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**FROM THE QUADRANGOLARE  
TO THE CENTRAL EUROPEAN INITIATIVE  
AN ATTEMPT AT REGIONAL COOPERATION**

*by Maurizio Cremasco*

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## 1. The Quadrangolare

On November 11, 1989, a million East Germans streamed into West Berlin and West Germany on foot, and by car, subway and train, joyfully marking the symbolic fall of the Berlin Wall, and the end of a more than forty-year division between the two Germanys.

On the same day, in Budapest, the Foreign Ministers of Austria, Hungary, Italy and Yugoslavia signed the act of foundation of the "Quadrangolare", a pragmatic attempt at developing multifaceted cooperation among their countries.

The coincidence of the dates, though obviously unintended and certainly unexpected, was nevertheless unique and symbolic of the beginning of two parallel processes: the dissolution of the old communist order in Central-Eastern Europe and the development of new cooperative ties among countries politically, economically and socially still very different.

In fact, the quadrilateral initiative linked the following: Austria, a neutral country and a member of the EFTA; Hungary, a Warsaw Pact and Comecon member, where the Communist Party was still in power; Italy, a member of NATO and the European Community; and Yugoslavia, a non aligned federation of communist republics with special forms of centralized government and economic self-management.

The Budapest meeting was the outcome of a farsighted Italian diplomatic scheme initiated in the spring of 1989 with bilateral talks with the Austrian and Hungarian deputy prime ministers, followed in June by talks with the Yugoslav deputy prime minister in the course of a seminar organized by the Aspen Institute Italia at Castelporziano.

It would be easy to find analogies between the 1989 Italian diplomatic initiative, energetically pursued throughout its subsequent developments, and the foreign policy conducted by Italy towards the Balkans and the Danubian region during the 1920s. But the analogies relate mainly to the geographical projection and less to the actual scope and goals of that policy.

In that period, Italy's foreign policy was aimed at creating an alliance system in the region capable of undermining the dominance of France and blocking the emergence of Germany's influence. In the 80s, even though the aspiration of conducting an autonomous foreign policy, counterbalancing the weight of the Franco-German axis, was evident in Italian foreign policy, the "Quadrangolare" was firmly anchored to a specific goal: to prevent the marginalization of the states of the Danubian-Adriatic region in a moment of rapid transformation of the European political and social landscape. Moreover, Italy intended this cooperation as a means of strengthening the economic, social and cultural cohesion of the region, and as a contribution to stability and the process of future integration of the Central-Eastern European countries in the European Community. Both goals were certainly different from Mussolini's policy of power projection in the region seen as the logical and

natural area of Italy's political influence. The considerations at the basis of Foreign Minister Gianni De Michelis' policy were simple and straightforward.

(i) The radical political changes in the East were marking the beginning of a difficult period of transition.

(ii) Helping to manage this transition was clearly an Italian responsibility, and establishing a political counterweight to German economic influence in Central-Eastern Europe was in Italy's interest.

(iii) The strategy to be adopted would be that of using regional cooperation as a bloc-transcending element, a flexible and pragmatic tool for the realization of specific projects in well-defined areas of common interest.

(iv) The initiative was not supposed to constitute a means of abandoning those partnerships and alliances in which the countries of the Quadrangolare participated.

(v) Finally, the initiative was not supposed to be a substitute for other existing or projected frameworks of European political and security systems.

The three other European countries had good reasons for accepting the Italian proposal. In fact, the Quadrangolare was born at a time when:

(i) Austria was eager to continue its role of neutral broker between East and West, but at the same time it was aware that it could not respond alone to the new political and economic needs of Central-Eastern countries. Furthermore, the dissolution of the Warsaw Pact enhanced Vienna's awareness that its old functions of strategic buffer between the two blocs were obsolete, as was its specific profile of a country that was a source of good offices, or a place to hold meetings and conferences. Finally, Austria had applied for EC membership on July 7, 1989 and participation in the Quadrangolare was seen as a means to facilitate, if not accelerate, its accession through the homogenizing effects of coordination with Italy (a fullfledged EC member) in specific economic and technical sectors .

