



KOSOVO OPPORTUNITIES INTEGRATION TO EUROPEAN UNION

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ABSTRACT

Opportunities of Kosovo's economy integration to EU are real ones, accessible but which requires knowledge, hard work, and commitment in proper meaning of the expressions in order to be accessible in optimal time. Regarding this topic, as it is known, accessible and integration to EU was and it is the aim of Kosovo society, as finally, it is and feels as part of same identity. But, not willingly isn't part of that structure and organization. But, considering current circumstances, when processes goes towards more evident integration, removal of barriers, shortage of distances in meaning of communication and rapid freedom of movement without limitations, the integration hasn't alternative.

Due to these reasons the integration on today's is essential issue on modern relations, considering current state which isn't of desired level, and still far of required level become part of European Union, by proper commitment and necessary support it can be realized. Even EU as an organization is opened considering formal aspect, where according to the treaty of establishment of this union; Rome Treaty; it is stated that its member can be every European country which has this interests. But, criteria and procedures are quiet difficult ones, and a relatively high duration, makes the integration to this union practically very difficult, and makes EU an enclosed organization and difficult accessible, naturally this differs of any aspirant country.

KEYWORDS: Integrations, Kosovo, European Union, Challenges, Opportunities, History, Development, Overview, Role, Progress, Process, Criteria, Stages, Institutions, Purposes, Funds.

INTRODUCTION**Entry**

Of course if we review the history of this states' union, since its foundation (establishment) until now days, it has been followed Member States had to be preserved and to find a modus on saving of interest of each country, and not at all times this was easily passed, this was influenced even by the conflict situation of states itself which founded this union, and many times the proper integration of these states was overviewed by pessimism even the idea on European integration, respectively on the Union of European States, is very old one.

Main EU organs

In order to realize duties and programs approved by agreements on foundation and activity of European Union, some of its organs had to be founded (established). Initially it has to be stressed that the Union has a wide power, but isn't Federation, to which Governments and Assemblies of Member States are oblige to vanquish.

However, it is considered as joint system. Main organs of European Union are:

1. European Parliament,
2. Ministers' Council,
3. European Commission,

4. Social and Economic Committee

5. Court of Honor

EU budget presents a unique jointly planned document, where incomes and outcomes are presented; including here even expenditure for the operations of organs of European Union.

Main principles of foundation and distribution of EU budget are foreseen by Rome Treaty of 1957 and it can be stated that until on 70's of last century those haven't been changed. But, by membership of new countries, started the change of main principles', aiming increasing of budgetary discipline, and improvement of methods on financing the Budget.

Financial Institutions and main funds of EU

Financial Institutions and main funds which functions in frame of European Union are

1. **European Investment Bank – EIB.**

This bank was established by the Rome Treaty in 1957, whereas started its operation in 1959. The headquarter is in Luxemburg. Members of the bank are EU Countries, whereas finances different projects which are related to the development of less developed countries of the Union. Later on, this bank expanded its activity financing different projects out

of the Union, in countries which are in process of membership, but even to other countries. Functioning of the bank it's through its organs as:

- a) Governors' Board,
- b) Directors' Board, and
- c) Managing Committee.

2. European Bank on Reconstruction and Development – EBRD.

Main purpose of this bank is contribution to the economies of Central, East and South – East Europe, which are committed to realize the principles of plural democracy, market economy, inciting private initiative and business.

Financial Capital of the Bank was 10 billion Euros. The Countries of European Union participates in this capital by 51%. Bank's credits are allowed on recovery time limit up to 10 years for commercial purposes, respectively 15 years for purposes and infrastructure projects.

Since its foundation until 2003, engagement of Bank means reaches the amount of 46 billion of euros on over 1000 projects. The bank has two operation sectors:

1. Sector on commercial investments and
2. Development sector.

But, however the Europe and especially after the Second World War, increasingly is going towards integration processes whether in global or regional plan. In addition, main European integrations start to take proper form as first structure integrations as Organization of European Co-operation – OEC, established by 18 countries of Europe, and also with status of member state were even United State of America and Canada.

