only be said of Brno, the "secret capital" of Moravia (Morava); in Hungary for Pécs and Debrecen; in Serbia for Novi Sad and Niš; and in Bulgaria for Plovdiv, Varna and Burgas. Cities like Košice in Slovakia, Maribor in

Slovenia or Rijeka and Split in Croatia suffer already from their rather limited or economically peripheral catchment.

A second type of winners are western border belts, when they border a country in a better socio-economic position. They profit from border trade, daily commuting to the neighbouring country with higher wages, shopping and excursion tourism from this other country, the outsourcing of industrial productions due to the gradient in labour costs and other kinds of public and private trans-border co-operation. Typical examples in this respect are the Hungarian and Slovakian border regions towards Austria, the Czech border regions towards Bavaria and Austria, the Romanian border region towards Hungary, the Serbian Vojvodina as the border region towards Hungary, the western Ukraine east of the Polish border.

A next type of winners are rural regions with tourism. They profit from (besides agriculture) a second source of income. The effect is stronger, when tourism is not mono-seasonal. Examples for this type are the Tatra Mountains (Tatry) in Poland as well as in Slovakia with both a winter and a summer season; the Masurian Lakes (Pojezerze Mazurkie) in Poland, where rural tourism based on an attractive lakeside scenery flourishes; the Adriatic coast in Slovenia, Croatia and Montenegro, which succeeded to recover after a longer break caused by the post-Yugoslavian wars and crises due to a turn towards quality tourism; the Bulgarian Black Sea coast, which (much in contrast to the Romanian) succeeded in restructuring Socialist welfare tourism; Romanian Transylvania (Ardeal) and Bukovina (Bucovina), where cultural monuments (of the Saxons in Transylvania, the Moldavian monasteries in Bukovina) as well as sentimental and ethnic tourism (mainly in Transylvania) flourish.

A last type of winners are rural regions along communication corridors and economic development axes between larger centres. They profit from their location and participate in the success of the centres. Most frequently, however, socio-economic development along these corridors is spatially not homogeneous, but confined to pockets or urbanised zones. It may also happen that human capital is due to selective out-migration already exhausted so that the basis for economic development is missing. Typical cases in point are the corridor between Budapest and Vienna, the Slovenian main transportation axis from Trieste via Ljubljana to Maribor and further to the Hungarian border, the main Croatian transportation corridor between Zagreb and Rijeka, the Morava corridor in Serbia between Belgrade (Beograd) and Niš or the Marica corridor from Sofia via Plovdiv to Edirne in Bulgaria.

Apart from old industrial regions with heavy industries, for which it is difficult to be converted and modernised (e.g. Upper Silesian Industrial Region (Górny Śląsk) in Poland, Ostrava-Karvina Region in the Czech Republic) the main loser is the rural space, if it is not favoured by the above-mentioned factors, i.e. if it has no potentials for tourism or other tertiary activities. In terms of area, these are large parts of the transformation countries.

As general reasons for the at least relative, but frequently also absolute and accelerated socio-economic decline of the rural space the following may be mentioned:

- Rural space receives less investment than urban and especially metropolitan regions, since investment into urban centres offers higher and faster returns of the invested capital. This is due to their better infrastructure, more diversified

economic structure and better provision with human capital. This means less innovation and modernisation in the rural space.

- Much in contrast especially to Alpine regions in Austria, Germany, Switzerland, Italy and France, but to rural space in Western Europe in general, rural space in transformation countries receives much less, if any subsidies from European or national sources. Rural economy is therefore almost exclusively determined by market prices and income in agriculture as compared to income in other branches of the economy. Transformation countries, who are European Union (EU) members, will only in the longer run receive an amount of subsidies from EU Common Agricultural Policy (CAP) comparable to what is received by "old" EU members. Very likely also, the overall amount of CAP subsidies will be reduced after the programme period 2007-2013. Usually this resulted in a decline in agricultural land use and production.
- The agricultural markets of transformation countries were forced to open themselves towards the world market. This resulted in the intrusion of powerful competitors from the EU and from overseas not only in the sector of agricultural production in the narrower sense, but also with foodstuff produced on the basis of agricultural products. Prestigious world trade marks are preferred by consumers and replace domestic offers. Partly even surplus productions in old EU members (e.g. of potatoes, sugar beet) which would have to be destroyed are offered in transformation countries at dumping prices reducing in this way the market chances of local producers even more.
- Due to the fact that restitution to former owners and their heirs has been the main method of post-Communist land reform, the average agricultural enterprise is small and economically weak. Much in contrast to old EU members, also administrative, social and economic supportive structures are missing. This makes small agricultural producers dependent of monopolists, when they need seeds, fertilisers, machines or want to sell their products.
- Migration flows are directed towards better economic prospects. This means in general selective migration from rural to urban space leaving older, less qualified and less active, also politically structure-conservative people behind. This means a decline of market production in favour of subsistence and a further reduction of potentials for innovation.

Where agriculture had to a high extent been collectivised in the Communist period (all countries to at least 85%, except Poland and Yugoslavia, only 22% and 32% resp., Taschler 1989), the administrative centres of large state and collective farms had not only acquired economic, but also educational, health care, social and cultural functions for the rural population. The dissolution of these large enterprises meant also the closing down of these extra-economic functions and very often no adequate replacement by central functions of villages and communes. This contributed to a reduction in quality of life in rural space.

5. Democratic transformation

From two maps plus accompanying texts showing the administrative subdivision of Central and Southeast Europe as of 1 January 1989 (Jordan, Slawinski 1989) compared to 1 January 2007 (Jordan 2008) it can be concluded that at the local level (NUTS-5, partly NUTS-4) self-government has been established in all countries. In the successor states of Yugoslavia it had already existed in Communist times (Yugoslavia had developed a specific system of self-administrative Socialism). In Bulgaria it has been established in 1988, in all other countries in 1990 and later.

When it comes to discuss the regional levels (NUTS-2 to NUTS-4), it can be summed up that only Poland has self-government at the NUTS-2 (province) level. The Czech Republic, Slovakia, Hungary, Croatia and Romania have self-governing units at the NUTS-3 (region) level, Slovakia with a very specific solution: two administrative bodies at the same regional level are responsible for the same territory. Bulgaria has self-government only at the lower regional level (NUTS-4, the level of districts or very large communes). In Estonia and Latvia is no self-government at regional levels, although administrative regions exist. Slovenia has not implemented administrative regions so far.

5.1 Major problems accompanying decentralisation in accession countries

5.1.1 Danger that socio-economic disparities grow

Regional disparities have always been more distinct in the eastern parts of Europe than in the West. They have in the Communist period been somewhat disguised by an industrial location policy not corresponding to market principles, but have again gained momentum in the transformation period. Decentralisation stresses disparities, since it widens the financial autonomy of subnational administrative bodies. Subnational bodies must rely on own financial resources more than before, transfer payments from the national level decrease. Economically sound and active units have sufficient own resources and income, peripheral and economically weak units lack sufficient own resources.

5.1.2 Lack of qualified and trained personnel especially at the local level

Lack of qualified and trained personnel is one of the most frequent arguments of "centralists" against decentralisation. The quality of public services indeed declines, when they are executed by insufficiently trained personnel. This is a huge problem mainly in small communes and in rural areas. They suffer from brain drain and an unfavourable demographic structure (over-ageing), a lack of money. This impedes also the participation of these administrative units in EU structural funding and pre-accession programmes, since participation is based on the elaboration of good projects (and there is nobody able to do this).

National governments, associations of communes, political parties, educational institutions do a lot to improve this situation by offering training courses, but real improvement needs time.

5.1.3 Lack of civil participation

Democracy and self-government needs the engagement for public and community affairs not only of some officials, but of a wider public. Readiness to engage oneself in public and community affairs is, however, weak, especially with older people and in the rural space. This is due to bad experiences in the Communist period, also due to another heritage of the Communist period, to the still prevailing idea that "the state is caring for everything; I must not engage myself", due also to a lack of emotional contact and loyalty towards political parties. They are young institutions, have only to a minor extent a permanent clientele and lack the power of mass mobilization. Mediation from abroad could help. This is a wide field for NGOs, since neutral actors are required, not associated with parties or other political forces.

5.1.4 Lack of coincidence between administrative and cultural regions

Regional identity is important for the acceptance of an administrative unit by the citizens, for making them engaged for the region. Regional or cultural identity is constituted by a common history, common traditions and can be accentuated by certain ethnic, linguistic and religious characteristics. But distinct regional and cultural identities only partly exist. Only some countries are composed of a complete set of such identities: Poland, the Czech Republic, Hungary, Slovenia, Croatia, Romania, Latvia and Lithuania. In others only some parts of the country can boast of such identities: Slovakia, Bulgaria, Estonia. Among the countries in question only Poland has utilized this potential for its most recent administrative reform.

5.1.5 Lack of coincidence between administrative and functional regions

If functional regions in the sense of gravitational zones or catchment areas of cities at several spatial levels do not coincide with administrative regions, this means not utilizing possible synergetic effects which result from the fact that the same centre is not only the administrative centre, but also the centre of social and economic spatial structures. There is not really a "lack" of such coincidence, since most countries have adapted their administrative regions to functional regions very well. But there are some exceptions: Slovakia, Hungary, Croatia, Latvia, partly also Poland.

5.1.6 Self-government has only exceptionally been established at the NUTS-2 level

The NUTS-2 level is the most important recipient of EU structural funding. It is within the intention of this funding structure that funds should be received by administrative units governing themselves and deciding themselves on the use of these funds and not by authorities dependent on the central government or on other subnational units. However, self-government at this level exists only in Poland. In other countries only planning units have been established at this level. They are no juridical persons. In some countries they depend on regions with self-government (Czech Republic, Hungary, Romania), in others on the central government (Slovakia, Bulgaria). In Croatia and the Baltic countries even planning units do not exist so far.

One may raise the question, why it was so difficult to implement self-government at the NUTS-2 level? One answer is that central governments are afraid of a "federalisation" of the country and of strengthening centrifugal forces going eventually as far as regionalism, ethnic particularism and even irredentism. This may apply to the Czech Republic (as regards Moravian regionalism), Slovakia (as regards the large Hungarian minority), Slovenia (as regards the strong regional identities), Croatia (as regards mainly Istrian regionalism), Romania (as regards the large Hungarian minority), Bulgaria (as regards the large Turkish minority). A second explanation is that an additional administrative level should be avoided, especially in the smaller countries, since it consumes expenses and needs another layer of civil officers. A third explanation is that representatives of the administrative levels already established are afraid of losing competences, financial resources and do not want to be subordinated to higher units.

5.1.7 Share of competences between the administrative levels

In the course of implementation of a comprehensive new administrative system it is not easy to arrive at the optimum share of competences from the beginning. Most desirable would be precise and exclusive attributions and the avoiding of overlapping and shared competences. For the optimum share, however, there is no general rule. It depends on the size of the country, the size of subnational units, population density, settlement structure, economic structure and administrative traditions.

5.1.8 Lack of horizontal networks

While vertical connections exist (between units at different levels and between subnational units and the national level), horizontal networks are very frequently missing. They would be desirable and useful between cities of similar rank, between cities and their catchment area, between rural communes across regional boundaries, between regions and communes at both sides of an international border. Horizontal networks would a.o. promote a better share of functions, a concentration on and better utilization of comparative advantages and exchange of know-how.

5.2 Driving forces in decentralisation

Driving forces for decentralisation in general and administrative regionalisation in particular are quoted below roughly in the sequence of their importance at the average of the countries investigated.

- Cities and economically prospering regions: They are clearly the winners of decentralisation. They dispose over ample resources of their own, which they can use for their own purposes and projects in a decentralised system. They are not as dependent on state transfers (which decline) and dispose over sufficient human capital, since they gain from brain drain. They are therefore also able to elaborate good projects that are funded.
- Political elites ready to comply to the requirements of EU integration and accession.
- Regional and local media: Diversification (especially of electronic) media is high in almost all countries. A plenty of regional and local broadcasting and television stations create a regional and local consciousness and engage themselves for regional and local interests.
- Conservative and liberal political parties: They are not bound to a centralistic ideology or background.
- Other political actors with a regionalized or localized organisational structure of their own or aiming at regionally or locally diversified political goals, e.g. culture associations, farmers' associations, fishermen's associations, chambers of commerce.
- Good coincidence between administrative and functional regions.
- Good coincidence between administrative and cultural regions.
- Ethnic minorities, if they are not regarded (by the central government or by the majority population) as a threat to national integrity.

6. Rise of national / ethnic awareness and resulting problems

Several maps of the atlas are devoted to the representation of national/ethnic structures (Kocsis 1990; Jordan, Schappelwein, Tarhov 1993; Jordan et al. 1995; Wolf, Förster 1999; Jordan, Kocsis et al. 2006). Accompanying texts highlight political and societal backgrounds, characteristics of national/ethnic identities as well as ethnic conflicts, especially minority issues. The most recent map of this series (Jordan, Kocsis et al. 2006) shows ethnic consciousness in Central and Southeast Europe according to the census round of 2000 and by administrative units at the NUTS-4 level.

Generally speaking, national/ethnic awareness has gained ground after the fall of Communism. This can partly be explained as a reaction to this a-national and (at least by declaration) internationalist ideology and as filling the ideological vacuum it left behind. It is partly also due to the economic and social transformation crisis, in which governments and political leaders were in the habit of appealing to national/ethnic consciousness in the hope of releasing additional resources.

Other reasons, typical not only for the former Communist countries, but also for Western Europe, are:

- Globalisation does strengthen the need to preserve one's own and the group's identity, to find support in a cultural group, to remain special.
- The decentralisation and regionalizing process under way in the EU and beyond its borders (towards a "Europe of regions") favours cultural minorities as the manifestation or representatives of regional identity.
- The European Union and the Council of Europe declared the cultural diversity of the continent an essential trait of the European identity and are prepared to go to considerable expense to maintain it (see the complicated and costly EU official language regulation).

Most obvious and a matter of most tragic results was the resurgence of the national question in former Yugoslavia. Communist Yugoslavia, which was *de facto* a multinational state, but which in the interwar period understood itself also as nation state – namely, of the Yugoslavian nation consisting of the Serbian, Croat and Slovene peoples – went a way different from other Communist countries also in this regard. In a conscious break with the Yugoslavia of the interwar period which was under the hegemony of the Serbs, Tito's Yugoslavia sought a balance between the southern Slavic nations. The non-Slavic Albanians however, were not accorded an equal role.

Achieving this balance involved more than just establishing a federal system. Under the pressure of Tito's partisan movement which had also achieved victory over the Serbian nationalist Chetniks, the Serbs were stripped of their territorial possessions: (1) Regions referred to in Serbia as southern Serbia were upgraded to the Republic of Macedonia, its majority population was provided with all the trappings of a separate Orthodox nation (standard language, autocephalous Orthodox church); (2) Serbia was prevented from direct interference with sections of Serbia that contained large national/ethnic minorities (Kosovo, Vojvodina) because they were autonomous; (3) Bosnia-Herzegovina, whose population up to the 1961 census was predominantly Serbian (The Miroslav Krleža Lexicographical Institute 1993, 123), was granted the status of a republic with no special rights for the Serbs; (4) Montenegro, which had been an independent state prior to the formation of Yugoslavia, but which had integrated itself without reservation into Yugoslavia and

whose majority understood itself nationally as Serbs, was also established as an independent republic with "Montenegrins" as the titular nation; (5) 12 compact communes in Croatia bordering each other with Serbian majorities received no special status.

All these measures were tolerated by the Serbs. Flare-ups of Serbian nationalism (such as occurred in the first half of the 1960s when the Serb Aleksander Ranković was the General Secretary of the Communist League) were suppressed under Tito's authority. Nationalist demonstrations by Croats and Slovenes, which were grounded in the feeling that they were disadvantaged within Yugoslavia's disparity equalization system, for which they as the most economically capable always ended up footing the bill, were likewise held back by Tito.

What was lacking to go along with the suppression of national claims and nationalist upsurges through the power of the Communist dictatorship and despite relatively favorable economic conditions, was grappling with the history of the severe conflicts between the Yugoslavian nations (and also with Albanians), especially during the Second World War. They had caused severe mutual injury and continued to fester on as unresolved potential conflicts.

Once the economic situation began to deteriorate in 1980 (bottlenecks with fuel and consumer goods supply at the beginning of the 1980s), following the death of the unanimously popular Tito, the national consciousness of all of these resurfaced. This is also reflected statistically in the decrease in numbers of those who thought of themselves as supranational, in a purely civic sense as "Yugoslavians" – that is, who no longer considered their national/ethnic affiliation essential. Between the all-Yugoslav census of 1981 and that of 1991, this group dropped from 5.4 % to 3.0 % of the population (Savezni zavod za statistiku 1981; Savezni zavod za statistiku 1993).

The resurgence of a national consciousness meant for Serbs that they strengthened their claim to primacy in the whole state and intended to restrict the far-reaching self government of the autonomous Serbian provinces, especially Kosovo. Early in the 1980s, the idea of Greater Serbia was reawakened in the background, which considered all of the Orthodox southern Slavs except for Bulgarians, and all those who spoke the Štokavian dialect to be Serbs, and which held the belief, along the lines of the 1844 published "schemes" of Načertanje, that the Serbian people would only be capable of successful national development once they succeeded in dominating the rest of the southern Slavs. An important representative of the Greater Serbia idea was the Serbian geographer Jovan Cvijić (1865-1927), to whom the Serbian nationalists often made reference.

Among Croats and Slovenes the resurgence of a national consciousness strengthened the conviction that they did not have to share the fruits of their economic achievements with others. They also strove to live out their national cultures even more in their respective republics.

As the majority in Bosnia-Herzegovina, the Bosniaks (at the time called "ethnic Muslims") strove for political dominance in this republic. The Kosovar Albanians demanded the status of a republic in Kosovo. The ethnic Macedonians increasingly viewed its minority-rich republic as its own nation state. Only Montenegro continued to cooperate closely with Serbia.

With these divergent aims, so at odds with one another, the resurgence of the national question became the driving force behind the collapse of Yugoslavia.

Nationalism and nationalist thinking culminated during the wars following Yugoslavia's collapse, but are still common in the whole of post-Communist Europe, but especially in Southeast Europe today and more deeply rooted than in many other parts of Europe. It is associated with the "youth" of these nations, who first sought to free themselves from the dominance of the superpowers and then to emancipate themselves from nationally different elites. It is associated with the Orthodox churches who, unlike the universal Roman Catholic Church, understand themselves to be national churches and after the fall of Communism regained influence in society. It is also very much associated with the inversion of the political position between these nations, who as Muslim converts backed the authority of the Ottoman Empire, and those other nations, who as Christians were discriminated against at that time and later represented the state nations. The latter accuse the former of betraying the common cause out of opportunism – an accusation that weighs heavily considering the keen historical consciousness in Southeast Europe. This, in fact, was the backdrop to some extent of all the virulent conflicts in the region today between Serbs and Albanians, Bosniaks and Serbs/Croats, Macedonians and Albanians.

The strong national consciousness, based on very different historical views and often antagonistic, makes the relationships between neighboring countries, as well as political and economic cooperation in the region, most significantly in Southeast Europe, difficult. Most of these states have oriented themselves, if at all, to an external reference point (Brussels, USA) rather than trying to seek an intra-regional relationship. That makes it more difficult for Southeast Europe to overcome the status of the European periphery and to gain influence.

7. Conclusion

As regards environmental change a general improvement can be stated. It is, however, more significant in economically prosperous countries and regions and shows a West-East gradient so typical also for economic power and economic transformation.

Spatial disparities grow especially between larger cities and rural space. Other regional winners of transformation are border belts towards economically more prosperous countries and regions with intensive tourism. Rural spaces left behind are characterised a.o. by a lack of young and active population, by insufficient transportation, social, health care and cultural infrastructures as well as by societal and political attitudes inclined to conserve existing structures and to avoid innovations.

Democratic transformation has proceeded differently in individual countries and was partly impeded by violent conflict. When the political landscape as represented by party systems and administrative decentralisation and regionalisation are taken as indicators for democratisation processes, also a West-East or Northwest-Southeast gradient can be observed.

After the rather a-national period of Communism the national idea has significantly grown in force resulting in conflicts between nations and in a recovery of minority problems. Vigour of the national idea as well as the political handling of national and ethnic conflicts may be regarded as indicative for the status of the transformation process.

Literature

- Bertić, I. (ed.) 1987: Veliki geografski atlas Jugoslavije. Zagreb: SNL.
- Breu, J. 1970-1989: Atlas of the Danubian Countries. Wien: Deuticke.
- Bufon, M. et al. (ed.), 2006: The Western Balkans – A European Challenge. On the Decennial of the Dayton Agreement. Koper: Založba Annales.
- Carter, F.W.; Turnock, D., ed. 2002: Environmental Problems of East Central Europe. 2nd Edition. London, New York: Routledge.
- Daxner, M. et al. (ed.) 2005: Bilanz Balkan. Wien, München: Verlag für Geschichte und Politik, Oldenbourg Verlag. = Schriftenreihe des Österreichischen Ost- und Südosteuropa-Instituts, vol. 30.
- Doka, Dh. 2005: Regionale und lokale Entwicklungen in Albanien – ausgewählte Beispiele. Potsdam: Universitätsverlag. = Potsdamer Geographische Forschungen, vol. 24.
- Fassmann, H. 1997: Regionale Transformationsforschung. Theoretische Begründung und empirische Beispiele. In: Beiträge zur regionalen Geographie 44, Leipzig, 30-45.
- Gajdusek, M. F. 2000: Parallele Prozesse im städtischen und ländlichen Raum Bulgariens nach der Wende 1989. Diploma work, University of Agronomics, Wien.
- Garašanin, I. 1844: Načertanje. Beograd.
- Goehrke, C.; Gilly, S. (ed.) 2000: Transformation und historisches Erbe in den Staaten des europäischen Ostens. Bern: Peter Lang.
- Goetz, St. J. (ed.) 2001: Agricultural Transformation and Land Use in Central and Eastern Europe. Aldershot, Burlington USA, Singapore, Sydney: Ashgate.
- Gorzalak, G. 1996: The Regional Dimension of Transformation in Central Europe. London, Bristol: Jessica Kingsley Publishers and Regional Studies Association.
- Greif, F. 2001: EU-Erweiterung: Landwirtschaft und ländlicher Raum. In: Agrarische Rundschau, 3-6.
- Grimm, F.-D. (ed.) 1995: Der Wandel des ländlichen Raums in Südosteuropa. München.
- Grimm, F.-D.; Friedlein, G.; Müller, E. 1997: Central Place Systems in Central and Eastern Europe. In: Jordan, P. (ed.): Atlas of Eastern and Southeastern Europe, Berlin, Stuttgart: Borntraeger, No.5.3-MO1.
- Grimm, F.-D.; Knappe, E. (eds.) 2001: Landwirtschaft und ländliche Räume – Außenseiter des Transformationsprozesses in den Ländern Südosteuropas? München. = Südosteuropa-Studien, vol. 69.
- Hartung, A. et al. 2003: Environmental Problems in Central and Southeastern Europe around 1995. In: Jordan, P. (ed.): Atlas of Eastern and Southeastern Europe, Berlin, Stuttgart: Borntraeger, No.1.7-G7.
- Hatschikjan, M.; Troebst, St. (eds.) 1999: Südosteuropa. Ein Handbuch. Gesellschaft, Politik, Wirtschaft, Kultur. München.
- Havrlant, M.; Jankowski, A.; Sadowski, S. 1999: Anthropogenic Modification to the Relief of Upper Silesia. In: Jordan, P. (ed.): Atlas of Eastern and Southeastern Europe, Berlin, Stuttgart: Borntraeger, No. 1.5-CZ/PL1.