(ii) Yugoslavia was struggling to maintain its political pluralism and national unity, while going through a very serious economic crisis. Belgrade considered the participation in the Quadrangolare as a way to maintain, and possibly strengthen, its links with the Western world, over and above those already established within the context of the Alps-Adria Working Community, or bilaterally with Italy through the Adriatic Initiative (formally introduced in September 1989).

(iii) Hungary was mainly looking for external support for its peaceful political revolution which was expected to culminate in 1990 with the first free general elections in Central-Eastern Europe.

## **2. The Evolution of the Initiative**

The Quadrangolare became the Pentagonale with the accession of Czechoslovakia -- its request for participation was accepted by the Foreign Ministers of the four founding countries in their meeting in Vienna, May 20, 1990. The first phase of the Quadrangolare ended with the summit in Venice, August 1, 1990, which also marked the first meeting of the Initiative in its "Pentagonal" form. The Pentagonale became the Hexagonale with the accession of Poland, which was approved during the Prime Ministers' summit of July 27, 1991 in Dubrovnik. The

accession of Poland did not change the goals, functioning mechanism, or working agenda of the Initiative that had been established in Venice. Finally, in January 1992, because of the disintegration of Yugoslavia, the name of the Hexagonale was formally changed to "Central European Initiative" (CEI).

The enlargement was within the spirit of the initiative. In fact, the founding chart of the Quadrangolare had established the principle that the initiative would be open to additional participants in the future.

The joining of Czechoslovakia expanded the cooperation scheme of the Quadrangolare to the center of Europe, while the accession of Poland enlarged it to the north, linking the initial West-East axis along the Danubian regions to the North-South axis along the Oder and Vistula rivers.

The accession of Poland took longer than that of Czechoslovakia. Warsaw submitted its request to be part of the Pentagonale on July 1990. At the Venice summit of August 1990, the Polish request was discussed and the Italian proposal to allow Poland to take part in working groups of specific Polish interest, such as those of Transport and Environment, was eventually approved. This solution was in line with the criteria of pragmatism and flexibility of the Initiative's activity whereby cooperation could be open to external partners on specific subjects. On November 1990, Warsaw's government asked the Pentagonale countries for authorization to extend Polish participation to all operating working groups and to have Polish representatives at the National Coordinator meetings. The request was examined by the Foreign Ministers of the Pentagonale in their summit in Rome, November 30, 1990. The following year, Poland was admitted as observer to the Bologna meeting on May 18, but its accession was granted only in July when the Hexagonale was finally born in Dubrovnik.

There were concerns about the Pentagonale expansion to the North, since that was bound to change its original concept. But there were also evident political and economic motivations for accepting the participation of Poland, which were more important than the issue of geographical delimitation, or an optimal pentagonal dimension of the cooperation scheme. Because of its geostrategic position, made more delicate by German unification, it was necessary to prevent Poland from feeling marginalized. On the one hand, it would have been odd to include Hungary and Czechoslovakia, and exclude Poland, at a time when the three countries had started a triangular process of cooperation formalized during the heads of state's summit of Visegrad (15 February 1991), and with the signature of bilateral military agreements. Poland, on the other hand, had a specific interest in inserting its democratic process and economic reform in a framework that was larger than the trilateral one -- none of the three countries could become the driving force of such a system because of a lack economic and technological resources -- or in the one established by the Nordic countries. Moreover, Poland, like Hungary and Czechoslovakia, saw the Hexagonale as a helpful tool for bringing the country closer to the EC, in particular through those working group activities which would merit attention from the Community. Finally, Poland had a clear interest to present itself as the potential "bridge" capable of linking the Baltic to the Adriatic.

