

BLACK SEA ECONOMIC CO-OPERATION (BSEC) AS A CONFIDENCE-BUILDING MEASURE

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BSEC—SUBSTANCE AND GOALS

On 25 June 1992, heads of state or government from the six Black Sea coastal nations—Bulgaria, Georgia, Romania, Russia, Turkey and Ukraine—as well as from five other countries situated in the general area of the historic Pontus Euxinus—Albania, Armenia, Azerbaijan, Greece and the Republic of Moldova—assembled together in Istanbul, at the initiative of Turkey, to launch an ambitious programme of multilateral co-operation in the region. The immediate purpose of the meeting was economic. And this for good reason. Nine of the eleven countries represented at the Bosphorus gathering had just come out of a long period of totalitarianism and embarked on two highly complex, parallel and complementary, processes—fundamental restructuring and transition to market economy. The eleven participating states were brought together by the common realisation that extended multilateral co-operation among them is likely to contribute to speeding up those processes and fostering the economic and social progress of everyone of them. They have taken this road being perfectly aware of the great potential of the region for such co-operation. Large natural and human resources, a market of almost 350 million people, geographic proximity, complementarity of national economies, long traditions of communication and cultural interaction and the common desire to contribute to, and be part of, the integration processes going on in Europe, are but a few of the main pillars on which the BSEC is being developed.

This explains to a large extent the considerable progress made by the BSEC since its inception. In only four years, the participating countries have established their priority fields of co-operation. Transport, communications and energy infrastructure, as well as science and technology, tourism, agriculture, environmental protection are but a few of them.

To organise such co-operation, an elaborate institutional structure has been established. It includes periodic summit meetings, semi-annual meetings of the foreign ministers, meetings of high officials, troika meetings, working groups and groups of experts, a Parliamentary Assembly, a Business Council and a permanent International Secretariat.

An outstanding achievement of the BSEC was the conclusion in 1994 of the agreement establishing the Black Sea Trade and Development Bank, with an initial capital of one billion SDR. After the ratification of the agreement by seven participating states holding more than two-thirds of the initial capital,¹ the Bank is on the way of starting its operations. This is taking the BSEC into a new phase of the elaboration and implementation of specific regional projects of trade and development. With such clearly established goals, with the institutional structure it has developed, and with a financial institution of its own, the BSEC has become, for all practical purposes, an organisation of sub-regional co-operation. The discussions under way on the strengthening of the BSEC's institutional and legal basis will give it, in due course, a clearer international identity which must increase the effectiveness of its activities.

BSEC AS A CONFIDENCE-BUILDING MEASURE

Though the main motivation of the BSEC is to achieve greater prosperity for the peoples of the region, its scope and impact are much wider. As is stipulated in the Istanbul Summit Declaration of 25 June 1992, the basic objective of the BSEC is to turn the Black Sea region into an area of peace, stability and prosperity, through the promotion of friendly and good-neighbourly relations among the participating nations. In the Statement of the second BSEC high-level meeting, which took place in Bucharest on 30 June 1995, the participating states "took note with satisfaction that their co-operation is becoming an ever more viable and constructive component in their efforts to turn the Black Sea Region into one of prosperity, stability and peace, as well as an important instrument of social and economic progress of the participating states, of their integration into the European structures and the world economy, of the setting up of a real climate of understanding and security in the region." They also stressed the importance of solving existing problems which have a negative impact on the climate of economic co-operation in the BSEC region.

During the four years since its establishment, the BSEC has, indeed, increasingly asserted itself as an important confidence-building measure and, as such, as an essential element of peace and stability in the area. This confidence-building dimension of the BSEC is being developed and strengthened in several ways.

First, there is the mere recognition by the eleven participating nations of the fact that they are all united by one prevailing common interest, which is the acceleration of their economic and social progress, and that extended multilateral co-operation among them can significantly contribute to the attainment of this vital objective. Hence, the obvious conclusion for each of them to do everything in their power to give this co-operation the widest possible scope, dynamism and efficiency.

At the same time, it is a fact that nowadays development, stability and security tend to become synonymous. Many of the contemporary national and social conflicts are rooted in poverty or a low level of development. In the case of the BSEC, it is clear that any programme of regional co-operation aimed at fostering the economic and social progress of the participating states carries with it as a necessary follow-up a sense of greater stability and security in the region. It is undeniable that successful co-operation among the BSEC nations in the economic field is likely to bring about a more favourable political climate in which acceptable solutions to outstanding issues could be more easily reached.

There is yet another element which is being served by increased multilateral co-operation in the Black Sea region. This is the promotion and consolidation of the democratic institutions and of the respect for human rights and the rule of law. In other words, any economic and social progress resulting from extended sub-regional co-operation is likely to enhance democratic security in a sensitive part of Europe. The fact that all eleven BSEC nations are members or candidates for membership in the Council of Europe makes their allegiance to democratic values an important unifying factor in the area.

The same can be said about the common aspiration of the Black Sea countries to become members of, or develop the widest possible relations with, the European Union. The participation of Austria and Italy in BSEC activities as observers is particularly important in this regard. It is an additional illustration of the fact that the BSEC is an inseparable part of the integration processes going on throughout the continent and, hence, of efforts to build a democratic, peaceful, prosperous and united Europe.

The presence as BSEC observers of other nations from the neighbouring areas—Egypt, Israel, Poland, the Slovak Republic and Tunisia—has established a framework for promoting relations of co-operation, mutual understanding and good-neighbourliness in a wider region, with beneficial effects for the Black Sea area Central Europe, the Eastern Mediterranean and the Middle East.