- Heller W. 1998: Transformation: Current importance of the subject, open questions and research deficits. In: Heller W. (ed.), Romania: Migration, socio-economic transformation and perspectives of regional development, Südosteuropa-Studien, vol. 62, 14-22.
- Henkel, R. (ed.) 2006: South Eastern European Countries on their Way to Europe. Geographical Aspects. Leipzig. = forum ifl, No. 5.
- Hirschhausen, B. v.; Gerbaud, F. 1998: La „question agraire“ ou la renaissance d'un vieux défi. In: Rey, V. (ed.): Les territoires centre-européens. Dilemmes et défis. L'Europe médiane en question. Paris 1998, 141-166.
- Ilieva, M.; Iliev, I. 1995: Changes in the Ownership and Farmland Use in Bulgaria during the Transition to Market Economy. In: Problems of Geography 4, 16-21.
- Jordan, P. (ed.) 1989: Atlas of Eastern and Southeastern Europe. Berlin, Stuttgart: Borntraeger.
- Jordan, P. 1992: Regionale Identität in Mitteleuropa im Hinblick auf die europäische Integration. In: Mitteilungen der Österreichischen Geographischen Gesellschaft, vol. 134, 177-188.
- Jordan, P. 2001: Regional Identities and Regionalization in East-Central Europe. In: Post-Soviet Geography and Economics, 42, 4, 235-265.
- Jordan, P. 2004: EU-Erweiterung und europäische Identität. In: Mitteilungen der Österreichischen Geographischen Gesellschaft, vol. 146, 43-60.
- Jordan, P. 2004: Renaissance of Regionalism – Reaction to Globalisation and European Integration? In: Siwek T., Baar V. (eds.): Globalisation and its Geopolitical, Cultural, Economic and Ecological Context, 13-22.
- Jordan, P. 2005: Major problems of administrative regionalisation and decentralisation in Central and Southeast Europe. In: Acta Universitatis Carolinae, Geographica XXXVIII, 1, 141-155.
- Jordan, P. 2006: Administrative regionalisation in Southeast Europe – Slow progress due to strong regional identities and cultural minorities? In: Henkel R. (ed.): South Eastern European Countries on their Way to Europe. Geographical Aspects, 39-59.
- Jordan, P. 2007: Aussagemöglichkeiten des Atlas Ost- und Südosteuropa im Bereich des Pannonischen Beckens. In: Hurni, L.; Klinghammer, I.; Roubitschek, W. (eds.): Thematische Kartierungen in den Geowissenschaften / Thematic Mapping in Geosciences. Leopoldina-Meeting vom 25. bis 27. Mai 2006 in Budapest, Stuttgart. = Nova Acta Leopoldina, New Series, vol. 94, No. 349, 91-111.
- Jordan P. 2008: Administrative Subdivision of Central and Southeast Europe. In: Jordan, P. (ed.): Atlas of Eastern and Southeastern Europe, Berlin, Stuttgart: Borntraeger, No. 5.4.-G10.
- Jordan, P. 2008: Geopolitical developments in South East Europe. The political-geographical rearrangement of South East Europe. In: Europa Regional, vol. 15., 2007, No. 7, 87-98.
- Jordan, P.; Slawinski, I. 1989: Administrative Subdivision of Eastern and Southeastern Europe. In: Jordan, P. (ed.): Atlas of Eastern and Southeastern Europe, Berlin, Stuttgart: Borntraeger, No. 5.1.-G1.
- Jordan, P.; Nefedova, T. et al. 1994: First Socio-economic Effects of Transformation of Central and Eastern Europe. In: Jordan, P. (ed.): Atlas of Eastern and Southeastern Europe, Berlin, Stuttgart: Borntraeger, No. 3.3.-O2.
- Jordan, P. et al. 2001: The Europe of the Regions: Strategies and Perspectives in the View of the Forthcoming Enlargement of the European Union (Part II on Bulgaria, Latvia, Lithuania, Malta, Romania, Slovakia and Turkey). Study on behalf of the Committee of the Regions of the European Union (COR). Brussels.

- Jordan, P. ; Kocsis, K. et al. 2007: Ethnic Consciousness in Central and Southeast Europe (1: 3,000.000). In: Jordan, P. (ed.): Atlas of Eastern and Southeastern Europe, Berlin, Stuttgart: Borntraeger, No. 2.9-G9.
- Kiefer, D. 1979: Entwicklungspolitik in Jugoslawien. München.
- Klemenčić, M. 1997: Atlas Europe. Zagreb: Leksikografski zavod.
- Knappe, E.; Ratčina, M. et al. 2004: Transformation of Agriculture in Central and Southeast Europe. In: Jordan, P. (ed.): Atlas of Eastern and Southeastern Europe, Berlin, Stuttgart: Borntraeger, No. 3.5-G8.
- Kocsis, K. 1990: Language Distribution in Transylvania. In: Jordan, P. (ed.): Atlas of Eastern and Southeastern Europe, Berlin, Stuttgart: Borntraeger, No. 2.2-R3.
- Kocsis, K. (ed.) 2007: South Eastern Europe in Maps. Budapest.
- Kupiszewski, M. 1992: Population Development in Poland 1980-1990. In: Jordan, P. (ed.): Atlas of Eastern and Southeastern Europe, Berlin, Stuttgart: Borntraeger, No. 2.4-PL2.
- Kupiszewski, M. 1993: Poland as a Source of Migration and Travel. In: Jordan, P. (ed.): Atlas of Eastern and Southeastern Europe, Berlin, Stuttgart: Borntraeger, No. 2.6-PL3.
- Lienau, C. (ed.) 2001: Raumstrukturen und Grenzen in Südosteuropa. München = Südosteuropa-Jahrbuch, vol. 32.
- Lukas, Z. 2001: Die Landwirtschaft der Transformationsländer 2000. In: Osteuropa-Wirtschaft 46/2, 105-124.
- Müller, D. 2000: Der ländliche Raum Südosteuropa in der Transformation. Agrarpopulismus in der Zwischenkriegszeit und Reformstrategien in den 90er Jahren am Beispiel Rumäniens. In: Aus der Südosteuropa-Forschung, vol. 12, 55-61.
- Nefedova, T. et al. 1992: Use and Problems of Environment in Central and Eastern Europe. In: Jordan, P. (ed.): Atlas of Eastern and Southeastern Europe, Berlin, Stuttgart: Borntraeger, No. 1.2-G4.
- Quitt, E. 1992: Topoclimatic Types in Central Europe. In: Jordan, P. (ed.): Atlas of Eastern and Southeastern Europe, Berlin, Stuttgart: Borntraeger, No. 1.3-M1.
- Richling, A. et al. 1996: Ecology of Land Use in Central Europe. In: Jordan, P. (ed.): Atlas of Eastern and Southeastern Europe, Berlin, Stuttgart: Borntraeger, No. 1.4-M2.
- Rudenko, L.G.; Ratov, V. P. 2000: Soil and Water Quality in the Ukraine. In: Jordan, P. (ed.): Atlas of Eastern and Southeastern Europe, Berlin, Stuttgart: Borntraeger, No. 1.6-UA1.
- Savezni zavod za statistiku (ed.) 1981: Popis stanovništva, domaćinstva i stanova u 1981. godini: Nacionalni sastav stanovništva po opštinama. Beograd.
- Savezni zavod za statistiku (ed.) 1993: Popis stanovništva, domaćinstva, stanova i poljoprivrednih gazdinstva u 1991. godini. Stanovništvo, vol. 3: Nacionalna pripadnost, detaljna klasifikacija. Beograd.
- Schappelwein, K. 1990: Power Industry of Eastern and Southeastern Europe. In: Jordan, P. (ed.): Atlas of Eastern and Southeastern Europe, Berlin, Stuttgart: Borntraeger, No. 3.2-G2.
- Schulze, E.; Netzband, C. 1998: Ergebnisse eines Vergleichs von Rechtsformen landwirtschaftlicher Unternehmen in Mittel- und Osteuropäischen Ländern. IAMO Discussion Paper 11, Halle (Saale).
- Sundhaussen, H. 1993: Experiment Jugoslawien. Von der Staatsgründung bis zum Staatszerfall. Mannheim.
- Surd, V. (ed.) 1999: Rural Space and Regional Development. s.l. (Cluj-Napoca).
- Taschler, B. 1989: Agricultural Structure. In: Breu, J. (ed.): Atlas der Donauländer. Wien, No. 322.

- The Miroslav Krleža Lexicographical Institute (ed.) 1993: A Concise Atlas of the republic of Croatia & of the republic of Bosnia and Hercegovina. Zagreb.
- Trafas, K. 1991: Air Pollution in Southern Poland. In: Jordan, P. (ed.): Atlas of Eastern and Southeastern Europe, Berlin, Stuttgart: Borntraeger, No. 1.1-PL1.
- Turnock, D. 1998: Privatization in rural Eastern Europe. Cheltenham, Northampton.
- Turnock, D. 2001: Agricultural transformation of land use in Central and Eastern Europe. Aldershot: Ashgate.
- Vasović, M. 1980: Jovan Cvijić 1865-1927. Geographers. Biobibliographical Studies, vol. 4, 25-32.
- White, G.W. 2000: Nationalism and Territory. Constructing Group Identity in Southeastern Europe. Lanham, Boulder, New York, Oxford.
- Žuljić, St. 1991: A critical assessment of certain of J. Cvijić's conclusions and messages in his anthropogeographic research. In: Bogнар, A. et al. (eds.): Geopolitical and demographical issues of Croatia. Zagreb. = Geographical Papers, vol. 8, 345-392.

PRINCIPAL SPACE-RELATED TRANSFORMATION PROCESSES DEMONSTRATED BY MAPS OF THE ATLAS OF EASTERN AND SOUTHEASTERN EUROPE

Summary

This paper highlights some main directions and problem areas of the transformation process. It refers spatially to all former Communist countries of Europe, but focuses on the transformation countries of Central and Southeast Europe. Maps of the Atlas of Eastern Europe serve as the main source of spatial reference and spatial differentiation. The Atlas has been published in 26 instalments since 1989 and portrays in this way very well the spatial dimension of transformation.

When looking at the main types of environmental changes that occurred from the late 1980s to the late 1990s, the most obvious is the vanishing of the former gradient in environmental pollution from the "Black Triangle," the former GDR, southern Poland, and the Czech Republic, due to the relatively successful restructuring of industry and agriculture, as well as the application of new production and environmental protection technologies in the most advanced reform countries of East Central Europe. In contrast to Poland, the Czech Republic, Slovakia, Hungary, and Slovenia, environmental pollution in the east and southeast of Europe has not been reduced significantly since the late 1980s. Apart from this general pattern, the comparison between the two temporal cross-sections as portrayed by two instaments of the Atlas reveals a number of minor and more local developments, which, however, tell a lot about local and national approaches towards economic restructuring and environmental protection.

Spatial disparities at the sub-national level, i.e. of regions and sub-national administrative units are reflected by several maps of the Atlas, especially by maps on the central place system, population development and migration, socio-economic transformation as well as transformation in agriculture.

A principal issue to be derived from these maps, but anyway also known from many other sources is the divide into "winners" and "losers" of socio-economic transformation in the spatial (regional) sense. Winners of transformation are in the first line metropolitan cities and large regional centres. A second type of winners

are western border belts, when they border a country in a better socio-economic position. A third type are rural regions with tourism. A last type are rural regions along communication corridors and economic development axes between larger centres. Apart from old industrial regions with heavy industries, for which it is difficult to be converted and modernised (e.g. Upper Silesian Industrial Region in Poland, Ostrava-Karvina Region in the Czech Republic) the main loser is the rural space, if it is not favoured by the above-mentioned factors, i.e. if it has no potentials for tourism or other tertiary activities. In terms of area, these are large parts of the transformation countries.

From two maps plus accompanying texts showing the administrative subdivision of Central and Southeast Europe as of 1 January 1989 compared to 1 January 2007 it can be concluded that at the local level (NUTS-5, partly NUTS-4) self-government has been established in all countries. In the successor states of Yugoslavia it had already existed in Communist times (Yugoslavia had developed a specific system of self-administrative Socialism). In Bulgaria it has been established in 1988, in all other countries in 1990 and later.

When it comes to discuss the regional levels (NUTS-2 to NUTS-4), it can be summed up that only Poland has self-government at the NUTS-2 (province) level. The Czech Republic, Slovakia, Hungary, Croatia and Romania have self-governing units at the NUTS-3 (region) level, Slovakia with a very specific solution: two administrative bodies at the same regional level are responsible for the same territory. Bulgaria has self-government only at the lower regional level (NUTS-4, the level of districts or very large communes). In Estonia and Latvia is no self-government at regional levels, although administrative regions exist. Slovenia has not implemented administrative regions so far.

Several maps of the atlas are devoted to the representation of national/ethnic structures. Accompanying texts highlight political and societal backgrounds, characteristics of national/ethnic identities as well as ethnic conflicts, especially minority issues. The most recent map of this series shows ethnic consciousness in Central and Southeast Europe according to the census round of 2000 and by administrative units at the NUTS-4 level. Generally speaking, national/ethnic awareness has gained ground after the fall of Communism. This can partly be explained as a reaction to this a-national and (at least by declaration) internationalist ideology and as filling the ideological vacuum it left behind. It is partly also due to the economic and social transformation crisis, in which governments and political leaders were in the habit of appealing to national/ethnic consciousness in the hope of releasing additional resources.

NEW CHALLENGES OF GEOGRAPHY IN CULTURAL AND INSTITUTIONAL ASSOCIATION WITHIN THE EUROPEAN HIGHER EDUCATION AREA

Lučka Lorber

Ph.D, Assistant Professor
University of Maribor
Faculty of Arts
Department of Geography
Koroška 160, 2000 Maribor, Slovenia
e-mail: lucka.lorber@uni-mb.si

UDK: 373.547:910.3

COBISS: 1.02

Abstract

New challenges of geography in cultural and institutional association within the European higher education area

University of Maribor has in the last few years been an active partner in establishing and encouraging regional cooperation within Danube Rector's network and Alpe-Adria network. Geographers have helped form the policy and concepts of regional partnership and connecting of spatial projects and initiatives, particularly in the regions of Central Europe and Western Balkans. An example of good practice is the Central European network GEOREGNET, which enables mobility of professors and students and contributes to the understanding among people and cooperation in higher education.

The new challenges of Geography in the establishment of Euroregions and formation of a European cultural area represent a new understanding of the importance of creating a network of institutional cooperation and education of geographers. Research and pedagogical work in the field of Geography enable development and implementation of internationally comparable post-graduate study programmes and research programmes.

With the establishment of University Centre for Euro-Mediterranean Studies, Slovenia has assumed the responsibility and an active role in encouraging the cooperation of higher education institutions in order to accomplish the goals of the European higher education area and strengthen intercultural understanding, not only between the countries of Euro-Mediterranean region, but also in the sense of global regional associations.

Key words

regional partnership, universities' networks, intercultural understanding, global associations, challenges of Geography

1. Introduction

The idea of a united Europe as a political and economic community originated in the European peace processes after the World War II with the intention to reach a complete thinking, decision-making and acting in the interest of common development. The rapid economic growth in the USA, the increasing Asian labour- and technological superiority of the recent past had strengthened the conviction that the European space has to be a knowledge-based competitive region in the world. The states have decided to combine their creative and innovative potentials in seeking for a firm alliance focused on searching for optimal synergies between national and European solutions, especially in the academic and research areas.

European unity, especially after Maastricht and Nice, does not concern solely geographical or historical factors, but insists primarily on a cultural and institutional affiliation with Europe. In other words, geography and history are indispensable conditions for a European identity, but as European unification is mainly an institutional and cultural process, belonging to Europe is evaluated today by taking into consideration institutions and culture (Marga 2006).

In the Lisbon Strategy, the Heads of the EU member states have committed themselves, and have confirmed their commitment in the renewed Lisbon Strategy, to defining the investment in human resources and development of active and dynamic social states as key priorities in creating a knowledge-based economy. This meant that the commitment of the Member States to giving encouragement to and promotion of lifelong learning as one of the highest priorities reflects recognition of the fact that permanent development of skills is the primary factor in the overall increase of employability. Slovenia must also find effective and systematic ways of achieving its national goals in the framework of common European policies, strategies and regulations. To foster Slovenian economic growth, it is necessary to increase the effect of domestic and foreign knowledge. The basic change to be achieved in the field of education was reinforcing cooperation between research, academic and economic institutions. Joint efforts of experts and economists in developing new technological, organizational, design, marketing and other solutions was the best way to greater innovation and faster technological development of the economy (CEC 2006). The goal was to create an effective and open "innovation system" for interactive cooperation between key stakeholders, to create a stimulating environment, to encourage the Bologna reform of the existing universities, to create new, smaller, specialized institutions of higher education, and to promote interaction between educational and research institutions in the private and public sectors.

Cooperation also brought other advantages, such as better visibility of Slovene higher education institutions. In order to successfully respond to new needs and expectations of society, the universities will be faced with changes in the principles of their management, with changes in their teaching methods, and with the introduction of strict quality assurance measures. To increase the effect of the educational role of the universities, successful implementation of the complex Bologna reform will be a necessity. Research in higher education will be strengthened through its links with research facilities in the private sector, through innovations transfer, and with the use of applied research in technological development. To enforce education and research activities at the universities it was necessary to encourage cooperation as well as competition among universities and

other institutions. Paradoxically, excellence and competitiveness were often achieved through cooperation with competitors. In the near future the most significant role will be played by European cooperation and excellence developing programmes in all fields of education and training supported by the European Structural Funds.

Slovenian higher education area seeks for new opportunities for regional cooperation for the providing of its larger productivity. Slovenia recognizes its development possibilities in the creation of university networks within individual European regions. Slovenian universities have been traditionally connected to cooperation with the higher education space of South East Europe. In the same way as the country, also the universities saw their role of a bridge between the West and Central European as well as South East European universities. Especially after 1991, numerous bilateral agreements on scientific and technological cooperation enabling cooperation within joint research projects, postgraduate research education and mobility of researchers were signed. Slovenian universities followed the international strategy being oriented towards supporting reforms in education and inclusion of the countries of South East Europe into the European flows. The South East European region is a term defining a geographic space and probably still represents one of the most critical and vulnerable regions in Europe. European unity, especially after Maastricht and Nice, does not concern solely geographical or historical factors, but insists primarily on a cultural and institutional affiliation with Europe.

2. Regional partnership

University's mission is to improve higher educational cooperation in the field of education and research already based on bilateral and multilateral, as well as inter-university agreements. This will be useful for our institutions, as well as our countries.

European institutions build the realization of the goals of the "most competitive knowledge-based economy" by the so-called "soft acquis" through a string of documents – conventions, recommendations, declarations being in line with three priorities:

- Improvement of quality and effectiveness of the educational and training systems,
- Increase of accessibility of education and training, and
- Opening of educational and training systems for the environment.

By Slovenia's entrance into the European Union it can be established that in the Slovenian higher education area the fundamental challenges of the declaration by European ministers of education for education to create the Europe of knowledge and to strengthen its intellectual, cultural, social, scientific and technological dimensions. The foundation for realization of these goals represents the renewal in the middle of the nineties based on the guarantee of university autonomy, publicity and responsibility for their actions deregulation in connection to principles of autonomy, the right to choice of studies under the same conditions, connection of education and research activities as well as the possibility to establish public and private higher education institutions. The basic intension was the creation of a dynamic system guaranteeing quality, enabling a wide accessibility of studies and enhancing knowledge transfer from higher education institutions to economy.

Since the start of the renewal of higher education until today, in addition to the gradual realization of the set goals, different discussions at individual universities are taking place in the broader academic community and within state institutions in connection to the transition process in the state as an integration process of the European region.

In this surrounding, the system of effective and fair recognition put in front of new challenges of ever changing educational systems, the increasing diversity of »tailor-made« programmes at all levels of education and on the other side in front of the increasing mobility of not only students and academic staff, but also an increasing mobility of institutions and programmes. Today's Europe (geographically seen in the context of the Council of Europe) offers students exchange projects, joint degree programmes disregarding political and geographic borders (joint degrees, transnational education), new forms of teaching and accreditation in education, and different forms of quality assurance, other or wider than those provided by the state as custodian of the public good and a carrier of public responsibility for the own educational system. Education exceeds all limits and enters all branches and all periods of our lives (lifelong learning).

General assessments indicate that Slovenia has a relatively well developed research and development sphere, comparable to the stages in other EU countries, in spite of the fact that it is being criticized for not being problem-oriented enough, i.e. it is not enough focused on the needs of the economy and the social surrounding. Creation of an innovative surrounding is especially dependent on higher education institutions. Slovenia, much in the same way as Europe, lacks strength in translating innovation inputs, such as research and education, into innovation outputs, in particular new products, services and patents. Slovenia's universities need improvement in relationship between universities and industry. Universities need to open up to the business community and to respond to market demands. This means being open to approaches that cross disciplines, or combining them in different ways.

3. EU programmes and institutional networking

The orientations of the EU Commission for the improvement of realisation of the Lisbon Strategy that is, in fact, not working exactly as planned, which, nevertheless, does not reduce its meaning or even brings it into question. Lisbon Strategy determines the orientations, under which Europe works. It exactly determines the needs of Europe, enhances excellence in the field of research activities, supports the highly set standards in the field of education and creates a space and conditions for creativity and innovation. Universities need to adapt to the needs of economy and to become more open for new approaches in regard of different disciplines among each other. Universities unite in three major fields that decisively influence the realisation of the Lisbon goals – education, research and innovation. Their association and combining is a great challenge to be successfully resolved only if they will have the broadest support and understanding by the surrounding and society, in which they act (Potočnik 2006).

The European Union provides different measures to enhance the cooperation between the accessing countries in fields, where the goal of individual programmes was to reach immediate influence of universities on the growth of the economic sector. The Socrates-Erasmus, Erasmus Mundus, TEMPUS and Marie Curie

programmes, having an important role in strengthening the European dimension by helping mobility in the higher education area, need to be mentioned. The European mobility programmes enable the students, researchers and academic community joint cooperation in the educational and research work and guarantee comparability of their work and quality. But, as already a study by EURODATA indicated, the EU is lacking behind the set benchmarks. The mentioned study shows that approximately 25% of all global mobility is realised by the USA. It also shows that organized mobility within programmes like Socrates-Erasmus encompasses only about 5% of the total mobility. Problematic regarding the set benchmark of 10% student mobility set in 2000 is the fact that the natural migration by the population is in total about 3 to 4%. So, the benchmark exceeds the natural willingness of the population to be mobile three times. Perhaps the goal is set too high, especially regarding the fact that the estimated funds needed will not be provided by the EU. At the conference about financing the set goals of the Lisbon Strategy or the Bologna Process, respectively, in Belgrade in February 2006, it was told that 3% of the national GDP of each country should be invested in education, but in best cases, only 1% is provided by the public hand. This number is confirmed also by the European Commissioner for science and research and obviously, the universities will have to get the lack of funds from economy, mainly by developing attractive projects in applied sciences and tailor-made education and training of human resources for the private investors in higher education. The quality of work of higher educational institutions, their association with economic institutions and the reciprocal transfer of knowledge is the only ones providing their competitiveness in the European and in global space, as the public hand does not seem to be ready to cover the necessary financial input.

Programmes such as PECO, COPERNICUS, COST, EUREKA and the framework programmes in the field of research and development enable the accessing countries the introduction and strengthening of cooperation between research, education and the economic sector on national and European regional levels.

Experience shows that most projects in single scientific disciplines are designed traditionally and are slowly being reformed into the interdisciplinary and multidisciplinary projects. The dimensions recognized as priorities are:

- Reciprocal acting of the European research and higher education area as the essential mechanism and firm fundament for the human resource development and the development of social capital and society as a whole;
- Recognition of the regions as innovative, knowledge-based units with own itineraries reflecting the strategy and logics of national priorities;
- Necessity of strengthening cooperation between universities in bilateral, multilateral and regional frames.

With regard to the mentioned, the national strategies brought important initiatives for a more intensive and sustainable association of basic and applied research and the practical transfer of results into the economic and regional surrounding:

- Equal cooperation in the VII Framework Programme,
- Strengthened cooperation in the Bologna Process, especially in the field of quality assurance, recognition of ECTS, as a precondition for the harmonization, mobility, comparability and attractiveness in the European higher education area,
- Adoption of a unified programming document enabling Slovenia to benefit from the European Structural Funds. These are focused mainly on providing

balanced regional development with strengthening of the equilibrium between the execution of and the initiative for education (with special emphasis on the university postgraduate studies) and the necessary economic development and enhancement on the labour market.

For a successful regional cooperation in the common European Higher Education Area we will still need to overcome numerous obstacles, beginning with the adaptation to national priority research fields to those of the European Union, opening of the national research programmes to researchers from the EU and beyond.

In the recent years several initiatives were launched for the enhancement of the South East European region. Some of them still prevail and try to adapt to the new challenges. Among these, there is the Stability Pact called also the Graz Process and Enhanced Graz Process with different projects, for instance, projects for the development of distance education. Five North Italian research institutes form a consortium uniting members from Central and South East European countries called CEEUN (Central and East European University Network). Prominent and successful international networks such as Coimbra Group¹ and Santander Group are also in the process of integration of Central and South East European universities. A network initiated also by the University of Maribor is the ALADIN network for the development of electronic applications in cooperation between universities and economy.

University of Maribor is the partner in two regional initiatives with a successful active cooperation. The first is the Central European Initiative, the result of which is an exchange programme in higher education called CEEPUS (Central European Exchange Programme for University Studies). The GEOREGNET network was established in the academic year 2006/07 to promote partner cooperation and mobility of students and professors of geography.

Today, the network comprises geography departments within thirteen universities from nine countries. It enables semester mobility of students, invited lecturers, bilateral projects in various areas of research and international publications in journals of partner institutions.

Another important regional initiative is the Adriatic Ionian Initiative UNIADRION that has most difficulties providing the financial resources for the start-up needs. The Alps-Adriatic Rectors' Conference was established within the Alps-Adriatic Working Community in the seventies of the preceding century and is still in the transition towards a scientific network with a scholarship system and joint research projects.

The annual Danube Rectors' Conference and Assembly took place in Maribor in 2006. This conference was established in 1983 and has always pursued the goal to include the former Eastern block states to the European Higher Education and

¹ In the academic year 2008/09, the Faculty of Arts, University of Maribor will start to implement a module entitled *The EU and the Western Balkans: the socio – economic outlook* of the joint Master's Study Programme in European Studies, the Process of Building Europe, which includes the universities of Siena, Salamanca, Coimbra, Strasbourg, Krakow, Athens, Hannover, Oradea and Montpellier. The Master's study programme was established in 2000 with the support of the European Commission, and in 2007 it was awarded a silver prize for lifelong learning. The study programme enables students to acquire deep knowledge of themes related to the process of building Europe through an interdisciplinary approach, while studying at different universities.