The key principle of the Hexagonale, and of the subsequent CEI, may be summarized by the definition given by Flora Lewis: "To aggregate the capacity for dealing with issues that are insoluble on a single nation basis, and not yet feasible for a Europe-wide solution." In other words, the key principle is subsidiarity, and the Initiative is intended as a transitory exercise toward more institutionalized

organizations. The solution of those problems which cannot be solved by the sub-regional working communities such as Alps-Adria, or bilaterally between member states, and which do not have a pan-European dimension, would be the logical task of the Initiative. At the same time, the Initiative was not seen as an end in itself and, as already said, was not envisioned as a substitute for other organizations. As a matter of fact, it was supposed to operate within the framework of the wide-ranging principles and objectives of the CSCE and the EC. The basic strategy was characterized by the implementation of joint projects in various areas of "low politics". This was expected to generate parallel national action processes, which, in turn, would gradually provide for the progressive social and economic homogenization of all involved countries.

The institutional and bureaucratic infrastructure was kept to a minimum -- not even a secretariat was created. The Hexagonale worked through (i) a rotating Presidency, mainly responsible for general coordination; (ii) yearly summits at Prime Minister level (while the Foreign Affairs Ministers met regularly twice a year); (iii) the National Coordinators' Group; and (iv) the Working Groups, directly responsible for the joint projects.

### **3. The Characteristic Elements of the Initiative**

The passage of the Initiative from the Quadrangolare to the Central European Initiative was characterized by several elements.

(i) While the 1989 Budapest declaration had not specifically foreseen a coordination in the political field, the Policy Document approved in Venice in 1990 explicitly stated: "The Initiative also foresees a regular exchange of views between the five member States on matters of political nature and of common interest. Wherever possible, joint initiatives will be carried out within the latitude permitted by the international obligations of each member State in this respect." Political cooperation dealt with joint attitudes to be taken in the context of the CSCE process, relations with the EC and the European Council, as well as security, particularly disarmament and confidence-building measures. On July 1991, in Dubrovnik, the Prime Ministers agreed on the growing importance of the exchanges of views on European security issues and decided that they would be an essential part of the future Hexagonal political consultations.

(ii) The countries of the Initiative began to submit common proposals and joint documents to the CSCE meetings. This happened at the CSCE Conference on the Human Dimension held in Copenhagen in June 1990, at the CSCE Symposium on Cultural Heritage held in Krakovia, May-June 1991, and at the Meeting of Experts on National Minorities held in Geneva, July 1991.

(iii) Members of the Parliaments of the CEI countries participated in the meetings of the Initiative, gradually stepping-up parliamentary cooperation, while Trade Union representatives met within and outside the Initiative framework, thus promoting the development of the Hexagonale's social dimension. At the same time, involvement in the activities of the Initiative was anticipated for the existing sub-regional organizations (Alps-Adria, ARGE-Alps, Danubian Community and Adriatic Community).

(iv) Representatives of major European organizations (such as the EC Commission, the Council of Europe, and the Economic Commission for Europe (ECE), the United Nations and important financial institutions (such as the European Bank for Reconstruction and Development (EBRD), the World Bank, and the European Investment Bank (EIB) were invited to serve as observers at the summits of the Initiative and contributed to the debate. The readiness of the EC to cooperate was openly expressed, together with the willingness of the financial institutions to support specific national and trans-national projects in sectors of special interest.

(v) Romania and Bulgaria expressed their interest in taking part in the initiative, perhaps initially with an observer status. It was decided that they could be associated to specific projects with the typical approach of the "variable geometry" organizations.

(vi) Germany became indirectly involved in the Initiative through the participation of two Länders -- Baden-Württemberg and Bavaria -- in the Transportation Working Group. In May 1991, the Ministers expressed their agreement on an expanded role of the two Länders to cover other sectors of cooperation.