As is known, the five new states established on the territory of former Yugoslavia have all applied for BSEC membership or for observer status in this organisation. A decision is to be taken on the respective applications. Obviously, a positive answer to those requests would extend the area of co-operation to the entire Balkan peninsula. But most important, such an action would create conditions for the BSEC and its members to play a greater role in the reconciliation and development of good-neighbourly relations between all countries in southeastern Europe.

Last but not least, the BSEC serves as a very useful framework for informal dialogue between various member states on outstanding concerns they may have. As is known, the foreign ministers meet every six months to evaluate the progress of BSEC activities and to decide on new steps to be taken. Those meetings provide the opportunity for interested ministers to discuss, in an informal and quiet atmosphere, any question they may wish to tackle. This was the case with the meeting between the foreign ministers of Greece and Turkey, which took place on 27 April 1996 in Bucharest, on the occasion of the Seventh BSEC Ministerial Meeting. That instance of Turkish-Greek political dialogue was met with utmost interest, as an expression of the political will of these two neighbouring countries to seek solutions to their problems through mutual agreement.

STATESMEN ON THE BSEC AS A CONFIDENCE-BUILDING MEASURE

The role of the BSEC as a confidence-building measure was amply reflected in the statements of the heads of delegations to the Bucharest BSEC Ministerial Meeting of 27 April 1996.

In his inaugural address at that meeting, the president of Romania, Mr. Ion Iliescu, emphasised that his country supported and acted for the development of economic co-operation among the states of the Black Sea region first of all because such co-operation represents an important complementary means of speeding up the process of their integration into the European structures. The president then continued: "But the political follow-ups of such co-operation are not less important than the economic ones. The successful development of the collaboration to which we are committed is likely to lead to the building up among the participating states of good-neighbourly relations, to the creation of a political climate favourable to the settlement of disputes which still prevail in various parts of the region, and to the relaxation and elimination of potential sources of conflict. From this perspective, by what they manage to do together as programmes of co-operation in the Black Sea region, our countries do bring a notable contribution to the consolidation of peace, stability and security in the area and, implicitly, on the entire European continent."

Recalling that the BSEC had been established with the principle of making the Black Sea a region of peace and stability, the foreign minister of Turkey, Prof. Dr. Emre Gönensay, stressed the duty of the BSEC nations "to give a hand to our neighbours in the Balkans" who had just found peace in the area.

In the view of the foreign minister of Greece, Mr. Theodoros Pangalos, a necessary condition of the BSEC goals is "the prevailing of a climate of good political relations among the various countries of BSEC and the finding of solutions to open issues that still exist on a bilateral basis in some of the participating countries. In order to achieve this, I think that the respective governments of the region should make an additional effort and display a spirit of good will, approaching the various differences with fairness and without prejudice and, last but not least, refrain from using the BSEC as a forum of expanding their political influence."

The foreign minister of the Russian Federation, Mr. Evgheni Primakov, drew attention to the fact that, when discussing the future of the BSEC, "the question arises of using our organisation not only for seeking solutions to economic problems, but also for disentangling regional conflicts as well as for security-building measures in the Black Sea region."

The minister for foreign affairs of Ukraine, Mr. Gennady Udovenko, referred to the stabilising role of the BSEC in the region and to the need for the BSEC to participate more actively "in the security problems and economic progress in the pan-European context."

The foreign minister of Bulgaria, Mr. Georgi Pirinski, reiterated the conviction of his nation that "it is of immediate interest to all countries of the Black Sea area to develop multilateral economic programmes, economic initiatives both from the point of view of their economic development and as an important political vehicle for introducing permanent stability and security throughout the area."

In the opinion of the foreign minister of Albania, Mr. Alfred Serreqi, the co-operation which is being developed within the BSEC framework is, at the same time, "an integral part of our regional security."

For the foreign minister of the Republic of Moldova, Mr. Mihai Popov, "the Black Sea Economic Co-operation, conceived as a process aimed at improving the living conditions and security of our nations, is a valuable contribution to the cause of building a new European architecture."

The foreign minister of Armenia, Mr. Vahan Papazian, noted the existing tendencies toward settling regional disputes and stabilisation in the Black Sea region. In his view, "the improvement of the political situation in our region could provide the participating states with a good opportunity for implementing economic reforms and opening new markets, thus leading to overall economic prosperity and stability."

The deputy foreign minister of Azerbaijan also considered the BSEC "as an important factor of security and stability in the region."

The foreign minister of Georgia, Mr. Irakli Menagarishvili, insisted on the importance of co-operation among the BSEC nations in fighting organised crime, illicit trafficking of drugs and weapons as well as terrorism for the consolidation of peace and stability in the region.

The confidence-building dimension of initiatives of regional co-operation –such as the BSEC, the Central European Initiative, the Council of Baltic Sea States and the Mediterranean Forum– was very well defined by Ambassador Federico di Roberto, representative of the Presidency of the European Union at the Bucharest meeting: "All these various initiatives, he said, have some common elements:

basically geographic proximity among the member countries which is stimulating them to get together and co-operate mainly in the field of ecology, thus leading them to take into account also their common problems of a wider nature. Thus, those initiatives acquire political significance as a tool for good-neighbourly relations drawing the attention of member countries to what can unite them rather than to what might be dividing them.”

During the relatively short period of its existence, the BSEC has travelled a long way toward becoming a notable instrument of co-operation, development and stability in the wide Black Sea region. Now with the entering into force of the agreement establishing the Black Sea Trade and Development Bank, the BSEC is in the position of working out and implementing specific programmes and projects for regional co-operation. It can thus play an increasing role in fostering the economic and social progress of the countries of the area and in promoting European integration as well as peace and stability in the Black Sea region and, hence, in the whole of Europe.

1 So far, the agreement has been ratified by Albania, Armenia, Greece, Republic of Moldova, Romania, the Russian Federation and Turkey.