Research Area, especially regarding the preservation of a unique European cultural space. This conference set various important goals and its conclusions indicate that:

- The universities of the Danube Rectors' Conference shall offer information and support the development of joint research projects, especially within the VII Framework Programme in all fields of common interest, where also junior researchers and economists will be included in the scope of knowledge transfer between universities and economy.
- The universities of the Danube Rectors' Conference shall mediate new knowledge developed in joint research to students from the Danube Region in the framework of joint study programmes, where the best teachers will be combined. The universities, together with economy, shall develop student programmes, foster recognition and evaluation of achieved study results by spreading the Bologna reform in the region, where they are active and transfer knowledge from the universities to economy in a way that human resources will be developed in order to guarantee sustainable development of the Danube Region.
- The care for and assurance of quality in all activities of higher education institutions within the Danube Region is the fundamental precondition for competitiveness and the development of cooperation in the Danube Region, the European University area and globally.
- The students and junior researchers have an important role in the realization of the Bologna Process and in the including in the research area. The universities of the Danube Region shall enable their mobility, participation in the decision-making on the Bologna reforms, cooperation in the development of a quality culture and reaching of the European dimension in education and by this the formation of the European University Area.
- The international relations offices of the universities of the Danube Rectors' Conference foster joint projects and are experts and coordinators of their administration, as well as competent for mobility of students, staff and researchers. Therefore, they need to have according authorizations and resources for the realization of their tasks encompassing consulting, supporting and managing activities of the Danube Rectors' Conference. The international relations offices and other offices have to be educated for the project work of the Danube Rectors' Conference permanently, keep each other mutually informed and meet in joint conferences.
- The universities of the Danube Rectors' Conference unite in the mentioned activities and the formation of the common cultural area as determined in the Bologna Declaration, as well as foster the promotion and joint appearance of this cultural area in the world as competitive and attractive higher education area within the European and global higher education area.

4. Global cooperation

In the international space there are many actors and international organizations, such as the EU, OECD, UNESCO, World Bank and the Council of Europe which are involved in and cooperate in decisive matters in regard of education. The meeting of partners of the world conference organized by UNESCO was based on the principles of the World Declaration on Higher Education for the Twenty-First Century. It emphasized the challenges faced by higher education in changing the increasingly globalized world. The most important fundamental moves in higher education in the context of the globalized world were defined:

- The increasing relevance of the knowledge-based society and economy,

- The formation of new trade agreements including trade of education services,
- Innovation associated to innovation and communication technology and
- The stressed role of markets and market economy.

OECD especially emphasized the role of higher education as an excellent factor of the socio-economic development. It warned of the new challenges in financing and management, and special attention was paid to the question of accessibility and equal opportunities of an increasing number of students, new demands in research and the creation of new knowledge. As one of the newer studies emphasizes: "Higher education took over new responsibilities, not only the transfer of knowledge for the knowledge's sake alone, but takes over responsibility for the providing of human resource and the creation of new knowledge".

University of Maribor is a partner institution of the University Centre for Euro-Mediterranean Studies (EMUNI), established in 2008. The goal of the Centre, with its seat in Slovenia, is to encourage cooperation of partner institutions and universities in higher education in the Euro_Mediterranean area in accordance with the objectives of Catania declaration (2005) and Cairo declaration (2007). EMUNI's mission is to structure a network of cooperation among countries of the Euro-Mediterranean area, spread intercultural understanding and, through cooperation of partner institutions and universities, develop and implement internationally comparable postgraduate study and research programmes and thus establish the Euro-Mediterranean Higher Education, Science and Research Area.

Faculty of Arts of University of Maribor cooperates with CMU – Community of the Mediterranean Universities / Jean Monnet Euro-Mediterranean Centre of Excellence / University of Bari in the preparation and implementation of joint Master study programme Master in Culture and Tourism.

Throughout the world, the higher education agenda is much wider than ever before, which makes the management of higher education face a much higher responsibility and the possibility of choice. In spite of the fact that teaching and research remain the main activities, their nature and methods of forwarding change regarding the needs of the students, employers and users of knowledge and financiers of research.

5. Concluding remarks

In conclusion, I would like to point out that the EU membership, and belonging to a wider community through development of shared values and interests should not be confused with uniformity; it should be interpreted as an effort to establish a cultural dialogue while respecting different national identities. The meaning of the parallel association of multiple identities should mean the development of different aspects of our human dimension and not the loss of it. In this context, regional cooperation is of vital importance, since it includes the flexibility of bilateral and the vision of multilateral cooperation. Here, the philosophy of thinking globally and acting locally can be effectively realized.

An expansive internationalization brings along risks and opportunities for the institution, as well as for each individual. Along with the increasing internationalization of higher education the institutions have to clearly define their

own identities, missions and strategies and take responsibility for their own development.

Europe will not be able to compare with other parts of the world, if it is not be able to ensure coherent development of its regions and overcome the problems of inner separation between the developed and the undeveloped or minor regions. Only a united Europe with sustainable and peaceful development will be a reliable partner to the other players in the global higher education.

Literature

- Clark, B., 1998: *Creating Entrepreneurial Universities, Organizational Pathways of Transformation*, IAU Press, Pergamon.
- CEC 2006: *Delivering on the modernisation agenda for universities: education, research and innovation*, Commission of the European Communities, 2006.
- File, J., Goedegebuure, L. 2003: *Real – Time Systems, reflections on Higher Education in the Czech Republic, Hungary, poland and Slovenia*, Printed by Unitisk, Czech Republic.
- Hudson, B., Zgaga, P. 2008: *Teacher Education Policy in Europe, A voice of Higher Education Institutions*, University of Umeå, Faculty of Teacher Education.
- Marga, A., 2006: *Europeanization in Higher Education: the Legitimacy of the University. The Role of Universities and Competitiveness of the Danube Region*, University of Maribor, Maribor, 2006.
- Potočník, J., 2006: *The role of universities and competitiveness of the Danube region, miscellany on the Danube Rectors' Conference and Assembly 2006*, University of Maribor, pages 219 and following.
- Rozman, I., Lorber, L. 2006: *The Role of Universities and the Competitiveness of the Danube Region*, University of Maribor.
- Tarrósy, I., Roszkogler, G. 2006: *Social, Economic and Political Cohesion in the Danube Region in Light of EU Enlargement*, proceedings of the 2nd DRC Summer School, Eisenstadt 2005 and the 1st DRC Winter seminar, Pécs 2005.

NOVI IZZIVI GEOGRAFIJE PRI KULTURNEM IN INSTITUCIONALNEM POVEZOVANJU EVROPSKEGA VISOKOŠOLSKEGA PROSTORA

Povzetek

Univerza v Mariboru je bila v zadnjih letih aktivni partner pri vzpostavljanju in spodbujanju regionalnega sodelovanja v Podonavski rektorski mreži in mreži Alpe-Adria. Geografi smo sooblikovali politiko in koncepte regionalnega partnerstva in povezovanja prostorskih projektov in iniciativ, zlasti v prostoru Srednje Evrope in Zahodnega Balkana. Primer dobre prakse predstavlja srednjeevropska geografska mreža GEOREGNET, ki omogoča mobilnost profesorjev in študentov in prispeva k medsebojnemu razumevanju med ljudmi ter krepi sodelovanje v visokem šolstvu.

Novi izzivi geografije pri vzpostavljanju evroregij in oblikovanju evropskega kulturnega prostora pomenijo novo razumevanje pomena vzpostavljanja medsebojne mreže institucionalnega sodelovanja in izobraževanja geografov. Znanstvenoraziskovalno in pedagoško delo na področju geografske znanosti omogoča razvoj in izvajanje mednarodno primerljivih podiplomskih študijskih in raziskovalnih programov.

Z ustanovitvijo University Centre for Euro – Mediterranean Studies pa je Slovenija prevzela tudi odgovornost in aktivno vlogo pri spodbujanju sodelovanja visokošolskih institucij za uresničevanje ciljev evropskega visokošolskega prostora, krepitev medkulturnega razumevanja ne samo med državami evro-sredozemskega prostora, temveč tudi pri globalnem regionalnem povezovanju.

KNOWLEDGE BASE OF THE REGION - ROLE OF THE UNIVERSITIES IN REGIONAL INNOVATION (THE CASE OF SOUTH TRANSDANUBIA)

Zoltán Gál

Ph.D. Senior Research Fellow
Centre for Regional Studies of the
Hungarian Academy of Sciences, Pécs
Associate Professor, University of Kaposvár
Faculty of Economics
H-7621 Papnövelde 22, Pécs, Hungary
e-mail: galz@rkk.hu

UDK: 373.547

COBISS: 1.02

Abstract

Knowledge base of the region - role of the universities in regional innovation (the case of south Transdanubia)

The economic attraction and competitiveness of the regions depends on the spatially balanced network-based co-operation of different research bases and firms involved in innovation development. The utilisation of the regional knowledge base, innovation potential and co-operation between businesses and universities & research institutions continues to play an increasing role in regard to business success and the competitive economic performance of the regions. Innovation is considered as an interactive and system-like process depending on traditions with definite spatial forms and it is manifested in the form of "networks" among the companies and universities, and among the different transfer organisations, which can stimulate university-industry linkages. The paper presents the findings of the "ERAWATCH regional benchmarking surveys – in which the South Transdanubian region participated in – on innovation potential and investment into research" surveys concentrating on the role of innovation networks, within them highlighting the special role of regional universities in the collaborative research networks. The introduction is followed by a demonstration highlighting the role of universities in national and regional knowledge transfer emphasizing the fact that the spatial (regional) structure of innovation is very much determined by the transformation of potential universities and their widening innovative functions during the economic transition in Hungary. The next section provides an overview of findings of the ERAWATCH survey (2006) on the role of universities in regional network building and discusses those factors that are necessary for the establishment of a research university model. The last section assesses the efficiency and coherence of the Regional Innovation System with regard to the needs and capacities of the regional economies and the extent of matching or mismatching between the knowledge and economic specialization.

Key words

regional innovation, knowledge base, ERAWATCH Survey, university-firm links, knowledge and economic specialization

Uredništvo je članek prejelo 12.10.2008

1. Knowledge creation: a new tool for regional competitiveness

Consensus exists on innovation-oriented regional development in the literature in which the utilization of regional knowledge base, innovation potential and co-operation between businesses and research institutions continues to play an increasing role not only in regard to business success but also in the competitive economic performance of a certain region (Cooke 1995).

Although several factors are influencing regional competitiveness its driving forces still can be identified. The European Union's regional reports are considering innovation, research and technology development as the major potentials of gaining competitive advantages. The competitiveness of regions can be increased by successful R&D activities within the region and by the creation and spreading of innovation in a wider sphere. Regional level innovation and especially the practical implementation of R&D results may directly be manifested by the competitive advantages of the region's business enterprises (Lengyel 2000).

The development of science and technology and their accumulated knowledge basis have become one of the key factors of the development of regional economy. Universities and research institutes as knowledge centres extending and disseminating comprehensive scientific information are playing an increasing role in regional development. A wide range of literature has studied the regional effects of the universities' research-development potentials (Ács-Varga 2002, Varga 2004). Not only the direct support of universities has increased significantly but for regional governments' budgets the subsidisation of projects involving universities in various forms with the support of university-industry links are the biggest items of expenditure (Varga 2004).

This paper provides an overview on the "ERAWATCH regional benchmarking surveys – which the South Transdanubian region participated in – on innovation potential and investment into research" surveys concentrating on the role of innovation networks, within them highlighting the special role of regional universities in the collaborative research networks. The introduction is followed by a demonstration highlighting the role of universities in national and regional knowledge transfer emphasizing the fact that the spatial (regional) structure of innovation is very much determined by the transformation of potential universities and their widening innovative functions during the economic transition in Hungary. The next section will introduce the findings of the ERAWATCH survey (2006) on the role of universities in regional network building and university – industry links and will discuss those factors that are necessary for the establishment of a research university model

2. Role of the universities in regional innovation

Higher education has a potential influence on regional development, not only because of its place in the R&D sector, but also because of its dominant position in the training of the experts responsible for producing technologically-developed products and competitive services. From this point of view, the rapid development of tertiary education, especially outside Budapest, plays a balancing role. The number of students has been growing rapidly since 1990, especially in the newly-established provincial tertiary education centres (Tab. 1).

Tab. 1: Share of Higher education in the Hungarian RTD, 2005.

INPUT	OUTPUT
RTD units: 70%	Published books: 77%
RTD expenditure: 25%	Published studies: 70%
RTD personnel: 57%	Patents: 32%
RTD personnel (FTE): 38%	Patents at EPO & USPTO: 16%
Share of doctorates: 72%	
RTD investment: 12%	

Source: CSO publications, 2005.

Universities can have an impact on the economic development of their own region in two ways (Forax 1992): on the one hand through the multiplier effect of the purchasing of students (a so-called expenditure effect) and on the other hand through the (scientific, technical, technological and economic) knowledge transfer from the university into the business sector (knowledge effect) (Varga 2004). A very important side-effect of technology transformation is that industries and companies manufacturing competitive products are selecting their sites on the basis of qualitative criteria.

Higher education is such a very important factor of which attractive force for capital secured not only by creating competitive advantages in local labour market but also by its absorbing innovative capacities. It can be seen all over Europe that while the development of big technology systems concentrated in metropolitan agglomerations was mostly determined by the research-development units of big firms, the technology innovation of SMEs, the organisation of local and regional technology clusters in the majority of cases were initiated by institutes of higher education. The engine force of regional higher education can be touched upon the development of the West-European core regions (Bennett-Krebs 1991). In several Hungarian regions (for example in South Transdanubia) the higher education sector is the largest knowledge potential and value generator which at the same time has fewer links with the industrial sector than it would be necessary. The potential links between the two sectors should be identified and the institutional background of these links should be created. The successful cooperation between business and university sector may secure a favourable environment for innovation.

For enabling the higher education system to exercise its innovative functions and to be capable for performing its *integrative functions* as an element of the innovation system (Horváth 2003) is emphasizing the necessity of at least preconditions:

- Research should be regarded as a primary function of higher education. This should be reflected in its financing and the development of the knowledge potentials of university research base should also have a key role.
- The structure of higher education should be adapted to the requirements of post-fordist economy and should be capable for generating technology and economic innovations.
- National innovation policy and regional policymakers should support the institutionalized cooperation of higher education and business organisations.
- Higher education should territorially be decentralised, institutional developments and university integrations should be in conformity with the aspects of the economy of scale. An optimal efficiency of scale with the institutions of the core region can create equal chances both for accessing

research funds and for joining the international division of labour in research and development.

Higher education, which placed among the R&D performing sectors, is very much in the national interest as it plays a significant role in innovation processes. The economic attractiveness of the regions and spread of knowledge depend largely on a spatially-balanced network of university-based research facilities, with special regard to their relation to companies (Gál 2002). The Act on higher education defined the tasks underpinning a dual transformation of the universities so that research might be returned to them and traditional universities transformed into research ones.

Higher education has developed into Hungary's biggest R&D generating sector and its share of Hungarian higher education from governmental R&D spending is similar to the West European ratios, lagging may be observed regarding two indices. One is the very low ratio of business sector funded research departments and the other is the very weak links between the university research and business sector. While in OECD countries the average rate of corporate funded R&D is 70% in Hungary this figure was 38% only in 2002. The ratio of R&D expenditures to Hungarian GDP is also low (0.3%) especially when comparing it with the 0.87% of Slovenia or with the 1.2% EU-15 ratio (Gál 2005).

However, most of the university-based research units are too small to be effective in terms of both share of researchers and overall R&D expenditure. Despite the co-operation between universities and the private sector, and participation in multilateral scientific programmes, the R&D budgets of universities are largely dependent on governmental subsidies.

3. Description of regional knowledge base in South Transdanubia

The knowledge (RTDI) infrastructure, which includes universities, research centres, plays significant role in the knowledge creation capacity of the regions. This infrastructure, which is easily accessible by firms can constitute the foundations of innovative systems (using proximity arguments), but not automatically. There are many cases reported where HEIs or research laboratories operate in relative isolation from the regional productive processes. They do so, in particular when they concentrate on formal educational duties rather than covering the wider range of functions of a modern university when they are active in sectors that lead them to have better connections with firms outside the region or when they focus exclusively on basic research.

The knowledge transmission mechanisms and knowledge enhancing linkages including university-industry and intra-industry links, such as technology intermediaries, spin-offs, inter-firm research collaborations, as well as developments of science parks, technopoles are important factors in strengthening the knowledge diffusion capacity of the regions. The knowledge enhancing linkages, which are ideally based on a dense interaction of interdependencies between research establishments and firms and/or among firms themselves, evolve into trust relationships that characterise, for example, economies of scope.

South Transdanubia is not among the wealthiest regions in Hungary. Until the mid-1990s South Transdanubia had the poorest R&D capacities in Hungary (in 1995 only

3.5% of all R&D employees worked in the region and not more than 1.5% of the total expenditure was realized here). This setback in R&D activities was an outcome of the disintegration of those large enterprises and research institutes engaged in R&D. The South Transdanubian region has the largest provincial university centre (Pécs) in Hungary in terms of the number of students (34,000), and the two universities have significant research capacities in certain fields. The HEI sector plays dominant role in R&D performance as it accounts for 78% of total RTD expenditures. Despite these endowments RTD creation of the business sector in South Transdanubia is limited (3.4 M € BERD in 2003). Outputs of R&D and the uneven disciplinary structure of higher education are not very advantageous from all point of view of innovation. South Transdanubia's regional GERD was 22 M Euro in 2004, which is only 3.2% of Hungary's total.

Based upon the key indicators (measured as a percentage of the national average) the following picture of the regional knowledge base of South Transdanubia can be drawn. The region has large public RTD infrastructure mainly based on the two universities absorbing more than two thirds of regional GERD. Among them, the University of Pécs has a dominant position. It hosts 87% of the enrolled students and 84% of the research staff of the HEIs. Unlike the public RTD sector, the visibility and the performance of the business sector is very low, even by comparison with the national average. Universities are the major employers of RTD personnel. They account for three quarters of the total RTD personnel of the region. The remainder is divided almost equally between corporate and public RTDI sector. As a percentage of total employment with the national average (=100%) South Transdanubia's share of RTD personnel is 73%. However, there are huge differences in expenditures between the different sectors. HEIs exceeded the national average (107%), while RTD personnel make up very small shares of the total in business and the government sector, accounting respectively for only 28% and 25% of the national average, (Fig. 1).

The orientation of the knowledge creation activity of the region is based largely on the scientific profile of its universities. Of all the knowledge creation sectors, HEIs (University of Pécs and University of Kaposvár) have the strongest potential in life science (biotech and animal cytology) research and they have a good reputation with measurable RTD outputs in laser physics, environmental and agrarian research. At the same time, engineering and some fields of science (informatics, electronics and chemistry) are proving to be the weakest elements of the regional RTD base.

The strength of the life science (biotech) research base is demonstrated by its large share of total input-output indicators and by the increase of RTD spending in this field (€4.8m in 2004). In addition, the 11 university spin-offs in the biotech sector are strongly connected to the Medical School (MS), which has 48 employees (40 of them with an HEI degree) and produces a turnover of €3 million (2004).

In contrast to this positive trend, the share of engineering in total RTD personnel especially in the fields necessary for technology change (micro-electronics, informatics, automation), dropped from 8.9% to 6.9% during the short period from 2002–2004. Due to the uneven disciplinary structure of HEIs, the outputs of the RTD sector in the region are not very advantageous and from the point of view of innovation are clearly characterised by lower patenting activity in the region. There was a similar decline in the proportion of researchers in natural sciences and in agrarian science (which declined from 6.6% to 5.4% and from 8% to 7.3%

respectively). The traditional overrepresentation of researchers in social sciences and humanities is changing only slowly, and even though their share has declined from 42% to 29.5%, it is still high. (Fig. 1).

The lagging position of the region is best expressed by the RTD expenditure indicators measured as a percentage of GDP. Comparing the performance of the region in relation to the country as a whole, the GERD only improved slightly during the last decade, reaching only 43% of Hungary's average. The largest increase in R&D expenditure in the case of South Transdanubia can be observed in the HEI sector, illustrated by its high HERD figure of 108% (above the national average). Unlike the HEI sector, the limited RTD activity of the business sector is the main characteristic of regional RTD performance, accounting for only 17% of Hungary's average as a percentage of GDP. This figure is lower than the RTD expenditure of the government RTDI sector (23%).

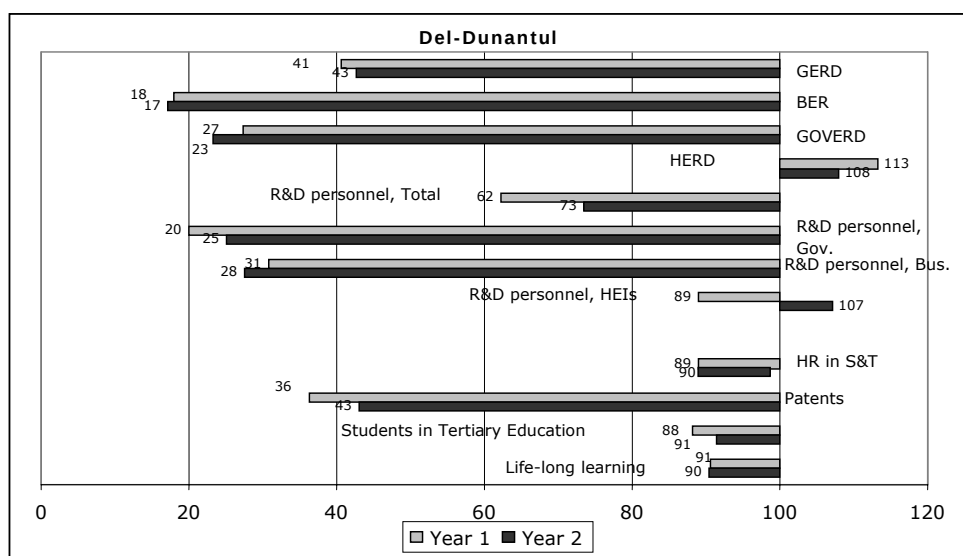


Fig.1: Key indicators on South Transdanubia's knowledge base development in comparison to the national average.

Source: author calculation based on the EUROSTAT, Gál-Csonka (2006).

Note: The following years were used for BERD, GERD, HERD GOVERD 1999, 2003; R&D personnel 1999, 2004; HR 1997, 2005; Patents 1995,2003 and Lifelong learning 1999,2004.

4. University industry links: cultural barriers?

Universities and research institutes through their integration to national and international knowledge bases and networks are functioning as potential knowledge bases for companies in their environment even if universities are generally less embedded into their regional context and preferring rather national and international co-operation (Koschatzky-Sternberg 2000). The importance of universities compared with customers and suppliers is by far less for business sector than information and knowledge bases. It is obvious that small companies are co-operating with universities to a less extent and especially local SMEs rarely communicate with universities for technology information, but in case of co-operation geographical proximity has a key role in connection building. It seems

obvious that the co-operative affinity of SMEs is the smallest but it is they are who need cooperation most of all. In case of co-operation SMEs naturally prefer establishing relations with local knowledge bases (Koschatzky-Sternberg 2000).

In regional innovation surveys, special attention is paid for universities as major sources of regional innovation. Our survey surveys among others is assessing the importance of universities in comparison to other actors of innovation system with the channels of knowledge transfer and also the geographical features of knowledge flow between universities and industrial companies. In some less developed regions, the university sector has no links with the economic sector.

It is clear, that most Hungarian businesses do not want to collaborate with any non-business organizations. The most popular non-business organizations for past and future co-operation in the South Transdanubian region are the chambers (47%), the University of Pécs (40%), and the regional innovation centre (DDRFÜ) (37%).

The spatial extent of knowledge flows emanating from university research laboratories has attracted considerable attention in the international literature. There are theoretical arguments for localized knowledge transfers (the importance of tacit knowledge, the role spatial proximity plays in easing maintaining interactions etc) which are supported by empirical evidence largely, however substantial variation can be observed according to firm size, industrial sector or the stage of innovation (Varga 2002).

It is clear that university research units more frequently collaborate with local (within region) firms and the intensity of cooperation vanishes with distance. There are also notable differences across research fields. Whereas for some scientific fields we can observe that active local collaboration is followed by active domestic and international interactivity with firms (Physics and Surgery) for some other fields (such as Informatics and Construction) localized connections are more important than collaborations with distantly located companies.

Several hindering factors may be owed to universities in building regional level relations. Universities are operating by their own rules and principles, which are hard to make compatible with the objectives of business sector. Both universities and companies are organised by their own differing logical, cultural and organisational limits, which raises difficulties in co-operation between the two parties. The majority of the universities' research departments are carrying out basic or applied researches but very few university research organisations are joining experimental development projects. The interest of universities in co-operating with business sector is much more oriented towards short-term fund raisings than towards a strategic development of the innovation chain. Universities with industrial links are rather more interested in projects involving large-scale funding than in the support of SMEs. In several cases, the purchase of technology license from outside the region is much more profitable for companies than intraregional innovation co-operation.