Main purpose of this organization was development and economic co-operation between member states and at same time, facilitation of realization of Marshall Plan, which was initiated by USA, whose role was crucial on access and initiation of co-operation of Europe countries, reconstruction and stability of their economies. During its activity (1948-1959). This Organization noted good results even on field of liberalization of inter – European trade. Also later on, the European Organization of Co-operation and Development – OECD, was founded in 1960 by 19 member states of European continent and five countries out of this continent, in total with 24 member states, this time incited and strongly supported by USA, for two main reasons:

USA fear that will be isolated of relations with West Europe at one hand and: strengthening and expansion of co-operation of socialist countries on other hant. Whole activity and operation of this organization is mainly performed through committees as: Committee of Economic Policy, where is harmonization of economic policies of member states, then, Exchange Committee, Agriculture Committee, Industry Committee, Development Aid Committee and European Monetary Agreement Committee. Also its role had even the European Free Trade Agreement – EFTA, the initiator on foundation of this was Great Britain, aiming to compete to other organizations and saving dominant position, as it used to reject the access wherever other decided instead it, and as a reaction, along with 7 other countries, In Stockholm of Sweden decided to found, Free Trade

Agreement which had its success. But, Later on, seeing that economic union is becoming stronger, Great Britain decided it be a member and be part of that organization.

Also there is a considerable number of integrations less known, which even not well known were ground for strengthening of main European Economic Integrations. But, it is worthy to stress that except economics aims, there were even as result of politics state at that time. Consequently, most known economic in Europe is EU, which economic integration and opportunities of Kosovo's integration of this Union will be the aim of this science draft.

DISCUSSION

Kosovo's economic development in point of historic aspect, on different periods of time, wasn't of proper form, due to reasons and known circumstances of invasions, wars and different stories through which our society as general has passed, aiming usage and exploitation of its economy, by different occupators. As it is known, Kosovo due to its suitable Geographic position and different are wealth, incited invasion actions and colonialist of strongest ("countries") in continuity. Due to mid-zone position between the East and West and other wealth, it was a target of falling on different powers and changing of invaders and colonialists, change of system and economic development. For a long period Dardania – today's Kosovo, falls into Roman – Byzantine invasion, even during this time wasn't economically destroyed, Kosovo saved its economic integrity, and had a development of production forces and state formations. But however, it was under foreign governing, and subsequently invasions of each empire, despite statements "on bringing of goods" whether religious ones, cultural etc. essentially were supported respectively on economic development.

Ottoman Empire acted in this manner, which after Kosovo's war in 1389 and invasion of this area of Balkan and wider, become administrative-politics owner as well as economic exploiter, and continued so for five centuries in a row, where during this period some economic branches regularly registered growth and development, and an important role belongs to agriculture, trade and mining, but not in proper form of development. Then, since 1912 and onwards there is continuity of economic backwardness since weakness period of Ottoman Empire. Economic development after Serbian invasion sustained stagnation, intending weakness of material grounds and assimilation of autochthon Albanian people and through this pressure was aimed their replacement. This period, the one from 1912 and onwards on economic history of Kosovo is registered as ignoring and humiliating and the matter of economic policy becomes more problematic especially on later decades.

Even historic facts proofs that in whole this situation, prosperity, advancement and economic progress is more evident respectively on these periods when the autonomy of this country on bringing of decisions for itself is more evident, incorporated on course of daily life. So from historic point of view of chronology course of events, developments, is obviously clear that because of past invasion, whose aim was economic exploitation, it didn't have proper course, a ground and constant and proper

economic development in continuity. Current economic state isn't favorable, due to known reasons, which undoubtedly are related to the past, which as it is known wasn't so fruitful and in desired level.