(vii) The creation of four new Working Groups (Scientific and Technological Research, Information, Energy and Migrations) was approved in the course of the May and August, 1990 meetings. They were added to the initial five (Transport, Environment, Small and Medium-Size Enterprises, Telecommunications, and Culture). By mid-1991, the cooperation under the Hexagonale included three additional Working Groups: Tourism, Statistics, and Disaster Relief and Protection.

#### **4. Issues and Limits of the Initiative**

Among the issues the following are worth mentioning.

(i) There is a striking dicotomy between the cooperative intent of the Initiative and the political and ethnic tensions both within the member countries and in their bilateral relations. There seem to be three different levels of perceptions and expectations: the first is the institutional level, at which cooperation policy is formulated and put forward; the second is the level of officials and civil servants with organizational and functional vested interests in the success of cooperation; the third is the national level, where information on the developments of the cooperation barely arrive, and where the political, economic and social debate is concentrated on more significant issues than those discussed in the Working Groups. On the one hand, there is an effort of inter-state and inter-regional integration on the basis of common needs and interests, and on the shared belief that the future of Central-Eastern Europe lie not only on the continuation of the two processes toward democracy and market economy, but also on the related process of national unity and stronger links with the EC. On the other hand, strong national and ethnic pressures seem to push in the opposite direction, raising doubts on the future viability of the Initiative.

(ii) The spill-over of the political consultation and cooperation into the field of security was significant, even though it risked being nothing more than a superfluous duplication of talks held more effectively elsewhere. In any case, it is interesting to note that the Polish, Hungarian and Czechoslovakian National

Coordinators consistently stressed the importance of establishing adequate forms of cooperation with NATO and the WEU.

(iii) Even though there are about 115 projects at various stages of progress, few of them could be considered completed. Many are still in the planning phase, or waiting for funds to proceed with feasibility studies and subsequent implementation. Part of the relative failure to move with greater speed toward cooperation is the consequence of the progressive proliferation of the Working Groups, partly the effect of the difficulties characteristic of all projects involving different and sometimes conflicting interests, and partly the result of the lack of financial support.

(iv) The problem of financing is far from being solved. The declarations of good intentions and the asserted readiness to be involved in and supportive of the activities of the Initiative on the part of many European and international organizations (including the European Bank for Reconstruction and Development and the World Bank) appear insufficient to cover the wide-ranging requirements of many projects. And it is difficult to say whether the proposal of creating direct operational links between the Initiative and the European Bank for Reconstruction and Development -- by establishing a permanent technical secretary of the Initiative within the bank -- would facilitate the financing of the Working Groups' projects.

As for Italy, the first Italian disbursement of Lt 200 million was allocated to the International Institute for Applied System of Analysis for a complete report on pollutant emissions in Central Eastern Europe. Then in 1991 the Italian Parliament approved a Lt 1400 billion financial law specifically designated for the "frontier areas", though the funds could also be used for Initiative projects.

The other countries of the Initiative, however, were less willing and ready to put money into the several joint projects discussed in the Working Groups, mainly because of their dramatic economic situation.

(v) The impression is that the scarcity of funds forced the Initiative to concentrate on low-profile projects such as seminars, round tables, exchange of researchers and scientists, specialization courses on marketing and planning, financial contributions to universities and small-sized enterprises, etc., because their costs could usually be covered by the organizers and sponsoring institutions.

(vi) In the long term, it would appear odd to exclude Germany from participation, in forms to be determined, in the Initiative, considering its wide-ranging political and economic relations with the Central-Eastern countries. It remains to be seen if, how and to what extent the opening to Bonn would eventually change the face and the philosophy of the Initiative.

## **5. The Further Developments of the CEI**

The dramatic crisis in Yugoslavia and the disintegration of the Federation dealt a blow to the Initiative, particularly because Belgrade assumed the annual presidency in July 1991 when it was already clear that it could not perform its expected role. With the loss of Yugoslavia, the Hexagonale lost its full Adriatic dimension. At the same time, the break-up of the federation opened the delicate issue of what to do about the two now independent Republics of Slovenia and Croatia, which were actually geographically more important for the territorial cohesion of the Initiative, and for the viability of several joint projects.