Thus, the potential areas of co-operation should be identified between the two sectors and the institutional background should be created for these links (Tab. 2). A successfully co-operating business and university sector may secure an innovation friendly environment. The majority of researchers are doing basic research and against the difficulties in the financing of higher education are

uninterested in direct co-operation with the business sector yet. Research tasks are fragmented, the concentration and their corporate relation system are weak and market-oriented research-development is still a rare phenomenon. Even recently for example in the case of the University of Pécs, being one of the largest provincial universities in terms of student numbers, 5 years contribution of the business sector project to university's total income was about the third of the one year total budget. Spin-off ventures originating from universities have important functions, although they are rare case in the LDRs (Gál 2003b).

The co-operation of universities and research institutions with businesses and especially pre-competitive researches generally have positive impacts on the business success of companies and the region's economic performance. Yet large and medium-size companies have more extensive relations with universities, though these links are crossing the border of their region, and this seems to support the theory of the low impact of universities on their region. For all that, building information and technology transfer links between SMEs and university R&D bases, the co-ordination of university re-training and information courses are very important for both sectors.

Tab. 2: Motivations behind the university-industry co-operation.

UNIVERSITY	INDUSTRY
Decreasing state support: Gain additional financial resources	Knowledge became the main factor of business competitiveness
Increasing cost of R&D: force to co-operate	Access to knowledge base/R&D
Developing the service & knowledge transfer function of the university	Outsourcing: involving academic expertise
Increasing researchers' practice in outer contracts	Strengthening external relations of companies
New challenges of experimental research & development	Increasing precompetitive R&D
Direct link to the labour market; an increasing labour mobility	Get acquainted with students as a potential future employees
Practice-oriented training	Influence on improving the training structure and curriculum
Strengthening Spin-off enterprises	Favourable start-up conditions
Stimulate Regional development	Stimulate economic development

Source: by the author.

5. Assessment of the regional innovation system in South Transdanubia

When trying to assess the efficiency and coherence of the RIS with regard to the needs and capacities of the regional economies and the extent of matching or mismatching between knowledge and economic specialization (Tab. 3). South Transdanubia is considered a backward region in terms of RTD and the knowledge absorption capacity of its economy, and the basic conditions for change in the technology sphere were rather unfavourable in the region during the transition period¹.

¹ Some restructuring can be seen within the industrial sector, moving towards mechanical engineering and the emergence of high-tech electronics through foreign direct investment; however, the share of labour-intensive, lower-tech sectors, such as the food, textile and leatherwear industries, is still above the national average.

Public sector RTD infrastructure investment, which is dominated by the local universities, is much larger than the investments and RTD capacity of the business sector in South Transdanubia. The orientation of the knowledge creation activity of the region is largely based on the research profile of the two universities. As regards the relationship between RTD and economic specialization, we found a stronger correlation in certain traditional fields with a considerable research background (agrarian research). Universities have also built strengths in biotechnology, laser physics and in environmental science, demonstrating the most promising and deeply rooted avenues of research for the future development of the region. The new clusters of Biotech, Health and the Environmental industries have been built on the expanding knowledge creation capacities of the affiliated faculties and the enterprise networks. Nevertheless, the industrial background of the region in these fields is still weak. Therefore, the research outputs from biotech (produced by the university spin-offs) are still mainly utilized outside the region.

When comparing the matching of the economic structure in the region to its knowledge specialization, some discrepancies can be observed. In contrast to the positive trends in RTD, some fields of natural science are rather under-represented in terms of the research capacity in engineering, while social sciences and humanities with less direct economic benefits are over-represented. The absence of a strong research capacity in S&E during the 1990s became one of the serious obstacles to the modernization of industry, as it was unable to meet the demand coming from the high-tech companies located in the region. The shortage of highly skilled engineering graduates at UP and the lower standard of RTD at the Faculty of Engineering in the fields of informatics, IT and electronics contributed in large measure to the relocation of the NOKIA plant from Pécs in 1999. In the case of engineering, both the weaker research capacities and the low demand from the underdeveloped branches of local industry compound their respective handicaps.

The private sector in the region is dominated by SMEs operating in low/medium-tech sectors (LMT) characterised by a lower level of innovativeness. The smaller number of indigenous large companies mainly specializes in traditional LMT industries (food, textile, leather). A few large enterprises in high tech electronics (mainly multinationals or locally based joint-stock companies) have been engaged in high-tech activities, but their influence on the local RTD sector is considered marginal, as they usually rely on the in-house RTD activities of their parent companies importing the technology from outside the region. Nevertheless, a few dozen innovative SMEs with significant RTD performances are to be found in the biotech, IT, plastic and the mechanical engineering sectors. In general, it can be said that the RTD capacity and visibility of the business sector is still low and the region is heavily dependent on public funding.

However, the main reasons for the poorer performance in RTD activities are the following: on the one hand, the mismatch between the economic and research specializations, combined with the low share of the business sector in RTD investment, the high share of the traditional lower tech sectors, the small size of local SMEs and the consequent lack of resources to invest into RTD and absorb its results and, on the other hand, the lack of demand for research results from larger (mainly foreign) companies and, to some extent, the lack of the necessary knowledge supply in the region in certain fields. These factors, together with other mismatches in economic and RTD specialization, explain why demand for research results in the region remains low.

From a study of the relationships between the regional economic structure and knowledge, creation it can be concluded that establishment of the local knowledge base in some cases (e.g. laser research) did not take the existing sectoral specialization of industry into consideration. In other cases, the extensive agrarian research base, strongly linked to the agro-food sector, is slightly loosening their sectoral background due to the structural decline of agriculture during the transition. The biotech sector, based on the Medical School research teams and university spin-offs, relies to a much lesser extent on local RTD co-operation. As a result, the players have integrated into the interregional RTD networks, establishing co-operation with companies outside the region.

Other research bases in S & E were established in order to extend the disciplinary profile of the HEIs during the 1980-90s, and their development was based on their internal dynamics rather than on local economic development. RTD processes have been speeded up recently mainly through-accelerated public investment. In the future, RTD investment ought to rely much more on the business sector contribution in order to ensure the direct economic benefit of RTD activities, which can foster industrial modernization, and economic restructuring of the regional economy.

The conclusion can be drawn from the findings of the survey that RDTI intensity is not necessarily a decisive element of regional growth. It should be emphasized that the region needs to build on existing capacities rather than attempting to build their strategies by reference to yet undeveloped or non-existent technologies, industries or fields of research. Nevertheless, an international reputation in university-based RTD activities (e.g. biotech), even without an extensive local industrial background, would make the regional knowledge centres more attractive for business sector investment, which may lead to the location of new plants in the region. In addition, when making RTD investment decisions, the importance of the regional context and the established policies have to take into account.

Tab. 3: Strengths and weaknesses of the Regional innovation system.

	Strengths	Weaknesses
Knowledge creation capacity	-Strong university base with wide disciplinary profile -The largest provincial university centre in Hungary in terms of the number of students (UP) -Strong RTD base at HEIs in agro and life sciences	-Weak and biased RTI base, -Uneven disciplinary structure in HEIs' RTD (over-representation of social sciences, weaker S&E base) -Limited RTD activity of Business sector -Lower share of national GERD indicates the lower fund absorption capacity in the region -LMT sectoral dominance in the case of SMEs -Low level of patenting activity
Knowledge diffusion capacity	-The region has developed technology and business park infrastructure -High-tech oriented university spin-offs with good performance in Biotech	-Technology transfer/liaison infrastructure still in its initial phase and lacks of resources to supply all needs of SMEs

Tab. 3: Strengths and weaknesses of the Regional innovation system (cont.).

Knowledge absorption capacity	-General HR endowment of the region is close to the national average	-Participation rate in Life-long Learning is half of the EU-15 average -Share of HR in S&T is below the national average -Students in tertiary education is lower than the national average
Interactions of main actors	-Huge variety of collaborative programmes - from informal networks, clusters to the Regional University Knowledge Centres - introduced -Active participation by a few innovative firms in a variety of collaborative ventures	-Difficult to orientate and choose among the forms that best fit the participants' needs -Overall low intensity of participation and low level of utilization of results -Weak communication among the different sectors / potential partners
RTDI governance capacity	-Reorganized RTDI governance structure following the EU recommendations, growing regional awareness	-Centralized policy-making but rather weak coordination among the different national bodies -Lack of legislative and decision-making right and financial resources of the regions

Source: edited by the author.

Literature

- Acs Z. Varga A. 2002: Geography, endogenous growth and innovation. *International regional Science Review*, 25, pp. 132-148.
- Bennett, R. J.-Krebs, G. 1991: *Local Economic Development: Public-Private Partnership Initiatives in Britain and Germany*. London, Belhaven Press.
- Cooke, P. 1995: Planet Europa: Network approaches to Regional Innovation and technology Management. *Technology Management*, 2., pp. 18-30.
- Florax R. 1992: The university: A Regional Booster? *Economic Impacts of Academic Knowledge Infrastructure*. Avebury, Aldershot.
- Gál, Z. 2002: Preconditions for Regional Innovation Network Building in the Hungarian Region of South Transdanubia, In.: A. Varga – L. Szerb (szerk.), *Innovation, Entrepreneurship, Regions and Economic Development: International Experiences and Hungarian Challenges*. University of Pécs, Pécs, pp. 265-295.
- Gál, Z. 2005: The New Tool for Economic Growth: Role of Innovation in the Transformation and Regional Development of Hungary. In: *Geographica Polonica*, vol 78/ No. 2. 2005 Autumn pp. 31-52
- Gál, Z. – Csonka L. 2006: Specific analysis on the regional dimension of investment in research – case study report and database on the South Transdanubian region (Hungary). Brussels: ERAWATCH, 2006. 70 p.
- Horváth, Gy. 2003: Egyetem és regionális átalakulás [University and regional transformation], [in:] Nagy Fné. – Vonyó J., *Város és egyeteme, Pécs, Pécsi Tudományegyetem*.
- Koschatzky, K. 2002: Networking between industry and public research – Which role does the region play? Empirical evidence from Slovenia. In.: A. Varga – L. Szerb (szerk.), *Innovation, Entrepreneurship, Regions and Economic Development: International Experiences and Hungarian Challenges*, University of Pécs, Pécs, Koschatzky, K.,

- Koschatzky, K., Sternberg, R. 2000: R&D Co-operation in Innovation systems–Some Lessons from the European Regional Innovation Survey (ERIS). European Planning Studies, Vol 8, No. 4. pp. 486-501.
- Landabaso, M. 1997: The promotion of innovation in regional policy: proposals for a regional innovation strategy. Entrepreneurship and Regional Development, 9.
- Lengyel I. 2000: A regionális versenyképességről [On regional competitiveness]. Közgazdasági szemle, XLVII.évf. december pp. 962-987.
- Varga, A. 2000: Local academic knowledge spillovers and the concentration of economic activity. Journal of Regional Science, 40. pp. 289-309.
- Varga, A. 2004: Az egyetemi kutatások regionális gazdasági hatásai a nemzetközi szakirodalom tükrében [The regional economic impacts of university researches in international literature]. Közgazdasági Szemle, LI. Évf. Március, pp. 259-275.

KNOWLEDGE BASE OF THE REGION - ROLE OF THE UNIVERSITIES IN REGIONAL INNOVATION (THE CASE OF SOUTH TRANS-DANUBIA)

Summary

The role of universities and research institutes as knowledge centres improving and disseminating comprehensive knowledge have an increasing importance in regional development. Today the facilitation of the spatial diffusion of knowledge, the spatial mechanisms of knowledge transfer and the access of business sector to knowledge bases are priorities in support and development policies (Landabaso 1997). Consensus exists on innovation-oriented regional development in which innovation oriented regional development through the co-operation between businesses and universities continues to play an increasing role not only concerning business success but also in the economic catching up of a certain region.

Spatial differences in economic development have serious impacts on the network relationship of universities and business organisations. The differences between the advanced core regions of metropolitan agglomerations and the most backward regions are manifested in the relationship between universities and their environment. In his researches, Attila Varga is pointing out that agglomerations are not negligible factors of the efficiency of regional development policy. With the same amount of university expenditures the impact of university knowledge transfer is significantly higher in areas of high industrial density than in smaller towns (Varga 2000). This statement has high importance from the aspects of economic policy suggesting that the support of university researches for stimulating local economic development may be an outstanding instrument in case of advanced regions but not necessarily for the backward areas.

Most of the sample businesses still consider the university as a traditional educational centre. The most significant impediment of a stronger co-operation between university units and businesses is the limited information about each other. Most firms have no information about what the university is doing besides education while university researchers and staff have only rather dim ideas about business needs and the potential business application of their research. It is good that recently most university researchers now at least recognize the requirements of practical applicability of their research, but acceptance and appreciation of business requests are still under way.

INSTITUTIONAL FRAMEWORK AND TYPOLOGY OF ECONOMIC TRANSITION IN POST-COMMUNIST COUNTRIES OF CENTRAL AND EASTERN EUROPE: THE ROLE OF BRETTON WOODS INSTITUTIONS

Pavel Ptáček

Ph.D., RNDr.

Palacký University Olomouc

Department of Geography

Svobody 26, CZ – 771 46 Olomouc, Czech Republic

e-mail: Pavel.Ptacek@upol.cz

UDK: 911.3:331.554

COBISS: 1.02

Abstract

Institutional framework and typology of economic transition in post-communist countries of Central and Eastern Europe: the role of Bretton Woods institutions

Departing from the concept of transformation and transition, this article highlights some main directions and problem areas of this process. It starts with description of transitory architecture in countries of Central and Eastern Europe based mostly on the concept of "Washington consensus" as the main method being used during the first stages of transition in many post-communist countries. Firstly we start with description of "Washington consensus" and its application in different countries in transition – from Latin America to the region of post-communist countries. After this theoretical part we start with concrete examples from particular countries where the key transitional processes will be described. Main focus will be put on the privatisation process in the Czech Republic in comparison to other post-communist countries. Typology of transitory processes in particular countries from "shock therapy" to "gradualist" ones will be placed. Than alternative approaches to transition will be introduced, focusing on the concept of path dependency, network analysis, regulation theory and their approaches to state socialism and post-communist transformations. Summarisation of main findings and the counterbalance to neo-liberal approach will be discussed. Is there some "post-Washington consensus" which has learnt from previous mistakes?

Key words

transition, transformation, institutions, Central Europe, Eastern Europe

Uredništvo je članek prejelo 9.12.2008

1. Introduction

Economic transformation in the region of Central and Eastern Europe is a story which has not finished yet. In this paper I will focus on some selected features of this process, especially on the role of existing global economic order and prevailing paradigms and ideologies. After almost twenty years since falling of the Berlin wall or falling of the iron curtain dividing Europe we can try to look back. And ask if everything was done the correct way, which mistakes are still visible, which of them have been overcome and what were, still are and will be the costs of transformation (or transition). The costs I mean not only in financial or material sense. I mean also the other ones: moral, ethical and many other non-material dimensions. However, this article can not cover all aspects of economic and social transformation. It also can not be understood as an accusation of global economic order. But taking into account the global financial (and more and more also economic) crisis occurring in autumn 2008 and influencing almost each of us we should ask what was done wrong way and what could be possible solutions to prevent such mistakes in the future.

2. The origin and the role of Bretton Woods institutions in the world economic order

During the Great Depression in 1930s most of developed world experienced one of the deepest and the longest lasting economic and social crisis in the modern history. It has led to installation of one of the cruelest authoritarian regimes and to the experience of the Second World War. It was clear that the shared experiences of the Great Depression and its consequences should lead to establishing of some mechanism preventing these events. It was easier to establish this mechanism also because of the concentration of power in a small number of states (further enhanced by the exclusion of a number of important nations because of the war) and also because of the presence of a dominant power (USA) willing and able to assume a leadership role in global monetary affairs.

Main aim was higher stability of the world economic system. Conference in Bretton Woods (1944) led to establishing of the key institutions and the new international economic order. Since this time we can speak about the Bretton Woods system. At the birth of these institutions was very important personal role of John Maynard Keynes, who formulated main principles of Keynesian economic policy, based on stimulation of demand during economic recession in form of public spending. This paradigm has been working until the crisis in the first half of 1970s (oil shock crisis, stagflation, etc.).

In short and with some simplification we can describe pillars of Bretton Woods system as following:

- Free trade relied on the free convertibility of currencies
- The liberal economic system
- Gold standard replaced by fixed exchange rates using the U.S. dollar (which was a gold standard currency for central banks) as a reserve currency
- Establishing of International Monetary Fund (IMF) and the International Bank for Reconstruction and Development (IBRD), later renamed to World Bank (WB)
- Reduction of trade barriers in the framework of General Agreement on Tariffs and Trade (GATT), later (since 1995) World Trade Organisation (WTO).

2.1. Development of Bretton Woods institutions

Bretton Woods institutions played substantial role by reconstruction of post-Second World War Europe and it was quite successful. Together with Marshall plan and other integration arrangements it contributed to unprecedented economic prosperity and political stability in post-war Western Europe. Very important role was fulfilled by integration of post-war West Germany into all these processes and institution as prevention of possible conflicts in Europe.

Later has their focus moved to the Third World countries. We can speak about the rising role by problems solving in Third World countries and the rising influence on credit policy for developing countries and on their general economic policy. Here must be the success of Bretton Woods institutions evaluated much more carefully and in quite controversial way, especially since 1980s.

In 1980s there were series of economic, social and political crisis in Latin American countries caused mostly by wrong fiscal policy, inefficient public sector and rising of internal and external debts. International Monetary Fund and the World Bank were the main providers of financial help and loans. They became simply very influential also in terms of their internal policy. At the same time we must stress that 1980s is also connected with the shift in paradigms in the world economic theory and applied economic policy. Keynesianism, the main way how to manage economic system, was replaced by neoliberal approaches. In the practical policy we speak about the period of Reaganism and Thatcherism, applied especially in the USA and in the UK.

2. 2. Elaboration of Washington Consensus

As reaction to this crisis in Latin America it was elaborated a "prescription" how to cure these countries to be more economically strong and competitive. It was presented as a policy advice by Washington-based institutions such as the International Monetary Fund, World Bank, and U.S. Treasury Department, which were believed to be necessary for the recovery of Latin America from the economic and financial crises of the 1980s.

In 1989 one of the main proponents of Washington consensus Mr. Williamson said that it is "the lowest common denominator of policy advice being addressed by the Washington-based institutions to Latin American countries as of 1989". By critiques and opponents now it is often seen as synonymous with "neoliberalism" and "globalization" or "market fundamentalism".

Principles of Washington Consensus by Williamson (as of 1989) are summarised into "The Ten Commandments":

- Fiscal discipline,
- Redirect public expenditure,
- Tax reform,
- Financial liberalization,
- Adopt a single, competitive exchange rate,
- Trade liberalization
- Eliminate barriers to foreign direct investment
- Privatize state owned enterprises,

- Deregulate market entry and competition,
- Ensure secure property rights.

It must be stressed that there is no discussion about necessity of most of the proposed arrangements. But there were doubts about the speed and sequence of particular steps. The other missing things are that they take into account only macroeconomic arrangements, neglecting microeconomic and other non-economic aspects of the issue (legal, social, environmental and other dimensions). It was also believed that these prescriptions are universal for all countries in the world ("one size fits all" policy).

3. Bretton Woods institutions and transformation (transition) in Central and Eastern European countries

At the same time when the Washington Consensus was elaborated, substantial political changes occurred in the region of Central and Eastern Europe. And there was demand from countries in this region for help by transforming of their command economies to the fully market economies. There were not enough skilled and experienced experts in these countries, so their political establishments decided to ask for help IMF and WB. International advisors from IMF and WB recommended in early 1990s this strategy universally for all countries in transition. We must stress this strategy was freshly elaborated and there were not experiences from Latin America yet.

Experts in the region were divided into two unequal groups. Majority supported recommendations prescribed by IMF and WB. This group was for radical, quick and all encompassing economic reform. The main argument was that the old system was so bad that the sooner it will be replaced by the new economic order, the better. Sometimes it is described as "shock therapy" approach. Of course, one of important decision making factors was that loans for collapsing economies of this region were tightly connected with accepting of "bitter pill" of the Washington Consensus prescriptions. Gradualist approach was different in sense of speed and sequencing of particular steps. It was based on the assumption that gradual changes are slower, but you can avoid many mistakes caused by quick speed and impetuous decisions. And also that it is not possible to break one system and at the same moment to establish fully functioning market economy. As the best known proponents of Washington Consensus in CEE can be mentioned Yegor Gaidar, Russian prime minister and architect of Russian economic reform starting in the beginning of 1992, Leszek Balcerowicz, Polish finance minister and architect of the first stage of economic reforms in Poland and Václav Klaus, Czechoslovak finance minister, later Czech prime minister and current Czech president.

At the same time when there were introduced IMF reform packages in CEE countries, in some regions of the world was more and more visible, that Washington Consensus has also its big snags. From the mid-1990s followed series of economic crises mostly in Third World countries, but not only there (Stiglitz 1998,1999, 2002). Firstly was affected by economic crises in 1994 Mexico, despite it was evaluated as a "pattern-pupil" of IMF which followed all prescriptions of Washington Consensus. Than economic crises came suddenly in 1997 South East Asia and almost destroyed not only economically, but also politically the largest country of the region – Indonesia. Russia followed very soon in 1998. Domino effect followed in

many countries of Latin America. Lastly it was state bankruptcy of Argentina in 2001 with unbelievable impact on living conditions of vast majority of people. It is necessary to stress that special crises package for regions and countries undergoing economic crises often failed (Stiglitz 2002). At the same time we also could observe failing of these packages throughout CEE region. Economic crisis affected Russia and other countries of CEE. Most of them blindly followed prescriptions of Washington Consensus. This awaked strong criticism of the market fundamentalism and neo-liberal practices recommended by IMF and WB. Common features of critiques were connected with neglecting of path-dependency or history, neglecting of law environment establishing and general mistrust to public sector efficiency.

4. Criticism on shock therapy and practices of IMF

Rising critique of Washington consensus was coming not only from academic sphere, especially from alternative economic approaches, but also from WB. Joseph Stiglitz, by that time the director of the WB and former head of advisors of president Bill Clinton, strongly criticised IMF especially in following points (Stiglitz 2002):

- Badly managed privatisation
- Bad timing for capital market liberalisation
- Privatisation before establishing of legal framework and infrastructure
- Focusing on just certain macroeconomic characteristics, especially inflation
- Social cost of transition (widening gap between rich and poor – possible extinction of middle class)
- Revolutionary (bolshevik) instead of evolutionary approach to reforms.

As the main recommendations for IMF J. Stiglitz (2002) during crisis (crisis management) suggested that capital market liberalisation is usually dangerous (because of "hot money" transfers). Other important point is to introduce necessary changes in the Act on Bankruptcy (to share responsibilities between creditor and debtor) that investors will not relay so much on rescue packages by IMF. Very actual also today seems to be improving of banking committee and regulation (call for broader, less ideological approach to regulation), improved risk management (especially in case of exchange rate maintaining, interest rates regulation, credit crunch), than improving of social networks (social tension can cause very difficult environment for reform promotion). This all should lead to improving of reactions on economic crises.

Also very important and comprehensive constructive critique to IMF and WB policies in 1990s was brought by M. Naím (Edwards and Naím, 1998). Naím served as an executive director at the World Bank and directed policy studies on economic reforms at the *Carnegie Endowment for International Peace*. He also served as Venezuela 's minister of trade and industry in the early 1990's. Prior to his ministerial position, he was professor and dean at IESA, a business school and research centre in Venezuela. As an insider, who was an important person in the WB he tried to understand better why Washington Consensus failed. He elaborated with his team constructive points of improving of previous recommendations. He says that most of points of Washington Consensus are correct, but next stage must follow. It is summarised in this overtaken Tab. 1.

Tab. 1: Moisés Naím's team alternative recommendations for economy transformation.

Two Stages of Economic Liberalization	Stage I	Stage II
Priorities	• Reduce inflation • Restore growth	• Improve social conditions • Increase international competitiveness • Maintain macroeconomic stability
<i>Reform Strategy</i>	• Change macroeconomic rules • Reduce size and scope of the state • Dismantle institutions of protectionism and statism	• Create and rehabilitate institutions • Boost competitiveness of the private sector • Reform production, financing, and delivery of health care, education, and other public services • Create "economic institutions of capitalism" • Build new "international economic insertion"
<i>Typical Instruments</i>	• Drastic budget cuts and tax reform • Price liberalization • Trade and foreign investment liberalization • Private sector deregulation • Creation of social "emergency funds" bypassing social ministries • "Easier" privatizations	• Reform of labour legislation and practices • Civil service reform • Restructuring of government, especially social ministries • Overhaul of administration of justice • Upgrade of regulatory capacities • Improvement of tax collection capabilities • Sectoral conversion and restructuring • "Complex" privatizations • Building of export promotion capacities • Restructuring relations between states and federal government
I. Principal Actors	• Presidency • Economic cabinet • Central Banks • World Bank and IMF • Private financial groups and foreign portfolio investment	• Presidency and cabinet • Congress • Public bureaucracy • Judiciary • Unions • Political parties • Media • State and local governments • Private sector
Public Impact of Reforms	• Immediate • High visibility	• Medium and long term • Low public visibility
Administrative Complexity of Reforms	• Moderate to low	• Very high
Nature of Political Costs	• "Temporary corrections" widely distributed among population	• Permanent elimination of special advantages for specific groups
Main Governmental Challenge	• Macroeconomic management by insulated technocratic elites	• Institutional development highly dependent on midlevel public sector management

Source: Moises Naim: Latin America's Road to the Market: From Macroeconomic Shocks to Institutional Therapy (San Francisco; ICEG, 1994)

Naim stresses that it is necessary to introduce the second stage of liberalisation process which will prevent negative effects of reforms. It is true that very often the second stage did not follow.