In this point of view, current state is as obstacle even for integration aims, and has its negative reflections, as per achieving desired objectives on optimal time. But, this real existing state should be understood and estimated as such, based on this position to establish necessary strategy in order to achieve objectives for proper development, and as soon as possible of integration. Subsequently, on purpose to achieve these aims, undoubtedly there are new objectives and priorities, which have on their foundation the construction development and consolidation of Kosovo's economy. Therefore, existing state despite some undertaken actions and liberalization reforms of the marked performed till now continues to be disfavorable.

Initially, considering high level of jobless which even not in exact figures, but according to some statistics, whether local or international ones, is about 45-50%, and labor Market is added almost by new 30 thousands job seekers per year. Also Kosovo by Gross Domestic Product (GDP) per inhabitant, about 1164 euro, according to data's of 2007 and with consolidated budget for 2008 about 1 billion and 24 million euros, despite has 72.000 registered businesses functioning, Kosovo's economy has a totally amortized economy and not functional one, then an abandoned agriculture, by a goods market or products on retail and wholesale dominated mainly by import, and by a market of different services, transport etc. and banking market on first steps, by education institutions always needed and high infrastructure problems, elements these which makes economic state not favorable, and good integration reflections. Considering an economy on difficult state and poor one, Kosovo's economy in this moment has some positive elements as well and advantages which up to some points supports successfully facing its economic transition.

In general solving of property issue in Kosovo is on right track and proper reconstruction of it, followed by necessary legal infrastructure. Also, even having an economy and financial and banking system little developed, has on circulation joint European currency: euro, which could be considered as good element and positive integration reflections of Kosovo's economy to regional and European ones.

In addition, Kosovo has a liberalized Market Economy and it is part of regional integration processes of Free Trade (CEFTA) and has an agreement to proceed on Association Stabilization Process with EU, which is very important, a condition of pre-accession to European Union. Kosovo also has considerable remittances from abroad, about 350-400 million of euros per year, which considering current state are very fruitful.

Private initiative, trade and business soul of Kosovo's people, are very developed on raising initiatives and economic liberties, combining its tradition and experience of west countries, an important element of an economy in transition. For these integration purposes, in continuity should be harmonization of legislation and functioning of institutions in full accordance with policies of European Union, to be part of such structure on optimal time.

CONCLUSION

As it is known, the goal on rapid possible integration to European Union, development and economic progress, it was and remains an aim to be realized and which directly related to the objectives of Kosovo's society. As, integration, communication and free movement of people and capital, is becoming indispensable, the time itself on which we are living, and overall progress of information technology, makes the integration indispensable and unavoidable. But, only the desire on integration without hard work, in aspect of seriousness and proper commitment, isn't sufficient as it is known very well; which are rules, and rigorously applied on aspiring countries for integrations, and high competitions brought by removing of barriers and free movement of goods and capital.

Considering this reason, we have to know exact position of Kosovo's economy towards integrations, but at same time even toward challenges, and quite high controversy brought by eliminations of limitations, and setting of objectives and based on its establishment of necessary strategy on achieving these objectives in proper time. As it has been stated, Kosovo has made some steps towards European Integrations, as much as allowed by the positions and because of unclear status which used to have, and not being able to decide on itself.

In addition, Kosovo needed politic support, as it is very well known that European Union, is more politics organization, and no pretending country on membership, couldn't be a member of this or other structures, without having the assistance and necessary support by the Organization itself.

Kosovo has made some steps on meeting criteria on pre-accession, as it is the Agreement on Free Trade (CEFTA) then engagement as pretending country of signing the agreement (Stabilization Association) as well as efforts on harmonizing of legal framework in accordance with rules and applied laws in European Union.

In this draft, I have tried through proper analytic manner to present and discuss in best possible way, opportunities of Kosovo's economic integrations to European Union. In addition, starting with historic background of Kosovo's economy and its development on chronology way of events course, then current economic state and reflections to integration processes, as well as the aims of Kosovo's economy for integration to EU.

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