In March 1992, the Foreign Ministers of Slovenia and Croatia were accepted as observers to the spring Foreign Minister's meeting in Klagenfurt. In May it was announced that Bulgaria would participate in four CEI working groups: environment, small and medium-size businesses, transport and communications.

The conference of the foreign ministers of the CEI countries and the summit of the Heads of State and Government, were held in Vienna on 17-18 July 1992. Slovenia and Croatia (which had already been accepted as observers) and Bosnia-Herzegovina participated for the first time as full members.

The topics discussed ranged from technical issues to political problems.

Particular attention was devoted to the infrastructure projects to be completed by 1994. Among them, measures to improve the safety of the nuclear power plants in Central-Eastern Europe and the rail and road link Trieste-Budapest-Kiev -- a project of specific Italian interest. Moreover, the ministers signed a "civil protection" agreement establishing principles and procedures for coordinating the CEI countries' efforts to support member countries hit by natural disasters.

On the political plane, the discussions centered on the civil war in Bosnia and the issue of refugees then numbering over 1.5 million. The CEI members called on all the parties to cooperate with the United Nations and the CSCE and agreed to support all the international initiatives aimed at finding a diplomatic solution to the conflict.

Finally, the summit touched upon the issue of the CEI relations with the countries candidated to become members: not only Romania and Bulgaria, but also two republics of the former Soviet Union, the Ukraine and Byelarus.

A delegation of the BERS participated in the conference underlining its willingness to sustain the CEI projects, in particular those stemming from the cooperation among countries of the Danube basin. Within this framework, Italy committed Lt 15 billion to the BERS fund.

The last annual CEI ministerial council opened in Graz on November 20, 1992. Representatives of Romania, Bulgaria, Ukraine and Byelarus participated as observers, but at the end the council expressed its favor for their closer association in the near future.

The meeting registered a qualitative jump in terms of political posturing with respect to the Vienna council. While restating their strong condemnation of the "continuous and systematic" violations of international and human rights, the foreign ministers of the Initiative declared that the CEI countries "would not tolerate the aggression against Bosnia-Herzegovina".

Moreover, the political document issued at the end of the Council urged the fighting parties to accept the Owen-Vance plan presented at the London Conference on Yugoslavia as a basis for negotiating.

Finally, the ministers announced their intention to visit Sarajevo and travel to New York and Washington to bring the issue of Bosnia to the center of international attention.

On the technical plane, the council approved seven major infrastructure projects to be submitted to the BERS for eventual funding.

The first ministerial Council of 1993, held in Budapest at the end of March, was an attempt at revitalizing the Initiative, after the slowdown imposed by the disintegration of the former Yugoslavia and the peaceful division of Czechoslovakia. In the wake of this attempt, and along the lines of more explicit political posturing begun at the Graz conference, the Council offered its contribution in support of a



solution to the war in Bosnia by advocating the enforcement of the "no-flight" zone -- thus anticipating the decision subsequently taken by the UN Security Council. Moreover, the CEI offered its solidarity and support to Russian President Boris Yeltsin in his domestic power struggle.

Both were important political decisions. They portrayed a CEI ready and willing to make its voice heard in the international scene and eager to be considered an organization not exclusively devoted at furthering the technical and economic cooperation of its members.

The support to Yeltsin had a special meaning, considering that it was expressed by Central-Eastern European countries which had just recently gained independence from Soviet domination -- and the CEI appeared to represent the right and only framework for support which was unlikely to be offered on strictly national basis. But it also had a special meaning for Ukraine and Byelarus, two former Soviet republics and perspective CEI members.

The stronger CEI political attitude, basically in line with the foreign policies of the Western European countries was seen as a means to facilitate aggregation among CEI members and their ultimate membership to the European Community.