Tab. 2: Countries accepting and opposing to Washington consensus.

Countries accepting Washington consensus	Countries opposing to Washington consensus
Argentina, Bolivia, Brazil (Plano Real), Chile, Colombia, Costa Rica, Dominican Republic, Ecuador, El Salvador, Guatemala, Honduras, India, Indonesia, Mexico, Morocco, Nicaragua, Paraguay, Peru, South Korea, Thailand, Tunisia, Uruguay, Zambia, Czech Republic, Estonia, Latvia, Lithuania, Macedonia, Poland, Russia (in early stages of transition)	China, Malaysia, Singapore, Ethiopia, Hungary, republics of ex-Yugoslavia (especially Slovenia)

Source: Own proposal, http://en.wikipedia.org/wiki/Washington_Consensus (18. 11. 2008).

5. The case study of (voucher) privatisation in the Czech Republic

By 1990 in Czechoslovakia was one of the most etatised economies in CEE (similar to GDR, Romania or Soviet Union). The share of state owned property was over 95 %. There was no question if to privatise or not, but the privatisation mode and its pace were crucial issues of the economic reform. As the scenario of economic reform was selected the implication of neo-liberal prescriptions of IMF, called the Washington consensus. One of the main ideological axioms was: "private ownership is always better than state or public ownership". So we must "privatise as quick as possible" without regard to external legal and institutional environment and regulation mechanisms. Tomáš Ježek, the privatisation minister of that time, very often repeated the idea that "we can not wait for new legislation, for new laws, we must be always several steps in front of lawyers, time is running! "

To summarise, we can find three main modes of de-etatisation of the state property which share was almost 100 %:

- The restitution act (returning of the property expropriated to original owners after 25/2/1948)
- Transfer of the property to municipal level (it was the case of majority of typical municipal property like houses, water or gas pipelines and other technical infrastructure and similar)
- Privatisation

Privatisation itself became an icon of the whole economic reform as the main flagship of newly established right-wing government of the prime minister Václav Klaus. We can (with some simplification) distinguish three main modes of privatisation:

- Selling to domestic entrepreneurs
- Selling to foreign investors (in the first half of 1990s was very limited because of ideological reasons, but in retrospective seems to be the most successful)
- Distribution of property among citizens (voucher privatisation)

Especially thanks to the first and the third method of privatisation a huge share of the state ownership was privatised in a very short time of two or three years. But

was it real privatisation? While the state ended its direct ownership in privatized enterprises, it continued to own many banks and other major financial institutions in the Czech Republic (and Slovakia) throughout the 1990s financial institutions in turn established the largest privatisation investment funds (IPFs) in the early 1990s to amass a huge number of former state properties in the form of enterprise shares during the period of voucher privatization (Pavlínek 2003). And more over, this method of privatisation did not actually bring any (or very limited) investment into technologically backward companies which lost quickly most of their markets in the former communist countries of CEE.

Voucher privatisation was a never experienced experiment which main reason was the quickest speed of privatisation. It should also teach citizens how to take care about ownership, how to become more entrepreneurial and of course, how to get political points before coming elections in June 1992. Property was distributed among people via vouchers. Every citizen older than 18 years could receive for relatively small administrative fee (1000 CZK) a voucher book with 1000 points. These points should be transformed to real shares by several rounds of company auctions. In these five or six rounds the price of individual companies should be set. The market represented by domestic people, not standard stock exchange should set the price per one share! For people who did not know how to invest their shares (vouchers) were established so-called Investment Privatisation Funds (IPFs). Their role should be according to the voucher privatisation proponents only marginal and should serve as a rescue service mostly for elderly people or so. But most of people was not prepared to play this game called "voucher privatisation" under rules and ideological ideas of Civic Democratic Party. And waste majority of vouchers were submitted by citizens to IPFs.

Four of the five largest IPFs were established by the largest banks in which the state represented by the National Property Fund (NPF) held the controlling majority. The state was also the major creditor to 80% of all large and medium-sized Czech companies because a large number of nonperforming loans were transferred to the state owned Konsolidační banka, which was controlled by the Ministry of Finance (Pavlínek, 2003). Banks were reluctant to force enterprise restructuring through bankruptcies in the 1990s because the government was following active anti-bankruptcy policies in order to preserve the social peace by preserving the low unemployment rate. This situation can be described as "banking socialism" or "pseudo-privatization" (Pavlínek 2003).

It resulted into reproducing of the old negative forms of enterprise behaviour: enterprises retained an information monopoly developed under central planning, new owners received only distorted and filtered information, enterprises were controlled by the same management joined by new representatives from IPFs creating "recombinant coalitions" that followed their own interests. The phenomenon of recombinant property has negatively affected enterprise performance typically paralyzed the industrial enterprises instead of leading to its successful development weak state chose not to enforce its ownership rights in the vast majority of cases, leaving many existing pre-1989 managers in charge of enterprises new owners, the IPFs and thousands of small shareholders, did not understand production in privatized enterprises. It resulted in their failure to establish an effective corporate governance. Recombinant ownership structure failed to exert strong enough pressure on enterprise managers to conduct the radical enterprise restructuring

necessary for the future survival of the enterprises, nor did it make them accountable for their managerial decisions.

Managers continued acquiring large debts through soft loans and banks continued to provide loans to heavily indebted enterprises (especially between 1994 and 1996). The pre-privatization agony" has been in effect replaced by a "post-privatization agony". The neoliberal assumption that any new private owners would conduct effective enterprise restructuring immediately after privatization were largely false (Pavlínek 2003).

Privatization of SOEs to domestic owners typically resulted in profound organizational restructuring, it did not necessarily lead to immediate and effective restructuring.

More over many IPFs turned from the role of share managers to share owners in very untransparent way. Under very unfavourable price conditions they bought the share from small owners. In some cases they simply stole their property through many very unclear legal and financial operations for which was introduced a new name, "tunneling". It resulted into net outflow of money or capital into tax paradises. To preserve social peace and low unemployment, the state was forced to get back robbed enterprises and privatise them later (mostly to foreign investors) under much less favourable conditions. This net outflow of capital connected with global financial turmoil resulted in 1997 into serious economic and political crises. After change of the political representation it has led into new methods of privatisation and economy restructuring based mostly on foreign direct investment (FDI).

The net costs of the experiment called "voucher privatisation" are difficult to calculate. But next to financial costs (estimated to several hundreds of billions of CZK) we must also take into account political and moral costs of the (voucher) privatisation. Discreditation of privatisation among ordinary people, introducing of grinder mode of capitalism can be mentioned as the main negative effects next to financial costs which are paid basically until today.

6. Alternative approaches to post-communist transformation in Central and Eastern Europe

Teleological "transition" approaches, associated with neoliberal and neoclassical economic interpretations, very often failed in explaining what is going on the CEE region. In 1990s a set of alternative approaches was elaborated and presented. Alternative "transformation" approaches are based rather on interpretations stemming from evolutionary and institutional economics, the analysis of networks of economic embeddedness, and Marxist political economy and regulation theory. This wide and diverse range of alternative approaches has in common several fundamental points and ideas.

Critiques of transitology stress that the simplistic and teleological view of "transition" as a relatively unproblematic shift from state socialism to capitalism through the process of modernization and democratization is very far from reality. It ignores the CEE transformation as a complex political, economic, social and cultural change. It concentrates on CEE as a whole or the national level and does not pay

sufficient attention to the changes and processes taking place on other scales, especially at the local level, and the relations between these scales. It also ignores the geographical variability of the transformation and the issue of geographic scale. This is leading to many mistakes by interpretation of transformation (or transition?) Among common signs of alternative interpretations we can include path dependent and embedded nature of the process. Institution-building process (including market economy itself) was gradual, organic, and stresses the existence of continuities and similarities between the post-1989 developments and the previous state socialist system. There is direct opposition to the neo-liberal belief in the possibility of instant capitalism imposed through shock therapy on the imaginary *tabula rasa*. There is also *plurality of transitions* depending on individual histories and experiences of particular states and regions.

7. Conclusions

In the previous text I have tried to explain main driving forces influencing the process of social and economic transition in the countries of CEE. We can conclude with the statement that domination of neoliberal concepts by transformation of economies round the world, including CEE countries, is less dominant than before and that it is questioned by many social scientists and politicians. Practical experiences of ordinary people discredited many good ideas brought by neoliberal political concept. Among others it is the mode privatisation, fast liberalisation and others.

Despite majority of countries have overcome the grinder period of the capitalism of 1990s and successfully finished building of fully functioned market economy, they are members of European Union and their real economy is converging with EU 15 economies quiet fast, there is still a bit of bitter taste of this period. More over current global financial and economic crisis is questioning the concept of Washington consensus, the role of global financial institutions more and more. So, at the end we can ask if there is some kind of post-Washington consensus emerging. And is it actually necessary or even possible to find some universal prescription for countries undergoing some kind of transformation?

Literature

- Edwards, S., Naím, M. (eds.) 1998: Mexico 1994: Anatomy of an Emerging-Market Crash.
- Gore, C. 2000: "The Rise and Fall of the Washington Consensus as a Paradigm for Developing Countries." *World Development* 28 (5), 789-804. Taken 18th of November 2007.
<http://siteresources.worldbank.org/INTDECINEQ/Resources/gore.pdf>
- Mlčoch, L. 1998: Czech Privatization: A Criticism of Misunderstood Liberalism, *Journal of the Business Ethic*, vol. 17, July, pp. 951-959.
- Mlčoch, L., Machonin, P., Sojka, M. 2000) : Economic and social changes in Czech society after 1989: (an alternative view). Prague, Carolinum, 279 p., ISBN: 80-246-0103-6.
- Mlčoch, L. 2001: Ten Lessons from the Ten Years of the Czech Way. *Finance a úvěr*, 51/4, p. 193-205.
- Naim, M. 1994: Latin America's Road to the Market: From Macroeconomic Shocks to Institutional Therapy, San Francisco; ICEG.

- Naim, M. 1999: *Fads and Fashion in economic reform*. Taken 19th of November 2008
<http://www.imf.org/external/pubs/ft/seminar/1999/reforms/Naim.HTM>
- Pavlínek, P. 2003: "Alternative Theoretical Approaches to Post-Communist Transformations in Central and Eastern Europe." *Acta Slavica Iaponica*, Vol. 20, pp. 85-108.
- Smith A., Swain A. 1998: The micro-foundations of transformation in Eastern and Central Europe," in John Pickles and Adrian Smith, eds., *Theorising Transition: The Political Economy of Post-Communist Transformations*, London and New York, Routledge.
- Stiglitz, J. 1998: *More Instruments and Broader Goals: Moving toward the Post-Washington Consensus*. Helsinki: UNU/WIDER. Taken 11th of November 2008
<http://www.wider.unu.edu/publications/annual-lectures/annual-lecture-1998.pdf>
- Stiglitz, J. 1999: *Whither reform? Ten years of the Transition*. Washington: The World Bank. Taken 10th of November 2008
<http://cesp.vse.cz/files/11%20-%20Stiglitz%20-%20Whither%20Reform.pdf>
- Stiglitz, J. 2002: *Globalization and its discontents*. W.W.Norton & Company, 403 p. ISBN 0-393-05124-2
- Williamson, J. 1990: *What Washington means by policy reform*. Taken 18th of November 2008
<http://www.iie.com/publications/papers/print.cfm?doc=pub&ResearchID=486>
- Williamson, J. 2000: "What Should the World Bank Think About the Washington Consensus?" *World Bank Research Observer* 15(2), 251-264. Taken 18th of November
http://www-wds.worldbank.org/external/default/WDSCContentServer/IW3P/IB/2000/11/10/000094946_00102705411757/Rendered/PDF/multi_page.pdf
- Williamson, J. 2002: *Did the Washington consensus fail?* Taken 18th of November 2008
<http://www.iie.com/publications/papers/print.cfm?doc=pub&ResearchID=488>
- Williamson, J. 2003: "From Reform Agenda to Damaged Brand Name." *Finance & Development*. Taken 18th of November from the IMF database:
<http://www.imf.org/external/pubs/ft/fandd/2003/09/pdf/williams.pdf>

INSTITUTIONAL FRAMEWORK AND TYPOLOGY OF ECONOMIC TRANSITION IN POST-COMMUNIST COUNTRIES OF CENTRAL AND EASTERN EUROPE: THE ROLE OF BRETTON WOODS INSTITUTIONS

Summary

Economic transformation in the region of Central and Eastern Europe is a story which has not finished yet. After almost twenty years since falling of the Berlin wall or falling of the iron curtain dividing Europe we can try to look back. In this paper I will focus on some selected features of this process, especially on the role of existing global economic order and prevailing paradigms and ideologies.

Departing from the concept of transformation and transition, this article highlights some main directions and problem areas of this process. It starts with description of transitory architecture in countries of Central and Eastern Europe based mostly on the concept of "Washington consensus" as the main method being used during the first stages of transition in many post-communist countries. After this theoretical part we start with concrete examples from particular countries where the key transitional processes will be described. Main focus will be put on the privatisation process in the Czech Republic in comparison to other post-communist countries. Typology of transitory processes in particular countries from "shock therapy" to "gradualist" ones will be placed. Then alternative approaches to transition are introduced, focusing on the concept of path dependency, network analysis, regulation theory and their approaches to state socialism and post-communist transformations.

The costs of transformation are meant not only in financial or material sense, but also the other ones: moral, ethical and many other. Despite majority of countries have overcome the grinder period of the capitalism of 1990s and successfully finished building of fully functioned market economy, they are members of European Union and their real economy is converging with EU 15 economies quite fast, there is still a bit of bitter taste of this period. More over current global financial and economic crisis is questioning the concept of Washington consensus, the role of global financial institutions more and more.

We can conclude with the statement that domination of neoliberal concepts by transformation of economies round the world, including CEE countries, is less dominant than before and that it is questioned by many social scientists and politicians. Practical experiences of ordinary people discredited many good ideas brought by neoliberal political concept. Among others it is the mode privatisation, fast liberalisation and others.

So, at the end we can ask if there is some kind of post-Washington consensus emerging. And is it actually necessary or even possible to find some universal prescription for countries undergoing some kind of transformation?

FORMER YUGOSLAV COUNTRIES IN THE BALKAN CONTEXT AND DIFFERENCES IN THEIR ECONOMIC DEVELOPMENT

Zoran Stiperski

Ph.D., Associate Professor
Department of Geography
Faculty of Science
University of Zagreb, Zagreb, Croatia
e-mail: zstiper@geog.pmf.hr

Jelena Lončar

Junior Researcher
Department of Geography
Faculty of Science
University of Zagreb, Zagreb, Croatia
e-mail: jloncar@geog.pmf.hr

UDK: 911.3:914.971

COBISS: 1.02

Abstract

Former Yugoslav countries in the Balkan context and differences in their economic development

In this article we will talk about the perception of Balkan, how the people who lives there and people from the West see it and how it become that Balkan have so negative connotations. Also we will present how the former Yugoslav countries, as once a part of Balkan, has the different economic growth which exsisted and still exist between those countries. We will try to explain why some of them economically gone very far and others are still falling behind.

Key words

Balkan, former Yugoslavia, former Yugoslav countries, differences in development

1. Introduction

Europeans used different names for part of Europe which was many centuries isolated from rest of the continent and which today is called Balkan. That often depends on cultural connection and political reasons. Earlier British travellers called this area Haemus (old Greeks called it *Aemus* and old Romans *Haemus*). Italian writer and diplomat Cllimaco first wrote name Balkan in 15th ct. In 19th ct. for the same mountain are used two names: Balkan and Haemus. Word Balkan is Turkish word for mountain. Travellers used word Balkan not for the whole peninsula, but just for the mountain. The most common names for Balkan till Berlin congress (1878.) were: European Turkey, Turkey in Europe, European Ottoman Empire, European Levant, Oriental Peninsula etc. Local national names were also used such as Greek peninsula, Slavic-Greek peninsula or Southslavic peninsula. Ottoman rulers called this area Rum-eli or Land of Romans, Rumeli-i-sahane or Empirical Rumeli and also *Avrupa-i-Osmani* (Ottoman Europe). "As the result of Turkish government, at the end of 17th ct. almost one third of east Balkan population was ethnically and by language belonging to Turkish people. At the northwest parts German element was spreading fast, especially after Austrian-turkish war (1683-1699). In 19th ct. germanization was also fast in Dalmatia and after 1878 in Bosnia and Herzegovina" (Stojanović 1997).

As for religion, most of Balkan states are Orthodox except Bosnia where the Christianity developed late and never had strong institutional base. That's why islam had faster and bigger influence there than in other parts of Balkan. "Islam today is still part of cultural elements in Balkan" (Rihtman Auguštin 1997). But name Balkan stays and in the second half of 19th ct. replaced the name European Turkey.

Balkan was always divided in three spheres of influence: Russian, Austro-Hungarian (middle European) and Turkish. Later in 20th ct. in the Balkans started to appear Soviet (in Romania and Bulgaria) and American influence (Greece).

In the 19th ct. term Balkan didn't have negative connotations. At the beginning of 20th ct. this term starts to get different social, political, ideological, economical, cultural and civilisational connotations. During the Cold War was suppressed Balkan determination and conflicts were on the line West-East. More often term Balkan and balkanisation are used from 1989. and that in negative sense. "Balkan can't never be a role model" (Rihtman Auguštin 1997). Part of this Balkan was also former Yugoslavia, although some areas were more and some less "Balkan" – similarities and differences in former Yugoslav countries will be also mentioned in this article.

2. Balkan inside

We can often hear in everyday speech about Balkan mentality – who has it or who doesn't. Being Balkan man (or women) means to be rough, primitive, lazy, slovenly, uncultured or something similar. It also means that many people talks with similar languages, but not understanding each other the best sometimes. The legacy we still all have from Turks are many Turkish words that we still use in our everyday life.

Many people see Balkan as something dark, mystic, place where people are still connected with nature powers. It's seen as something being slow and falling behind in comparison to rest of the Europe. But Balkan is a place where people are simple,

where they fought for their national independence, for better life and technical and economical development, and at the same time keeping the rest of Europe far from wars with Turks, so that Europe could develop. That was denied to Balkan countries and this area stayed economically most undeveloped in Europe till today.

"Balkan people needed to wait 19th ct. and decline of power of Ottoman Empire to start progressing a little. Industrialization had to wait creating of social basis which allowed development of industrial policy: order and law, opening schools, hospitals, modernisation of roads, opening efficient institutions for assessment and distribution of economy data. Policy of industrialization need to made economy base: monetary, fiscal and public services. Also big problem till the second half of 19th ct. was there were no bigger urban centres in this area, and making social and economic basis depended on urban development. Bigger urban centres started to appear thanks to stronger technical development between 1950-1970. In communist countries also grew small towns and developed new industrial cities." (Stojanović 1997).

"When the Balkan states finally industrialized they couldn't compet on international market with the states which had power steam machines and other sources of energy, and on the other hand they couldn't make their own market very fast. Many of people were afraid of sudden industrialization. Between 1830 and 1990, biggest Balkan states, including Yugoslavia, tried 6 times to conduct industrialization, under different socio-political surcomstances. First four try of industrialization try to conduct bourgeoisie and other 2 times (except in the case of Greece) state. So, even when they were progressing, Balkan states were still declining for other European countries because they lost in touch with advanced industry and technology." (Stojanović 1997).

3. Which is and which is not Balkan?

Balkan peninsula is surrounded with Adriatic, Ionian and Black sea, but on the north, borders are not clear. Northern border are rivers Sava and Danube for which there are historical and cultural reasons. Western Europeans often thinks that the Balkan is on the economic and civilisational bottom of Europe – European third world. Balkan is the bridge between East and West, Europe and Asia, but also a social bridge between high civilisation and "nothing", so its often considered as half civilised, half developed, half oriental and half colonial. The heart of the Balkan is area of southeast Europe which was a long period under the Turkish dominance and isolated from West Europe at that period. Balkan peoples has negative image about themselves which created Western Europeans. Some people think that with making Balkan as something bad, Westerners wants to make good picture of themselves as "real" Europeans. Balkan in that way becomes "storage of negativity". Just one month ago one British officer who participated in UN forces situated in Croatia said: "All people from Balkan are bad – everything is connected with revenge to them".

Sometimes with balkanisation is connected southeast and central Asia because of similarity with original, but its only one, true Balkan, one at the southeast Europe. Western Europe is "true" civilised Europe and the East something towards Asia. On the West there are modern cities and modern trade and on the East centralized birocratic state which overlooked cities and towns. On the West is Latin Catholicism and on the East orthodox Christianity. Division of West and East is maintained through difference of Roman Catholicism and orthodox Christianity as consequence of political and ideologically rivalry of Rome and Constantinopol. Another important

boundary between Europe and outer non-european borders is border between Christianity and islam.

In the whole Balkan we have multiple division of orientalism. For Slovenians easterners are Serbs, as well as for Croats, for Serbs easterners are Bosnians, although they are geographically western than Serbians. But common to all of them are Turks, who also see themselves as westerners in comparison to Arabs, Persians and others. Western Europeans often use to blame Balkan countries for terrorism which was part of national movements. First World War began at Balkans. Creators of images from West often blamed Balkan for whole war, but there was big part of western European powers who wanted that war also. The term balkanisation is connected with system of mini-states which is contrary to aspiration of western-european nationalists who wants big and homogeneous state. Some detailed explication of balkanisation tells us about decomposition process of bigger area on smaller and mutually hostile units which make balkanisation similar to libanisation.

4. Former Yugoslavia and Balkan

In former Yugoslavia there were "more" and "less" Balkan regions. With less Balkan regions were connected some adjoining parts of Balkan, but more important were some other outer characteristics. Most of the authors classify this former Yugoslav countries as Balkan countries: Serbia, Monte Negro, Macedonia and Bosnia and Herzegovina. Main reason for that is long term ottoman rule and absence of western influences on those societies. Croatia was short period of time under ottoman rule and Slovenia wasn't at all – for them term Balkan is used much less. Slovenia and Croatia always wanted to be part of Central Europe – which represents positive and sentimental way of thinking. Eastern Europe, on the other hand, is always mentioned in negative sense. Even today, Eastern Europe, Russia and Balkans are often considered as contrast to civilized Central Europe. "No one of Balkan country inhabitants doesn't want to be considered as Balkan people" (Čapo Žmegač 1997).

Serbia didn't like Croatian and Slovenian moves towards Central Europe. But "Slovenians and Croats wanted to go out of Yugoslavia because they believed they are more progressive, advanced, good workers, tolerant and democratic, towards lazy and intolerant Balkans from the east of country." (Rihtman Auguštin 1997). Some authors last few years consider Croatia as part of Western Balkan, but West Balkan is just a Balkan. West Balkan is term which coined euro-bureaucrats. Yugoslavia was state of repeating conflicts on national basis and it's not impossible to say that new West Balkan association could go in that way too.

The main reasons for some authors to classify Croatia as Balkan state is that some parts of its territory were under Turks one period of time and also the fact that Croatia was part of Yugoslavia during most of 20th ct. "But from the end of 17th ct. Croatia developed as part of Austrian and Venetian space, later just the first one. Because of that Croatia is zone of contact, dividing line or meeting point of empires and traditions" (Čapo Žmegač 1997).

Yugoslav people in the period of Yugoslavia existing, thought of themselves as part of Danube or Adriatic region, or as a elite of nonaligned countries. Some stronger acceptance of term Balkan was in Serbian and Macedonian science through existence of Institute of Balkan in Serbian academy of science and art or in

Macedonian magazine Balkan forum. Serbian geographer Jovan Cvijić looked in Balkan in positive way and the main role in this area he gave to Serbs.

Foreign creators of Yugoslavia try to make good picture of Yugoslavia as their successful project which has achieved their main goal – peace in Balkan. Therefore, because that picture have to stay good, many Yugoslav interior crisis and conflicts were covered. From 1918-1990 Yugoslavia was state of many conflicts on the national basis. Every few years in many parts of Yugoslavia, from Croatia to Kosovo and Bosnia there were some conflicts which were solved by dictatorship bat. For other countries Yugoslavia's presented pictures of succes was stronger than picture of country with many internal crisis.

Even before, for some European countries in the times of Ottoman empire, Turks in this part of Europe were factor of stability and balance of power. Just the thought on existence of many Slavic-orthodox Balkan states looks dangerous to them. Western Europeans, although led antiislamic and strong fundamentalist Christian campagne, wanted long lasting Ottoman empire in Balkan.

In the years after retreating Ottoman empire, process of westernization of Balkan start to begin. Turks didn't take care of establishing local political and cultural elites and Balkan Christian elites didn't have part in Ottoman empire. After Ottoman rule old state institutions and local government were disappearing and new were established. The role model was European administrative homogenous national state. Modernisation of Balkan begun with trade, industrialization and making new bourgeoisie. New languages are standardise and institutions like schools and army, construct wide masses into citizens of new national states.

But Balkan societies have little trust towards state because it reminds them to Ottoman state as alien and non friendly. People and local government try to take the most from central government which results in corruption and "gray" economy. Croatia today, with spreading of EU on the east and south of continent, becomes closer to western-europeans standards. In its history Croatia has two big falls – after decline of Austro-Hungary and other after Second World War. First opportunity for Croatia to become closer to Western Europe was after break up with Yugoslavia. Of course, Croatia has its interest in Balkan, from safety issues, economy and national interests, but for that it needs not Western Balkan Union but seriously build-up states with which Croatia can cooperate.

Next part of this article will be dedicated to economical differences that existed in former Yugoslav republics, and on the other hand, it will show how these states developed and at what economic level are today.

5. Economic Development of the ex Yugoslav Republics from 1957 to 2005

There was virtually no change in the share of the individual republics in Yugoslavia's total domestic product during the examined period, 1957–1988. The relative shares of the individual republics remained for many years the same. Thus, their ratios of participation in the gross domestic product (GDP) were static in the long-term. No republic showed either a significant increase or decrease in its relative share.

Yugoslavia consisted of six republics and two autonomous regions – Voivodina and Kosovo, which were part of Serbia. In 1992. was formed by republics of Serbia and

Montenegro, Federal Republic of Yugoslavia, and later simply Serbia and Montenegro. We grouped the republics of Serbia and Montenegro into one entity when presenting data from the Yugoslav period, since this enables comparisons to be made with the period after 1990, when these two republics were within one state. When this paper was near completion, Montenegro became independent, yet it will take some time before the World Bank publishes its first official data for Serbia and Montenegro as separate states. For this reason, this paper will continue to treat Serbia and Montenegro as one country. However, Serbia's economy constitutes a much larger system than Montenegro's. For example, the Montenegro's GDP at the end of the 1980s amounted to about 5.4% of Serbia's GDP (i.e. Serbia, together with its two regions, Voivodina and Kosovo).

From 1957 to 1988 Serbia and Montenegro maintained the largest economy among all the Yugoslav republics (and thus also the highest share in the Yugoslav GDP). Serbia and Montenegro participated with 39-40% in Yugoslavia's GDP. This proportion did not change in about thirty years. Obviously, this ratio pertained mainly to Serbia, since Montenegro's share in producing Yugoslavia's GNP was small – more or less 2%, while Serbia's was around 37-38%. Croatia had the second largest economy in Yugoslavia; with a share in the GDP between 25% and 28%. Croatia, incidentally, also showed the greatest change among all the republics in the Yugoslav period. In 1957 Croatia's participation in Yugoslavia's GDP was 28%, whereas in 1988 it fell to 25%. Slovenia had the third largest economy in former Yugoslavia, with a 17% share in the country's GDP. Bosnia and Herzegovina participated with nearly 13%, and Macedonia with 6% of Yugoslavia's GDP. If we now divide ex-Yugoslavia into a western and an eastern half, then the West – i.e. Slovenia, Croatia, Bosnia and Herzegovina (SCBH), produced 55% of Yugoslavia's GDP, and the East – Serbia, Montenegro and Macedonia (SMM), produced 45%. The population distribution between the West and the East was about equal – 50:50%.

After the break-up of Yugoslavia and the creation of five new states; through the war and the transition period, the previously existing percentages of economic production significantly changed. We did not present data for the period 1990–1999, since the World Bank did not provide all the relevant statistics for Serbia and Montenegro during that decade. To be exact, such material is given for Slovenia from the beginning of the 1990s, and several years later for Croatia and Macedonia and Bosnia and Herzegovina, but most of the data for Serbia and Montenegro was published for the first time only in 2000. According to the data for 2000 and 2005, Serbia and Montenegro no longer made up the largest economy in the former Yugoslav region. The leading position has been taken by Croatia and Slovenia. Croatia's portion in the aggregate gross national income (GDI) of all the states in the former Yugoslav area had increased from 25% (1988) to 34% (2000) and Slovenia's from 17% (1988) also to 34% (2000). At the same time, Serbia and Montenegro's part fell notably from 39% (1988) to 17% (2000), and Bosnia and Herzegovina's from 13% (1988) to 8% (2000). Macedonia's portion remained about the same, around 6%. In the period 2000–2005 there was a certain economic recovery in Serbia and Montenegro and the country's share in the aggregate GDI in the ex-Yugoslav area rose from 17% to 24%. If we now divide the former Yugoslav area into its western and eastern sections, i.e. into SCBH and SMM, then SCBH produced 77% (2000) and 71% (2005) of the region's GDI, and SMM 23% (2000) and 29% (2005).

Now we will analysis levels of *per capita economic development*, which present a different perspective from that of absolute economic mass (i.e. share in the overall GDP).

From this perspective, traditionally the most developed republic in former Yugoslavia had been Slovenia, with a per capita gross domestic product 74–100% above the Yugoslav average in the period 1957–1988. Croatia had been the second most developed republic, with a per capita GDP 20–26% above the Yugoslav average. All the other republics had had a per capita GDP *below* the Yugoslav average: Serbia and Montenegro 8–12% below the average, Bosnia and Herzegovina 26–35% less and Macedonia 31–38% under the average. Certain shifts in increasing or decreasing the level of development among republics can be noticed in the period 1957–1988. Thus, an increase in the level of development is evident in Slovenia, and a slight reduction can be seen in the level of development of Bosnia and Herzegovina.

As was to be expected, a large divergence in the levels of per capita economic development occurred among the new independent states in the area of former Yugoslavia. Slovenia and Croatia became even more developed and rose further above the average level in the ex-Yugoslav area, while Serbia and Montenegro, Macedonia and Bosnia and Herzegovina moved in the opposite direction. And, so, the train composition became extremely elongated. The differences became enormous! Slovenia's per capita GNI rose to 293% (2000) above the average in the former Yugoslav area. This was an increase from 98% (1988) to 293% (2000). Croatia, which had been the second most developed republic in Yugoslavia, also progressed, from 25% above the average in 1988 to 81% in 2000. The greatest decline was experienced by Serbia and Montenegro, which had been 11% below the average in 1988 and 63% below the average of the former Yugoslav area in 2000. It is interesting to note that in 2000 Serbia and Montenegro became the most undeveloped country in the former Yugoslav area. Bosnia and Herzegovina also experienced a significant fall in its level of development. However, from 2000 to 2005 the overall situation in the ex-Yugoslav area reverted somewhat back to the pre-war proportions (before 1988).

6. Reviewing recent changes

Today there is usually limited interest as to why the period 1957–1988 remained so static, practically without any noticeable changes in the relative levels of development of the individual republics in former Yugoslavia. Therefore, we will not try to answer this question, which is of interest mostly to historians or, more precisely, to economic historians. We are more concerned with the reasons why such major changes occurred between 1990 and 2000, and in predictions regarding developments in the near future. Although no clear answers exist – certain assumptions can be made.

In the case of some (former) republics, the situation is quite obvious. Macedonia did not experience any significant changes either in the size of its economy or in its level of development relative to other countries in the ex-Yugoslav area. Hence, the Macedonian case does not require further explanation. The pronounced drop in Bosnia and Herzegovina's share in the GDP/GDI of the former Yugoslav area, and the decrease in the country's per capita level of development, was to be expected, due to the severe and devastating effects of the war in that country. The war was

the main cause of this decrease. The present state of peace has installed a highly bureaucratised administration and an internal division into two (and sometimes three) separate units. International aide has stimulated passivity and a bureaucratic orientation in the population. In the Yugoslav period, a strong military industry had existed in Bosnia and Herzegovina, as well as similar economic concerns that had nurtured an intense real-socialist mentality in the workers, which had been deeply anti-entrepreneurial. Thus, the pre-war hard-line socialist structure, with the state acting as a nursemaid, was followed first by devastation, internal divisions and mistrust during the war, and later by activities on the part of the international community that created rigid bureaucratic mastodons on the local and the national level, and which through international aid increased the passivity of a *milieu* that had already been passive and non-entrepreneurial in the previous era. The international community, or more precisely the United Nations, has been taking care of Bosnia and Herzegovina for a long time. In order to end the war and reduce tensions the UN has established a regime of supervision in the country. UN supervision in Bosnia and Herzegovina is still in effect and the powers of UN administrators are immense, greater than the authority of all the levels of government in Bosnia and Herzegovina, including the country's central parliament, its government and presidium (which amounts to making Bosnia and Herzegovina a "protectorate"). To this should be added strong indications that a large part of the population, perhaps even the majority, does not even want the state of Bosnia and Herzegovina – but rather views other states, primarily Croatia and Serbia, as its own. This applies mostly to Croats and Serbs, but maybe also to certain segments of the Bosniak group that have been traditionally been inclined towards one or the other neighbouring country. Therefore, expecting economic success in Bosnia and Herzegovina seems quite illusive.

On the other hand, the change in the relative proportions of the three largest economies: Croatia, Slovenia and Serbia and Montenegro, is especially interesting. Slovenia and Croatia registered considerable economic growth after 1988, while Serbia and Montenegro entered into decline. Slovenia had an advantage in that it managed virtually to avoid war. Croatia, however, suffered highly from the war (after Bosnia and Herzegovina), since the war was fought on Croatian territory. Serbia and Montenegro, the state that had launched the war, likewise endured financial burdens and pressures resulting from the war, including several years of economic (and other) sanctions implemented by the international community. These sanctions also hit Macedonia, despite the country's innocence and non-involvement, since they practically closed its route to West Europe (the export route to the South was blocked by a Greek embargo, in protest to the use of the Macedonian name, and so Macedonia had for a time to rely on Bulgaria as an export outlet, which was complicated by the fact that Macedonian and Bulgarian exports to West Europe were of the same general type and therefore mutually competitive).

It is interesting to note that although Croatia was the victim of Serbian and Montenegrin aggression, the Croatian economy advanced, while the Serbian and Macedonia economy regressed. This should be noted as a phenomenon! Why? According to one opinion, made in the mid 1980s (when the future development in Europe could already be predicted with a high degree of accuracy) – in the expansion of market economies to the East, to the then-existing socialist world, areas that were geographically and in a civilisational sense closer to West and Central Europe would be much more successful in the new market economy than regions oriented towards the oriental-despotic Balkan zone. Subsequent events

confirmed this view, e.g. if we compare the successes of Hungary and the Czech Republic on the one hand, with Bulgaria and Romania on the other hand. Thus, the more western, more "European" countries – Slovenia and Croatia, showed better results than the more eastern and more Balkan-oriented countries – Serbia and Montenegro. Of course, in all the mentioned countries both types of influences exist – western, European and eastern/Balkan – the differences being in their relative intensities and prevailing tendencies. In the 1990s the government of Serbia and Montenegro was more intensely socialist and less inclined towards changes in the direction of a market economy than the Slovenian and Croatian governments. At the same time, corruption in Serbia and Montenegro was much more intense and deeply-rooted than in Slovenia and Croatia. International sanctions, as a result of the Serbia and Montenegro's hostile participation in the war, brought on further losses and furthered the country's economic deterioration. The advantages that Belgrade had had, as the capital city of former Yugoslavia, were lost. However, the most important reason that brought about this deterioration during the 1990s was probably the deep drop in the "quality" of Serbia and Montenegro's society. Slovenia managed to develop its society during this period. Moreover, Slovenia managed to replace the loss of the former Yugoslav market by redirecting its production to the market of the European Union and to other world markets. Slovenia showed a strong inclination towards a market economy, which it quickly implemented, but without typical East European rashness. It seems that Slovenia was more prepared to establish a market economy and had less elements of predatory capitalism than was usual in most, if not in all, East European countries.

7. Cooperation between the Republics/States in the period 1957–2004

In the former Social Federal Republic of Yugoslavia the republics existed as relatively closed economic systems, only partly linked to the economies of other republics, or to the rest of the world. It is interesting to note that in 1988 practically all outside plants of Zagreb-based industries were located within 70–80 km of Zagreb, yet in the Slovene area of Brežice, just 25–30 km from Zagreb there was not even one such outside facility from Zagreb. Thus we can conclude that the border between the Republic of Croatia and the Republic of Slovenia was very "hard" during the period of Socialist Yugoslavia. To a certain degree, in relation to Zagreb-based industries, Slovenia was another country, better said a "foreign" country, "another world", in which outside plants were not located. At this time Yugoslavia's economic system was as a whole closed, and Zagreb-based industries set up outside plants not just within Yugoslavia, but for the most part mainly in Croatia, and only to a lesser degree in other former republics and, of course, not outside of Yugoslavia.

During the Yugoslav period, most sales of products and services took place within the individual republics. For example, in 1987 two thirds of all sales of products and services were carried out within one and the same republic. There were no significant differences among the various republics. Bosnia and Herzegovina was the most closed republic in which 70% of all sold products and services took place within the republic, whereas Slovenia was the most open with a percentage of 63%. These two figures indicate how small the differences were. About 1/5 of all sales took place in other republics, and 1/10 on the world market. Croatia "exported" the least to other republics (19%), and Montenegro the most (27%). Slovenia had the greatest share (13%) in real exports (to countries outside Yugoslavia), and Serbia the smallest (9%). Yet differences between the republics were small also in this case. This data confirms that the republics were relatively closed systems and that

they *did not* participate extensively in a common “Yugoslav market”, which generally accounted for only about 20% of their products and services.

8. Market shifting and change of focus in the former Yugoslav Area

Among the republics, Serbia and Croatia, as the two largest economies, were also the largest markets for the republics in 1987 (in the internal Yugoslav market). Croatia was the largest market for Slovenia and Serbia, while Serbia was the largest market for the other republics. The most focused economies in terms of exports to other Yugoslav republics were Montenegro – which directed 56% of its internal Yugoslav exports to Serbia, Bosnia and Herzegovina which sent 43% of such exports to Serbia, and Slovenia which sent 46% of its internal exports to Croatia.

Serbia and Montenegro had a 49% share in total Yugoslav exports, which corresponded to their share in producing the total domestic product of the country. Thus Serbia and Montenegro were the leading exporters in former Yugoslavia. If participation in producing the domestic product is compared to shares in exports, then it turns out that Slovenia was the most focused on export. Namely, Slovenia had a 21% share in all Yugoslav exports, whereas it produced 17% of the domestic product. In the case of Croatia, on the other hand, the situation was reversed. This republic produced 26% of the Yugoslav GDP and had a 22% share in exports from Yugoslavia.

With the break-up of Yugoslavia, the importance of the former Yugoslav area as a market greatly declined, and market focuses shifted. We can see this in the case of Croatia. In 1987 Serbia was the most important (Yugoslav) market for Croatian exports, followed by Slovenia and by Bosnia and Herzegovina. In 2004 the situation was much different: the most important export destination was Bosnia and Herzegovina, followed by Slovenia, whereas Serbia was much less important. For example, in 1987 (considering only the internal Yugoslav market), Croatia exported 37% of its exports to the Serbian market, 32% to the Slovenian market and 23% to the Bosnia and Herzegovina’s market. In 2004 54% of all exports from Croatia went to Bosnia and Herzegovina, 28% to Slovenia and 14% to Serbia and Montenegro.

Besides the shift in market focusing, it should be noted that the area of former Yugoslavia generally became less important as a market for Croatian exports in 2004, than it had been in 1987. In 1987 Croatia had sent 37% of its exports abroad and 63% to Yugoslav markets, whereas in 2004 73% of all Croatian exports went to other parts of the world and 27% to countries in the former Yugoslav area. These percentages suffice to illustrate that the former Yugoslav area – although still an important market for Croatia, was much less important than the Yugoslav market had been in 1987. The trends from 1999 to 2004 indicate an increase in trade between Croatia and other ex-Yugoslav countries: Bosnia and Herzegovina, Slovenia and Serbia and Montenegro. Between 1999 and 2004 there was also an increase in trade with distant Macedonia, although to a lesser degree. Nevertheless, despite this quick increase in trade between the countries of former Yugoslavia, it is difficult to imagine that exports and imports between former Yugoslav countries will ever assume the same importance as they had in the internal Yugoslav context in 1987. Other foreign markets are still much more important. For example, the largest markets for Croatian exports in 2004 were Italy (23%), Bosnia and Herzegovina (14%) and Germany (11%) and the largest import markets were Italy (17%), Germany (15%) and Russia (7%).

Bosnia and Herzegovina is the second most important market for Croatian exports. Two reasons seem to account for this. First, Croats in Bosnia and Herzegovina are traditionally the main buyers of products from Croatia. As we mentioned previously, many Croats in Bosnia and Herzegovina perceive Croatia as their homeland, some even as their primary homeland, others at least as their second homeland, and the purchase of products from Croatia would appear to confirm such a conclusion. To this we might add that many ethnic Croats have become important merchants in Bosnia and Herzegovina, and they have a personal say in what goods they will display on the shelves of their shops. When discussing exports from Croatia or Serbia to Bosnia and Herzegovina we must always consider the importance that indigenous diasporas, Croats and Serbs, have in this trade, or rather the influence that their ethnicity and inclination towards their second homelands has on their choices to buy merchandise from Croatia or Serbia.

If we look at trade in goods between Croatia and Slovenia, then we will notice that the importance of the Croatian market for Slovenian exports decreased between 1995 and 2000, and afterwards began to increase once more. From the regional perspective, Croatia carried out most of its exports (41%) and imports (34%) with countries in its near vicinity: Italy, Austria, Slovenia and Hungary. Countries in the Stability Pact for South-East Europe (in the so-called West Balkans), were much less important trade partners for Croatia: accounting for only 19% of all Croatian exports and 4% of all imports. As for Slovenia, in 2003, for example, this country exported 66% of the total value of its exports to the European Union, and 17% to South-East Europe. Within this framework, Slovenia exported 23% of its total exports to Germany and 9% to Croatia.

In conclusion, we may presume that the recent jump in trade between countries in the area of former Yugoslavia is a short-term trend, resulting from the elimination of barriers that for a long time had hindered mutual free trade. However, it is likely that this development will soon arrive at a point of saturation, and that the basic focus will continue to target the neighbouring West European regional market and other world markets.

A second key indicator of economic activities between countries in the area of former Yugoslavia are direct foreign investments. In Croatia most foreign investments have come from Austria (26%), Germany (18%) and the US (12%). From countries in the former Yugoslav area, the most foreign investments in Croatia have come from Slovenia, although they have a relatively small share in the total number (3.8%). On the other hand, most Croatian investments abroad have been directed to Switzerland (37%), Bosnia and Herzegovina (15%) and Serbia and Montenegro (11%). From this we may conclude that countries in the area of former Yugoslavia are fairly weak economically and cannot compete with regional and global economic giants, although Croatian investors do occasionally decide to invest in neighbouring countries that are less developed than Croatia: Bosnia and Herzegovina and Serbia and Montenegro.

9. West and the European Union – new priorities

The most developed countries in the area of former Yugoslavia are distinctly oriented towards the West. In the case of Croatia this can be seen if we examine the frequency of border crossings. Most travellers cross Croatia's borders with Slovenia (53%) and with Bosnia and Herzegovina (36%). Relatively few crossings

occur in the East, over the border with Serbia and Montenegro (6%). Thus we can conclude that a strong spatial orientation exists towards the West – towards the more modernised and developed part of Europe. Of course, almost the entire overland tourist flow arrives via Slovenia and Hungary. The frequency of border crossings with Bosnia and Herzegovina is also high, due to the fact that Croatia is Bosnia and Herzegovina's gateway to the West, and in general an exit route for Bosnia and Herzegovina, as is evident from the geographic position of the two countries: Croatia envelops Bosnia and Herzegovina on three sides. Croats from Bosnia and Herzegovina, who have more intense transactions with Croatia, likewise increase border traffic. Also, the shortest route from Slavonia (North-East Croatia) to Dalmatia (South-East Croatia) goes through Bosnia and Herzegovina (as does air traffic from Zagreb to Dubrovnik). Border traffic between Croatia and Serbia and Montenegro is, on the other hand, surprisingly weak, accounting for only 6% of all border crossings into and out of Croatia.

A second example is Slovenia and its rhythm of motorway construction. Slovene first built the route *Slovenica*, for the purpose of connecting Maribor, Celje, Ljubljana and the Slovenian coast. In the second phase, motorways were built in the direction of Slovenia's western or northern neighbours: Italy, Austria and Hungary. Motorways to Croatia were not constructed in this phase. It is interesting to note that *Slovenica* (Maribor-Celje-Ljubljana-the Slovene coast) is more oriented towards the Italian city of Trieste, than towards the Slovene port of Koper. This was the result of strong Italian demands, yet it was also due to the logic of building the European motorway network. Namely, *Slovenica* will become part of the European route connecting the Hungarian capital, Budapest, with the Italian North (Trieste, Milano, etc.). In the third phase, Slovenia began to build motorways also in the direction of Croatia, in order to link the two capitals: Ljubljana and Zagreb. There are two reasons for this: 1) the Slovenian capital required an eastern exit, and 2) there were strong demands from the local community in Novo Mesto (the Slovenian town located halfway between Ljubljana and Zagreb). To be exact, a large part of Slovenia, the entire Dolenjsko region, is located between Ljubljana and Zagreb, and since motorways were not built in this direction, this part of Slovenia suffered disadvantages. The strength of the lobby in Novo Mesto was an additional reason for beginning the construction of the motorway Ljubljana-Zagreb. To be precise, there is a Renault assembly plant in Novo Mesto, in which Renault's popular Clio model is assembled, which is why Novo Mesto has become Slovenia's leading industrial exporter. This was a key reason and the force behind initiating the construction of the motorway, which will bring Novo Mesto out of isolation and secure its development.

Yet the disappearance of the "Iron Curtain" opened up several new and interesting European routes. Thus a virtually straight line of communication now links the Mediterranean, from Rijeka, via Zagreb and Budapest, to Kiev in the Ukraine and to locations further in the East. Another virtually straight line connects the North Sea/Baltic with the Adriatic, from Copenhagen, via Berlin, Prague, Vienna and Zagreb, to Rijeka. Finally, there are plans to develop the Adriatic-Ionian route, which will link Croatia with Greece, through Montenegro and Albania.

As a third example of orientations, we looked at the frequency of articles dealing with the European Union and the region (i.e. the area of former Yugoslavia) published in three important daily papers in Croatia, Slovenia and Serbia and Montenegro, in October and November 2005. It is interesting to note that according to this indicator Croatia, in comparison to Slovenia and Serbia and Montenegro, was

more oriented towards the European Union (72%), than towards the region (former Yugoslavia) (28%). On the other hand, in Slovenia, although it is now a member of the EU, there were more articles on the region (former Yugoslavia) (59%), than on the European Union (41%). In Serbia and Montenegro 55% of the published articles dealt with the European Union and 45% with the region (former Yugoslavia).

10. Conclusion

Yugoslavia consisted of six republics and two autonomous regions – Voivodina and Kosovo, which were part of Serbia. In 1992. was formed by republics of Serbia and Montenegro, Federal Republic of Yugoslavia, and later simply Serbia and Montenegro.

Some of these republics are seen as part of Balkan and some are not. On this question – What is Balkan? - we could get different answers, depends who is answering. But, majority would not like to be put in the category of Balkan or anything connected to it. Reason is that between former Yugoslav states there were and still are big differences in economy, culture and religion. But their will to become a part of Western Europe is very strong, to be a part of something stable, as Yugoslavia was a state of crisis. Although Western Europe gave small efforts toward building quality nation states in this part of Europe. Forecast for the future of Western Balkan (if EU will insist with concept of Western Balkan) is poor results for local societies.

What will happen with economies of former Yugoslav states in the future? No one knows the answer to this question. Nonetheless, it might be predicted that Serbia and Montenegro will develop and that their economic distance from Croatia and Slovenia will lessen, although it is doubtful whether they will arrive at the relative levels of development that existed during the Yugoslav period (either Serbia or Montenegro, which are now two separate countries). At present it is difficult to make such a conjecture, yet we can assume that the distance in the level of economic development between Slovenia and Croatia on the one hand, and Serbia and Montenegro on the other hand, will be greater than in the period of former Yugoslavia.

Literature

- Alkalaj, S. 2002: Globalization and economic diplomacy: new challenge for Bosnia and Herzegovina. Diplomatic Academy year book, International conference "Economic diplomacy in countries in transition", Sarajevo, p. 30-35.
- Bogoev, K. (editor) 1994: Ekonomska tranzicija: sastojbi, problemi, perspektivi. Makedonska akademija na naukite i umetnostite, Skopje, p. 325.
- Čapo Žmegač, J. 1997: Balkan i Hrvatska, jedna i različita, Erasmus, časopis za kulturu demokracije, br. 22 (84-89), Zagreb.
- Detrez, R, Plas, P. (editors) 2005: Developing Cultural Identity in the Balkans, Convergence vs. Divergence, P.I.E. – Peter Lang, Multiple Europes, Brussels.
- Dinkić, M. 2000: Ekonomija destrukcije: velika pljačka naroda. Stubovi kulture, Beograd, p. 314.
- Kljusev, N., et al. 2002: Ekonomijata na Makedonija vo tranzicija: problemi, dilemi, celi. Makedonska akademija na naukite i umetnostite, Skopje, p. 340.