Of particular interest, and further clear evidence of the CEI willingness to assume and perform a political role, was the Council's decision to organize a "Conference on Minorities" in 1993 with the aim of establishing new rules capable of offering a possible solution to a problem rapidly becoming one of the most destabilizing factors in Europe.

The impression was that the CEI was struggling to become the link between the weaker countries of the organization and their richer and more stable partners -- and that Italy, in particular, was behind this effort. The link was to be achieved both politically, through the harmonization of the regional policy of the CEI, and economically, through common infrastructure projects.

## 5. Conclusions

Let me conclude with a few final considerations.

The idea of a "bottom up" approach to the construction of Europe, preserving its diversity by emphasizing both the regionalist structure and the possibilities of cooperation, was good, particularly in this transition phase in Central-Eastern Europe.

Italy has been the driving force behind the Initiative, and was seen by the other states of the Initiative as the best interlocutor for political and geographic reasons, and as the preferred bridge to EC membership.

Now, there are several different elements which may slow down or even block the process of further development and cooperation of the Initiative.

(i) The disintegration of Yugoslavia has modified the regional structure of the Initiative. A further deepening of the Yugoslav crisis, with the expansion of the war to Kosovo or Macedonia (an event that will lead to the likely intervention of other regional and extra-regional actors) is bound to cut out the Adriatic region from the cooperation efforts. Moreover, there are still symptoms of domestic instability and inter-state tensions in Central-Eastern Europe, fueled by re-emerging neo-nationalistic sentiments and ethnic issues.

(ii) The deep economic crisis which touches all CEI members (Italy included) is deeply affecting the capacity to finance major infrastructure projects decided upon within the framework of the CEI cooperative effort. This is especially true for those projects, such as the Trieste-Budapest-Kiev road and rail link, which entail difficult problems of technical and organizational compatibility.

(iii) Basically all CEI members are going through a difficult period of domestic political and economic crisis which is generating an inward looking attitude, a tight economic policy and a foreign policy projected toward "high-policy" issues more than "low-policy" problems which are the main subjects of the Initiative's activities. This inward looking attitude adds to the intrinsic difficulties of international infrastructure projects stemming from the need to render the national bureaucratic processes and procedures as homogenous as possible. But such a task could be accomplished only if there is a strong political will behind the overall cooperation scheme which is fundamental to the CEI concept -- a will totally lacking today.

(iv) There could be a chance that the latest CEI temptation to a play a more visible political role (which was quite evident in the 1992 ministerial meetings) could eventually result in a weakening of technical cooperation. In fact, one could even argue that this temptation has become stronger as a result of the structural and economic weakness of the CEI and the very slow pace of the cooperation process. In other words, because of their incapacity to achieve significant results in the cooperation field the CEI countries might have decided to resort to a higher political profile as a means to keep the organization alive and functional.

(v) Italy's deep political and economic crisis is bound to affect the further evolution of the CEI. For political and economic reasons, Italy is not in the position, to play its traditional role of driving force behind the CEI process now or in the near future.

It is difficult to predict whether these elements, and the consequent lack of political and financial support, will eventually lead to an impasse, not only of the Initiative's structure in the way it has progressively evolved in the last three and half years, but also of its basic goals. And it is difficult to predict whether the inter-regional cooperation will eventually agonize in the routine of the ministerial meetings, or whether it will be able to break the impasse and continue its slow cooperation process.

However, I think that even this possible outcome will not change the reality of the regional cooperation efforts conducted by the various organizations such as the Alps-Adria, the Baltic Group, the Danubian and Adriatic Initiatives, the ARGE-Alps, all of which are in different stages of development. While they do not have the ambitious program of the Central European Initiative, these organizations nevertheless represent the only attempt of small regional entities to build a pragmatic set of cooperation schemes capable of having significant political meaning and scope.

May 1993.