- Lalović, D. 2002: Crnogorska država pred izazovom budućnosti. Međunarodne studije = International studies: časopis za međunarodne odnose, vanjsku politiku i diplomaciju. Zagreb, p. 34-46.
- Lang, R., Macesich, G., Vojnić, D. (editors) 1982: Essays on the political economy of Yugoslavia. Informator, Zagreb, p. 371.
- Mrak, M., Rojec, M., Silva-Jauregui, C. 2004: Slovenia: from Yugoslavia to the Eastern Union. The World Bank, Washington, D. C., LVI, p. 446.
- Njavro, Đ., Stiperski, Z. 2007: Hrvatska i Zapadni Balkan, Hrvatska i Zapadni Balkan – Rasprave o suverenitetu, nacionalnom identitetu i vanjskoj politici, UHIP, Zagreb, 157-187.
- Prodaja po republikah in poraba reprodukcijskega materijala v republici Sloveniji, Zavod Republike Slovenije za statistiko, Ljubljana, February 1991, p. 8 (Privredna komora Hrvatske: Analiza odnosa gospodarstva Hrvatske s drugim republikama u Jugoslaviji, Zagreb 1991).
- Radonjić, R. 2001: Crna Gora danas: unutarnje stanje i međunarodni položaj. Međunarodne studije = International studies: časopis za međunarodne odnose, vanjsku politiku i diplomaciju. Zagreb, p. 13-24.
- Republic of Croatia – Central Bureau of Statistics; elaborated by the Croatian Chamber of Commerce, Sector for International Relations.
- Republic of Croatia – Central Bureau of Statistics; elaborated by the Croatian Chamber of Commerce.
- Republic of Slovenia – Central Bureau of Statistics, October 2004.
- Rihtman Auguštin, D. 1997: Zašto i otkad se grozimo Balkana?, Erasmus, časopis za kulturu demokracije, br. 19, (27-36), Zagreb.
- Rohatinski, Ž. 1991: Privredna kretanja na prijelazu u godinu 1991. i mjere ekonomske politike. Ekonomski pregled, Hrvatsko društvo ekonomista Zagreb, Zagreb, p. 101-114.
- Slovenia: economic transformation and EU accession. A World Bank country study, The World Bank, Washington, D. C., 1999.
- Statistički godišnjak Jugoslavije, Belgrade, 1989.
- Stojanović, T. 1997: Balkanski svetovi - prva i poslednja Evropa, Equilibrium, Beograd.
- Stropnik, N., Stanovnik, T. 2002: A case study of Slovenia, Vol. 2., Ljubljana, p. 112.
- Uzunov, N. 2001: Stopanstvoto na Republika Makedonija: 1945-1990. Makedonska akademija na naukite i umetnostite, Skopje, p. 387.
- Vacić, A. 1988: Ekonomska politika Jugoslavije: opšta pitanja ekonomske politike. Savremena administracija, Beograd, p. 381.
- Vlahović, M. 2001: Democratic Montenegro as a factor for peace in the Balkans. National security and the future, Zagreb, p. 107-110.
- Vojnić, D. 1990: Ekonomska znanost i pluralističke reformske opcije. Savjetovanje jugoslavenskih ekonomista "Aktualni problemi privrednih kretanja i ekonomske politike Jugoslavije. Ekonomski pregled, Hrvatsko društvo ekonomista Zagreb, Zagreb, p. 59-64.
- World Development Indicators, The World Bank.
- Vukičević, S. 2003: Crna Gora na prelazu milenijuma. Centralna narodna biblioteka Republike Crne Gore "Đorđe Crnojević", Cetinje, p. 331.
- ZRSS, p. 8. (Privredna komora Hrvatske: Analiza odnosa gospodarstva Hrvatske s drugim republikama u Jugoslaviji, Zagreb 1991).
- ZRSS, p. 9. (Privredna komora Hrvatske: Analiza odnosa gospodarstva Hrvatske s drugim republikama u Jugoslaviji, Zagreb 1991).

FORMER YUGOSLAV COUNTRIES IN THE BALKAN CONTEXT AND DIFFERENCES IN THEIR ECONOMIC DEVELOPMENT

Summary

In former Yugoslavia there were "more" and "less" Balkan regions. With less Balkan regions were connected some adjoining parts of Balkan, but more important were some other outer characteristics. Most of the authors classify this former Yugoslav countries as Balkan countries: Serbia, Monte Negro, Macedonia and Bosnia and Herzegovina. Main reason for that is long term ottoman rule and absence of western influences on those societies. Croatia was short period of time under ottoman rule and Slovenia wasn't at all – for them term Balkan is used much less. Slovenia and Croatia always wanted to be part of Central Europe – which represents positive and sentimental way of thinking. Eastern Europe, on the other hand, is always mentioned in negative sense. Even today, Eastern Europe, Russia and Balkans are often considered as contrast to civilized Central Europe.

All that differences in common state from 1918-1990 influenced on that Yugoslavia was state of many conflicts on the national basis. Every few year in many parts of Yugoslavia, from Croatia to Kosovo and Bosnia there were some conflicts which were solved by dictatorship bat. For other countries Yugoslavia's presented pictures of succes was stronger than picture of country with many internal crisis.

From 1957 to 1988 Serbia and Montenegro maintained the largest economy among all the Yugoslav republics (and thus also the highest share in the Yugoslav GDP). Serbia and Montenegro participated with 39-40% in Yugoslavia's GDP. This proportion did not change in about thirty years. Obviously, this ratio pertained mainly to Serbia, since Montenegro's share in producing Yugoslavia's GNP was small – more or less 2%, while Serbia's was around 37-38%. Croatia had the second largest economy in Yugoslavia; with a share in the GDP between 25% and 28%. Slovenia had the third largest economy in former Yugoslavia, with a 17% share in the country's GDP. Bosnia and Herzegovina participated with nearly 13%, and Macedonia with 6% of Yugoslavia's GDP. If we now divide ex-Yugoslavia into a western and an eastern half, then the West – i.e. Slovenia, Croatia, Bosnia and Herzegovina (SCBH), produced 55% of Yugoslavia's GDP, and the East – Serbia, Montenegro and Macedonia (SMM), produced 45%. The population distribution between the West and the East was about equal – 50:50%.

After the break-up of Yugoslavia and the creation of five new states; through the war and the transition period, the previously existing percentages of economic production significantly changed. According to the data for 2000 and 2005, Serbia and Montenegro no longer made up the largest economy in the former Yugoslav region. The leading position has been taken by Croatia and Slovenia. Croatia's portion in the aggregate gross national income (GDI) of all the states in the former Yugoslav area had increased from 25% (1988) to 34% (2000) and Slovenia's from 17% (1988) also to 34% (2000). At the same time, Serbia and Montenegro's part fell notably from 39% (1988) to 17% (2000), and Bosnia and Herzegovina's from 13% (1988) to 8% (2000). Macedonia's portion remained about the same, around 6%. In the period 2000–2005 there was a certain economic recovery in Serbia and Montenegro and the country's share in the aggregate GDI in the ex-Yugoslav area rose from 17% to 24%.

With the break-up of Yugoslavia, the importance of the former Yugoslav area as a market greatly declined, and market focuses shifted. We can see this in the case of Croatia. In 1987 Serbia was the most important (Yugoslav) market for Croatian exports, followed by Slovenia and by Bosnia and Herzegovina. In 2004 the situation was much different: the most important export destination was Bosnia and Herzegovina, followed by Slovenia, whereas Serbia was much less important. In conclusion, we may presume that the recent jump in trade between countries in the area of former Yugoslavia is a short-term trend, resulting from the elimination of barriers that for a long time had hindered mutual free trade. However, it is likely that this development will soon arrive at a point of saturation, and that the basic focus will continue to target the neighbouring West European regional market and other world markets.

SLOVENIAN ECONOMY ON THE WAY FROM INDEPENDENCE TO CATCHING UP AVERAGE ECONOMIC DEVELOPMENT OF EU - 27

Lučka Lorber

Ph.D, Assistant Professor
University of Maribor
Faculty of Arts
Department of Geography
Koroška 160, 2000 Maribor, Slovenia
e-mail: lucka.lorber@uni-mb.si

UDK: 911.3:330.34

COBISS: 1.01

Abstract

Slovenian economy on the way from independence to catching up average economic development of EU - 27

During the EU accession process, an intensive process of economic restructuring was taking place in Slovenia that was intended to secure Slovenia's incorporation into the common European market. At the time of adapting the legal and economic order to European standards, everyone was aware of the fact that successful EU spatial integration depends on the achieved economic power that is comparable to the average EU-27 economic growth.

Slovenia's economic structure, determined by the GDP structure, is slowly approaching the structure of developed economies with the importance of agriculture and manufacture decreasing, and the importance of services increasing. However, financial and business services, and technologically demanding sectors are growing too slowly.

Structural changes of the Slovene economy have an affect on transformation of geographical space and create a new social-economic gravitational region.

Functional and structural economic changes that resulted from social and political changes following Slovenia's newly-gained independence and its transition to market economy have changed the role of Slovenia in the common European economic market.

Slovenia is to be found on a key development crossing, moving from an industrial to post industrial society.

Slovenia's basic development goal is to exceed the average economic development of the enlarged EU by 2015 to be able to secure and improve social security, faster development in all its regions, and improve the environment. In other words strive for a better quality of life and overall human development.

Key words

EU accession, unified European market, Lisbon strategy, structural indicators, transition countries, and competitiveness of the economy

1. Introduction

The industrialisation process is one of the most important social and economic processes that has had the most powerful impact on physiognomy and the quality of the landscape in the nineteenth and twentieth centuries. Being affected by the industrialisation, the distribution of the population and function of the settlements were also changed. The number of urban population increased heavily under the influence of deagrarization.

Economic development in Slovenia was closely correlated to the development of the Austro-Hungarian state, although Slovenia already had some important mines and manufacturing shops in the beginning of the industrial era.

After the Second World War the political East-West division of Europe was a serious obstacle to common political and economic development of the continent.

Until the middle of 1991, Slovenia was a part of Yugoslavia. The Yugoslav political and economic situation was different from the traditional political and economic order of other Eastern Bloc countries. According to the Yalta doctrine on the post-war world, Yugoslavia was evenly influenced politically by each of the two blocks. Despite communist rule, the Yugoslav post-war authority had created its own path into socialism that was more humane and economically more effective compared to other countries of the Eastern Bloc.

Slovenia, being the most developed region of Yugoslavia, had had its specific development also because of the relative autonomy of the Yugoslav republics. Slovenia's population accounted for 8% of the Yugoslav population. Slovenia's GDP exceeded Yugoslav GDP for 20% and Slovenian companies accounted for more than 28% of the total country's export, especially to West European countries (Lorber, 2008).

In 1989, the situation suddenly changed. The process of spatial European integration began, despite cultural, political and economic differences of European countries.

During all historic periods, the area of the Republic of Slovenia represented an important transition area in the transport-, geographic-, economic- and cultural senses. In this important political and geographic space on the European scale, the Slovenians managed to, through gaining independence in 1991, establish an administrative and political territory that comprises practically the entire Slovenian ethnic territory.

The newly established state faced the loss of its former traditional markets, its structurally inadequate economy, and significant decline of the GDP with increase of unemployment. Slovenia sought for its opportunities in intense efforts to get included in the European integrations. In the 1990s, the accession talks of the new EU Member States began to determine conditions under which a country can become a member of the EU.

The interweaving of processes, which are dictated by globalisation of the world encroach into all spheres of man's life and creations and create new relations between space units. Economic development enables inclusion in modern integration

processes and the development of individual regions. During the last few years, global economic links, technological development and political changes have triggered changes also in the European space structures.

The geographical and cultural consciousness of Western Europe must move eastward. European unification is more than just an adjustment of the East to the West. The historical experiences and cultural richness of the new member states will have considerable impacts on the societies in the West. The enlargement must for long-term sustainability not be reduced to merely a political and economic project. If the enlargement is not also made to a cultural project a mental wall will persist where iron curtain once existed (Stråth, 2003).

On 1 May 2004, ten new Member States joined the EU: Cyprus, Czech Republic, Poland, Estonia, Hungary, Malta, Latvia, Lithuania, Slovakia and Slovenia. Thus, the population of the EU rose by 19.5% from 379 million to 453.8 million. The size grew 22.8% from 3,233,376 km² to 3,971,940 km². There are large differences in the size of the new member states. Baltic countries, Slovenia, Cyprus and Malta increased the number of smaller states with less than 4 million people that did not have a strong voice until now. Poland is the largest country among the newcomers. Its population is half the population of other new members all together.

On 1 January 2007, two new member states joined the EU: Bulgaria (110,910 km², 7.7 million inhabitants), and Romania (237,500 km², 22.2 million inhabitants).

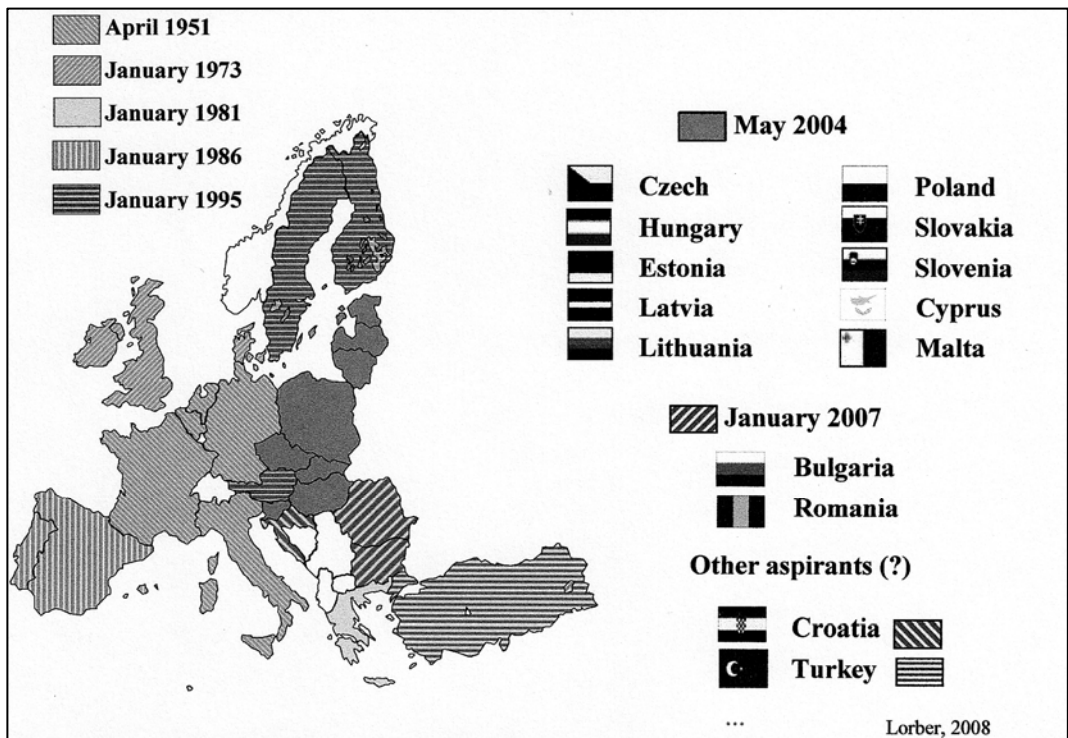


Fig. 1: EU – 27.

2. Independence and transition of Slovenian economy

In the 1980s, economic problems began mounting, because the east block countries, including Yugoslavia, no longer received financial help from developed countries and had to pay back loans. That is why the Slovenian authority decided to introduce economic changes to protect Slovenia's economy.

The idea of asymmetrical federation was not successful, because of the dominance of Serbia and its satellites. That is why after the first free elections and a general consensus voiced by a referendum, the new authority decided to declare independency.

Socialist economies developed under special circumstances. State and common ownership were prevalent, the economy was centralistic, divided into plans and oriented towards the internal market and internal trade. To be able to secure totalitarian systems and social peace, these economies maintained full employment and generous social security.

After 1991, Slovenia's economy began changing to market economy and the privatisation process was started, but its structural problems soon became evident. The loss of the Yugoslav market only deepened the problems of traditional structures in manufacture and extensive employment policy of past decades.

Restructuring economy and introducing lawfulness into a market economy both dictate the linkage of countries in transition into the European division of work and decentralisation of power. Cooperation with the most economically developed countries and with the most demanding goods markets, workforce and capital is getting stronger. Following social and political changes the interest of world capital and foreign investors has greatly increased. There were several reasons why. Workforce with suitable degrees of education is cheaper than in developed surroundings and they can be trained relatively quickly for the needs of modern economy. It was possible to comparatively quickly link the Eastern European space into an infrastructure of networks and with logistic networks to create centres with development capacities.

The transition process of post-socialist countries has three basic characteristics – democratisation, privatization and the opening of markets (Haggard and Webb 1993). Political changes transformed the economic system that mainly depends on the influence of the country on market economy. Although economic development mostly depends on economic rules, in this case, the influence of the country's policy prevailed.

It was clear from the GDP structure and GVA of Slovenian economic sectors that their economy had structural problems. Slovenia, as well as the most of the Candidate countries, had a well-developed secondary sector with qualified labour force, though lacking structural trends of developed countries. Manufacture was mainly comprised of labour-intensive traditional industry sectors with low added value.

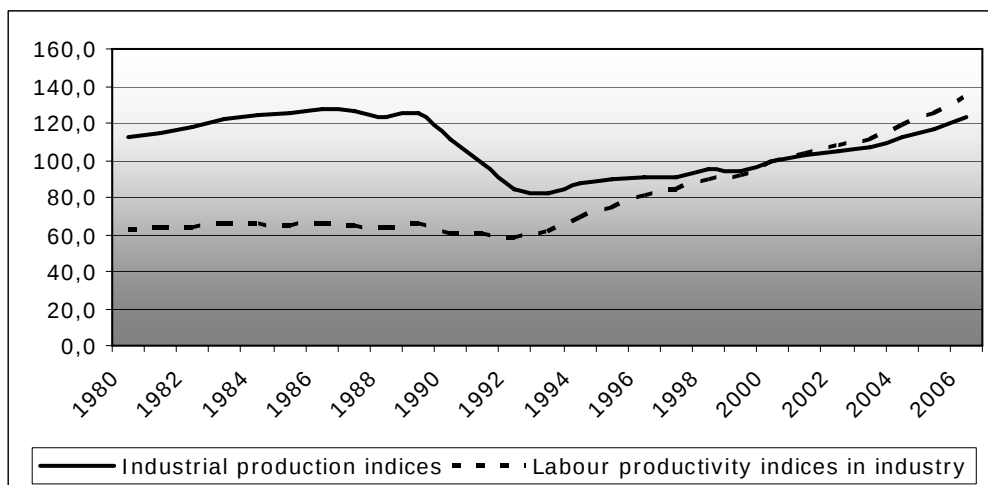


Fig. 2: Review of development of mining, manufacturing and electricity and gas (year 2000 = index 100).

Source: SURS (Statistical office of the Republic of Slovenia).

Before Slovenia's independence, manufacture had a great influence on the growth of GDP (50% in 1989). After 1992, when the GDP started to grow again, the influence of manufacture on the GDP growth was less strong. In 1993, manufacture reached its lowest point at 66.1%. After 1993, growth was moderate and lagging behind the GDP growth. It was not before 2000, when it exceeded 80% from 1989, 85% from 2003 that accounted for 126.1% compared to the rate in 1992.

Developed manufacturing sectors are the generator of development in service sectors that are associated with the industry. In these service sectors possibilities exist for employing the work force which has once lost their employment in the manufacturing sectors because of the rationalisation of working processes and improved work productivity.

In order to improve the economic situation and successfully implement development programmes, the strategic holders (transportation-logistics sector, financial and business services, tourism, as well as large and small entrepreneurship) of economic development should be properly stimulated. It is in the regional and national interest to take advantage of the favourable geostrategic position and development perspective for the purpose of international cooperation. Public and private investments in education should be enhanced, especially investing in science and new technologies that would, together with investments in entrepreneurship, form a basis for transformation of Slovenian economy.

The restructuring of manufacture from energy- and labour-intense sectors into technologically demanding sectors requires more services. With a higher living standard, the sector of services is developing. There are new job opportunities with higher added value. All these changes cause differences in the sectors' share of GDP. Agriculture and manufacture are on the decline and services are on the rise.

Tab. 1: Sectoral breakdown of gross value added as share of GDP and Activity.

Sector	Share of GVA in GDP (%)					Activity in %				
	1995	2000	2005	2006	2007	1995	2000	2005	2006	2007
A,B	3,8	2,9	2,4	2,1	2,1	14,1	11,7	10	9,5	9
C,D,E,	24,9	25,4	23,9	23,8	23,2	33,4	30,3	27,8	26,9	26,3
F	5,1	5,8	5,9	6,4	7,0	6,2	7,4	7,4	7,8	8,4
G..I	18,0	17,9	18,9	18,9	19,6	21,1	21,4	21,3	21,5	21,9
J,K	17,0	17,6	18,6	19,1	19,4	8,2	9,7	12,6	13,3	13,7
L..P	16,7	17,5	17,9	17,1	16,5	16,8	19,4	21,0	21,0	20,7
Total	85,5	87,1	87,7	87,7	87,7	918,1*	904,7*	921,0*	934,8*	962,6*

* Activity in 1000

A,B Agriculture,hunting,forestry, B – Fishing,

C,..E C- Mining &quarrying;D - Manufacturing; E - Electricity,gas&water supply,

F – Construction,

G..I G - Distributive trades; H - Hotels& restraurants; I - Transport,storage and comm.

J..K J - Financial intermediation; K - Real estate,renting&business activities

L..P L - Public administration, community, social&personal services

Source: Eurostat, Umar (Institute of macroeconomic analysis and development).

During its preparations for the EU accession, Slovenian manufacture was adapting to the new market situation. An analysis of production sectors has shown that the greatest fall occurred in sectors like DB – Manufacture of textiles and textile products, DC – Manufacture of leather and leather products, DD – Manufacture of wood and wood products, and DE – Manufacture of pulp, paper and paper products. DL – Manufacture of electrical and optical equipment and DG – Manufacture of chemicals, chemicals products and man-made fibre have reached higher growth. DF – Manufacture of coke, refined petroleum products and nuclear fuel is an exception, because the extreme drop caused by the closing down of the only Slovenian refinery.

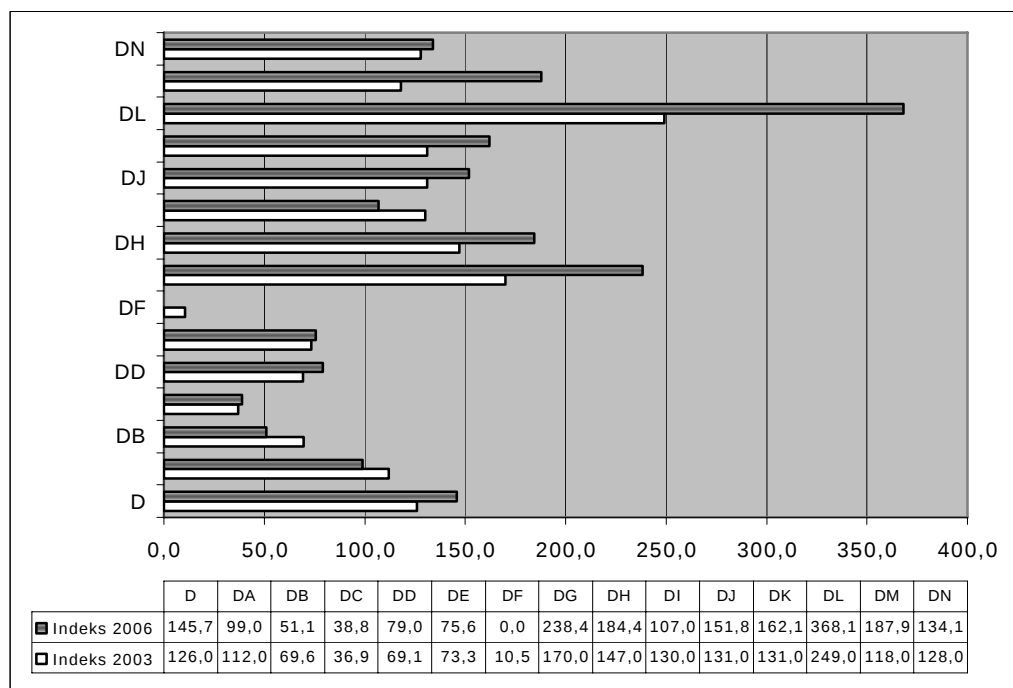


Fig.3: Changes in Manufacture sectors in year 2003 and 2006 (1992 = 100%).

Source: Umar, SURS.

The state regulative quickly or more slowly coordinated the processes of economic change, which were dictated by the market economy and requirements of the European Union. This was suitably followed by a share of foreign investment, intended particularly for restructuring industrial production and modernisation of technology. The interior political stability of the country and the establishment of a friendly environment mainly influenced the decision of investors (Lorber 2005). However, Slovenia has been less successful in attracting foreign direct investment. While there are delays in the privatisation process, particularly in the banking and insurance sectors.

Endogenously devised approach to stimulation of development, based on exploitation of Slovenia's own developmental capabilities, was crucial in that stage of development. However, only local integration on a global level can guarantee greater efficiency of the development by combining international and state funding, as well as by private funding and building of public-private partnerships.

Therefore it is not surprising that the European Commission's main reproach about Slovenia in all year's Annual Progress Report prior to membership and later is that it is not open enough for direct foreign investment.

Newly formed independent and autonomous countries among which is Slovenia are engaged with the process of forming their national economies, which require a stable legal order and balanced economic development. The establishment of a

stable internal market is the basis for the development of competitive advantages on an international market.

What all transition countries have in common is the fact that they lost their markets almost over night, without the opportunity of gradual transition and adaptation. Reintegration of countries in transition into the world stream, in the field of trade as well as finance is decisive for the success of transition. The small size of Slovenia's market has always been orienting Slovenia's economy towards export.

Tab. 2: Slovenia - foreign direct investment (FDI) overview, selected years.

	1995	2000	2001	2002	2003	2004	2005	2006	2007
Inward FDI	117,4	149,1	830	1.008	1.099	533	554	688	2.721
Total FDI	1.376	2.110	2940	3948	5047	5580	6134	6822	9543
Share of GDP	9,5	11,4	14,2	17,1	20,1	20,6	21,4	22,0	27,7
Outward FDI	7,8	71,7	295	325	435	344	565	663	1.437
Total FDI	382	825,3	1120	1445	1880	2224	2789	3452	4889
Share of GDP	2,6	4,5	5,4	6,2	7,5	8,2	9,7	11,1	14,2

Source: SURS, Umar, UNCTAD

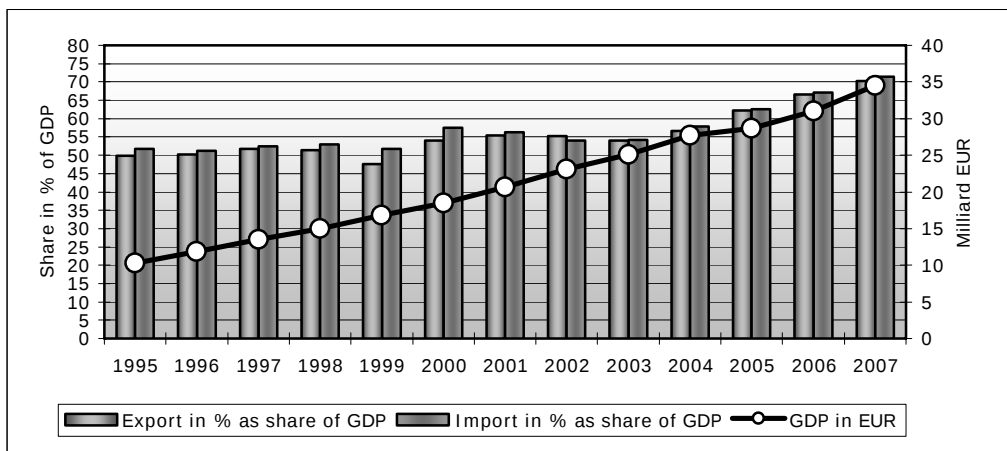


Fig. 4: Exports and Imports in % as share of GDP from year 1995 to 2007.

The most important export and import market of Slovenia's economy are the EU-15 (Export 70,6%, Import 78,9 % in year 2007). Most important export partners are Germany (18.8%), Italy (13,2%), Croatia (8,1 %), Austria (7.8%) and France (6,6%). The recession of the German economy has been influencing Slovenia's GDP growth at approximately 1%. From 1995 on, Slovenia's trade deficit with the EU-15 has been growing and reached record-breaking 3270 million euro in 2007. The main import destinations are Germany (19.4 %), Italy (18.3 %), Austria (12,5 %), France (5,4 %), Croatia (3.9 %) and Hungary (3.5 %). Exports account for 71 % of Slovenia's GDP (SURS, 2008).

Table 3: Structure of goods export according to the primary production factor in Slovenia, EU-15 and EU - 12 between 1995 and 2006, in %.

		1995	1997	1999	2000	2001	2002	2003	2004	2005	2006
High natural sources consumption	SI	16,6	16,6	15,1	15,3	15,1	14,6	14,6	14,0	15,4	16,1
	EU-15	19,6	18,8	17,3	18,0	17,5	17,7	17,6	18,2	17,8	19,4
	EU-12				20,7	19,7	18,8	18,2	18,8	19,2	19,0
High labour consumption	SI	25,6	23,0	22,8	21,7	21,4	20,1	18,6	17,8	17,0	14,2
	EU-15	11,8	11,6	10,9	10,2	10,3	9,9	9,8	9,3	8,6	8,2
	EU-12				18,5	18,9	18,8	17,7	15,8	14,0	12,3
Goods of low technological demand	SI	9,7	8,9	9,1	9,9	9,8	9,9	10,1	10,8	8,8	10,2
	EU-15	7,9	7,3	6,9	6,7	6,7	6,8	6,9	7,4	6,6	7,1
	EU-12				10,5	10,9	11,0	11,0	11,5	10,6	10,8
Goods of medium technological demand	SI	31,9	34,5	36,7	36,4	36,4	37,5	37,3	38,3	40,2	39,1
	EU-15	30,4	31,0	31,3	29,8	30,3	30,5	30,7	30,8	29,8	29,5
	EU-12				30,1	30,6	31,5	33,1	33,3	33,3	34,3
Goods of high technological demand	SI	14,8	15,7	14,9	15,3	15,9	16,5	18,1	17,2	16,0	17,1
	EU-15	24,3	26,0	27,8	29,2	29,1	29,0	28,3	27,9	28,5	28,6
	EU-12				18,1	17,3	17,9	18,0	18,8	18,2	19,2

Source: SURS and author calculations.

The Table 3 shows that in this period Slovenia's economy transformed into production with lower energy and labour consumption. Goods of medium technological demand have had highest growth in export.

2. Implementation of the Lisbon Strategy

The European Union's Lisbon Strategy to modernize Europe was first agreed in 2000 and relaunched in 2005, with a clearer focus on growth and jobs. The Strategy is based on a consensus among Member States and organised around 3 year cycles. It is now making a strong contribution to Europe's current economic upturn.

If the EU makes the right economic reforms now, it can secure a prosperous, fair and environmentally sustainable future for Europe. It can ensure that our economies are well positioned to take advantage of the opportunities offered by globalisation. It can put Europe in a strong position to cope with demographic changes that will mean more elderly people and fewer young people of working age in our societies.

The informal beginning of the Lisbon Strategy dates back to the Nineties, when certain parallel reform processes existed in the EU. The Luxembourg process brought the first guidelines on employment. The Cardiff process launched the initiative for integrating the internal market and structural reforms, which would assist the EU in overcoming the then financial crisis. The Cologne process introduced an initiative for social dialogue. The processes were mainly ineffective, as reflected by the EU's decreasing competitive advantage in relation to the USA and the rapidly developing Asian countries. The 2000 Spring European Council in Lisbon therefore agreed that the EU needed a strategy which would help Europe "to become the most competitive and knowledge-based economy in the world" by 2010.

The Lisbon Strategy was augmented at the 2001 Spring European Council in Stockholm and also in Barcelona in 2002. The Swedish Presidency integrated the environmental dimension into the Lisbon Strategy, while the Spanish Presidency put more stress on the social dimension and introduced a target of 3% of GDP for research and development spending.

This strategy, developed at subsequent meetings of the European Council, rests on three pillars:

- An economic pillar preparing the ground for the transition to a competitive, dynamic, knowledge-based economy. Emphasis is placed on the need to adapt constantly to changes in the information society and to boost research and development.
- A social pillar designed to modernise the European social model by investing in human resources and combating social exclusion. The Member States are expected to invest in education and training, and to conduct an active policy for employment, making it easier to move to a knowledge economy.
- An environmental pillar, which was added at the Göteborg European Council meeting in June 2001, draws attention to the fact that economic growth must be decoupled from the use of natural resources.

A list of targets has been drawn up with a view to attaining the goals set in 2000. Given that the policies in question fall almost exclusively within the sphere of competence of the Member States, an open method of coordination (OMC) entailing the development of national action plans has been introduced. The mid-term review held in 2005, for which a report was prepared under the guidance of Wim Kok, former Prime Minister of the Netherlands, showed that the indicators used in the OMC had caused the objectives to become muddled and that the results achieved had been unconvincing.

For this reason, the Council has approved a new partnership aimed at focusing efforts on the achievement of stronger, lasting growth and the creation of more and better jobs. As far as implementation is concerned, the coordination process has been simplified. The integrated guidelines for growth and employment will henceforth be presented jointly with the guidelines for macroeconomic and microeconomic policies, over a three-year period. They serve as a basis both for the Community Lisbon Programme and for the National Reform Programmes. This simplification in programming makes it possible to monitor implementation more closely by using one single progress report.

Growth is not an end in itself, but it is a prerequisite for being able to maintain and increase Europe's prosperity and thus for preserving and enhancing our social models.

Growth must be sustainable – while there is sometimes a short-term cost to protecting the environment, in the long term the costs of not tackling environmental issues such as climate change would be far greater.

We need more jobs for two reasons – first because far too many people's lives are still blighted by unemployment and second because only by getting more people into work can we ensure that our societies cope with demographic change. Older populations mean higher pensions and health care costs and those need to be financed by the working population. We need to improve education and training to allow more people to reach their full potential, for their own sake and that of society as a whole. We need to invest in research to maintain our comparative advantage relative to competing regions. We need more competition to make sure that research feeds

through into real innovation, as companies strive to stay ahead in highly competitive markets. We need to make our economy more adaptable to change and more resistant to external shocks. This need has been further highlighted by the recent trend for high commodity prices and by financial market instability at global level. We need to use energy more efficiently and sustainably and to negotiate better with countries which supply us with energy. We need to tackle climate change at home and act globally to ensure that responsibilities in this are taken worldwide.

Before the 2005 relaunch, there were too many disparate targets. Although Member States are encouraged to set their own targets in several areas, we now have a streamlined and simplified process with only two EU level headline targets: investment of 3% of Europe's GDP in research and development by 2010 and an employment rate (the proportion of Europe's working age population in employment) of 70% by the same date.

Statistic indicators are important tools for monitoring and benchmarking progress in the different policy areas. Structural indicators cover policy domains vital for the Lisbon Strategy and the European Commission's policy in fields such as employment, innovation and research, economic reform, social cohesion and the environment. They bear this name because they describe structures and key aspects within each domain. Structures are basic characteristic which, in general, do not change rapidly. Therefore structural indicators describe evolution in society in the long-term. The total number of indicators was 128 in 2007. Due to the size of the list, a shortlist of structural indicators has been established in order to focus the policy messages and present a clear picture of the Member States progress.

The shortlist consists of 14 headline indicators that reflect key Lisbon targets (because Slovenia don't have statistical regions NUTS 2 till 1.1.2008, structural indicator - Dispersion of regional employment rates is not available yet).

Tab. 4: The main structural indicators for R Slovenia compare to EU 27.

	SI		EU - 27	
	2000	2006	2000	2006
GDP per capita in PPS 2006	78,9	88,8	100	100
Labour productivity	75,5	84,7	100	100
Employment rate	62,8	66,6	62,2	64,4
Employment rate of older workers	22,7	32,6	36,9	43,5
Gross domestic expenditure on R&D	1,41	1,59	1,86	1,84
Youth education attainment level	88,0	89,4	76,6	77,8
Comparative price levels	72,9	75,8	100	100
Business investment	23,2	22,6	18,4	18,2
AT-risk-of-poverty rate after social transfers	11,0	12,0*	-	16,0
Long-term unemployment rate	4,1	2,9	4,0	3,7
Total greenhouse gas emissions (1990 =100)	92,6	100,4*	90,7	92,1*
Energy intensity of the economy (kgoe/1000)	341,9	320,5*	213,1	208,1*
Volume of freight transport relative to GDP(1995=100)	87,6	112,8	99,1	106,7

Source: Eurostat, Umar.

The review of structural indicators, used by Eurostat to measure the efficiency of implementation of the Lisbon Strategy, shows that, according to the Gross Domestic Product per capita and according to the labour productivity per employed person, Slovenia belongs to the successful new members, while lagging behind in many

other areas of interest. Slovenia experienced the most severe socio-economic problems in the transition period in the areas with inadequate economic structure.

The reasons for crisis in the Slovenian economy were numerous and not all of them appeared 'over night':

- Failing the right time for the necessary modernisation of technological process in the 1960s;
- Low value added per unit of product;
- The time of privatisation – majority internal ownership which is extensively fragmented;
- Insufficiency of fresh capital which would ensure modernisation of the production and enhance new investments;
- There was no sectoral integration in the processing activities;
- The industry was not directed towards achieving specialised production;
- Responding slowly to the demands of the modern global market;
- Political decisions took precedence over the economic ones;
- Deficiency of competent managerial structure;
- Granting state capital subsidies which are granted without submission of development strategies considering the principles of market economy;
- National interests have prevailed over necessary measures needed for economic adaptation to the global international market;
- Political structure deciding for preservation of jobs at any cost for the benefit of social stability.

Experiences revealed the fact that structural problem of Slovenian economy could not be successfully resolved merely by external development incentives (investments, state funding, and acquisition of new companies). Economic operators were lacking a development vision. Unwillingness to change and inability to cope in the initial phase of transition influenced the fact that the qualitative and quantitative effects were lower than expected due to weak development potential.

The essence of restructuring processes in Slovenian economy lies in constant adaptation to circumstances on the global market, resulting from economic goals of long-term growth of added value and productivity. This will bring adequate living standard to the population and provide for regional development. The successfulness of this goal depends on successful development of processing sectors that are closely related to other economic sectors.

The economic results after the full membership of Slovenia in the EU indicate that Slovenia is on the right development path. Being the first new Member State to achieve the Maastricht criteria for the adoption of the common currency, the EURO, Slovenia introduced the new currency as the thirteenth Member State on January 1, 2007.

3. Conclusion

Simultaneously with the process of economic transition in the transition countries towards the market economy, there is an ongoing process of global structural changes in the developed Western countries from the industrial towards the post-industrial civilisation. The new information area embodies the transfer of knowledge from the science to the production along with remarkably fast development of high technologies.

During its accession period, Slovenia was still trying to catch up with developed EU economies. Slovenia's economic structure, determined by the GDP structure, is slowly approaching the structure of developed economies with the GDP share of agriculture and manufacture decreasing, and the share of services increasing. However, financial and business services, and technologically demanding sectors are growing too slowly.

In the transition period, Slovenia was gradually catching up with the EU-15 average. Slow restructuring was part of the transitional strategy in order to keep social cost as low as possible. This method has proven as good, but is no longer applicable after the EU accession. Thus, it is important to catch up with the average economic structure and to increase economic competitiveness that is the main problem in Slovenia, lagging behind the average of the enlarged EU.

In Slovenia, a strategy determining the essential development of domestic entrepreneurship and undertakings that will be able to compete on the global markets, prevailed. Slovenian industrial policy is based on market economy and the criteria of export priority, technological and innovation promisingness, low energetic intensity, environmental / ecological unburdening and on the European technical and technological standards.

Slovenian economy as a whole is in need of an open system and open economic development and technological policy which will ensure inclusion into the international exchange. Slovenia is still in search for the 'most favourable' strategic associations of the industrial sectors which would enable appearance on new markets and enhance production capacity.

The most successful companies tend to internationalise their business operation increasingly. However, the issues regarding the strategy of attracting foreign direct investment, introduction of foreign multinational companies and fear of foreign political and economic dependence still remain.

Creation of conditions for higher economic growth that would bring us closer to the level of economic development in Europe is necessary. That means that Slovenia must quickly master the internal market of the European Union and at the same time continuously develop the potentials of its enterprises at the level of general development trends, which are on going in countries of the European Union, our main foreign trade partners. It is mainly about strengthening investments in modern equipment and technology, investment in human capital, mastering micro development potentials, technologically more demanding programs and creating higher added value on employees.

Literature

- Haggard S., Webb S.B. (1993): What do We Know About the Political Economy of Economic Policy Reforms? The World Bank Research Observer.
- Lorber, L., 2002: Slovenia's Changed Geographical – Economical Position in Comparison with Neighbouring Countries after 1991. Zbornik radova Problemi regionalnog razvoja Hrvatske i susednjih zemalja, Hrvatsko geografsko društvo, Zagreb.

- Lorber, L., 2005: The Influence of EU Enlargement process on Structural Changes of Slovenia's Economy. Erwartungen und erste Ergebnisse der EU – Erweiterung (Tagung des Forschungssechsecks der Universitäten Bayreuth, Bratislava, Graz, Maribor, Pecs und Plzen), Arbeitsmaterialien zur Raumordnung und Raumplanung, Heft 238, Bayreuth.
- Lorber, L., 2006: Strukturne spremembe mariborskega gospodarstva po letu 1991. Revija za geografijo, 2006, 1, št. 1.
- Lorber, L., 2008: Sloweniens Weg von einer Agrargesellschaft zum postindustriellen Staat. V: ALBRECHT, Volker (ur.), DROZG, Vladimir (ur.), ALBRECHT, Volker. *Slowenien : Transformationen und kleinräumige Vielfalt*, (Natur - Raum - Gesellschaft, Bd. 5). Frankfurt am Main: Institut für Humangeographie, 2008, str. 186-206, ilustr.
- Parker, P., 2000: Global Opportunities and Regional Strategies: Contrasting Canada's Technology Triangle and Australia's Multi – Function Polis. V Regional Cohesion and Competition in the Age of Globalization.
- Stråth, Bo (2003): The Meanings of Europe,
<http://www.helsinki.fi/nes/the%20meanings%20of%20europe%20helsinki.pdf>
<http://epp.eurostat.ec.europa.eu/portal/>
<http://www.sigov.si>
http://europa.eu.int/comm/lisbon_strategy
<http://www.ess.gov.si>
<http://www.gov.si/umar>
http://www.stat.si/letopis/index_letopis.asp
<http://www.stat.si/publikacije>
<http://www.unctad.org>

SLOVENIAN ECONOMY ON THE WAY FROM INDEPENDENCE TO CATCHING UP AVERAGE ECONOMIC DEVELOPMENT OF EU - 27

Summary

Slovenia's economic structure, determined by the GDP structure, is slowly approaching the structure of developed economies with the GDP share of agriculture and manufacture decreasing, and the share of services increasing. However, financial and business services, and technologically demanding sectors are growing too slowly.

Slow restructuring was part of the transitional strategy in order to keep social cost as low as possible. In Slovenia, a strategy determining the essential development of domestic entrepreneurship and undertakings that will be able to compete on the global markets, prevailed.

Slovenian economy as a whole is in need of an open system and open economic development and technological policy which will ensure inclusion into the international exchange.

NAVODILA ZA PRIPRAVO ČLANKOV V REVIJI ZA GEOGRAFIJO

1. Sestavine članka

Članki morajo imeti naslednje sestavine:

- glavni naslov članka,
- ime in priimek avtorja,
- avtorjeva izobrazba in naziv (na primer: dr., mag., profesor geografije in zgodovine, izredni profesor),
- avtorjev poštni naslov (na primer: Oddelek za geografijo Filozofska fakulteta Univerza v Mariboru, Koroška 160, SI – 2000 Maribor, Slovenija),
- avtorjev elektronski naslov,
- izvleček (skupaj s presledki do 800 znakov),
- ključne besede (do 8 besed),
- abstract (angleški prevod naslova članka in slovenskega izvlečka),
- keywords (angleški prevod ključnih besed),
- članek
- summary (angleški prevod povzetka članka, skupaj s presledki do 8000 znakov).

2. Citiranje v članku

Avtorji naj pri citiranju med besedilom navedejo priimek avtorja in letnico, več citatov ločijo s podpičjem in razvrstijo po letnicah, navedbo strani pa od priimka avtorja in letnice ločijo z vejico, na primer: (Drozg 1995, 33) ali (Belec in Kert 1973, 45; Bračič 1975, 15 in 16).

Enote v poglavju Viri in literatura naj bodo navedene po abecednem redu priimkov avtorjev, enote istega avtorja pa razvrščene po letnicah. Če je v seznamu več enot istega avtorja iz istega leta, se letnicam dodajo črke (na primer 1999a in 1999b). Vsaka enota je sestavljena iz treh stavkov. V prvem stavku sta pred dvopičjem navedena avtor in letnica izida (če je avtorjev več, so ločeni z vejico, z vejico sta ločena tudi priimek avtorja in začetnica njegovega imena, med začetnico avtorja in letnico ni vejice), za njim pa naslov in morebitni podnaslov, ki sta ločena z vejico. Če je enota članek, se v drugem stavku navede publikacija, v kateri je članek natisnjen, če pa je enota samostojna knjiga, drugega stavka ni. Izdajatelja, založnika in strani se ne navaja. Če enota ni tiskana, se v drugem stavku navede vrsta enote (na primer elaborat, diplomsko, magistrsko ali doktorsko delo), za vejico pa ustanova, ki hrani to enoto. V tretjem stavku se za tiskane enote navede kraj izdaje, za netiskane pa kraj hranjenja.

3. Preglednice in slike v članku

Vse preglednice v članku so oštevilčene in imajo svoje naslove. Med številko in naslovom je dvopičje. Naslov konča pika. Primer:

Preglednica 1: Število prebivalcev Ljubljane po posameznih popisih.

Vse slike (fotografije, zemljevidi, grafi in podobno) v članku so oštevilčene enotno in imajo svoje naslove. Med številko in naslovom je dvopičje. Naslov konča pika. Primer:

Slika 1: Rast števila prebivalcev Ljubljane po posameznih popisih.

Slika 2: Izsek topografske karte v merilu 1 : 25.000, list Kranj.
Za grafične priloge, za katere avtorji nimajo avtorskih pravic, morajo avtorji od lastnika avtorskih pravic pridobiti dovoljenje za objavo. Avtorji naj ob podnapisu dopišejo tudi avtorja slike.

4. Sprejemanje prispevkov

Avtorji morajo prispevke oddati natisnjene v enem izvodu na papirju in v digitalni obliki, zapisane s programom Word. Digitalni zapis besedila naj bo povsem enostaven, brez zapletenega oblikovanja, poravnave desnega roba, deljenja besed, podčrtavanja in podobnega. Avtorji naj označijo le mastni (krepki) in ležeči tisk. Besedilo naj bo v celoti izpisano z malimi črkami (razen velikih začetnic, seveda), brez nepotrebnih krajšav, okrajšav in kratic. Zemljevidi naj bodo izdelani v digitalni vektorski obliki, grafi pa s programom. Fotografije in druge grafične priloge morajo avtorji oddati v obliki, primerni za skeniranje, ali pa v digitalni rasterski obliki z ločljivostjo vsaj 120 pik na cm oziroma 300 pik na palec, najbolje v formatu TIFF ali JPG.

Avtorji morajo za grafične priloge, za katere nimajo avtorskih pravic, priložiti fotokopijo dovoljenja za objavo, ki so ga pridobili od lastnika avtorskih pravic.

Avtorji naj prispevke pošiljajo na naslov urednika:

Igor Žiberna
Oddelek za geografijo
Filozofska fakulteta
Univerza v Mariboru
Koroška 160
2000 Maribor
e-pošta: igor.ziberna@uni-mb.si
telefon: 02 2293 654
faks: 02 251 81 80

5. Recenziranje člankov

Članki se recenzirajo. Recenzijo opravijo člani uredniškega odbora ali ustrezni strokovnjaki zunaj uredniškega odbora. Če recenziji ne zahtevata popravka ali dopolnitve članka, se avtorju članka recenzij ne pošlje. Uredniški odbor lahko na predlog urednika ali recenzenta zavrne objavo prispevka.

POROČILO RECENZENTA

1. Avtor prispevka
2. Naslov prispevka
3. Recenzent (ime in priimek, znanstveni ali strokovni naziv)
4. Pomen prispevka (ali prinaša nova znanstvena spoznanja)
 - a) da
 - b) ne
 - c) delno
5. Primernost prispevkov (ali naslov primerno poda vsebino)
 - a) da
 - b) ne
 - c) delno
6. Uporaba znanstvenega aparata, ustrezno navajanje virov in literature
 - a) da
 - b) ne (opozori na morebitne pomanjkljivosti)
 - c) delno
7. Pripombe in predlogi za izboljšanje besedila (priložite na posebnem listu)
8. Priporočam, da se prispevek sprejme:
 - a) brez pripomb
 - b) z manjšimi popravki
 - c) po temeljiti reviziji (na osnovi pripomb recenzenta)
 - d) zavrne

Datum:

Podpis recenzenta:

