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Željko Bjelajac  
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OF CONTEMPORARY SECURITY  
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NEW CHALLENGES OF THE REGIONAL PO-  
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INTERNATIONAL COOPERATION  
OF SEE COUNTRIES - CASE OF CEFTA

DOCUMENTS



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## Computer Fraud as a Part of Contemporary Security Challenges

### ABSTRACT

In the present conditions of life, there is no area of human activity in which computers have found their application. Computer frauds are, by nature, certainly the nearest commercial crime, and make it illegal to obtain economic benefits. Computer fraud in the Criminal Code of the Republic of Serbia is prescribed as an individual criminal act and is covered by Article 301 Criminal Code. Surveys based on the data of the Special Prosecutor for cyber crime established in the Higher Public Prosecutor's Office in Belgrade, and the period in 2008, 2009 and 2010, it was found that the offense of computer fraud in the present practice of the judicial authorities of the Republic of Serbia. Based on the analysis of the number of criminal charges by year, there is an evident increase in detection of computer fraud offenses compared to other crimes in the area of cyber crime.

*Keywords:* computer fraud, cyber crime, economic development, budget policy.

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## Introduction

We are all aware of the enormous importance of the use of computers in contemporary society and the fact that there is no area of human activity in which computers have found their application. Thanks to a huge computer power saving and fast in processing large amount of data, automated information systems are becoming increasingly numerous and almost indispensable part of the entire social life of all subjects (physical as well as legal persons) at all levels. However, it is a pretty devastating conclusion that there is no technical and technological achievement in the history of mankind has not been met with various forms of abuse. The specificity of a phase of development in which the invention has been subject to abuse, then the group of persons who committed such acts and different purposes for which they are inflicting this abuse.

At the beginning of computer technology, computers were not suitable for the increasing abuse, given that their application was not massive so that they handled only a narrow range of users — IT professionals. What opened the door to expanding opportunities to misuse computer technology in various applications is its rapid development, simplifying its use, as well as the availability of the same wide range of users.

One of the most important forms of cyber crime includes computer fraud.

### **Criminological framework of computer fraud**

Computer frauds are inherently the closest to an economic crime, and in the literature, almost without exception, these phenomena are treated as a manifestation of economic crime.<sup>2</sup>

Computer frauds are the most common form of computer crime, which often cause enormous harm to. Computer fraud is carried out in order to obtain for himself or for another unlawful gain, with such things as they do not lead into fallacy or keep a person, as in the case of ordinary fraud in property crimes, but that fallacy relates to a computer in which incorrect information are entered or fail to enter the correct data, or in any other way the computer is used for the realization of fraud in the criminal sense.<sup>3</sup>

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<sup>2</sup> Božidar Banović, *Preservation of evidence in crime-processing crime economic crime*, Police College, Belgrade – Zemun, 2002, p. 140.

<sup>3</sup> Živojin Aleksić i Milan Škulić, *Crime*, Faculty of Law, University of Belgrade and Služeni glasnik, Belgrade, 2007, p. 389.

Most numerous computer frauds are, in fact, in the area of financial management, insurance, taxes, social security, in connection with the declaration of bankruptcy, money laundering, and so on.

Computer fraud is defined in 1989 in a document of the Council of Europe as an input, alteration, deletion or suppression of computer data or programs, or otherwise interfering with the process of data processing that causes damage to another person or property, with the intent to obtain an unlawful economic gain for himself or another person.<sup>4</sup>

Computer fraud can be performed in a wide variety of ways, and computer-offenders in this regard a really showing great ingenuity.<sup>5</sup>

In foreign practice, there were cases of many years of paying child benefit to people who do not have children, remittances fictitious companies that were established for this and that and then immediately shut down, the payment of pensions and benefits for an accident to employees for healthy people. In banks, the typical method of execution is to round up the sum on the accounts of customers to integers, so the difference was electronically routed to their own account. Similar transactions are possible when there is a change in interest rates for the benefit of depositors, or changes in exchange rates, and this fact is not recorded in a while, and so on. That's one officer in Hamburg Savings Bank issued an order to the computer, the calculation of interest, and dozens of rounds hundredths pfennig and remains the number rounded up, it automatically transfers to his account in the same bank. In this way, in just two years, she's unlawful gain of about 500,000 German marks.<sup>6</sup>

Computer fraudsters abusing the very features of cyberspace that contribute to the growth of electronic commerce: the anonymity, the distance between seller and buyer, and the current nature of the transaction. In addition, they are taking advantage of the fact that fraud on the Internet does not require access to a payment system, as required by any other type of fraud, and the digital market is still under-regulated and as such is confusing for consumers, which for them is almost ideal conditions for fraud.<sup>7</sup>

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<sup>4</sup> Council of Europe, Recommendation No. R (89) 9 of the Committee of Ministers to member states on Computer-related crime, <https://wcd.coe.int/com.instranet.InstraServlet?command=com.instranet.CmdBlobGet&InstranetImage=610660&SecMode=1&DocId=702280&Usage=2>.

<sup>5</sup> See more: Bellour J. C.: "The International", *Choice No.1*, 1981, p. 76–77, quoted in: Aleksić i Milan Škulić, *Criminalistics*, op. cit., p. 389.

<sup>6</sup> Heidel Wolfgang: "Taglich 500 Milliarden USD – Transaktionen uber EDV", *Kriminalistik*, 12/1984, p. 589; quoted in: Božidar Banović, *Preservation of evidence in crime-processing crime economic crime*, op. cit., p. 141.

<sup>7</sup> Cybercrime, Security Consulting APIS; <http://www.apisgroup.org/sec.html/Knjige/UMOB/sec.html?id=29> (downloaded: 05.09.2010.)

One of the most spectacular cases of computer fraud Rifkin was the case, which occurred in 1978 in the United States. As an analyst employed by one of the insurance business partners Pacific Bank of Los Angeles, Rifkin had four times the opportunity to enter the room where it is carried out electronically transfer money and unnoticed observe the code that was used for this type of banking operations. He then ordered the transfer of 10.2 million dollars in its account, which was opened at a bank in New York. From this account it was transferred \$ 8 million to the account of a Russian merchant in Switzerland, from whom he bought the diamonds out of 9000 cards. For eight days it took the bank to find out what happened, and Rifkin was discovered when he returned to the U.S. and carelessly offered to sell the diamonds purchased.<sup>8</sup>

Weight of computer fraud is even more far reaching as those due to the size of the Internet, then, is very difficult to detect and prove, and because of the low salience, very often these acts are performed for a long time and continuously.

The prevalence, severity and risk of cyber crime sufficiently indicates the fact that in Germany in 1992 12,435 cases were registered this manifestation of the crime of which makes the 2485 Computer Fraud cases.<sup>9</sup>

The FBI has estimated in 1998 when the price of the scams on the Internet was \$ 15 billion. A study made by the FBI, based on a survey of 4200 companies, found that frauds on the Internet has doubled since 1996 to 2000. For on-line sales are fake passports, social security numbers, birth certificates certificate, driver's license, college diploma, journalism credentials and even identification cards for police officers and FBI agents.<sup>10</sup>

According to research Internet Crime Complaint Center (IC3), in the United States, the losses are expressed in fraud in 2006 amounted to 198 million dollars. In 2007, the losses reached the figure of 239 million, where the computer was the means or the object of the attack, while in 2008. the loss in the U.S. increased to 264 million dollars just to Fraud.<sup>11</sup>

The case of a spectacular computer fraud, which the victim was a large London-based bank is also interesting because it revealed an atypical work,

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<sup>8</sup> Information Corner, Interesting; <http://kompjuterskikriminalitet.blogspot.com/2009/02/zanimljivosti.html> (downloaded: 15.09.2010.)

<sup>9</sup> Insurance, Journal of Insurance and Business, Zagreb, 1–2/94, p. 47 Quoted by: Šime Pavlović: "Computer crimes in the Criminal Code — the basics of the Croatian Information", *Croatian Annual of Criminal Law and Practice*, Vol. 10, no. 2/2003, p. 625–664, Zagreb, p. 627

<sup>10</sup> Božidar Banović: *Providing evidence in criminal investigations related in economic crime*, op.cit., p. 142.

<sup>11</sup> The Latest Cybercrime Statistics On The Internet, Tech Watch, <http://www.techwatch.co.uk/2008/04/04/the-latest-cybercrime-statistics/> (downloaded: 12.02.2011.)

despite the obvious evidence, not prosecuted. Although the offender is managed by skilful operations illegal proceeds to acquire high gain and, thus, thanks to the great attention of the mass media, awakened hopes and fantasies of many people, eager to get rich quick stock adventures. In fact, the developer is like a bank clerk managed to “break” a computer code, and unauthorized use of its transfer into his own account in a Swiss bank account the sum of four million pounds. It appears, however, to the dismay of those responsible in the bank, after a few months of flight from the country, contacted his former employers, to explain to them that the news of stock investing money that was stolen, he managed to realize additional revenue of two million pounds. Insolent offender then sent to the bankers and their “reasonable business proposition” and said he was ready to give them back those initially fraudulently appropriated four million pounds, on condition that the bank commits that it will not prosecute him, and of course the ability to freely retain two million pounds earned in stock business. Choosing between quite certain financial reparations, potential financial damages and completely uncertain criminal prosecution, of course, the bank accepted the proposal offered.<sup>12</sup>

The existing forms of computer crime have emerged in Serbia long before the first criminal legislation in this area. For many years, crime in the areas of computer crime did not have the qualification to them by nature and type of work belonged. It is interesting to mention the case studies of the police, who, on the one hand illustrate some of the forms mentioned spheres that were discovered in the country, and on the other by the way they are legally qualified in the absence of special criminal law, which includes this problems.

The first example is the commission of the crime of computer fraud, which is qualified as a crime of fraud:

Treasurer in a Belgrade bank branches was trained to work on terminals that are used for direct introduction of a new state in the central memory of a computer. Although most of the employees were trained to operate the terminal, it were only the liquidators, who were issued with special keys to start, without which the terminal is not able to handle. These keys, when in contact with the terminal, leaving a trace in the form of codes, in order to know who authorized the liquidators worked at the terminal. However, the relationships among employees in the branch there was the great confidence and is a certified cashier, at the beginning of time were putting the key in the ignition terminal and left it there during the entire working hours. In the course of time, changes in the terminal and enter the other workers, except for the authorized liquidator. The

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<sup>12</sup> Milan Škulić, „Cybercrime — how to respond to the challenge, “Proceedings of the Conference on Computer Sciences and Information Technologies YU INFO ‘98, program areas: Legal Aspects of Computer Science, p. 1225–1230, Kopaonik, 1998, p. 1227.

aforementioned cashier seized the opportunity to lobby and put his savings booklet (which is addressed to the bearer), and demanded payment of 180,000 dinars, although the stakes in the booklet was 2,000 dinars. The computer was programmed so that he could not express his overdraft, but export marked the required amount of payment, and in the "Sheet", again showed the amount of 2,000 dinars. Then he gave the order to reverse payments, register the amount of 180,000 dinars in red letters in the booklet, which is reduced to zero change. The computer had this operations cancellations accepted as payment and payment in the "state" expressed the amount of 180,000 dinars. For treasurer that was signal that is in the memory of computers created a false condition, and was subsequently ordered to pay the whole amount thus obtained self gain.<sup>13</sup>

The existing forms of computer crime have emerged in Serbia following example illustrates a different way of execution, which was qualified as a crime of misconduct:

Clerk in a Belgrade bank over a longer period of time, using the fact that she works in a bank and trust of his colleagues, he took large amounts of checks in other banks raise cash checks issued in the name. He then raised the cash portion paid to your checking account, that one could not be expressed overdrafts, and when they arrived at the realization of the checks, she did not immediately computer-processed, as was her usual job duties, and thus made substantial gain.<sup>14</sup>

Bearing in mind that digital technology when it comes to economic activity, first introduced in banks and other financial institutions, it is only it was there first time misused, which is proved by the previous two examples.

According to research Australian Institute of Criminology (Australian Institute of Criminology)<sup>15</sup> which were conducted over a period of four years (2003 to 2006), in cooperation with the agency AusCERT, the Australian Centre for Cybercrime (Australian High Tech Crime Centre) and several state police agencies, led to the following results: The most frequent manifestation in the field of computer crime is the use of a harmful content, primarily viruses, worms and Trojan horses. After this form, the most represented of computer fraud, particularly fraud of a financial nature, and so internal (insider) abuses of

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<sup>13</sup> Case study of the Criminal Police, the Secretariat of Internal Affairs in Belgrade; cited by: Božidar Banović, *Preservation of evidence in crime-processing crime economic crime*, op. cit., p. 147–148.

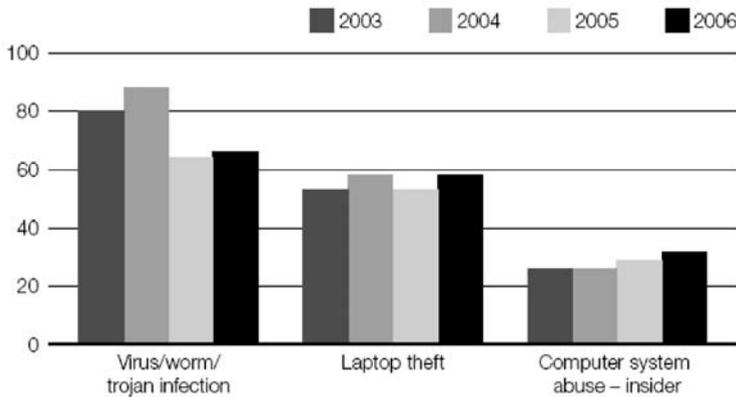
<sup>14</sup> Case study of the Criminal Police, the Secretariat of Internal Affairs in Belgrade; cited by: Božidar Banović, *Preservation of evidence in crime-processing crime economic crime*, op. cit., p. 148.

<sup>15</sup> *Statistics, Fraud and deception-related crimes, Cybercrime*, Australian Institute of Criminology, 2007, Canberra, <http://www.aic.gov.au/statistics/hightech/cybercrime.aspx> (downloaded: 12.02.2011.)

a computer system. The study covered 181 state institutions and organizations. The amount of damage were worth millions.

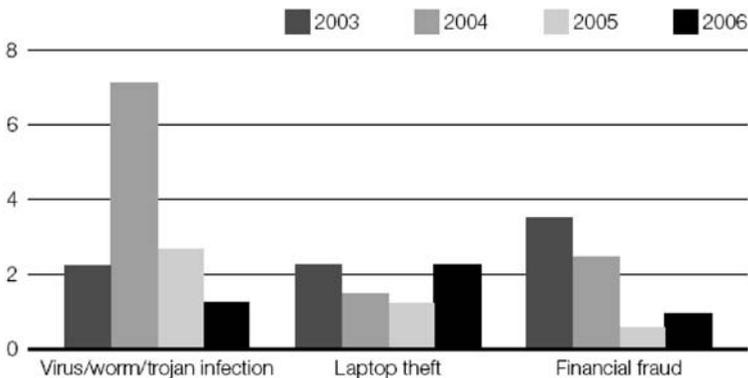
Graphical representation of the type and volume of distribution of these forms of computer fraud, are shown below:

*Chart 1: The most common forms of computer crime and security flaws in the period 2003–06 (in percent)*



Извор: Australian Institute of Criminology 2007, Australian crime: facts and figures 2006, Canberra, <http://www.aic.gov.au/statistics/hightech/cybercrime.aspx> (Downloaded: 12.02.2011.)

*Chart 2: The main sources of financial losses due to computer crime and security vulnerabilities, 2003–06 (in millions of \$)*



Source: Australian Institute of Criminology 2007, Australian crime: facts and figures 2006, Canberra, <http://www.aic.gov.au/statistics/hightech/cybercrime.aspx> (Downloaded: 12.02.2011.)

### **The criminal justice framework of computer fraud in the Republic of Serbia**

The fact that information and communication technologies have become indispensable to the functioning of modern societies, created the need to establish a world scale measures and mechanisms for the protection of society and the individual against abuses in this area, adopting appropriate legislative solutions, and promoting international cooperation. The result of such efforts, among other things, is adoption of the Council of Europe Convention on Cybercrime which established minimum standards that are necessary, in the opinion of the international community to fulfill the national legislation in order to effectively combat cyber crime.<sup>16</sup>

The Republic of Serbia has ratified the said Convention and the Criminal Code<sup>17</sup> included offenses against the security of computer data, which are provided for in Title XXVII of the Criminal Code (Articles 298–304a). The crime of computer fraud is prescribed in Article 301 Criminal Code.

Offense has the basic form, two serious and one particular form. The basic form of the work makes a person who enters false information, fails to enter the correct information or otherwise conceal or misrepresent the data and thus affect the result of electronic processing and transmission of data in order to obtain for himself or other unlawful material gain for the second time and causes property damage. The offense is over when the act of taken with the intent to obtain for himself or for another, an economic benefit or to cause another kind of property damage. For the main part of the prescribed form of a fine or imprisonment of up to three years. There are two forms of serious offenses, depending on the amount of proceeds of the illegal gain. First there is a more severe form when the material gain in the amount of 450,000 dinars, and for him a prison sentence of one to eight years. Other more severe when there is a material gain exceeding one million five hundred thousand, and it is punishable by two to ten years. Special, privileged form a part of the action when the execution takes only the intent to harm another person. For this form is punishable by a fine or imprisonment of up to six months.

The intention of the legislator was prescribing the offense Computer Fraud Protection to credibility and integrity of data being electronically processed or transmitted electronically. It is necessary to determine in each case the intention of the perpetrator, which consists in the fact that for themselves or another to obtain an economic benefit and thereby cause other damage to property.<sup>18</sup>

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<sup>16</sup> Convention on Cybercrime, Council of Europe, Budapest, 23. XI 2001; European Treaty Series (ETS) – No. 185; <http://conventions.coe.int/Treaty/en/Treaties/Word/185.doc> (Downloaded: 05.08.2010.)

<sup>17</sup> Criminal Code, Službeni Glasnik, No. 85/2005, 88/2005, 107/2005, 72/2009 and 111/09.

<sup>18</sup> Lidija Nikolić Komlen; Radoje Gvozdrenović, Saša Radulović, Aleksandar Milosavljević, Ranko Jerković; Vladan Živković; Saša Živanović, Mario Reljanović, Ivan Aleksić, *Combating cyber*

Since the action of the offense defined alternatively as entering incorrect data or failure to enter the correct data, or any other such concealment or misrepresentation of data, the work is finished when undertaken by an act of commission, described the existence of intent and, when another property damage caused as a result, while it is not necessary to be a result of the action taken and realized an economic benefit. This offense can be committed by any person who takes the act of committing premeditated.

In recent years, electronic commerce becomes the dominant way of doing business, and businesses in our state. Segment transactions carried out electronically opens up many possibilities for abuse that may be affected by all economic actors, in case the integrity and validity of the data in their electronic processing are not properly protected.

In previous domestic case law, there were several cases of prosecuting perpetrators of this crime, and the above examples show that computer fraud is becoming increasingly common crime. Thus, the Office of the fight against cyber crime investigation launched against suspect T. A. suspicion was in 2007 and 2008. The two times using computer systems went into banks in Australia and Switzerland, and issued false orders for the transfer of funds, which is obtained by unlawful property gain in the amount of 51,990 CHF, or that he tried to from a Swiss Bank without authorization to transfer funds in the amount of \$ 19,000.<sup>19</sup>

Since in our country there are a large number of sports betting with a wide network of branches and whose business is inconceivable without computer networks, often occurring misuse of such systems. Executives in different ways trying to influence the outcome of electronic data processing and using gives software solutions, forge played tickets. Against-M. D. an investigation was launched based on the suspicion that on 22 June 2008. in the premises sportsbook located in Cacak, having born. "Les Folies LLC" as a person employed in the business of receiving and collection of sports tickets, in order to give yourself and another person unlawful material benefit, when entering data into the computer — changed the time on the computer, and pay per ticket for sports betting serial numbers F1 ... F16 ... and, entering, instead of real time, the time when the outcome of matches per paid Ticket holder already known, which is influenced by the result of electronic data processing in the form of monetary gain by registering paid

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*crime*, the Association of Public Prosecutors and Deputy Public Prosecutors of Serbia, Belgrade, 2010, p. 101.

<sup>19</sup> Lidija Nikolić Komlen; Radoje Gvozdrenović, Saša Radulović, Aleksandar Milosavljević, Ranko Jerković; Vladan Živković; Saša Živanović, Mario Reljanović, Ivan Aleksić, *Combating cyber crime*, the Association of Public Prosecutors and Deputy Public Prosecutors of Serbia, Belgrade, 2010, p. 102.

TIKETA these serial numbers – which is N. N. face, on the following as we as the next day, the amount paid in unlawful material gain of 120,438 dinars.<sup>20</sup>

The prosecution in 2008 opened an investigation against one of the employees of the company “Telecom” reasonable suspicion that in the period since 2003 by 2007 costing the company more than ten million, so falsely portrayed as data related to traffic and tariffing and eighteen telephone connections allow free calls to local, long distance and international calls, as well as all mobile phone networks.<sup>21</sup>

### **Research in the area of representation of the crime of computer fraud in the practice of the Special Prosecutor for the high-tech crime in the Republic of Serbia**

In this section of work, will be shown the practice of the Special Prosecutor for cyber crime established in the Higher Public Prosecutor’s Office in Belgrade, in terms of the number of received criminal charges for offenses in the sphere of cyber crime.<sup>22</sup> The period in which they were performed research obtained in 2008, 2009 and 2010. The aim of the research is to determine the number of criminal charges for computer fraud offense for each year covered by the survey, and based on these data ranks share this offense in relation to other crimes in the area of cyber crime. The results follow below.

Special Prosecutor for cyber crime in 2008 were filed 110 criminal charges against 179 persons.<sup>23</sup>

In Table 1 shows the number of persons in 2008 year and filing of criminal charges of crimes cyber crime.

Data from Table 1 are presented in Figure 3 as shown below.

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<sup>20</sup> Lidija Nikolić Komlen; Radoje Gvozdrenović, Saša Radulović, Aleksandar Milosavljević, Ranko Jerković; Vladan Živković; Saša Živanović, Mario Reljanović, Ivan Aleksić, *Combating cyber crime*, the Association of Public Prosecutors and Deputy Public Prosecutors of Serbia, Belgrade, 2010. pp. 102–103.

<sup>21</sup> Serious Fraud six million, “Victory”; <http://www.pobjeda.co.me/citanje.php? datum=2005-11-19&id=75425> (downloaded: 07.05.2009.); Quoted from: Lidija Nikolic-Komlen; Radoje Gvozdrenovic, Sasa Radulovic, Aleksandar Milosavljevic, Ranko Jerkovic; Vladan Zivkovic; Sasa Zivanovic, Mario Reljanovic, Ivan Aleksic: “Combating cyber crime”, op. cit., p. 103.

<sup>22</sup> The research based on the original data of the Special Prosecutor for cyber crime established in the Higher Public Prosecutor’s Office in Belgrade. More on the Special Prosecutor’s Office for cyber crime: <http://www.beograd.vtk.jt.rs/> (downloaded: 05.09.2010.).

<sup>23</sup> Data obtained in the framework of the Report of the Special Prosecutor’s Office for the fight against cyber crime, established in High Public Prosecutor’s Office in Belgrade in the year 2008.

Table 1: Number of persons against whom criminal charges have been filed for cybercrime offenses — 2008

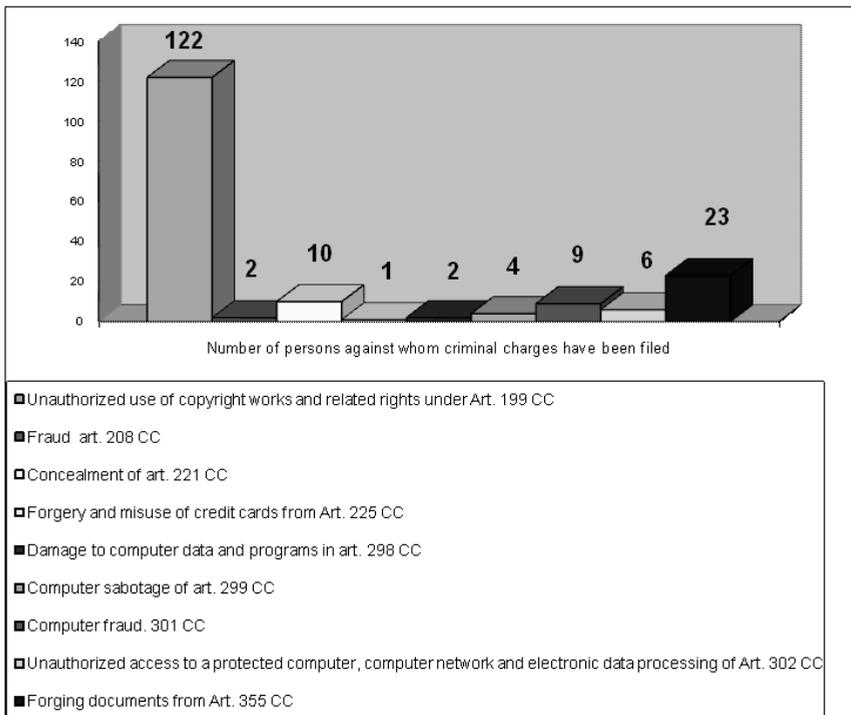
No.	The cybercrime offenses:	Number of persons against whom criminal charges have been filed:
1	Unauthorized use of copyright works and related rights under Art. 199 CC	122 persons
2	The fraud in the art. 208 CC	2 persons
3	Concealment of art. 221 CC	10 persons
4	Forgery and misuse of credit cards from Art. 225 CC	1 persons
5	Damage to computer data and programs in art. 298 CC	2 person
6	Computer sabotage of art. 299 CC	4 persons
7	Computer fraud. 301 CC	9 persons
8	Unauthorized access to a protected computer, computer network and electronic data processing of Art. 302 CC	6 persons
9	Forging documents from Art. 355 CC	23 persons

Source: Data from the Special Prosecutor’s Office for the fight against cyber crime, established in High Public Prosecutor’s Office in Belgrade in 2008.

Special Prosecutor for cyber crime in 2009 were filed 91 criminal charges against 113 persons.<sup>24</sup>

<sup>24</sup> Data obtained in the framework of the Report of the Special Prosecutor’s Office for the fight against cyber crime, established in High Public Prosecutor’s Office in Belgrade in 2009.

**Chart 3: Number of persons against whom criminal charges have been filed for cybercrime offenses — 2008**



In Table 2, its showed the number of persons in 2009 year and filing of criminal charges of cyber crime crimes.

**Table 2: Number of persons against whom criminal charges have been filed for cybercrime offenses — 2009**

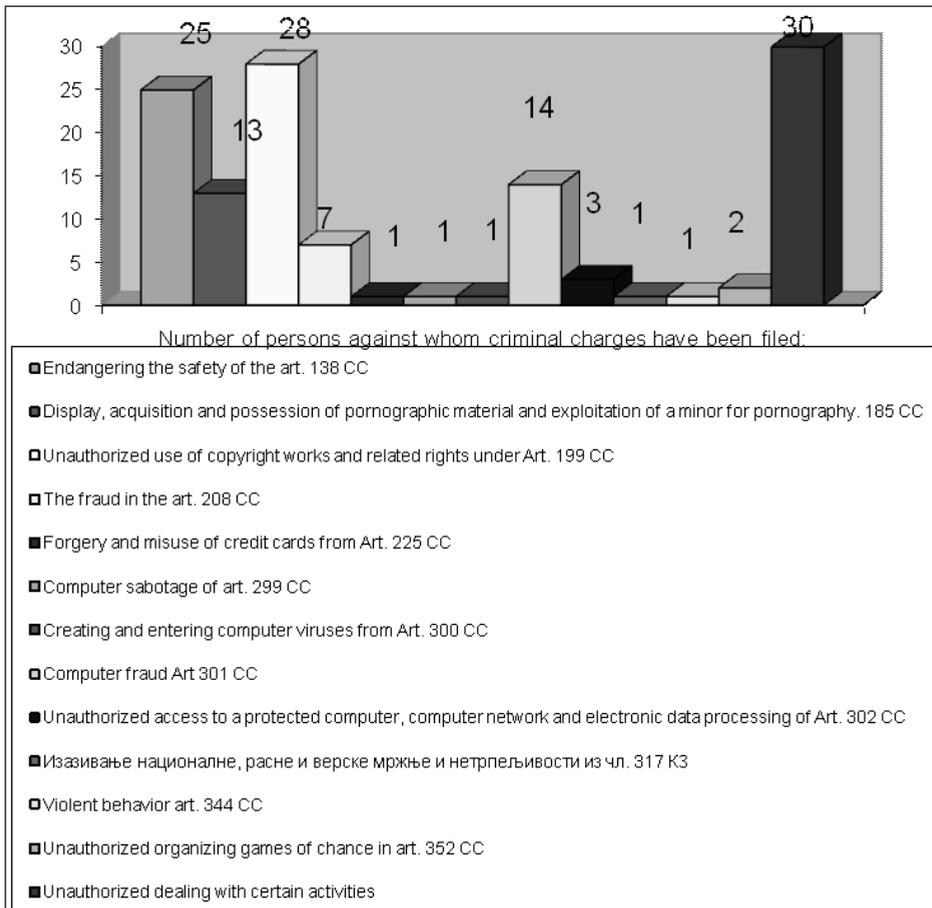
No.	The cybercrime offenses:	Number of persons against whom criminal charges have been filed:
1	Unauthorized use of copyright works and related rights under Art. 199 CC	78 persons
2	The fraud. 208 CC	5 persons
3	Computer sabotage of art. 299 CC	4 persons
4	Creating and entering computer viruses from Art. 300 CC	19 persons

5	Art of computer fraud. 301 CC	2 person
6	Unauthorized access to a protected computer, computer network and electronic data processing of Art. 302 CC	6 persons

Source: Data from the Special Prosecutor’s Office for the fight against cyber crime, established in High Public Prosecutor’s Office in Belgrade in 2009.

Data from Table 2 presented in Chart 4 as shown below.

Chart 4: Number of persons against whom criminal charges have been filed for cybercrime offenses — 2009



Special Prosecutor for cyber crime in 2010 were filed 116 criminal charges against 127 persons.<sup>25</sup>

In Table 3 shows the number of persons in 2010 year and filing of criminal charges of crimes cyber crime.

*Table 3: Number of persons against whom criminal charges have been filed for cybercrime offenses — 2010. year*

No.	The offenses cybercrime:	Number of persons against whom criminal charges have been filed:
1	Endangering the safety of the art. 138 CC	25 Persons
2	Display, acquisition and possession of pornographic material and a minor in art from pornography. 185 CC	13 Persons
3	Unauthorized use of copyright works and related rights under Art. 199 CC	28 Persons
4	The fraud in the art. 208 CC	7 Persons
5	Forgery and misuse of credit cards from Art. 225 CC	1 Person
6	Computer sabotage of art. 299 CC	1 Person
7	Creating and entering computer viruses from Art. 300 CC	1 Person
8	Computer fraud. 301 CC	14 Persons
9	Unauthorized access to a protected computer, computer network and electronic datat. 302 CC	3 Persons
10	Inciting national, racial and religious hatred and intolerance of art. 317 CC	1 Person
11	Violent behavior of the art. 344 CC	1 Person

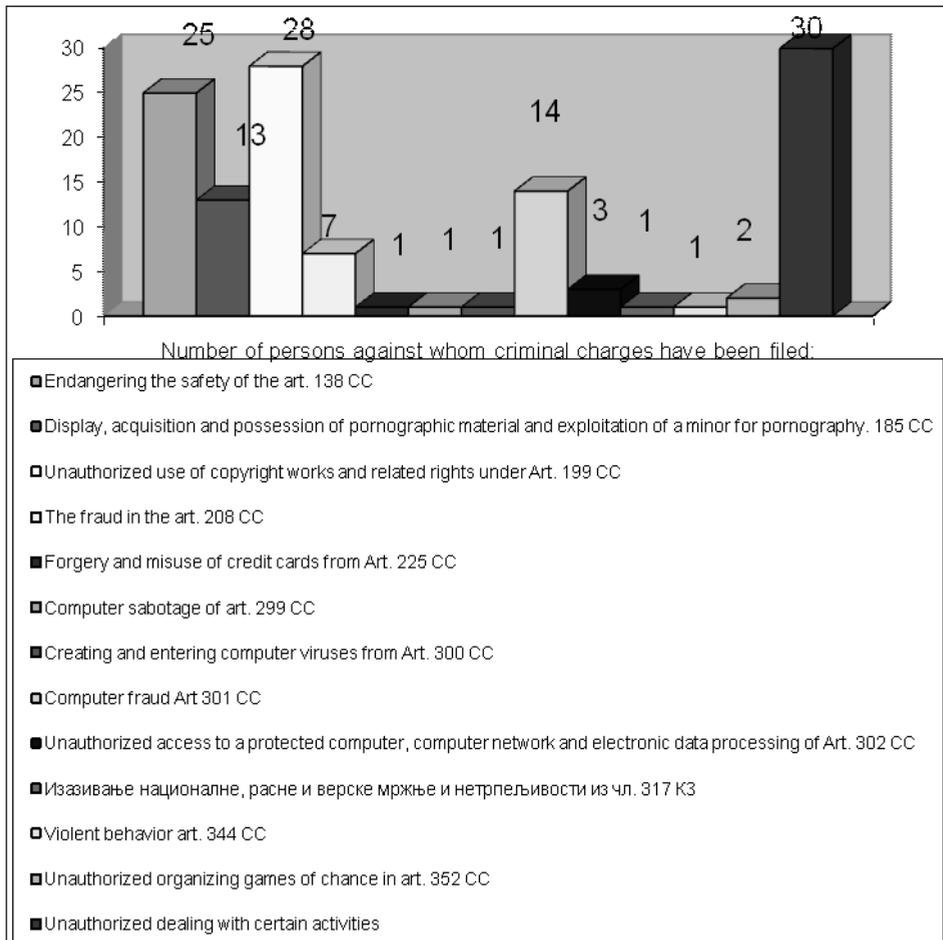
<sup>25</sup> Data obtained in the framework of the Report of the Special Prosecutor's Office for the fight against cyber crime, established in High Public Prosecutor's Office in Belgrade in 2010.

12	Unauthorized organizing games of chance in art. 352 CC	2 Persons
13	Unauthorized dealing with certain activity article. 353 CC	30 Persons

Source: Data from the Special Prosecutor’s Office for the fight against cyber crime, established in High Public Prosecutor’s Office in Belgrade in 2010

Data from Table 3 presented in Chart 5 as shown below.

Graph 5: Number of persons against whom criminal charges have been filed for cybercrime offenses – 2010:



According to the representation of the number of criminal charges for the crime of computer fraud in relation to the number of criminal charges for other crimes in the area of cyber crime, reveals that in the period since 2008–2010. The growing number of computer fraud offenses detected. Namely, in 2008. 9 were filed criminal charges for this work, in 2009 were filed 19 criminal charges as in 2010. year that number was 14th Over time, this crime stands out as one of the most common abuses in the field of computer technology. Certainly by the large amount of damage caused by the harmful effects that entails, such rank and certainly deserves.

### Conclusion

Although today, it is impossible to imagine the functioning of life and society the as a whole without the use of computers and modern information technology, the awareness arises that this useful and necessary funds can be used for illicit, unlawful objectives, primarily to obtain an economic benefit for any person or for causing harm to others. Since they were in Serbia until present day, recorded numerous cases of abuse of computers for criminal purposes, it is high time that the science and practice of increasingly devote to these issues. Computer scams are very common misuse of computers and other elements of computer technology. So far, caused a very large financial losses in a number of countries, and their negative effect on the Serbian territory every day more apparent. Analysis of the practice of the Special Prosecutor for cyber crime, we came to some conclusions regarding the activities of the judicial and police authorities in the field of combating this phenomenon. On the one hand, there is a rise in the number of criminal charges for the crime of computer fraud. On the other hand, the number is still very small bearing in mind that this problem is a phenomenon of modern society and each country individually. In this regard, the results of the conducted research can serve as an adequate basis for the further development and strengthening of defense mechanisms of the Republic of Serbia in the field of combating the negative consequences of computer fraud.

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## **New Challenges of the Regional Police Cooperation Within MARRI Initiative**

### ABSTRACT

Due to the fact of perspective European integrative process of Western Balkans the authors focus their attention to the importance of Migration, Asylum, Refugees Regional Initiative (MARRI) as the specific form of the regional police cooperation. New challenges of the MARRI initiative are considered combating illegal migrations, harmonization of the national legislative frameworks regarding the EU asylum policy and the solving of the problem on refugees and displaced persons in the region of Western Balkans. The crucial support for the MARRI initiative is to be provided by the international organizations as: UNHCR, IOM, INTERPOL, OSCE, EUROPOL, FRONTEX and SELEC, as well the support from the MARRI Member States is tremendous and crucial for the initiative and for its ownership; it must be mentioned. Western Balkans countries are to implement bilateral agreements in the fields of legal and illegal migrations, asylum and refugees' status being challenged by the phenomena of people smuggling, trafficking in human beings, drug and weapon smuggling, travel documents forging and the other forms of transborder crime.

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Speeding up of the EU accession process of Western Balkans states will enable overpowering of the MARRI's challenges by finding out adequate ways of enhancing regional police cooperation.

*Key words:* MARRI, regional police cooperation, Western Balkans, migration, asylum, refugees.

## Introduction

The region of Southeastern Europe has been enduring the significant changes in the post-Cold War stage of international relations. Those were results of newly appeared political elites' intentions to create national states on the territory of former Yugoslavia. Such efforts were not bypassed by ethnic conflicts and tensions, which caused notable migration of citizens in the region of Western Balkans and phenomenon of large number of dislocated persons and refugees, as well. The matter of solving those persons' statuses is still being opened, no matter having Sarajevo Declaration (2005) and Ministerial Statement (Belgrade, 2010). That is why Western Balkans countries' bilateral relations are, *inter alia*, burdened with the quoted issue regarding refugees' statuses just as obvious decrease of returnees' number to their prewar domiciles.<sup>2</sup>

Besides mentioned, spreading of the European Union, in 2004 and 2007, put Western Balkans states into special position by made them being a kind of barrier for entering of numerous illegal migrants opening the question of asylum policy in these countries, too. Therefore, states of the region have to redefine their previous Acts on Asylum, gradually, and enhance the possibility of giving shelter to the persons being pursued in domicile states for political, confessionnal, ethnical or some other matter of affiliation. In 2003, by patronage of Stability Pact for Southeastern Europe, the Migration, Asylum, Refugees Regional Initiative — MARRI has been created as one of the institutional frames for states' cooperation in the Western Balkans and Southeastern Europe considering mentioned issues.<sup>3</sup> The Initiative's basic objectives are connected to states' borders management, challenges of migration and establishing of asylum policy and visas' regimes.

Due to the fact of facing Western Balkans still with numerous problems connected to so-called wars' inheritance, MARRI achieved its importance during the last decade and after transformation of Stability Pact for Southeastern

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<sup>2</sup> Dragan Đukanović, „Spoljnopolitički prioriteti Republike Srbije u bilateralnim i multilateralnim odnosima sa susedima”, u: dr Edita Stojić-Karanović i mr Slobodan Janković (urs), *Elementi strategije spoljne politike Srbije*, Institut za međunarodnu politiku i privredu, Beograd, 2008, str. 85–105.

<sup>3</sup> Duško Lopandić, Jasminka Kronja, *Regionalne inicijative i multilateralna saradnja na Balkanu*, Evropski pokret u Srbiji, Fridrih Ebert Stiftung, Beograd, 2010, str. 204–205.

Europe to Regional Cooperation Council — RCC, in 2008.<sup>4</sup> MARRI does cooperate with many international organizations on the European and the world level having as their goal further stabilization in Western Balkans. According to the process of stabilization MARRI had become a part of Justice and Home Affairs Unit of the Regional Cooperation Council and has become a significant mechanism for cooperation among Western Balkans states and regarding legal and illegal way of migrations, as well.<sup>5</sup>

### **MARRI – Structure and Goals**

Having in mind the importance of interstates cooperation on migrations, asylum and the matter of solving refugees' statuses, international leading actors made within the frame of Stability Pact for SEE, firstly, the Regional Forum as body for consultation among Ministries of Interior.<sup>6</sup> The body enhanced cooperation among Ministries of Interior of Croatia, Bosnia and Herzegovina, Albania, Macedonia, Montenegro and Serbia. So, the Regional Forum is executive unit of MARRI and, leded by annually rotated coordinators representing their domicile states in Western Balkans region, becomes important as an instrument for consultation, trainings, information exchange and strengthening of collaboration and institutional capacities.<sup>7</sup>

Taking part of representatives of OSCE, IOM and UNHCR in Steering Committee of MARRI is self-explanatory considering the stands of European Union and named international organizations specialized for migrations, asylum and refugees' statuses regarding the importance of MARRI's role. In May 2005 MARRI's Regional Center is recognized as Legal Person in Skopje, Macedonia, as particular body competent for intensifying dialogs and cooperation among states in Western Balkans. This followed after signing of Memorandum on establishing MARRI in April 2004 in Herceg Novi, Montenegro and signing of Memorandum of Understanding in July 2004, in Tirana, Albania.<sup>8</sup> At beginning of next year MARRI Regional Center started to work with the basic goals to enhance dialog and cooperation among member states of this multilateral initiative and to harmonize their national legislations with legislative framework

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<sup>4</sup> Dragan Đukanović, „Transformacija Pakta za stabilnost u Jugoistočnoj Evropi: novi podsticaji regionalnoj saradnji”, u: Dragan Đukanović (ur.), *Međunarodni forumi za saradnju u Evropi: uporedni modeli*, Institut za međunarodnu politiku i privredu, 2007, str. 173–190.

<sup>5</sup> See: [www.rcc.int](http://www.rcc.int).

<sup>6</sup> Internet, <http://www.marri-rc.org/Default.aspx?mid=28&Lan=EN>, 12/01/2012.

<sup>7</sup> Ibidem.

<sup>8</sup> Duško Lopandić, Jasminka Kronja, *Regionalne inicijative i multilateralna saradnja na Balkanu*, op. cit., str. 204–205.

of European Union considering matters of migrations, asylum and refugees' statuses. As a special executive body, MARRI Regional Center has important task to connect and maintain relations between Regional Forum and MARRI's member states. Head of MARRI Regional Center is director running all activities relate to administrative managing, human resources and enabling of cooperation with Regional Forum, just as with other partners, either states or international organizations.<sup>9</sup>

Although the establishing and first working years of MARRI were followed by numerous problems regarding financing, after 2008 situation was upgraded due to member states' contributions and continuing of cooperation with European Commission. MARRI initiated realization of large number of project considering combating regional trafficking in human beings, supporting victims of sex trafficking and enhancing implementation of internal agreements on readmission. Also, there are projects regarding strengthening of collaboration with member states of SEPCA considering border crossing points and international airports issues. ATR Data Collection is, for sure, one of the most important projects of MARRI, as regional initiative, having formed the unique database considering trafficking in human beings in Southeastern Europe. Besides, MARRI Regional Center intends to realize many of other very ambitiously designed projects.<sup>10</sup>

### **Challenges of MARRI**

Obvious challenges of MARRI are considered combating people smuggling, trafficking in human beings, harmonization of the national legislative frameworks regarding EU asylum policy and the solving of the problem on refugees and displaced persons in Western Balkans. As a scale of possible solutions, there are following projects with implementations still to come.

The new MARRI project named "Joint comprehensive approach in building co-operation between MARRI's and SEPCA's member states' border police on international airport border crossing points" is a follow up of the MARRI Project "Establishment of network for co-operation among border police on international airport border crossing points in MARRI's member states" implemented in the course of 2010, which resulted with completion of main Project outcome — Establishment of Permanent Regional Working Group-Network for Cooperation and information exchange consisted of commanders of the border police units from the main International airports border crossing

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<sup>9</sup> Internet, <http://www.marri-rc.org/Default.aspx?mid=28&Lan=EN>, 12/01/2012.

<sup>10</sup> Internet, <http://www.marri-rc.org/Default.aspx?mid=31&Lan=EN>, 12/01/2012.

points in member states of MARRI. The Objective of the Project is to improve the capacities of MARRI and SEPCA Member States' national authorities responsible for border management in particular border police on international airport border crossing points to address issues of irregular migration and crime/terrorism on sustainable and permanent basis and to support joint comprehensive inter-regional approach in building cooperation in that respect.

Specific objectives of the Project are: to establish and maintain effective inter-regional co-operation and information exchange mechanisms among border police on international airport border crossing points in MARRI and SEPCA Member States; to improve capacities of border police on international airport border crossing points; to strengthen performances of Permanent Regional Working Group-Network for Cooperation; to increase efficiency in secure movement of persons and goods; to prevent/reduce crime/terrorism and irregular migration. The main output of the Project is establishment of overall effective interregional cooperation network among border police on international airport border crossing points as well as establishment and setting to function of an enlarged permanent interregional working group which will be upgraded on executive-strategic level with participation of Heads of the Border Police Services and on operational level with participation of the commanders of the border police units on main international airport border crossing points from three SEPCA's member states (Romania, Bulgaria and Moldova). This project has been financed by the Swiss Agency for Development and Cooperation and in partnership with SEPCA, PCC SEE and FRONTEX.

The project "Migration for Development in the Western Balkans" is European Commission's Project, under IPA MB Program in which MARRI Regional Center, as a partner with IOM, is directly involved for the first time. Its beneficiaries are migrants, societies and governments in the Western Balkans region and the communities in European Union member states who benefit from migrant's skills. The overall objective of the project is to support informed migration from the Western Balkans to the European Union member states and to contribute to the positive impact of labor migration on socio-economic development in the Western Balkans. The specific objectives are: to strengthen the capacity of Migrant Service Centre in the Western Balkans in order to facilitate the entry of potential migrants to the labor markets in the European Union, and reinsertion of returning skilled migrants; to provide opportunities for return of skilled people and human capital and foster partnership between countries of origin and destination. Main activities are: to promote and support cooperation initiatives between the relevant actors in European Union member states and in the Western Balkans to facilitate the entry of potential migrants to the labor markets in the European Union and the Western Balkans; to develop measures to facilitate the return of skilled labor forces, reintegrating them into

their society and supporting the dissemination of new acquired skills. The main output of the Project is establishment of effective regional co-operation network among Migration Services Centre in the Western Balkans in order to facilitate the entry of potential migrants to the labor markets in the EU and reinsertion of returning skilled migrants. MARRI Regional Centre will perform the role of the supporting agency for the implementation of the Project.

Project “Establishment of network for co-operation among border police on international airport border crossing points in MARRI’s member states” is the matter of MARRI member states national authorities responsible for border management in particular border police on international airports’ border crossing points, as beneficiaries. MARRI Regional Centre is to perform the role of the implementing agency coordinating and managing all the activities necessary for the implementation of the Project. Overall objective of the project is to improve the capacities of MARRI member states national authorities responsible for border management in particular border police on international airports’ border crossing points to address issues of irregular migration and crime and/or terrorism on sustainable and permanent basis, thus contributing to the harmonization of regional standards in combating irregular migration and to channel irregular flows to regular ones. Specific objectives of the Project are to establish and improve more effective regional cooperation and information exchange mechanisms between border police on international airports’ border crossing points in MARRI’s member states, increase efficiency in secure movement of persons and goods as well as to prevent and reduce crime and/or terrorism and irregular migration. The main output of the Project is establishment of effective regional cooperation network among border police on international airport border crossing points as well as establishment and setting to function of a permanent regional working group.

Last but not least, the Programme for the Enhancement of Anti-trafficking Responses in Southeastern Europe named “Data Collection and Information Management” has started with its first phase in September 2006 and was implemented by International Centre for Migration Policy Development in partnership with EUROPOL, Anti-Counterfeiting Trade Agreement and the MARRI Regional Centre in Skopje, Macedonia. The countries participating in this Programme were Albania, Bosnia and Herzegovina, Bulgaria, Croatia, Macedonia, Moldova, Montenegro, Romania and Serbia. The Programme’s second phase focused on data processing, maintenance and analysis was launched in September 2008 and funded by the Royal Norwegian Ministry of Foreign Affairs. The International Center for Migration Policy Development is implementing the Programme, in partnership with MARRI, the Office of the Dutch National Rapporteur on Trafficking in Human Beings, EUROPOL and the SECI Center. The participating countries in this Programme are Albania,

Bosnia and Herzegovina, Croatia, Macedonia, Montenegro and Serbia. The overall objective of the second phase is to build upon the achievements of the Programme for the Enhancement of Anti-trafficking Responses in Southeastern Europe: Data Collection and Information Management (DCIM) and to strengthen the capacities of participating countries to monitor, evaluate and review their National Anti-Trafficking Responses. Specifically the project builds up the capacities of the participating institutions to process, analyze, present and consequently transform into relevant programmatic information and activities the information contained in the DCIM databases, developed in the course of the DCIM from first phase of the Programme. While ensuring that the criteria and methods for analyzing and presenting Trafficking in Human Beings statistical data are regionally harmonized and correspond to the commonly accepted international standards and norms. To this end the project aims to train local actors on the utilization of the collected data in the design of effective policies and targeted programmatic activities corresponding the specific needs and trends of each country. Additionally, the project aims to assess to what extent countries are able and willing to compare and exchange data on trafficking in human beings with other states. In order to achieve these objectives, the project will aim to strengthen cooperation between the relevant national repositories and other relevant actors working in the field of collection of data on trafficking in human beings including governmental and nongovernmental actors.

### **Partners of MARRI**

Partners of MARRI are MARRI related organizations, indeed. These are following regional, international and organization connected to European Union:

1. As regional organizations:

- Regional Cooperation Council (RCC)
- International Centre for Migration Policy Development (ICMPD)
- International Organization for Migration (IOM)
- RACVIAC — Centre for Security Cooperation
- SELEC Center — Southeast European Law Enforcement Center
- SEPCA — Southeast Europe Police Chiefs' Association
- South-East European Cooperation Process
- Central European Initiative
- CERMES (Centre for European Refugees, Migration and Ethnic Studies)
- Europe and the Balkans International Network

2. As international organizations:

- Council of Europe
- DCAF — Geneva's Center for the Democratic Control of Armed Forces
- EUROPOL
- INTERPOL
- OSCE
- United Nations
- UNHCR
- UN Center for International Crime Prevention (CICP)
- UN Office for Drugs and Crime (ODC)

3. As organizations connected to European Union:

- Presidency of the Council of the EU
- European Union
- European Parliament
- European Commission
- European Commission (Area of Freedom, Security and Justice)
- Council of the European Union
- FRONTEX

It is to be stressed out that the organizations are related among themselves in the complementary way and having joint comprehensive approach in analyzing, solving, preventing and combating the problems of refugees' statuses, illegal migration, trafficking in human beings and harmonization of the national legislative frameworks regarding the European Union asylum policy.

### **Right of Asylum in the European Union and MARRI**

One of the top priorities of MARRI is harmonization of member states' national legislative frameworks considering the European Union standards regarding right of asylum. It is to be highlighted that Western Balkans countries are having difficulties caused by immigration of large number of immigrants from Middle East and from Afro-Asian Complex. Emigration countries of source predominantly are: Afghanistan, Iraq and Somalia, including the area of Palestine, as well.<sup>11</sup> That is way it is so important to define priorities considering the right of asylum regarding stands of Western Balkans states, just

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<sup>11</sup> "O azilu", Centar za zaštitu u pomoć tražiocima azila, Beograd, 2011, pp. 4-6.

as to accept related European Union standards in creating an asylum policy. This will be of help to be avoided eventually breaking of migrants' human rights.

Big problem in Western Balkans states is the matter of migrants' accommodation, too. Aforementioned is confirmed by the fact of overloaded housing capacity burdened with significant ethnic distances in the relations between citizens and immigrants in the places having asylum centers.

All regional countries have ratified international documents regarding right of asylum, especially the United Nations Convention Relating to the Status of Refugees,<sup>12</sup> in 1951, with additional Protocols and European Convention on Human Rights.<sup>13</sup> Also, it is of a great importance to make better numerous conditions considering asylum seekers' position in states of Western Balkans, particularly regarding their accommodation, inclusion in local community and protecting of other fundamental rights.

In forthcoming times, it is essentially important that every Western Balkans state, as being specific "outskirts" of the European Union, prevents illegal migrations successfully, but to ensure rights and shelters to persons endangered truly in their domicile states through harmonization of asylum policy. This means removal of possibility to misuse right of asylum. According to that, the Republic of Serbia has regulated all quoted issues by enacting the new Law on Asylum, in 2008.

## Conclusions

Regional integration is imperative for countries in Western Balkans for they need to solve the vast majority of problems through international, European or regional cooperation network. The perspective of European integration, as a common goal of all states in the Western Balkans region, gives a leading role to the European Union considering establishing and promoting the regional cooperation in the Western Balkans, having in mind a full scale of problems existing still.

Essential motives for establishing regional cooperation and integration are security and development. Although, trading and securing arrangements are usually solid ground for starting phase of building up of regional structure, regional cooperation can be made of numerous dimensions of economic and social life, political infrastructure, inner security, environmental protection, cultural base etc. So, this is complex and multidimensional process of regional netting, including not only relation among states and national administrations,

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<sup>12</sup> "The United Nations Convention Relating to the Status of Refugees", 28 Julz 1951.

<sup>13</sup> "European Convention on Human Rights and its Five Protocols", Rome, 4 November 1950.

but social actors as businessmen, politicians, civilians, also. In the process, local communities are getting more and more important role to develop different ways of transborder collaboration.

In general, the regional cooperation has contributed the idea of single state self-sufficiency to be overpowered. It enhance cooperation of administrations, civilians' representatives and public economies by enabling solutions through making communication easier and creating various cooperative networks. The very existing of regional initiatives, as MARRI is, affects on public opinion and creates awareness of common goals facilitating preparation of transborder projects and engagement of international financial aids.

Joint intention of all regional initiative in the Western Balkans is developing of multilateral cooperation to be ground for economic progress, political and economic stabilization and consolidation of neighboring states' good relations. These are the preconditions for successful integration of regional countries to the European Union and MARRI is just reflection of their need and willing to get this job done being aware of necessity to have a new approach towards migration management in Southeastern Europe.

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## The Arab Spring as A New Form of Political Overturn

### ABSTRACT

“The Arab Spring as a New Form of Political Overturn” is a research thesis analysing revolutionary processes that have spread across Arab countries in North Africa and the Middle East since December 2010. Along with introductory considerations and conclusions, two additional thematic units are also in theoretical terms laid out in the thesis, the one being related to conditions that contributed to creation of revolutionary processes, while the other one is focused on the manner in which these revolutions have been executed. In a certain way, the thesis also aimed to identify the political parallels that would at least in a certain segment bring together political opponents or help to overcome more specific long-term and continuous inter-state divergences in the region affected by the “Arab Spring”. The question arising throughout the thesis is whether a constructive dialogue in the most significant international circles could outweigh armed conflicts and bloodsheds, as well as whether democratic social relations and institutions of public international law would be able to resist the pressure of ever so intense political and security-related challenges.

*Key words:* Revolution, Political Crisis, Democracy, Human Rights, Armed Conflicts.

### Introduction

The revolutionary wave that has spread across the north of the African continent as well as a part of the Middle East is an exceedingly complex and multidimensional phenomenon that can't be clarified entirely without difficulties. These difficulties lie in the fact that in order to comprehend these

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processes it is necessary to have knowledge of the impulses that have brought about those revolutionary trends, whilst it is certainly even more difficult to predict further development directions of these processes that have since acquired a multinational or even global character.

The Arab Spring is a deeply rooted phenomenon and there are numerous reasons that have contributed to creation of such (im)balance of power that has, in its turn, led to these revolutionary activities. Although there are ongoing disputes among experts about the causes that have contributed to creation of the revolutionary wave, it is undisputable that the Arab Spring has taken place as a result of domestic and international circumstances, when the interests of certain influential states have, so to speak, “relied” on disposition and state of mind prevailing among the broader social classes in the countries of North Africa and the Middle East.

Each of the Arab countries involved in the revolutionary processes has its own specific characteristics in terms of internal politics, notwithstanding their similar and almost identical forms of government. More precisely, this means that the mentioned states were characterised by the autocratic non-democratic regimes, which, despite their autocratic nature, had a certain stronghold within the multipolar balance of power in the world community. Those relations date back from the colonial period, certainly also from the period of the cold war, when these states were grouped among the so called Third World countries — the period that also generated continuous struggles for strategic dominance over this region for well-known geopolitical and geo-economical reasons.

However, the events that have happened and that are happening in the Middle East and in North Africa certainly feature as an enigma in the international political and security-related theater, since despite the categorical conclusions presented by some national and international authors in this direction, we believe that only with a lapse of time and after an in-depth and studious analysis, it might be possible to acquire relevant answers that could stand critical review in scientific circles and among experts.

One of the fundamental matters that arise when studying this phenomenon is to establish the fact whether particular countries with strategic interests in North Africa and the Middle East have taken certain steps with the aim to create an atmosphere conducive to instigating revolutionary activities and their realization, or whether those countries, in a manner of speaking, have relied on already existing coup tendencies, aiming at directing them to a desired course and thereby realizing their own plans.

It is, for example, known that Mubarak’s regime in Egypt has been exceedingly supported by the US administration. Standard military package of annual financial aid to the Egyptian Army by the US amounted to over 1,3

billion US dollars, while other spheres of Egyptian society received up to 3 billion dollars support from the US.<sup>2</sup> Also bearing in mind that the US were the biggest international trade partner of Egypt, the question arises whether the US administration had any interest in condemning the regime of Hosni Mubarak with whom it had maintained close relationship for over 30 years and who had been a sort of guarantor of peace between Egypt and Israel.

One should also not disregard Israeli government's foreign policy assessment on the ongoing revolutionary events in the Arab world. Namely, Netanyahu's government has from the outset expressed considerable reservations towards this wave of changes. It considers that the West has got involved in a project with potentially uncontrollable consequences. Bearing in mind that democracy in Islamic countries implies re-islamisation, Israeli politicians openly claim that they are much more satisfied with authoritarian secular semi-dictators in power (like Mubarak) and express great regret for the removal of the dictator.<sup>3</sup>

Also interesting is the fact that the world's leading countries mostly depend on import of energy generating products, primarily oil and oil derivatives. It is well-known that the US, China, India, Japan and nearly all EU member states belong to this group. In this context, there is a dilemma whether the Arab Spring would eventually lead to a new global political architecture with far-reaching security implications, especially if one considers the consequences of the global financial crisis. It is also apparent that the US and the EU on the one hand and other big oil importers on the other, primarily India, China and Japan, are not even near the consensus concerning these processes. There is also not enough clarity on the role of Saudi Arabia, that has not actively involved in this "Arab gambit" game, but which has, along with Qatar and the United Arab Emirates promised financial help amounting to 18 billion US dollars to new Egyptian authorities, which speaks for itself.<sup>4</sup>

In any case, it is evident that the political and security relations in the Arab countries affected by the wave of violent political changes will in the times ahead become even more complex, all the more bearing in mind that the increasing complexity of the existing crisis in Syria creates climate with a potential for further escalation of conflicts that can expand into a single broader conflict with potentially far-reaching detrimental consequences.

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<sup>2</sup> Consult: Uri Dadush & Michele Dunne, "American and European Responses to the Arab Spring: What's the Big Idea?", *The Washington Quarterly*, Washington, 2011.

<sup>3</sup> Miša Đurković, "Arapsko proleće ili islamsko buđenje", *Politika*, 23<sup>rd</sup> February 2012, p. 3.

<sup>4</sup> More details in: Uri Dadush & Michele Dunne, "American and European Responses to the Arab Spring: What's the Big Idea?", *The Washington Quarterly*, Washington, 2011.

### **Conditions Having Contributed to Emergence of Revolutionary Processes**

Most countries affected by the revolutionary wave had a highly complex social and economic situation. People were living in arduous conditions, on the verge of poverty, while there was no middle class. Great majority of the population was poor and there was only a small number of rich individuals who held not only economic, but also political power”.<sup>5</sup> This imbalance of power between the elite and the masses has contributed to creation of social environment marked by the brutal manipulation of the oppressed masses by the elites, which generated indignation and overall discontent of the population. High unemployment rate, exceptionally low gross domestic product, undeveloped economy, especially in the area of industrial production and modern technologies, as well as corruption and misuse of power at different levels, were merely some of the features that added to the absurdity of any ambition towards social progress and positive expectations of the masses. There was an irrational exploitation of natural resources, especially in the area of energy generating products and precious metals, with the very low level of foreign investments.

The above mentioned is supported also by the fact that around 20 % of the population of North Africa and the Middle East lives below the poverty threshold, while a little over 20 % lives exactly on the poverty line. Out of total population of all countries affected by the revolutionary wave, around 30 % is under 30 years of age, while demographic growth rate is rather high – 2-3 % on annual basis. For above-mentioned reasons, no government could provide an adequate living standard, let alone governments soaked in misuse and corruption.<sup>6</sup>

Also, in most countries affected by the Arab Spring wave, poverty rates were extremely high – ranging from 16,7 % in Egypt to 41,8 % in Yemen. Food prices exceeded by far those from 2007 and 2008, when it had been generally thought that they had reached their maximum level and wouldn't increase further. State revenues were disproportionately allocated and for the most part

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<sup>5</sup> “*Economic power* forms the basis of political power and those two are closely interwoven. Possession of former is a prerequisite for the possession of latter and vice versa, the *political power* serves to increasing the economic power. Together with other factors they form social power. Derived from the economic one, the political power represents the possibility to, by means of formal and informal influence in the sphere of politics, exercise influence also to numerous courses of social development, and is primarily expressed through relationships of subordination and dominance, whereby the level of influence is usually proportionate to the relationship with the level of power”, Dragan Simeunović, *Političko nasilje*, Radnička štampa, Belgrade, 1989, p. 6.

<sup>6</sup> Consult: Сейранян Баграт Гарегинович, “Когда закончатся арабские революции”, *Аргументы и факты*, Moscow, 2011, p. 11.

distributed between autocrats and their immediate associates. This was particularly visible in the field of oil and oil derivatives production which in the Arab countries with large oil reserves was the source of enormous financial profit for the governing structures that neither directed any of it to the state budget, nor made even elementary infrastructure investments, thus making the functioning of these energy production systems almost unsustainable. Furthermore, thanks to the fact that profits from oil and oil derivatives sale could be realized in short period of time, which was, in turn, conditioned by the global demand for energy generating products, autocratic regimes managed to temporarily prevent emergence of social unrests through ad hoc interventions in the area of short-term subsidization of food prices and increase in salaries and pensions. However, Tunisia and Egypt were, as members of the Arab league, in a somewhat limited position in this sense, bearing in mind their incapability to control their own energy resources, which had left them without means for quick intervention and for using this kind of economic concessions, so it is in this context that one could potentially identify the motives that led to the wave of dissatisfaction which started to spread from these countries.<sup>7</sup>

If one adds economic parameters to the aforementioned, meaning that prior to the escalation of conflicts the public debt in Egypt, Jordan, Morocco and Tunisia amounted approximately to 74%, 61%, 50% 43% of their GDPs respectively, coupled with the fact that the region of the Middle East comes up with 4 million new job vacancies each year, it is quite obvious where the causes of socio-economic dissatisfaction lay.<sup>8</sup>

In addition, it is common knowledge that social crises emerge also when global social structures start to lose their positions, thus initiating a struggle with pretensions either to overcome the crisis or to apply lower-intensity clashes in order to achieve better positions within the global social structures once the crisis stops. Social crisis may not only reflect on poverty, although that phenomenon is currently present in the Arab world, given that social crisis can be caused by political, cultural or socio-psychological factors. Therefore, if large social groups, such as, for example, those in some Arab countries, lose a sense of positive social outlook, they gradually become absorbed by the elements of a social crisis, which could be manifested in various fashions; either by dissipation in political organization of the said large social groups or by abandonment of their dominant system of values, or by a complex combination of disorientations within their culture. If a multifaceted combination of social

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<sup>7</sup> Raymond Chang & Andrew Fleming, "Arab League and Arab Spring", *Yale Model United Nations*, New York, 2011, p. 11.

<sup>8</sup> Uri Dadush & Michele Dunne, "American and European Responses to the Arab Spring: What's the Big Idea?", *The Washington Quarterly*, Washington, 2011.

crises permeates the modern world, then it means that the said combination might have different causes with different effects and various consequences. Likewise, if one contemplates the modern world, neither the functionalist theory of society as a theory of functional balance (its mechanisms operate once the balance is disrupted) nor the theory of the class conflict is able to elucidate entirely the phenomenon of the social crisis. In other words, the contemporary social crisis is increasingly pinpointing to the problem of inception and development of new social theories, which should be able to explain in an exact manner the initial causes of social crises and practices of their resolutions and culminations; this can lead to a confluence of important conditions for the establishment of a new society, new system of values, new political institutions and new political factors which, by active involvement, would discover the very social rules that open up new horizons for the entire society, both against and in spite of a social crisis. Social crises as a notion, their theoretical paradigms, their very substance as well as their inward processes, obviously represent a very complex phenomenon which perhaps cannot be exhausted even with volumes of studies. Here one can only hint at complexity of such a phenomenon, which in a certain way points to the relation between evolution and revolutionary transformation of social reality. Against this backdrop, social crisis might come to light as an overture of a coup process and depending on the real state of affairs among the social actors in the crisis and their organizational competencies in managing the crisis, it can considerably determine whether it will be an overture of the revolution or mere political changes, which in turn can take different forms with varying agents of political power, while existentialist forms of a society remain intact.

In addition, social crisis, given its specific features and social significance, can to a large extent contribute to deterioration of overall political and social relations within a particular country. Initially, such a crisis first affects the most underprivileged social strata and the number of destitute persons grows progressively as the time passes, thus erasing the so-called middle class and increasingly widening the rift between the extremely rich and everyone else — the poor. In the atmosphere of general dissatisfaction and social hardships, people react in different manners and start identifying certain social occurrences and relations to which they otherwise pay no heed and attach no special significance under normal living conditions. Such reactions of disappointed crowds do not pertain exclusively to the strengthening of revolutionary awareness and aspiration for political changes, but can also spread to the field of, for example, increasing ethnic or religious narrow-mindedness and intolerance, which in turn might serve as an overture for arms conflicts, civil wars and other large-scale catastrophes, as manifested to a certain extent in the Arab countries in the Middle East and North Africa.

In addition to the socio-economic environment, conditions conducive to the outbreak of revolutionary processes have undoubtedly encompassed harsh violations of human rights and freedoms, thus offering no chance, not even in traces, to democratic forms of social order. However, in this case a question *what does freedom really mean* imposes itself, since the interpretation of this phenomenon is not only conditioned in terms of political explanations, but can also be viewed from cultural or both religious and theological standpoints respectively, thus certainly contributing to the comprehensiveness of such a theoretical analysis. On account of that, the very notion of freedom is multifaceted and cannot be simply restricted to any single field of social existence. Universality of the notion of freedom compels us to pay it due respect with no pretention to elucidate on multifacetedness of such a notion in its full complexity and entirety. In view of that, at one instance we are talking about the freedom of nations, at another about the freedom of human persons, on the third occasion we are speaking about the freedom of action, organization and interconnection of human actions and so forth that the notion of freedom is almost omnipresent in every single thing both around and within ourselves. In the context of such a theoretical approach, one can discuss freedom as a notion and concrete substance of human actions and that of social groups and organizations mainly in terms of freedom as a given fact. Freedom is therefore a tarnished jewel waiting for its energy to be released through revolutionary practice, as a practice of freedom, or in a more concrete sense, as a practice of grasped human energies that bring welfare and humanity to people, in a word — a happy life. There is a touch of a romanticist flavour in these words but this standpoint is an overtone and motif of actions in the field of human liberty, aimed towards a creation of realistic conditions in which a person can govern his/her own energies without curtailing the freedom of other people. If such an authentic governance of human energies does no harm to other people and restores no historic burden of the past, then people, with their awareness and grasp of a potential for freedom of human emancipation, would find ways and mechanisms to turn freedom into their everyday life and conduct, ranging from family and human communities to the state level. Nevertheless, it is evident that the mentioned pattern of conduct, coupled with the idea of freedom as an understanding about the necessity of a historic development in given social and historic circumstances, has not been socially implemented, thus further contributing to the complexity of relations in some North African and Middle Eastern countries.

Conclusions of several authors run in support of the aforementioned, including professor Simeunović, who believes that the idea of freedom is considerably conditioned by the fact that human endeavours regarding this eternal topic have never been pared down to sheer contemplation, nor in the least to mere assumption of someone else's beliefs, which usually satiates

people when it comes to the majority of other topics, yet they have also involved a critical quest for positive personal solutions: “Freedom is a pleasant word to all alike, just like love, and that is no coincidence. An entire human life is marked with love of freedom and deeds to attain it. Passionate love of freedom and absolute dedication to liberation practices give essence to both entire duration of human civilization and every person’s life alike.”<sup>9</sup>

However, human rights as a compulsory factor in development of every modern society practically did not exist in the Arab countries affected by the revolutionary wave. There had been rights of the ruling elites — rights of the rich. Moreover, opposition candidates and political parties in some countries used to win the elections, despite the fact that those electoral processes had not been conducted in a free and democratic spirit, but they were never in a position to form the government. Algeria serves as a telling example — namely, opposition candidate of Front Islamique du Salut allegedly won the elections in early 1990s which, shortly after, provoked the reaction of the Algerian military factor and the ruling structures announced state of emergency, issuing ban of the said political party.

It is important to stress that in public and intellectual and scientific communities in the most advanced countries there are ongoing great disputes concerning the nature of the human rights phenomenon. Even in places where, on account of tradition and greater technical capacities, one would expect much broader approach and both greater and more significant results in the field of study of this phenomenon, there is little worthy of mention as a breakthrough away from the scope of current political, emotional, ideological and standard discourses. To put it plainly, global and local political differences and conflicts reflect also onto the international intellectual community. Political confusions have too much influence on philosophical and scientific flows, adding to them immense perplexity.<sup>10</sup>

Similarly, democracy itself cannot be reduced solely to human rights since one can hardly think of democracy devoid of respect for human rights, the right to democracy and right to public participation in government being precisely the case, coupled on the other hand with the existence of freedoms conducive to democratic climate, such as the freedom of speech and assembly, for example. Apart from that, human rights in a certain way serve as a corrective for democracy, if one interprets democracy in its most vulgar sense as a rule of the current majority. Majority rule also has to take heed of some lasting interests and therefore must not turn into a demagogy, becoming a tool for demagogues; it

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<sup>9</sup> Dragan Simeunović, *Teorija politike — rider I deo*, Udruženje Nauka i društvo, Belgrade, 2002, p. 263.

<sup>10</sup> Miša Đurković, *Poredak, moral i ljudska prava*, Institute for European Studies, Belgrade, 2001, p. 13.

should be limited by the Constitution which safeguards individuals and minorities against arbitrariness. The idea of human rights stems from the concept of innate human dignity as a source of some fundamental and inalienable rights and freedoms, which no authority can grant or revoke.<sup>11</sup>

Consequently, of vital importance for the existence of human rights are material and other resources intended for their realization.<sup>12</sup> In that sense, there are numerous declarations of human rights enabling and supporting the formation of such a social order which renders political and all other civil rights into a vehicle for the full affirmation of an individual, his/her freedom and dignity. In totalitarian regimes, solely individuals of exceptional bravery and moral fibre dare speak their minds unhesitatingly, while others keep quiet as a result of fear or some other interest.

It is common knowledge that in every country's political arena there are certain codices which serve as a foundation for the formulation of tenets in home affairs and foreign policy. Every government seeks to gain a stronghold over political processes and to control them to the largest possible extent, or in other words, to apply concrete measures in order to limit a person's "room for manoeuvre" within the ruling structure. As a result, governments have to be restricted by certain mechanisms, both horizontally and vertically, with the purpose of redistribution of political power in a country. Government as a form of social relations manifests itself now in an informal and spontaneous, now in formal and organized fashion. Spontaneous manifestation forms of government result from state of ideological awareness, with crowds "feeling" they should act according to the initiative of a leader, party leadership or organization. When such a "feeling" turns into a habit of millions of people, then such a power carries enormous potential. However, there are certain times when some disturbances occur in the operation of the system, which could be manifested in a number of ways, and that is exactly what happened to certain countries swept by the wave of the "Arab spring". Social relations and political systems that are subject to no forms of democratic control and characterized by alienated forms of individual or social authority, demonstrate the most astonishing force. Such a force stems from the social stature of the said groups or individuals and it has multifaceted echoes

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<sup>11</sup> Vojin Dimitrijević, *Temelji moderne demokratije*, Predgovor, Belgrade, 1989, p. 9.

<sup>12</sup> Dimitrijević and Paunović emphasize the futility of civil and political rights divorced from adequate backing in economic, social and cultural rights using striking examples: What is freedom of the press worth to illiterate people? What is passive right to vote worth to the poor? What is active right to vote worth to uneducated and ill-informed people? What is freedom of movement worth to impoverished people? What is use of impartial rulings to those who cannot afford legal aid? The mentioned examples open a string of questions concerning the manner and intensity in people's "exercise" of human rights given their mutual intellectual, educational, social and other differences.

within all structures of a society. Disruptions in functioning of a system create appropriate prerequisites for “some action” which may in turn gradually develop into a plot. When it comes to political overthrow and its conspiratorial nature, exponents of the establishment experience serious ordeals which can be seen in a series of hardships they are faced with in the course of uncovering of the conspiratorial nature of plot agents, in a perception gained concerning the character of the plot and in the course of identification of social groups chosen by plotters to be used for their ends. The problem is even more complex if overthrows are linked to external factors designated as foreign actors. The state of social relations where certain political subjects shift their ambitions of coming into power from legal to conspiratorial sphere may be triggered by several causes. For example, it can be the incapacity to win elections due to abuses and election rigging on the part of the ruling structures, at another instance it is due to lack of political credibility and public support, or simply on account of fierce political ambition, while of course these instances do not include all the motives which can be underlined and tackled in everyday political practice.

It is important to mention that the autocratic regimes affected by the Arab Spring still had certain forms of democracy, including constitution, parliaments, political parties, electoral processes etc. However, all these institutions were under strong influence and control of the ruling elite, and only the supreme leader could make decisions about all important staffing solutions. Dictators had enormous fortune which they used for buying loyalty of their supporters and for punishing their opponents. They mostly promoted economic development of their countries through industrialization, export of raw materials and other goods, and education. They focused on economic cooperation and foreign aid in exchange for foreign investments, while promising political stability and security in business. Nevertheless, most of the money from foreign investments ended up on bank accounts of the potentates. Subsidies to local population were usually present in the field of food products, electricity and fuel, especially in the pre-election and plebiscite periods.<sup>13</sup>

An analysis of military and intelligence-security systems of the Arab countries affected by the revolutionary wave would, in most cases, show that those systems were organized in a way which enabled competent ministers, commanders of armed forces or heads of security services to directly inform the supreme leader, which in a way implied power dispersion of high ranking officers and executives. It means that the ruling political leader (or a reliable person authorized by him) coordinated the work of the security system, achieving full control and creating the environment for complete consistency of

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<sup>13</sup> More details in: Jack A. Goldstone, “Understanding the Revolutions of 2011”, *Foreign Affairs*, may/june 2011.

state bodies and institutions in protection of the autocratic order. It is well-known that in terms of national security of a democratic country, this mode of functioning is completely unacceptable for several known reasons, but is suitable in totalitarian regimes, and even the only possible mode in the context of preserving power. This model gives numerous opportunities and its most convincing elements are rough manipulating with the state military, intelligence and security leadership, various misuses with the aim of preserving power, especially directed towards the opposition representatives, creating discord, envy and mutual denouncing among the military and security leaders, and all that with the aim of *divide et impera* as well as creating psychosis where every officer or employee of a security service is under the impression that he is being followed and tapped. In such an environment every possibility of free thinking in a professional and ethical sense is immediately discarded like a very risky endeavour.

Apart from that, we must not neglect the fact that literacy of Arab countries' population has risen drastically in last couple of years and that a large number of young people attended Western educational institutions, where they realized that monarchies and dictatorships are obsolete and outdated ruling models.<sup>14</sup>

However, this analysis does not list all the causes that contributed to realization of revolutionary processes in certain countries of North Africa and the Middle East, but we perceive them as the most prominent in the previous period.

### Performing Revolutions

All revolutionary events in the countries affected by the Arab Spring wave were initially developing in a similar way. In the midst of the Arab Spring there was a feeling among the international public that "it can happen anywhere and equally fast".<sup>15</sup>

First, protests were organized which grew into violent disorders and unrests. According to professor Simeunović, a disorder comes as a result of an attempted revolt, rebellion or some other form of illegal violence by several protagonists, but also as a result of natural catastrophes or technically generated catastrophes which are strong enough to disturb the public and lead to massive panic and chaotic behavior, contrary to moral and legal norms. Professor Simeunović says: "Violent political disorders are those forms of internal political protests

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<sup>14</sup> Raymond Chang & Andrew Fleming, "Arab League and Arab Spring", *Yale Model United Nations*, New York, 2011, p. 11.

<sup>15</sup> Consult: Gordon Stables, "Supporting the Arab Spring: Democracy Assistance in the Middle East and North Africa", University of Southern California, California, 2012.

that manifest themselves through antisocial and destructive politically motivated behavior of a group of actors, characterized by direct collective use of force with prevailing political, instrumental and symbolic content, wide-scale violence and limited possibility of influencing the change of ruling political structure, and usually without significant influence on changing the social-economic system, primarily due to insufficient level of organization of actors and duration.”<sup>16</sup>

According to this author, only introduction of a higher level of organization can turn disorders into higher organizational forms of massive political discontent, such as unrests or uprisings: “A difference between disorders and unrests is that a disorder implies a more eruptive expression of suppressed emotions due to possibility of anonymous and unpunished activities in the crowd. These crowd activities as a way of expressing political protest and collective, mostly instinctive and suggestive reactions are the key features of the disorder. On the other hand, feature of the unrest is that its participants reach a certain level of awareness of a social phenomenon, problem, personal position or position of their social group, which generally happens through political and ideological activities. As a form of complex political activity, the unrest differs from the disorder by a higher organizational level, larger number of permanent participants, larger territorial range, larger action range, duration, permanence of driving interests and motives, more intensive internationality, planning, more clearly defined goals of action and more difficult resolving.”<sup>17</sup>

One of the most common forms of unrest is a protest. A protest is preceded by arranged gatherings or meetings. Its feature is “planned and aimed massive public expression of (dis)agreement with a political situation, event and process, or more precisely with decisions and solutions both inside and outside a community. The basis for grouping in a protest is usually solidarity in the collective response and agreement with the opinion of action center that plans, prepares and leads the protest.”<sup>18</sup>

It is important to mention that masses in the Arab Spring were mostly mobilized through social networks. It’s not difficult to realize the extent to which social networks represent a potential threat to modern states. Thanks to the advanced technologies and methodological procedures today it is possible to create a fake profile and actively work online in the long run. A fake profile can be created by a person, group or organization, and implies little possibility of

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<sup>16</sup> Dragan Simeunović, *Lecture on protest*, Specialist studies terrorism and organized crime, Faculty of political sciences, University of Belgrade, Belgrade, 2006;

<sup>17</sup> Ibid.

<sup>18</sup> Ibid.

discovering actors that are hidden “behind the curtain” of a political revolution. Virtual friendships are created without any access limitations, meaning that interconnecting inside a social network grows into massive gatherings.

So for example, revolutionary events in Egypt brought up a new experience in terms of functioning of social networks. It is established that breaking of a link on Facebook does not prevent functioning of a group as long as some basic safety precautions are taken. The administrator is anonymous and the account has to be hacked. It is possible that security services eventually discover identities of leading activists since social networks depend on trust and thereby on visibility. But the question is where to find the activists? Moreover, decentralized online organizing provided the revolutionary structures with the speed advantage, because they could coordinate larger groups of protestors that were scattered all over the city, which certainly wouldn't be possible by using traditional communication methods. It gave them an advantage over the Egyptian state bureaucracy which could only react in accordance with the orders that went through the centralized chain of command. In order to avoid Internet and mobile network blocking and shutting down, revolutionary structures simply used proxy servers to reach the blocked content. Symbols of Facebook and Twitter were from the beginning painted all over Cairo sending a message to the protestors that they have to stay in touch through these social networks. However, even disconnection of optic cables and Internet portals that connected Egypt with other transit links did not lead to total interruption of the internet. The regime was forcing the private service providers for five days to shut down their servers. After that, activists shifted to other networks. A vivid example followed the blockade of the TV channel “Al Jazeera” — its Twitterfeed kept working from Egypt because the activists connected to the Internet through international dial up servers, mostly by their mobile phones.<sup>19</sup>

Moreover, social networks like Facebook and Twitter are not limited to a certain web location. Even if access to these social networks is limited, users can access them through other services, for example they can access Twitter through Twitterfall. Data routing to a computer that acts like a proxy server and uses unforbidden IP addresses and forwarding information to alternative servers create the environment of information flow through cyber space.<sup>20</sup>

In such political and security circumstances, an internal political crisis in Arab countries most often developed in two directions. The first direction implied numerous and intensive conflicts between protestors and security

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<sup>19</sup> More details in: Andreja Živković, “Kojе su lekcije egipatske revolucije za online aktivizam”, *Marks 21 Info*, Belgrade, 28<sup>th</sup> March 2011.

<sup>20</sup> For more details consult: James Jay Carafano, “All a Twitter: How Social Networking Shaped Iran's Election Protests”, *The Heritage Foundation*, Washington, 20<sup>th</sup> July 2009.

forces, which were trying to preserve the ruling regime, but gradually began to show disobedience and eventually canceled loyalty to the supreme leader under pressure of the opposition and a part of international community, which resulted in violent change of the government structure. The second direction was more complicated and radical and implied dramatic complexity of social relations that resulted in armed conflicts and mass bloodsheds that were ended by foreign military interventions.

Violence was also largely manifested in the process of consolidation of new governments that were most often established by military element that created a form of governance that is in political theory known as junta.<sup>21</sup> Consequently, not many things truly changed in Arab countries affected by the revolutionary wave, despite political changes and struggle for a democratic system. It might be caused by the fact that many Arab countries do not have well developed norms of political activity and association, but they have strong tribal alliances that on the basis of their nature, origin and influence often play a more dominant role than constitutional or legal acts representing basic legal norms for organization of every modern society.

### **Conclusion**

The revolutionary wave that affected certain countries of the Middle East and North Africa represents the beginning of a lasting and complex political process that will certainly cause multiple repercussions at the international level in the forthcoming period. Those relations got a new dimension, since the process is not finished. The existing relations are not finalized, since they are imbued not only with economic, political and social critical situations, but also with the phenomenon of incapability of political forces to successfully solve concrete problems in certain countries.

Outcomes of the Arab Spring were certainly positive, but the revolutionary processes undeniably caused the feelings of anxiety and uncertainty in the international community. The anxiety has been caused by two things. The first one refers to strengthening of radical Islamist organizations that used to achieve their political goals through fundamentalism and terrorist activities. These organizations shifted from illegal activities to a new social track i.e. institutionalization of radical activities creating new social atmosphere for conducting the extremism policy and consequently for achieving radical goals. It is well known that these evils of modern society are followed by international

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<sup>21</sup> For more details about putsch as an extremely militant form of coup d'état and governance by military personnel (junta) consult: Dragan Simeunovic, *Drzavni udar ili revolucija*, Simtrade, Belgrade, 1991.

proliferation of weapons, smuggling of drugs, illegal migrations, trade in human beings and other forms of international organized crime that additionally increase the degree of global threat caused by takeover of power by these extremist subjects.

It is estimated that in case of democratization of political relations in Egypt, other Arab countries will probably follow that model of political organization, since about 25 % of total number of Arab population lives in Egypt. If extremist structures gain dominance in Egypt, they will probably gain power in other Arab countries too. The long-standing policy of Western Alliance and their autocratic allies has contributed to strengthening of Islamic fundamentalists, since they were forced to take other forms of political struggle.<sup>22</sup> That is also confirmed by the estimation that western governments ran their foreign policies in the Middle East and North Africa on the assumption that the authoritarian governments in this region represented a wall against Islamic fundamentalism and terrorism, but it turned out to be the opposite.<sup>23</sup>

Although it seems absurd, prior to the Arab Spring Israel and Jordan used to have fair cooperation in several fields, including cooperation of special services that implied exchange of intelligence of mutual interest for many years. Moreover, after revolutionary events in Egypt, the peace agreement between Egypt and Israel has been brought into question. Due to the overturns, the terrorist organization Hamas has gained strength and has sent to the Israeli leadership signals that Hamas is ready for dialogue that Israel categorically rejects. The extremist organization Muslim Brotherhood has already taken part in governance, which complicates security relations from the perspective of Israeli foreign and defense policy.<sup>24</sup>

Moreover, leaders of the terrorist organization Hamas reported that in case of war between Iran and Israel they would not take part in the armed conflict and they would try to use the new situation caused by the Arab Spring to fight for gaining recognition as a legitimate political subject. It means that in the forthcoming period Iran will face problems in its efforts to obtain a dominant role in the Middle East, while Israel may trust that Hamas allegedly will not attack its southern parts and may define a new strategy for a possible attack on Iran.<sup>25</sup>

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<sup>22</sup> Consult: Gordon Stables, "Supporting the Arab Spring: Democracy Assistance in the Middle East and North Africa", *University of Southern California*, California, 2012.

<sup>23</sup> Consult: Rosa Balfour, "The Arab Spring, the changing Mediterranean and the EU: tools as a substitute for strategy?", *European Policy Centre*, Brussels, 2011.

<sup>24</sup> For more details consult: Clemens Breisinger, Oliver Ecker & Perrihan Al-Riffai, "From Revolution to Transformation and food Security", *IFPRI*, Policy Brief 18, Washington, 2011.

<sup>25</sup> For more details consult: "Special Report: Hamas in Transition", *Stratfor Global Intelligence*, February 2012.

As everything is possible in politics, major opponents like Iran and Israel show common concerns for redefinition of political powers in the Middle East, which indicates that peaceful solution to the crisis is not on the horizon. At the same time it should not be disregarded that western governments direct their foreign policies more and more towards Turkey, that implements increasingly aggressive policy in the Middle East. Turkish military element is considered to be the main bulwark of defense of Turkish society against Islamic fundamentalism, which is the reason why putsch is “in the air” in Ankara. It remains to be seen whether after the Arab Spring Turkey and Egypt will go in the direction of Iranian policy or remain in the strategic partnership with the United States.

Due to the above mentioned, there is a standpoint that such development of political and security situation, especially in the field of strengthening radical Islamist organizations, contributes to complexity of relations between the US and Israel.<sup>26</sup> However, one should be cautious in drawing such conclusions considering the longstanding strategic partnership of those two countries and the fact that bilateral relations of Israel and the US were burdened by numerous problems in the past, but for the sake of common interests were always solved in the ways that even improved the quality and power of their relations.

The second cause of anxiety and uncertainty caused by the Arab Spring is the field of energy security, since about 54% of global oil reserves are estimated to be in this region.<sup>27</sup> It is well known that the United States are interested in providing secure sources of energy supply, especially oil from the Persian Gulf and Saudi Arabia, which they are going to defend at all costs.<sup>28</sup>

The European Union represents an important economic partner of all countries affected by the Arab Spring wave, especially in the field of energy, since more than 40% of total commercial exchange is made with the EU, which is, as the US, also afraid of terrorism and a new wave of refugees.<sup>29</sup>

Last but not least, I am going to make a brief review of the current political and security situation in Syria in order to complete the research framework of this study. Syria is a very dangerous region because it borders the risky regions

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<sup>26</sup> Clemens Breisinger, Oliver Ecker & Perrihan Al-Riffai, “From Revolution to Transformation and food Security”, *IFPRI*, Policy Brief 18, Washington, 2011.

<sup>27</sup> Uri Dadush & Michele Dunne, “American and European Responses to the Arab Spring: Democracy Assistance in the Middle East and North Africa”, *University of Southern California*, California, 2012.

<sup>28</sup> Gordon Stables, “Supporting the Arab Spring: Democracy Assistance in the Middle East and North Africa”, *University of Southern California*, California, 2012.

<sup>29</sup> Rosa Balfour, “The Arab Spring, the changing Mediterranean and the EU: tools as a substitute for strategy?” *European Policy Centre*, Brussels, 2011.

of Iran, Jordan, Lebanon, Turkey, Palestine and Israel. It is understandable that due to such geopolitical position escalation of conflict can enflame the entire region and result in a wide-scale catastrophe.

Violence is constantly present in Syria, where armed conflict between Syrian security forces and protestors is intensifying. Protestors have been actively supported by western countries and also by Turkey, that shelters training camps for diversion groups for the purpose of destabilizing political and security situation and putting additional pressure on Syrian authorities. Moreover, Syria's longstanding strategic partnership with the Russian Federation has resulted in Russian sending air defense and navy forces to support Syrian leadership. That support reflects on a wider international plan since the Russian Federation and People's Republic of China have recently vetoed the UN SC resolution inviting Syrian president Bashar Al-Assad to leave the position of supreme leader.

Despite numerous sensationalist approaches of certain authors, who see this piling up of military forces in Syria as a possibility of outbreak of the "Third World War", it is evident that a compromise acceptable for leading world powers will be reached after culmination of the Syrian crisis. It is not in the interest of great powers to push humanity into a cataclysm for the sake of Syria, but it does not mean that there will be easy solutions.

Bearing in mind the above mentioned, it is obvious that the Arab Spring phenomenon still represents an unclear and under-researched labyrinth of political and security relations despite numerous studies on that subject by foreign and national authors. Difficulties are caused not only by the fact that the wave of revolutionary events within the Arab Spring is not yet finished, but also by the fact that interests of all stakeholders cannot be clearly determined, especially at the international level, which creates an adversarial environment that can be characterized as the beginning of a hazard poker game at the international political scene.

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## Prevention of Women Trafficking

### ABSTRACT

The purpose of this article is to review the prevention of women trafficking since there is no way to have complete prevention but only to alleviate it to certain extent. It can be done thanks to network planning i.e. prevention measures undertaken by various organizations such as the police, the State Prosecution and Courts, NGOs (“Safe home”, “Temporary house”), International Organization for Migrations (reintegration of women and children and repatriation), Social welfare services, counseling and educational workshops. In addition to above mentioned the role of media should be emphasized as well because cooperation with media on this sensitive issue is very important.

*Key words:* women trafficking, prevention, organizations, measures, cooperation.

As it is already emphasized with word prevention, and/or preventive activities it includes joined implementation of medical, psychological and social measures aimed at preventing human trafficking particularly when it comes to women trafficking. All researches have shown so far that there is no possibility of complete prevention and/or curbing of it. However, there are many ways to alleviate it as well as to offer relatively efficient help to the victims of trafficking. Without detailed analysis of different prevention models, we will choose approach which is increasingly recognized in the world referring to so-called network planning i.e. attempt to categorize prevention measures undertaken by different organization under special system of the cooperation and communication which provides possibilities for better results than it is the case up to now. Network working refers not only to institutions and

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organizations within one country but also to neighboring countries. If we want to analyze the reasons of failure in the present work, we can connect them with examples of so-called bad practice, stated in studies we quoted during our work.

The most important examples concerning difficulties with identification and protection of trafficking victims might be put down on the following factors:

- sluggishness, long-lasting and inefficiency of criminal proceeding,
- lack of proof
- corruption
- absence of appropriate defence of witness in criminal proceedings,
- generally bad position of victim in criminal proceedings and strengthening the protection of the rights of the defendant at the expense of the victim,
- absence of cooperation and coordination between the police and prosecution in evidence gathering,
- ignorance and prejudice about victims,
- non adjudication of compensation to the victim
- ignorance of possibilities to offer help and support to the victims by Non-governmental organizations,
- absence of strong willingness to solve problem.

The unsolved issues of victims' reintegration, both domestic and foreign nationals, are closely connected with above mentioned factors.

What all identified problems have in common is that their existence and unsolved problems are the cause of various other problems arising and they can be put down to the three main:

- non establishing existence of criminal act ("the problem of proving") and non punishment of executor,
- secondary victimization,
- revictimization of victims ( falling into trafficking ring again)

Having in mind afore mentioned, it is necessary to clearly determine to what extent and which methods to use to work more successfully human trafficking prevention and particularly women protection from trafficking and consequences arising out of it. Although this work deals with separate roles, the need for mutual cooperation is inevitable. For the better review purpose the role of the following organization will be elaborated: the police and judicial authorities action, work of non- governmental organization, role of social care services as well as media.

### Actions of State Organizations

#### The Police action

After research of the police actions in recent years it has been shown that the police have used both reactive and proactive approach in their actions, but the second as prevailing. Research also has shown the changes of treatment of victims in human trafficking in accordance with human rights protection. It means that the victims are more often treated as victims not as it used to be prevailing practice in the past, as those committed offence from the Law on Public Order and Peace (prostitution), the Law on Movement and Stay of Aliens (not allowed stay) and the Law on Employment (work on “the green market”).

Proactive approach includes initiative by the police, which is reflected in operational work of gathering information and reactions on the basis of it. Reactions include control of suspected places where criminal acts of human trafficking, by arresting perpetrators, arresting and/or releasing victims, closing bars and objects, and enhanced control of borders, and/or persons crossing the border, particularly children, no matter whether or not travelling alone or accompanied by parents etc.

The problems presented in this table complicate successful police action in this direction:

Table no.4. Problems in discovering human trafficking in Serbia

Material, personnel and organizational problems of the police	Problems arising out of the nature of human trafficking	System and regional problems	Problems referring to reporting
Inadequate material and technical equipment	High level of organization and mobility of executors	Political pressures	Non- reporting of victims and citizens
Small number of people	Problem of discovering the first person in chain	Difficulties in controlling border crossing	Preventing people from Non-governmental organizations to disclose information which might help discovering perpetrators
Lack of specialized units	Good disguise of this crime/seeming legality	Legal restrictions	
Bad financial status of employees in the police			

As it is showed in the table, the highest number of identified problems concerning human trafficking in Serbia arises from the problems in the police functioning i.e. problems of internal organization and control, as well as material and personnel problems. Outside problems, especially those referring to the nature of criminal act itself and non-reporting are not mentioned so much in the respondents' answers.

### ***The mechanisms of State Prosecution and Court activities***

In terms of the mechanisms of state prosecution and court activities, respondents' mentioned several key problems which contribute to inefficiency in criminal prosecution and punishment of the perpetrators on one side, and retraumatization of victims on the other side. The most important, identified problems refer to:

- sluggishness, long-lasting and inefficiency of criminal proceeding,
- lack of proof
- corruption
- absence of appropriate defence of witness in criminal proceedings,
- generally bad position of victim in criminal proceedings and strengthening the protection of the rights of the defendant at the expense of the victim,
- absence of cooperation and coordination between the police and prosecution in evidence gathering,
- ignorance and prejudice about victims,
- non adjudication of compensation to the victim
- ignorance of possibilities to offer help and support to the victims by Non-governmental organizations,
- absence of strong willingness to solve problems

Closely connected issue with above mentioned one is also completely unsolved issue of victims' reintegration both domestic and foreign nationals.

What all identified problems have in common is that their existence and neglecting caused all other problems which are divided into three basic:

- non establishing existence of criminal act ("the problem of proving") and non punishment of executor,
- secondary victimization,
- revictimization of victims ( falling into trafficking ring again)

## **The Mechanism of NGOs Activities**

International, regional and local NGOs have been at the forefront when it comes to raising awareness of human trafficking and putting pressure on governments to undertake higher responsibility. Some of them for instance played important role in monitoring drafting of the UN Protocol on human trafficking, as well as lobbying to include protection of victims and integration of other human rights norms. NGOs such as Human Rights Watch, Global Survival, Network (GSN), and Foundation for Trafficking in Women (GATW), the International Human Rights Law Group are among NGOs, which are active on the international level. Groups in the ex Yugoslavia countries have contributed to efforts in fight against human trafficking by helping and supporting new NGOs and NGO network in Southeast Europe. NGOs have played significant role in increasing awareness and support to the human trafficking victims and other vulnerable groups on the local and regional level. In many member countries, local NGOs are the only groups implementing programmes aimed at warning women and girls and their families of human trafficking dangers, and the only who offer direct help to human trafficking victims. In many cases those are shelters for victims of violence and raping, clinics, local groups for women rights, counselling office, as well as the women professional organizations.

The three most important organizations dealing with problems of the human trafficking in Serbia are ASTRA, Shelters for women victims of human trafficking and the Victimological society of Serbia. Apart from these organizations, Beosupport deals with human trafficking, and there are about 15 organizations within so-called Astra network in Serbia, which also in different ways, to greater or lesser extent deal with this problem. Roma NGOs such as Bible, Children Roma centre and Krlan also deal with problems of the Roma women and children trafficking. Concerning international organization, human trafficking problems are dealt with International organization for migrations, OSCE (Organization for Security and Cooperation in Europe and Pact for Stability of South-eastern Europe).

Globally speaking, whole programme of assistance and support NGOs provide to the human trafficking victims is mainly focused on psychosocial rehabilitation of women. Psychosocial support shall include the following:

- Direct support
- Individual counselling
- Therapeutic workshops
- Occupational and recreational activities
- Special care of girls minors
- Health organization

It is desirable to include all women victims of trafficking in IOM programme “Return and Reintegration” on voluntary basis. In coordination with IOM mission in the victim country of origin, secure and decent return should be enabled, and reintegration programme shall include paid scholarship, professional training, medical and psychological support.

Thanks to the help of domestic and foreign NGOs, there are the following forms of human trafficking victims’ protection in Serbia:

*“Safe home”*

Secret shelter located on the territory of Belgrade managed by NGO Counselling office against violence in family in cooperation with International organization for migrations, has been recently the only shelter for women victims of the human trafficking in Serbia. This shelter was opened in 2002, in accordance with the provisions of Rules of behaviour in the women shelter in Belgrade, made by multidisciplinary team under the guidance of OSCE Mission in 2001 in Serbia.(SRJ)

The main purpose of shelter is to provide secure place for women victims of human trafficking, which include appropriate and safe accommodation, access to all relevant health and social services, counselling on mother tongue and possibility for education and training. The shelter is intended for the following target groups:

- The foreign women who are human trafficking victims in Serbia for the purpose of sexual exploitation;
- The foreign women who are human trafficking victims in Serbia for the purpose of other forms of exploitations (forced marriage, work in shelter and etc.);/
- The women nationals of Serbia who are human trafficking victims and who return to their country of origin;
- The women nationals of Serbia who are human trafficking victims for the purpose of sexual exploitation.<sup>2</sup>

The services provided to women include:

- Counselling;
- Medical check-up and care;
- Psychological counselling;
- Educational workshops;

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<sup>2</sup> Book of rules in the Shelter for woman who are human trafficking victims’ in Belgrade.

- Legal counselling, help and help in administrative procedures;
- Translating;

Recreational activities, such as: watching television programmes, films, reading, social games, creative workshops, learning languages;

*“The Temporary home”*

The new one year programme of reintegration for domestic human trafficking female nationals has been implemented as of 1<sup>st</sup> June 2004. Programme included establishment of new (reintegration) open type shelter — Temporary home. Programme has been implemented by IOM in cooperation with the local NGO which manage shelter and directly realizes the programme with the financial support of the USA government. At the very beginning, four girls (two adult and two minor) were included in programme and moved from “The Safe home” to “The Temporary home”. Other three domestic women nationals were successively included in programme until the end of year.

“Temporary home” is residential unit located on the territory of Belgrade intended for five persons. Employees of shelter are two women coordinators (also working as counsellors) from NGO Atina, who visit it regularly and who are at the disposal of users at any time. The house has only a few basic codes of conduct, agreed by employees and users at the very beginning. The prohibitions refer to drug and alcohol use in shelter and discovery of address, phone number and other confidential information to uninvited persons. Breaching of these rules might lead to the exclusion from shelter, but not out of reintegration programme itself. However, girls at the same time are not under the supervision of counsellors.

Beneficiaries of the Shelter realize their access to medical services within general system of the health insurance. Psychological help and support are offered through individual and group work, depending on needs and wishes of beneficiaries. As a rule, psychologist visits shelter once a week, as well as lawyer who provides beneficiaries all necessary information about their status, rights and position in potential court proceedings. In addition to that, lawyer provides information and advice of other legal issues, if there is any request in that respect. Beneficiaries mostly ask for information their actual family situation (for example, they are interested in responsibilities of divorced parents towards children, how to initiate procedure to get social aid, etc.

Beneficiaries are usually obliged to take part in education or professional training they choose. They are also enabled to attend language courses and other selected courses. When it comes to educational workshops, users are trained in basic skills on computer, they informed how to apply for job, how to write cover

letter and CV, helping them to become aware of professional wishes and possibilities, etc.

There is plan to provide support and help to user of the Shelter to find job after finishing school and professional training. Integration programme also provides for three-month supervision period for users after they leave shelter: namely, special advisory body shall estimate success of their reintegration, and if estimated as necessary, girls shall be offered to return to shelter and stay there for some time.

### **International Organization for Migrations**

Apart from domestic organizations, most of the assistance in reintegration of women and children human trafficking victims, both domestic and foreign is provided by the International Organization for Migrations (IOM). This assistance mostly includes help before and after the process of repatriation, and then inclusion in IOM programmes of reintegration in the countries of origin.

#### *Repatriation and reintegration of foreign nationals*

This programme stems from the fact that women and children foreign nationals, identified as human trafficking victims in Serbia want to return to their country of origin. The programme of assistance upon repatriation include help during preparation for return (shelter and medical, psychological and legal help), then transfer to the country of origin and assistance after return (accompaniment up to the final destination, financial help and involvement in the programme of rehabilitation and reintegration).

International Organization for Migration programme for repatriation of victims identified in Serbia mostly includes women and children from Moldova, Romania and Ukraine,<sup>3</sup> who stayed in the Shelter before return.

Draft of the Memorandum of Understanding envisages few new procedures and tasks concerning reintegration of trafficked persons both domestic and foreign nationals: in addition to that it is envisaged that IOM provides necessary information to the Office for Coordination of Human Trafficking Protection so as to timely estimate conditions where victims return (Article 4.5.2). Taking into account that “estimation of conditions” does not refer only to the question of security, this provision shall be considered as indicator of future development in

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<sup>3</sup> Until the middle of 2003, IOM offered help in voluntary return of 124 women and children of foreign nationals who are victims identified in Serbia. Moldova nationals dominated (48%), then romanian nationals (30%) and Ukraine nationals (16%) (Counter Trafficking Regional Point 2003).

providing continuous measures of protection, help and finally victim reintegration.

The Service is also planning to standardize practice of providing timely all necessary information to victims about current reintegration programmes in the countries of origin.

When signing the Agreement between the Office and IOM, it is planned to provide help upon repatriation no matter which programme victim chooses in the country of origin: by doing that, in the future victims will have opportunity to choose one of the reintegration programmes they will be involved in and which various organizations and services in the country of origin provide.

### **Repatriation and Reintegration of Domestic Nationals**

Women nationals from Serbia who were trafficked abroad, return to the country in different ways: by deportation from destination country, IOM programme of repatriation or on their own. Many of them have little and no information about services of help and current programmes of reintegration available to human trafficking victims in Serbia. Domestic nationals who are waiting to be deported or preparing return to the country of origin might get information on shelters, help services and reintegration programmes in Serbia in case they have chance to get in touch with specialized NGOs in destination countries which cooperate with specialized NGOs in Serbia. On the other hand, domestic nationals returning to the country by IOM reintegration programme, usually get basic information on shelter, services and reintegration programme in Serbia by IOM missions in destination countries.

Women who returned to the country in previous period without IOM help, were informed and directed to the services of help and support by the police, lawyers, non-governmental organizations or other participants, provided that being recognized as victims by them. The women repatriated by IOM, are usually welcomed at the airport, then they are offered shelter, specialized services and reintegration help. According to previous experience, refusal rate of IOM reintegration programmes among victims is very low.

However, they can virtually be helped as to the beneficiaries within other categories, for example, as children from broken and dysfunctional families, members of financially disadvantaged families etc.

One-year IOM programme of reintegration which is implemented in newly-established shelter "Temporary Home" is based on support strategy aimed at empowering before returning to the local community. Women counsellors have already established regular contacts and cooperation with the Service for Coordination of Human Trafficking Victims' Protection. This cooperation is

expected to be intensified during preparation of beneficiaries to leave shelter and monitoring phase in the process of reintegration that follows.

### **The Role of Social Care Services**

According to contemporary concepts of cooperation in trafficking prevention, social care services are obliged to develop adequate programmes of protection, housing and support to trafficking victims. From methodological point of view, there are three dimensions of psychosocial help programmes:

- To understand and estimate past of the victims and determine socio-economic factors influencing their later exploitation;
- To analyse and document psychological influence trafficking experience including further analysis of traumas related to it;
- To provide counselling services using methods which provide trafficking victims way to overcome their traumas and to prepare them for future reintegration activities.

The Social Care Services are obliged in their work for coordination of trafficking victims' protection and cover the following areas:

- Estimation of victims' needs
- directing
- monitoring cases
- help upon residential registration;
- informing;
- coordination;
- initiating procedure for compensation of material and immaterial damage;
- avoiding secondary victimization.

#### *Estimation of victims' needs*

Identification of victims is one of the most difficult and important tasks of all participants in combat against human trafficking. In almost all countries this identification is done by the police or judicial authorities and they submit it to the social services. It is done according to adequate number of evidence or statements of victim. Many victims have been identified this way and provided necessary help and protection. After estimation of their needs, the Service informs victims on possibilities for recovery and informs them about other available forms of help and protection in country.

### *Directing victims*

The Services for Social Care on the basis of estimation directs victims to further forms of help and protection available in the country. This can include accommodation in the Shelter, some other safe place, social, medical and legal support depending on specificity of certain cases.

### *Monitoring of cases*

The Service monitors every case from identification until the end of the reintegration process in the country and abroad. This monitoring of cases includes cooperation with local, regional and international participants in combat against people trafficking, especially those providing help to the victims. It is important to get feedback about the recovery and victims' reintegration, which enables better planning of its work. In this segment of work attention is paid to the regional NGO network.

### *Informing*

The question of informing victims is very important, because victims are mainly uninformed about their rights or intentionally given misinformation by people traffickers. Manipulation of the victims by people traffickers is partially based on false information too, and/or instilling fear to human trafficking victims by the state authorities. The Service is willing to inform victim at every moment about everything which is of utmost importance in the process of recovery and protection. Additionally, the Service is willing to get to know victim with undergoing situation and possibilities having at disposal. This particularly refers to the position of the victim in criminal procedure for the purpose of which the Service engages trained lawyers who are familiar with the specificity of the problem.

### *Coordination*

The Service is the main coordination body in an overall system of human trafficking victims' help and protection in Serbia. This means that all information, related to providing help and protection to the victims, are going through the Service and further in data base. There are two important data basis:

- base which containing all identified victims, also including those identified before founding the Service;
- data base with information about organizations, institutions and experts able to provide support and help to the victims within the country;

*Avoiding secondary victimization*

The Service is willing in its work to avoid secondary victimization of the victims. The Service allows that the victims give only one official, formal statement later used by the state authorities sticking to the rules on identity protection and data confidentiality. Also, the Service tries to prevent every contact with accused in all phases of criminal and pre-trial criminal procedure, particularly on the trial.

*Advisory work*

When it comes social work, development of science in this century brought numerous theoretical principles (practical profession of social work is based on) in order to change attitudes of clients, which we call counselling. It is about specific human relation between experts, therapists or counsellors, and it enables individual or groups to find the best way to take advantage of their position in society and to improve themselves and society. Counselling is therefore defined as form of help for individual and his/her development, personal upbringing. General definition of counselling emphasizes that it is one of the therapeutic methods, enabling help to individual and people from its surrounding for own development, personal upbringing and better social functioning.<sup>4</sup> This approach is based on the idea to learn new types of behaviour which lead to better understanding of themselves and surrounding. This approach includes:

- an identification of negative thoughts;
- a modification of negative thoughts;
- identification and modification of dysfunctional assumptions;
- behavioural experiments;
- cognitive therapy for anxiety;
- cognitive therapy for depression;
- promising cognitive therapy.

Psychological counsellor works individually with every woman who has high level of obvious disorders with psychopathological and psychosomatic symptoms.

Victims are helped, during counselling, to develop a coherent and practical system of achieving their goals, then to make plan for suitable action, and finally

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<sup>4</sup> Vidanović I.Vojin, Therapeutical models of social work, Belgrade, FPS Belgrade, 1999, page 119.

to recognize the benefit of such thinking and action. This way, victim gets positive confirmation for her “intended behaviour” and recognizes her new capacity.

Short therapy is one of the counselling methods proved as a successful way to achieve this kind of change in thinking. Principles of short therapy, such as focusing on positive solutions and thinking of goals, stimulate ability of victim to change her focusing on problem to openness towards positive outcomes. This empowers them to gradually reformulate their choices and wishes. At the same time, they develop different view on their problems and start to find realistic solutions for them. Although this process cannot restructure complete personality of the trafficking victim, it can help to see problems and difficulties from other perspective, to gain a sense of responsibility and activate new forms of conduct.

Apart from above mentioned, professional experts and volunteers in cooperation with appropriate services, might also organize the following forms of work.

### **Counselling and Educational Workshops**

Women counsellors in their work with victims in shelter stick to the “necessary criteria”, such as: safety and protection (women should feel safe); confidence and anonymity; counselling is done only if victims approve of it; counsellor should be the person victim can confide in; task of counsellor is to listen and advise victim; counsellors have to respect decisions trafficked women made and goal of counselling and support is empowerment.

Women counsellors in the Shelter recognize empowerment as strategy which helps women to take control of their life and to enjoy right to make decisions on their own. Goals of counselling are therefore: psychological stabilisation, facing the process leading to traumatisation; providing information on health issues and about available medical services; planning of future life (according to existing resources) and acquiring new abilities and skills. It is expected from counsellors in their work with victims to show care, understanding, and patience and follow the principles of distance, confidence, interest and availability for beneficiaries.

Educational workshops are organized once or twice a week and usually last between 30 or 45 minutes. They include:

- Health-hygienic education (informing about drug abuse, sexually transmitted disease and their transmission);

- Exchange of information (about customs and cultural diversions of women country of origin, experience in destination countries, shelters and help services in the country of origin);
- Learning foreign languages (English, Serbian etc, according to interest of beneficiaries);
- Training on computer
- Tailoring and sewing courses

Creative workshops (which do not include compulsory group work) include drawing, painting, making clay figures etc. They are organized depending on wishes and interests of beneficiaries.

### **Medical Examination and Care**

Medical examinations are offered to women right after their coming to the shelter. As a rule, many of them ask for routine medical examinations. Basic medical examinations are done in the shelter.

If need arises, women are directed to further examinations and treatment in specialized medical institutions. However, protocols in the cases of hospitalization of women in the shelter don't exist. Several hospitalizations necessary for surgery intervention or mental disorders were done ad hoc. The problem concerning lack of financial means can generally jeopardize access to specialized medical services for trafficked women, both for foreign and domestic nationals who do not have valid health care card, necessary in state health institutions. Having in mind that access to medical services covered with health insurance depends on previous registration in medical institution in residence place — which cannot be done without exposing women to safety risk — medical care of domestic female nationals which are in the shelter in Belgrade, usually require additional costs for their treatment in private medical institutions.

### **Legal Support and Help in Administrative Procedures**

Besides help in the administrative procedures related to obtaining documents needed for returning home, beneficiaries in the Shelter are provided with information referring to their status in the Republic, and/or the victim of crime related to people trafficking, as well as legal counselling for victim participating in the court procedures.

While in previous practice IOM has been the main participant in providing help in administrative procedures, issuing documents necessary for return to the

country of origin, lawyers engaged by the shelters management advised on legal issues, as well as legal help.

### **Role of the Media**

Cooperation with media, especially when it comes to sensitive issue such as trafficking, can be divided into three parts:

- General education for preventive purposes;
- Education of the journalist how to write on trafficking;
- Campaign intended for trafficking victims and potential victims.

Domestic NGO “Astra” was specially engaged on these areas, which realized three strong media campaign: This NGO leads everyday campaign through the Internet, lectures, workshops etc.

Women trafficking problem in the Yugoslav territories existed for a long time and was recognized as such in the society. Research being done in the preparation phase of the campaign among the secondary school population and students showed great ignorance of respondents and clear need to undertake prevention and education measures concerning the problem. Signing UN Convention against transnational organized criminal in Palermo in 2000, SFRY gave to the trafficking problem strong, political dimension and formalize it and therefore intensified activities in curbing it.

Organization “Save the Children”, with support of the British Embassy in Belgrade, initiated the campaign “Save the children from human trafficking”. That is at the same time call for joint action and participation of all services responsible for the protection of children. The main activity of campaign, with videos, billboards and brochures, will be research on risk factors leading to trafficking of children, and trainings in the area of Raska and Jablanica. There is idea during this campaign to create teams on municipal level, which will be bearers of activities, campaign and exchange of information. The campaign will draw attention to children to the age of 5, and in later phase trafficking victims are girls from the age of 15 to 18.

In the period March 2002–January 2004, 10% of the total number of identified human trafficking victims on the Astra SOS phone line was children. In 2004 that number increased at 56%. In the first three months of 2005, ASTRA provided help to 31 people, 15 of whom aged 14 to 18. According to data of the Shelter, as of the beginning of 2002, 29 children have been accepted, half of whom from Serbia and Montenegro. It should be emphasized that 8 children were trafficking victims due to working exploitation and marriage, and all others — 21 of them — sexual exploitation.

After successfully carried out campaign “Open your eyes” during 2002 and 2003, goal of which was to inform public about this problem, logical sequence was raising public awareness about the human trafficking problem, so in November 2004 media campaign against human trafficking under the name “There is way out”.

The goal of this campaign is to encourage victims, potential victims and their surroundings to ask for support and information, to motivate citizens to help human trafficking victims, and to inform public about all aspects of the problem. Campaign also happened through distribution of the posters (all border lines in Serbia were covered), postcards, pamphlets, labels....but also through numerous media performance and participation in documentary films. ASTRA gave 66 interviews during 2004.

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## Phenomenon of Terrorism and its Financing

### ABSTRACT

The subject of this paper is the politicological aspect of the methods and techniques of preventing and combating terrorist financing through money laundering, based on the application of modern achievements in the methodology of political, criminological, legal, economic, sociological and history sciences, as well as the possibility of further capacity building of the society and political subjects in the successful organisation of detecting, understanding, analysing and undertaking countermeasures.

The issue is primarily of intellectual nature and essentially refers to the area of insight in terrorist financing through money laundering, as follows: the existing knowledge on terrorism, the existing knowledge on money laundering, the existing knowledge on interrelations between these two social phenomena, the existing knowledge on the consequences of these phenomena, the existing knowledge on the methods and techniques applied in the processes of terrorist financing through money laundering, the existing knowledge on the policies and methods of implementation of the countermeasures of the international community and local communities aimed at combating these phenomena, security as a social phenomenon.

Terrorist financing through money laundering has been defined as a very complex process of various relations established for the purpose of attempting or successfully obtaining or raising funds or assets, aimed at their use or with the awareness that they may be used fully or partially in the performance of a terrorist act, by terrorists or terrorist organisations. The subject of study are, therefore, the relations between the elements of the process of terrorist financing through money laundering based on modern politicological and methodological knowledge.

*Key words:* terrorism, money laundering, terrorist financing, financing mechanisms, Hawala, pan-European response.

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## Introduction

In order for the terrorist activities to come into practice, financial back up is essential. Financial support, money, is the driving force and the necessary basis for any terrorist organization, no matter how it is called, where it is located and whatever goals it has in performing its actions. The money for terrorism is the same as the sun is for life on the planet Earth. Money is the oxygen of terrorism. Terrorists can not operate without the funds which are raised and used throughout the world. As it applies to the other interest groups, both terrorist groups and organizations must provide the necessary funds for financing their activities. A successful terrorist group or organization is one that has created such mechanisms, based on which it can achieve and maintain an effective financial infrastructure. For these reasons, it must develop and establish funding sources, ways of laundering the funds and ultimately a way to ensure that they will be used to obtain material and other logistical things necessary for the execution of terrorist actions.

### The term of terrorism financing

According to one of the most comprehensive definitions, “terrorism is a complex form of organized, individual and rarely institutional political violence, marked by frightening brachial physical and psychological methods of political struggle which commonly, at the time of political and economic crisis, and rarely when economic and political stability of a society is achieved, systematically attempts to achieve “great goals” in a manner totally inappropriate to given conditions, especially to the social situation and historical opportunities of those who practice it as a political strategy.”<sup>2</sup> In addition to the political component, modern terrorism undoubtedly involves criminal component, which allows it to provide the material basis for the organization and operation. The latter is generally manifested both in the actions of individual perpetrators of criminal activities, as well as through the actions of local and international organized crime groups. “Given that organized criminal groups quickly move towards the internationalization of its activities, the states must prepare appropriate solutions in the national legislation and cooperate with each other in order to discourage their activities.”<sup>3</sup>

Nowadays, it is almost impossible to talk about any form of terrorism if in the addition to the motivational it does not consider the other, financial side, on

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<sup>2</sup> Dragan Simeunović, *Teorija politike I deo*, Nauka i društvo, Beograd, 2002, p. 159.

Dragan Simeunović, *Političko nasilje*, NIRO Radnička štampa, Beograd, 1989, p. 132.

<sup>3</sup> Đorđe Ignjatović, *Organizovani kriminalitet – drugi deo*, Policijska akademija, Beograd, 1998, p. 182.

which terrorist organization and activities directly depend. "Terrorist groups must launder its financial funds, but parallel, in both public and professional circles, there are claims that these groups are active in the widespread activities of organized crime, mainly drug trafficking, sometimes in alliance with organized crime groups."<sup>4</sup>

Financing of terrorism is essentially either an attempt, or successful provision or collecting of funds or property, with intention to be used, or with knowledge that they can be used, in whole or in part for the execution of terrorist acts, by terrorists or the terrorist organizations.

The funds used for terrorist financing go through several phases:<sup>5</sup>

- In the first phase fundraising is carried out, on the one hand, from the lawful business of companies that are related, or even, in practice, run by terrorist organizations or individuals, or on the other hand based on the crime, such as drug trafficking, kidnapping, extortion, fraud and similar. A significant source of these funds is represented in donations of the individuals who support the goals of terrorist organizations as well as charitable funds, which are raising funds and channelling them to terrorist organizations,
- In the second phase, the funds raised are stored in various ways, which includes laying of funds into accounts, opened by a broker, individuals or companies at the commercial banks,
- In the third phase, the transfer of these funds to sections of terrorist organizations, or individuals is performed, with the goal of putting it to operational use. "This phase is characterized by the use of mechanisms for transfer of funds, such as international electronic transfers between banks or money payee, the use of charitable organizations, alternative systems or networks for the transfer of money, such as Indian Hawala, Pakistani Hundi or Chinese Cops, which operate within strictly defined racial, tribal or ethnic groups." Money is also transferred over couriers and by smuggling across borders,
- In the final, fourth phase the listed resources are used effectively. The criminal nature of these funds is shown when it has been used in any of the terrorist organizations activities, such as the purchase of explosives, weapons, telecommunications equipment, support of the regular activities of terrorist cells, provision of shelter and medical care, funding of training camps, propaganda, or the payment of political support and refuge in appropriate states.

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<sup>4</sup> Peter Lilley, "Dirty Dealing: The Untold Truth About Global Money Laundering, International Crime and Terrorism", Kogan Page Ltd, London, May 2006, p. 2.

<sup>5</sup> "AUSTRAC Typologies and Case Studies Report 2008", Scheme of the terrorist financing through money laundering, [www.austrac.gov.au](http://www.austrac.gov.au), accessed in January 2009.

When we talk about the financing of terrorism, it is necessary to look back to the financing of terrorism through money laundering, i.e. the relation of money laundering and terrorism. In this case, the basic objective that terrorists and financiers of terrorism seek to achieve is certainly a non-financial goal of a political nature, and the funds used to achieve them could be of both legal and the illegal origin. The particularly worth mentioning is the fact that the means of laundering of money that are used are identical with those used in concealing of the source and destination of crime proceedings. What distinguishes them is the different purpose of funds compared to classic money laundering operation. In the financing of terrorism through money laundering funds provided are intended for planning, organizing and performing of terrorist activities. In some other cases, money laundering serves to conceal the true origin and nature of illegally acquired funds, and is a mean for the realization of additional gains by investing in legitimate channels of business.

The fight against terrorism does not reflect only in its conceptual determination and finding more definitions or one generally accepted, but in undertaking of a series of concrete actions and measures in the fight against terrorist organizations which comprise taking of those measures and actions that effectively prevent its very funding.

Financial support, money, is necessary driving force and the basis of any terrorist organization, no matter how it is called, where is located or which targets it has in performing its actions. For terrorism, money is the same as the sun for life on the planet Earth. Money is the oxygen of terrorism. Terrorists cannot operate without the funds that can be used and raised throughout the world.<sup>6</sup> As it applies to the other interest groups, both terrorist groups and organizations must provide the necessary funds for financing of their activities. "A successful terrorist organization or group is the one that has created such mechanisms on whose basis it can achieve and maintain an effective financial infrastructure."<sup>7</sup> For these reasons, it must develop and establish funding sources, ways of laundering the funds and ultimately to provide the way in which it shall be used to obtain material and other logistics necessary for the execution of terrorist actions.

What applies for the individuals in the modern economic thought - that rational individuals change their priorities when setting their goals and systematically work on their improvement, undoubtedly applies to terrorists. Rational terrorist will plan the distribution of resources at his disposal, with the aim of maximizing the impact of his planned activities.

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<sup>6</sup> Colin Powell, U.S. Secretary of State.

<sup>7</sup> Financial Action Task Force on Money Laundering, FATF, "Report on Money Laundering Typologies", Paris 2002, p. 2.

The economic foundation of terrorist organizations today is based on the terror, crime, corruption, fraud and other similar activities. All known individual or organized researches, which as the subject of research have the existence and size of the economic resources of terrorist organizations, as the result give data on their immense increase. Today, the economic basis of modern terrorism, based on organized crime and political violence, is estimated higher than the gross social product of some developed industrial countries, and has the continuing tendency of growth. Also, there is a clear tendency of modern terrorist organizations towards the achievement of partial or even complete economic independence in their activities. Thus gradually, but surely, a new system of terrorist financing and activity is being created, a kind of international economic system associated with both legal and illegal sectors of the traditional economies.

In the global system, in which the international economies are operating, buds of the new economy of terrorism sprouted inexorably and thus inevitably interact with the economies of developed countries. Their common denominator is money laundering process, which is an unavoidable link between these two economic systems. Their degree of interdependence is getting higher and higher from year to year. Economic analysis of the interdependence of these two economies, clearly indicate the vitality, strength and expansion of terrorism economy. The results of the researches also point to the cure from this terrible disease that has affected the modern world economy. They point to the fact that the first step in the fight against terrorism is the detection of channels and achieved interaction. The discovery of interaction channels of terrorism economy with the world economies and their gradual but systematic monitoring and elimination will undoubtedly contribute to the closure of most roads to free markets and global capital, which will significantly narrow the field of financing and operation of terrorist organizations.

In order to successfully initiate, plane and lead an active struggle against terrorism in the modern world, the money supply of the terrorist organizations needs to be, if not completely closed, then at least significantly reduced. This would substantially reduce the funding of terrorist organizations and their activities. In this respect, the role of the state and its institutions is certainly important in the fight against organized crime, which is nowadays the main financier of terrorist organizations.

We are witnessing a practice that today terrorist organizations are financed in different ways, using different methods and forms, both legal and illegal businesses. They undertake all these actions with the aim of increasing their income and available financial and material resources, with the ultimate aim of increasing their financial and operational power. This activity is an area which is already difficult to monitor and detect, and in the future shall be even more difficult to follow and uncover. It shall certainly be one of the key tasks in the fight against terrorism. This certainly suggests a link of terrorism with organized

crime, that each state is individually faced with, and with transnational organized crime, the entire world community faces. This connection is manifested in various forms, in order to receive financial foundation for the smooth and successful execution of terrorist activities.

Terrorism today, aside from using the legal business flows, is funded through various forms and methods of performing criminal activities in general, conventional and political crime, but also in the field of economic crime.

In practice, the most frequent criminal activities, in the framework of conventional crime, surely include: murder, kidnapping, theft, larceny, robbery, armed robbery, vehicle confiscation, extortion, forgery, illicit production and trafficking of narcotic drugs and other crimes.

The framework of a political crime is most often represented by the following crimes: terrorism, international terrorism, aircraft hijacking, sabotage, diversions and incitement of national, racial and religious hatred, discord or intolerance.

As for economic crime, most often represented are various forms of crime in the areas of production, trade, foreign trade, foreign currency exchange, property transformation and banking businesses.

As the forms of terrorist financing, that is, terrorist organizations activities, which in practice represent dominant financial basis in the prevailing number of performed terrorist actions, most often, however, appear and are stated: drug trafficking, trafficking in radioactive materials, arms trafficking, human trafficking, computer crime, activities of a number of nongovernmental organizations, foundation of construction companies, the establishment or property takeover of banks, the establishment of a cover companies and money laundering.

The necessary funds to finance terrorist activities, these days (undoubtedly significant amounts) cannot be obtained only by donations of individuals, no matter how wealthy they were. Also, donations of certain states are no longer sufficient. The real basis for making a fundamental financial background of terrorism is created by coupling of terrorism with organized crime, for which the international community has not had understanding, at least not to the extent necessary to achieve better results in the fight against these phenomena. This is precisely the reason for the existence of objective needs to point out to possible ways of raising funds for the financing of terrorist organizations and their activities in order to successfully prepare government administration for preventive actions, and later for repressive ones. Of course, it is inevitable that international community has to be involved in these actions.

In order to, in practice, establish individual awareness of this phenomenon on the one hand, and establish collective consciousness on the other, in the beginning its necessary to understand that there is no terrorism without money, and of course it can not exist without terrorists themselves. This is the reason

for, while answering the question of how to finance terrorism, first thing necessary to consider is the way in which terrorism is manifested in reality.

It seems, based on events in practice, that the violence which terrorists want to achieve can be realized through three broad types of terrorist organizations or manifestations. That would be:

- great uprising rebel formations
- extremist networks, mainly with international connections
- isolated operational cells with external support.

### **Great uprising rebel formations**

Large paramilitary formations require millions of dollars of income in order to maintain their formations together provide food and shelter for their families as well as pay for weapons and equipment. Their funding is mainly achieved through a large scale illegal economic activities, such as, for example, cultivation and drug trafficking or smuggling of diamonds and gold. These activities are often organized and carried out in cooperation with international criminal organizations. Assets acquired through these activities are laundered through formal and informal sectors, and with the help of sympathizingly oriented bankers and businessmen. Good examples of this type of activity are long-lasting rebellions in countries such as Colombia (FARC<sup>8</sup>, ELN<sup>9</sup>, i AUC<sup>10</sup>), then left-wing terrorist guerrilla Sendero Luminoso (“Light-Path”) in nineties in Peru, the Taliban regime in Afghanistan, the Liberation Tigers of Tamil Eelam from Sri Lanka, ETA in Spain, as well as various paramilitary groups in Southeast Asia and Africa, especially RUF<sup>11</sup> from Sierra Leone.

### **Extremist networks with international connections**

The terrorist networks with international connections generally focus on specific areas of activity, sometimes in different countries where they believe to have a legitimate relationship and their activities are usually motivated by some specific purpose. Financing of their activities is characteristic, derived from sympathizers who support them, as well as from serious crimes. Contributions from the Diaspora are also extremely important for their activity, as well as the money originated from political and religious supporters. Good examples of this

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<sup>8</sup> Revolutionary Armed Forces of Colombia.

<sup>9</sup> National Liberation Army.

<sup>10</sup> United Self-Defence Forces of Colombia.

<sup>11</sup> Revolutionary United Front.

type of activity are Al Qaeda, which is acting locally and globally, PIRA<sup>12</sup> from Northern Ireland, ETA<sup>13</sup> in Spain, GIA<sup>14</sup> from Algeria, LTTE from Sri Lanka,<sup>15</sup> all of which are mainly involved in the local domestic terror campaigns with certain international activities. Other groups that could be classified into this category would have been PKK<sup>16</sup> in Turkey, Chechen terrorists in Russia and PLO in Israel.

### **Isolated operational cells with outside support**

As an example of the third type of organization and activities of terrorists, individual attacks carried out by small groups of people could be given, i.e. the cells that operate with very limited budgets and are financed from sources that are, in practice, almost impossible to detect. These low budget operations include dedicated people who are often obsessively committed to achieving results. Can anything be more obsessive than suicide bombers? Examples of this type of terrorist activity would be attacks on Bali, Madrid, London and Casablanca, Nairobi and Istanbul, New York, and of course the Beslan.

As one of the relevant examples for the financing of terrorist activities, from recent past, certainly could serve the conflict in Sierra Leone, known to the public as “blood diamond”. In 2002, after reaching a formal agreement on disarmament under UN auspices, a war that raged a decade in Sierra Leone ended. These ten years of war has completely destroyed and impoverished the country, there were over 50,000 dead, half of the population has refuged, and almost over two thirds of the already limited infrastructure was destroyed. During 2000, the Partnership Africa Canada – PAC published the report, which stated diamonds as a pretext for the war. The war began in 1991, and from the very beginning, Liberian warlord and president Charles Taylor, acted as a mentor, teacher, banker and weapons supplier for a colorful group of dissidents, bandits and mercenaries who called themselves Revolutionary United Front, RUF. Rich alluvial diamond fields were the first and most valuable targets for them. The report has, with considerable certainty, demonstrated that there was no supervision of the international diamond trade. It was noted that, for example, during the nineties, diamonds, worth billions of dollars, were imported into Belgium from Liberia, although Liberia itself has limited production of

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<sup>12</sup> Provisional Irish Republican Army, IRA factions emerged in during the unrest and conflict in Northern Ireland in the summer 1969.

<sup>13</sup> Euskadi ta Askatasuna (Basque fatherland and Liberty).

<sup>14</sup> Armed Islamic Group.

<sup>15</sup> Liberation Tigers of Tamil Eelam.

<sup>16</sup> Kurdistan Workers Party.

diamonds. Large and small companies cooperated in the laundering of stolen diamonds. Assessment of “diamonds conflict” or diamonds that were dug out and sold by the rebel groups, estimate their share to be between 4 and 15 percent of the total global value ever manufactured. Even the lower figure would represent a significant amount of money, compared to the annual trade in uncut diamonds, which is 7.5 billion dollars. In fact, in professional circles, it is estimated that about one-fifth of world trade in raw diamonds may in reality be illegal, characterized by theft, tax evasion and money laundering. Taking into account the secret and unregulated nature of international trade in diamonds, for the RUF and its Liberian sponsors, the transfer of amounts of millions of dollars, on behalf of the realized value of the diamonds sold, to legitimate trade flows, was very easy, and on that basis, they could use income to acquire weapons and drugs for their soldiers.

In October 2001, the Washington Post published a story linking Al Qaeda, using mostly Lebanese diamond traders in West Africa, with the RUF and its illegal business with diamonds. The article claimed that the Al Qaeda network “pocketed millions of dollars, from the illicit sale of diamonds, that were extracted by the RUF rebels in Sierra Leone” and that one of the senior officials of the RUF's acted as the link between senior commanders of the RUF and customers from Al Qaeda and Hezbollah. The West African Lebanese Shiite community has a strong sympathy for Hezbollah, an organization that is actively involved in many affairs in Sierra Leone and around the West African region.

From what we are, day in and day out, learning in practice, from the services and institutions dealing in law enforcement, it seems that the prevailing trend in the financing of this third category of self-financing of terrorists is through the use of the financial system, by taking loans, by drawing cash from these loans followed by non-payment, and similar. All this of course poses a problem for investigators, since this is not unusual behaviour on the credit market, where customers frequently do not pay their obligations. Consequently, this behaviour frequently goes unnoticed at the national level and it is almost impossible to detect. Similar methods are used in connection with international terrorism, but the most common is use of multiple identities, thus domestic terrorists often use their own names, while international ones use many borrowed or fictitious names. In addition, we know that terrorist groups are well versed in credit and other similar scams and others, relatively widespread and obvious forms of crime, such as identity theft, counterfeit of cash and checks or documents, theft from cars and houses and breaking into offices to steal computers, mobile phones and anything else that can be sold. These people need to survive while waiting for their next actions, and during that period, they do not want to be noticed by the authorities. That is why they avoid to be involved in the life of the “outside world”, like all other normal people. Thus, the practice showed, that terrorists, in a time when

terrorist activity is not undertaken, work as criminals and the only difference between terrorists criminals on the one hand, and common criminals who are not terrorists on the other hand, is that the first one perform criminal acts inspired by politics, while the second do the same, solely to achieve material gain.

### **The sources of terrorist financing**

Regardless of the way in which these activities are manifested, it is obvious that terrorists tend to turning to different financial sources, depending on their motivations, modes of action and resistance of the law enforcers they are facing.

Generally, several recognizable sources of terrorists financing are:

- public sponsorship from the governments or parts of governments,
- private, individual and corporate contributions,
- nongovernmental and charitable organizations,
- Diaspora, ethnic and religious funding income from trafficking of drugs, people, guns, diamonds, gold and other precious metals,
- laundered money from the income of other organized criminal activities.

Terrorist groups and terrorist individuals store their money in any form that is locally appropriate, thus the collected money, which they do not need to cover living expenses, is usually transferred in cash, to other cells, in other countries and never enters the commercial banks. It is obvious that there is no shortage of couriers and that various groups carry the amounts smaller than the amount that would cause suspicion. In addition, it appears that the couriers are used only for these purposes, but not for the performance of a wider terrorist activities. As an illustration of the difficulty in prevention of terrorist financial flow, the research conducted by the FBI, revealed people, who log on to the chats in order to obtain details of accounts to which the cash, received from stolen or obtained through fraudulent credit cards, could be transferred. In many cases in practice, it is confirmed that large amounts of cash are kept by terrorists and that in fact, they can quickly use what they have available, to meet their needs.

### **Typology of terrorist financing**

Within the project, funded by the EU and carried out by the Council of Europe, “Instructions for Employees in the Financial Intelligence Services and Agencies for the Implementation of the Law”, which treats the problem of terrorism financing, was issued. The publication is the result of cooperation achieved between the Federal Service for Financial Supervision of the Russian Federation and the Agency for the Fight Against Serious and Organized Crime

of the Metropolitan Police and Financial Services of United Kingdom of Great Britain and Northern Ireland. The main objective of this publication is to assist all those involved in efforts to prevent terrorism financing, with practical advice based on best practices.

Based on the results of investigations, carried out on the financing of terrorists, in the above instructions the typologies are observed and included. The most commonly used typologies are listed in the instructions:

**The technique of check frauds** — technique that is mainly, effectively used in practice by groups that are known to raise funds for terrorists, especially for North African, Algerian, Tunisian and Moroccan terrorist groups. This technique involves activities such as theft and the misuse of checks belonging to the third parties, as well as opening of accounts based on the stolen or forged personal identification documents and subsequent use of checks, obtained from such account holders.

**Technique of credit and debt cards frauds and their forgery** — was in use and ever increasing in the United Kingdom until 2002, although during 2003 a small decreasing was recorded, the United Kingdom remains still the largest market for this type of fraud in Europe. This type of fraud is associated with the financing of terrorism and offers a number of different techniques. It is essentially consisted out of the opening of card accounts with real or fake documents. A fraud then, for some time, regularly services his account, until his credit rating and limit are raised to sufficient level, and before he spends the amount granted in the credit limit, by purchase or cash withdrawal, at the end of the cycle he does not pay. This type of earned income can be doubled, if during the limit corrections, the account is settled by uncovered check. Issuing of the uncovered check, or its use in this context, allows the cardholder to use the limit one more time before a check is denied. This method is identified in the United States with extremist groups linked to Al Qaeda.

**Application fraud or taking over an account** — includes, often widespread, use of the stolen or forged identity documents or other information in order to open the credit or a debt card account. In the practice, the use of false identities is noted, in order to open and take advantage of various bank accounts.

**Technique of “account exhaustion”, successive loans** — the client takes a smaller loan in well-known bank, repays it earlier, possibly from the funds of the loan granted with other financial institution, and then takes another loan, higher than the first one. This pattern repeats itself and allows client to establish a credit rating which enables him taking of increasing amounts on behalf of approved new loans. This continues until the client finally disappears with the last largest sum of money.

**The technique of third parties transaction, in which identity is not determined** — implies that, as in other forms of crime financing, terrorists are willing to hide or stop a possible audit trail, which as a rule follows the movement of money. The main protection against this concealment is the identification, verification and registration of all parties involved in the transaction. Otherwise, the ability to track cash flows would be compromised, if the transaction occurs in the event when one or more parties are unidentified. This suggests, that the checks, based on the principle Know Your Customer - KYC, are important for all sectors of the financial industry. Practical data clearly show that individuals have accessed bank employees, in the branch offices and pretended not to speak the local language. With them they had mobile phones that displayed messages with the number of the bank account. Also, it was noted that in these circumstances they were carrying large amounts of cash, and usually stated that they wish to make the payment on designated account. Bank clerk then performs the transaction by filling in the forms and transferring cash on the designated accounts. This method avoids questions of bank clerks, and thus the identification as well as the reasons for making a payment of money, on designated accounts.

**The technique of corrupting the bank personnel** — in practice implies corrupting or co-opting worker from the financial sector which is responsible for signing of standard verifications, which are done in the performance of financial transactions. In practice, there were reports of individuals who tried to bribe the bank staff using the financial rewards to ensure the opening of accounts under false names. Intelligence data show that a number of well-known institutions in the world is affected by this phenomenon and that the number of such fraudulent accounts may count in thousands. Moreover, in practice, it happens that a suspect for terrorism suspects or even know that they are under investigation by the agency and law enforcement.

**The technique of avoiding of personal representing** — implies non-application of the KYC by financial, or legal intermediary. Independent Financial Advisers (IFA), accountants and lawyers have a vital position in the financial chain, especially in the relation to KYC. By getting to know clients and institutions, while performing tasks on their behalf and in their behalf, they are acquiring knowledge about them, based on which they may provide key information in the fight against terrorist financing. Although the detection and reporting of suspicious financial transactions was increased in recent years, based on determined data it is considered that some suspicious activities still remain anonymous.

Conducted financial investigations have shown how the business activities for clients abroad with little or even no KYC control by an agent have occurred. In addition, in specific case, suspects for terrorism were opening bank accounts and reporting foreign place of residence by mail or specialized intermediaries.

**The technique of using multinational financial institutions for movement of money across the border** — practice data is showing that the suspects in connection with terrorism managed to open accounts in the branches of commercial banks in EU countries, using their foreign branches, i.e. in countries where KYC procedures are not applied. During the financial investigation, it was found that little or no KYC checks were undertaken by employees in the branches, as well as by employees in foreign affiliates. The financiers of terrorists can use the financial institution with operations in more than one legislation if their accounts, and thus the money, are moving between countries but within the same institution.

Less strict KYC checks of origin of funds are sometimes carried out in the office of destination, even if the KYC verifications, which are done in the source-office are not complete. One variant of the scams is depositing of funds in a financial institution, preferably in the Non-Cooperative Country or Territory (NCCT), by third parties and withdrawals through the use of the ATM, in another country

**The technique of payment into or out of high-risk legislations** — implies financial transactions, for example, from countries identified as non-cooperative by the FATF. Financial Action Task Force - FATF, makes continuously monitored list of legislations considered to be non-cooperative in the fight against money laundering and terrorist financing. As such, transactions in or out of these legislations should be monitored more closely than those performed in other countries. Nevertheless, it seems that in practice this is not always the case. Financial investigations, carried out in specific cases, have shown that, although are not tightly associated with terrorism, large financial institutions exist, present in the EU, which receive money from NCCT legislatures, and then transfer it to other cooperative countries. These transactions are therefore not reported to authorities. Due to the nature of some of these regimes, this area requires constant monitoring by supervisory institutions and law enforcement forces.

**The technique of using of services of foreign, correspondent banks** — is practiced because of the possibility to, in that way, blur possible audit trail of cash flows in practice. Conducted terrorist financing investigations have revealed cases of correspondent banks which unconsciously provided correspondent services to foreign banks through the intermediary institutions. The limited identification data, about the correspondent payments, also cause problems with the appropriate names and societies as well as various official lists of suspects and sanctions, which almost certainly prevents adoption of particular decisions about the name from the list. Technique of using donations to charities and non-profit organizations (NPOs) and charitable fund abuse, are used in practice because of the ease with which many charities and non-governmental and non-profit organizations can cross borders and work in

conflict areas. On the basis of these circumstances, they are exposed to abuses organized and carried out by terrorists.

In some cases, legal form and public purpose of charitable organizations appear to have been carefully chosen by terrorists in order to avoid regulation and supervision. As an example can serve cultural associations founded in certain countries by some ethnic communities. Several apparently related examples have been identified, in practice, within a particular ethnic community but afterwards seem to act as a framework for illegal alternative money transfer. Although it is not clear whether some of these patterns are directly linked to terrorist financing, the structure of the network shows the potential for abuse. Practical examples also show that little can be done in order to differentiate transfers within or between the NPO during provision of illegal money transfer services. These alternative money senders used NPO bank accounts to collect cash deposits and cover their bills and their contacts abroad. In some cases, these transactions were considered suspicious by the authorities because of differences between the amounts and modest lifestyle of a community that provides financial support for specific NPO.

The scheme of NPO abuses, for the purpose of financing terrorism and money laundering, is generally simple. For example, an NPO is established, after that offices are opened in a number of countries where the activities on financing development projects as well as aid projects, are organized. Members of terrorists organizations employ their own people there, either in the regional offices or the administration itself, in main beneficiary country. The board members of NPO, responsible for operations in the user country, generally are not directly paid by the NPO, but receive funding by donors and international bodies, in official capacity. The managed funds are successively diverted into a terrorist organization, and members of management NPO can still fully use their position in the beneficiary country, as well as their anonymity in a NPO resident country. The activity is also easier, because the projects are financed by donors which are mainly unaware of the total amount of collected money. This also allows keeping and abuse of unjustifiably large amounts of money than needed for the primary purpose of the project.

Another example of misuse of NPO and charitable organizations, is a pattern according to which a small registered charity, with an annual income of less than 100,000 euros, engaged in encouragement of education and religion through the organization of various seminars, camps for learning and provision of professional literature. In the practice, it is possible that such company knowingly neglects to submit annual tax returns. The absence of the annual tax return means that it is difficult to determine where the money was spent, and whether the ultimate destination of donations is legal. Complete absence of the bookkeeping, also allows the source of donations to remain hidden.

From the above mentioned, clearly follows that in practice, many doubts exist on the threats that are present within the NPO sector, in connection with the possibility of its misuse for money laundering and terrorism financing. It is very difficult for law enforcement to obtain concrete evidence of terrorism financing without the presence on-site, or without seeking evidence of the expenditure of funds by charitable organizations. Therefore, the vigilance of personnel in the financial sector is vital in identifying of suspicious activities, not only on accounts of increased oversight of charitable organizations, but also by increased supervision of the NPO trustees.

**Techniques of using of electronic remittance** — is used because the electronic remittances are fast and efficient way to transfer funds intended for terrorist financing purposes. Network for transfer of terrorist funds may be established by using the difference in control regimes in different legislations. If sender's KYC checks are incomplete at the starting point of transfer, or if a financial institution fails to provide such information, investigators will not have access to information that could help in proving of terrorist connections. More complicated schemes of electronic transfers in practice, are monitored and on that basis it was found that they may involve multiple electronic transfers in order to create complex and deliberately confusing trail of financial transactions, all in order to avoid their detection.

One of the key features in the use of electronic transfers for the financing of terrorism is the use of false identities in transactions, “straw men” or phantom companies in order to obtain apparently pure identity and thus avoid detection. Another feature is the routing of funds through several different financial institutions to create the illusion that electronic remittances are coming from different and seemingly unrelated sources.

Practical experience testifies to the fact that the transfers, upon which the terrorists are funded, consist mainly of small values when compared to other electronic transfers. It seems that it is done in order to ensure that the transferred amount is under the mandatory threshold for reporting. This profile of transactions is in practice unnoticeable between the billions of euros circling the world every day.

**The technique of Money Services Business — MSB** — consists of receiving deposits in cash, from sympathizers of terrorist organizations and drug traffickers, with the ultimate goal of their allocation to the organizers and perpetrators of terrorist activities. Often in practice we meet with cases that terrorists, in order to transfer the funds, use the same channels as drug dealers, since they are safe, proven and tested. Also, some terrorists use drug trafficking for financing of their other activities. Cash is collected, sold to the bank, or deposited to the bank account, after which an amount is transferred to the user who works for a phantom company, or uses a false identity for raising funds.

It is common practice that some well-known and respectable member of society, usually from some local ethnic community, collects the cash, from families and relatives, after which he deposits it into his bank account. Then withdraws checks from his account, makes payments in exchange office, in order to organize the electronic remittance of funds in foreign currency to the country of domicile. Most of the money is transferred to relatives of donors, but during that period, part of it is retained to finance the activities of terrorist organizations.

Besides aforementioned *modus operandi*, terrorist organizations also use their contacts abroad in order to put taxes on income and savings of the Diaspora. The tax is deposited into the fund, then transferred to representative office or the political wing of the organization, which is usually located in one of the neighbouring countries. The neighbouring land is chosen with care that its borders are porous in relation to the target country, so the weapons and supplies purchased can be smuggled across the border to the final destination.

Despite noticing of the evident use of electronic transfers for purposes of terrorism financing, investigators and financial institutions currently have a limited number of useful types of indicators, that could be helpful in detecting and combating terrorism and potential use of electronic transfers by terrorists and their financiers, at their disposal. The facts that can link transaction to terrorism are the names, origin or destination of funds, and methods of performing of particular transactions. Also, practical experience has shown that electronic transfer can only be a part of a larger chain of money transfer, including the using of non-institutional methods such as cash transfers, humanitarian associations activities, phantom companies and Hawala.

**The technique of carousel fraud, Missing Trader Inter-Community (MTIC) fraud** — is the profitable activity for frauds and financiers of organized crime and terrorism. Data are showing that the Islamist extremists are connected to terrorists involved in MTIC frauds. Although no concrete evidence that fraud of this type is specifically used for the financing of terrorism, apparent ease with which relatively large amounts of money are generated and the need for false identities and cross-border cooperation, as well as the skills that well-known financiers of terrorism already use, enables to guess that this method could be applied by the terrorists.

It consists in the fact that, for example, in EU countries the import of goods is organized by companies that were founded, or taken over by the terrorists or their sympathizers. The company that has imported merchandise, performs the calculation of value added tax, VAT, which is never actually paid to the relevant tax authorities. Imported goods, with the account that contains the calculated amount of VAT, are resold to another buyer, also from the chain of fraud. These goods are later on exported to another EU country, where the buyer, based on the previously stated VAT, pays tax return from country of destination of goods.

VAT return is requested consciously despite the fact that it is known that VAT was not paid. The company that has reported tax, but never paid, after the expiration of a short period of time is liquidating business, which prevents the tracing of its founders. Funds raised on the basis of tax evasion and VAT fraud are subsequently used for the purpose of financing of terrorism as well as of personal needs of the organizers and perpetrators of fraud.

**The technique of using of legal business accounts for the collection of income for terrorist financing or obtaining of a relatively small amounts of money by illegal means** — consists of inserting of undercover supporter of terrorists, into the affairs of the franchise chains, where large amount of cash is generated and circulated. They are usually employed on a low paid jobs, with the rapid flow of personnel, in order to systematically drew funds from the income, i.e. to use their position to steal information from debit cards. Financial institutions should be aware of clients who claim to be employed on such jobs, such as gas stations, supermarkets, fast food restaurants, which have a higher turnover in their accounts, than their activities in the normal course of business should allow. What is indicative in such cases and circumstances is the fact that the transfer of funds without obvious benefit to the client is often performed, which is the first indication in direction of money laundering and terrorism financing.

**The technique of frauds in the insurance sector** — is often used, in practice, as a form of sophisticated activity in purpose of financing terrorism. It is consisted mainly in the conclusion of insurance contracts when using a false identity, that is, forged identity documents. Although the fraud in the insurance sector is generally correlated with domestic terrorism, typologies identified were of general nature. They are useful in the analysis and determination of potential risks, rather than for the current method of determining of financing of terrorism. It is estimated, in the professional community, that the major areas of vulnerability of the insurance sector are frauds of lesser intensity, carried out with the use of false identification documents. Thus, since most of the process of financing of terrorism depends on the fraud based on the use of false identities, in practice, there is a pronounced high degree of risk that such groups will cheat insurance companies through the opening of accounts under false identities and by faking accidents and putting in claims for compensation

**The technique of using of complex corporate structures** — in practice, is used to prevent the possibility of identifying the real owners of the company, as well as the very means.

Intelligence data indicates that some terrorist financing networks were established with excessively complex corporate structures in order to disguise the audit trail in practice, i.e. the actual owners. Nevertheless, it is difficult to distinguish the terrorists money, since nowadays of complex corporate structures, has been commonly used for reasons of tax evasion, of money laundering, to

ensure the protection of privacy as well as to conceal the real owners for the non-criminal and non-terrorist purposes. In such cases, use of known indicators of terrorist financing, such as names, origin and destination of funds, or method of detecting suspicious transaction, may assist in differentiating between using it for terrorist purposes and its use for other purposes.

### Conclusion

In the literature, mainly found viewpoint, based on numerous studies, states that modern terrorism can be cheap for funding. In addition, the exact data are stated, such as that the explosives market price is low, i.e. that it has been available to a wider range of potential buyers. Also, some authors and experts in this area argue that suicide terrorism has been very cheap, of course, without taking into account the lives of, on the one hand suicide terrorists, and on the other hand the victims, which are as a rule civilians.<sup>17</sup> As the best example of claims about a low cost of terrorist actions, which had in practice caused severe destruction and high civilian casualties, we may certainly use well known terrorist operation carried out in Madrid, which has resulted in over two hundred casualties. On the basis of investigations conducted by the Spanish government bodies, it was found that direct costs of the whole operation did not exceeded amount of 10,000 euros. Former President of Colombia Andreas Pastrana commented on this terrorist act, according to whose opinion “for the financing of, say, a terrorist attack in Madrid, it was necessary to sell two kilograms of hashish.”<sup>18</sup>

In support to this thesis are data, according to which far the most significant terrorist operation of twenty-first century was executed on 11th September 2001 in the U.S., and according to official FBI estimations, preparation and execution only, costed organizers 250,000 dollars. Financial resources were needed in order for the organization and execution of many journeys, as well as to cover expenses of flight training, that is, living expenses of terrorists themselves during the long preparation phase. All these costs certainly could not be covered just based on the personal income of terrorists themselves.<sup>19</sup> In the framework of implementation of financial investigations relating to terrorist act in the United States, 448 individuals were included, 19 legal entities and 6 different associations. A thorough analysis was also made on the use of 452 accounts in

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<sup>17</sup> Topoven Rolf, Predavanje, specijalističke studije na Fakultetu političkih nauka, Belgrade, 22 May 2006.

<sup>18</sup> Pastrana Andres., „U bankama 500 milijardi dolara od trgovine narkoticima“, the article published in the journal *Bankar*, No 7–8, July-August 2007, Belgrade.

<sup>19</sup> Kersten Ulrich, „Međunarodni terorizam, doprinos policije u suzbijanju globalnog fenomena“, *Pogledi*, 2/2003, Policijska akademija, Belgrade, p. 6.

commercial banks and 42 credit card bills. In addition, a comprehensive thorough analysis of other relevant clues and signs, was made, collected on the basis of reports of banks and other financial institutions, which indicated that it was a money laundering operation, i.e. terrorist financing through the money laundering actions.

One of the representatives of this thesis is certainly the director for defence issues and terrorism expert in the Washington Institute "Cato" Dr Ajvan Ivanda, who believes that in Europe, especially in Bosnia, the terrorists are ready to undertake various forms of terrorist activities. "That does not take a lot of money. All you need is a careful and detailed planning with individuals who are trained and ready for such actions."<sup>20</sup>

Thesis of the so-called cheap terrorism is, in practice, opposed to the second thesis, which argues that nowadays there is not cheap nor expensive terrorism. According to supporters of this thesis, terrorism has its real cost, which in reality represents significant amounts of money, even at international level.

Due to the fact that terrorism is in a way certainly unique phenomenon, one might say difficult comparable with any other phenomenon, in considering these two theses one should start with the fact that the visible act of terrorism is just the tip of the iceberg. It is in fact the final product of the ideas of terrorism, which have their basis in a much broader socio-political and socio-economic circumstances at the world community, not just in terrorist organizations, which prepare and perform terrorist activities. In order to have a terrorist act, as the final product it is necessary to provide and invest substantial financial resources. They are necessary in order to create suitable conditions for the emergence of terrorism. Terrorism as a phenomenon arises directly from the extremism that can be manifested in its specific forms. As the most obvious and most familiar form of extremism today, we specify religious extremism, which certainly represents an ideal breeding ground for the emergence and development of religious terrorism.

From the above mentioned, it is clear that consideration of just cost of individual segments of a terrorist act is not crucial, such as price of used explosives. When considering and determining the cost price of executed terrorist act, behind whose realization is a terrorist organization, all other financial expenses should be certainly included. First of all, we should bear in mind the expenses necessary, to sow the seeds that will grow as the sprouts of the idea of terrorism, from which in practice, the terrorist organizations and their actions arise, for whose ultimate implementation, larger financial resources are not actually needed.

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<sup>20</sup> Ivand Ajvan, preuzeto sa internet stranice <http://www.ekonomist.co.yu/magazin/global1.htm>, 4. 7. 2007.

On this occasion, it is necessary to mention that in practice terrorism can be demonstrated in the form of individual terrorist acts, behind which there is no terrorist organization, i.e. its financial support. In such cases, however, behind each individual terrorist act is certainly the idea of terrorism. We have already noted that the creation and feeding of these ideas successively and undoubtedly require substantial financial resources.

Are the advocates of the first or the second thesis right? How much funding is really necessary, in practice, to create a real basis for the initiating, organizing and carrying out of terrorist actions by members of terrorist organizations? The answer is almost imposed if we take into account the fact that for the establishment and maintenance of the terrorist infrastructure is necessary to provide significant resources to install and maintain a wide network of supporters in organized terrorist cells worldwide, for rental or purchase of apartments, as well as other logistical activities. Certainly it comes to amounts for which could not be claimed to be insignificant. Some estimates to hover around the amount of several billion dollars globally. Only data on the Al Qaeda's property indicate that terrorist organization has available assets valued at over five billion dollars. Analysts estimate Al Qaeda's annual income to amount of between twenty and fifty million dollars.

From the above, it is clear that if we look at terrorism as a phenomenon, a process that was designed, not spontaneously initiated, created and developed, which in the end inevitably results in taking of specific terrorist activities. There is no mention of cheap terrorism in today's world. Modest financial resources can be sufficient for the financing of just certain segments of the entire terrorist infrastructure or actions. All this, however, represents only a drop in the evidently growing sea of already well developed terrorist ideology, i.e. established infrastructure, which is in front of our eyes steadily developed and transformed from one form to another, depending on the various social, religious, modern or traditional civilization influence.

This way understood, and presented dimension of contemporary terrorism has great importance in the field of complete, and what is very important, the correct perception of the phenomenon of terrorism, i.e. in the field of the successful opposition to it.

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## International Cooperation of See Countries — Case of CEFTA

### ABSTRACT

The paper discusses the trade exchange of Southeast Europe. They emphasized the analysis of trade in the region with the world and trade exchange among members of CEFTA. The work includes a brief overview of the economic regional cooperation through agreements in the past and that the same differ according to the present. The aim is to identify trade and economic similarities between the countries of Southeast Europe. Through individual analysis of trade and economy of all countries, obtained more accurate picture of the region as a whole. Exchange of goods is rising but there is a large untapped potential for further expansion of trade in the region and with third countries.

Many economists and politicians argue that the trade between countries of the Balkan region is among the most important aspects of the development of South Eastern Europe. There are several important points to this assertion, one of which is certainly the fact that by increasing the trade among each other, Balkan countries improve their economies and employ more people. Another aspect is that the Balkan countries that are not in the EU as of yet, are aiming to improve trade among themselves by lowering tariffs. This is the case with CEFTA agreement supported by the European Commission. Moreover, CEFTA members are essentially preparing themselves for the EU accession thus continuing the tradition of the original CEFTA, whose founding members are now in the EU. There is also the fact that by having a common market, the

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countries can improve domestic demand but also improve exports to the EU and to third countries.

*Key words:* trade, development, trade deficit, trade surplus, the EU, CEFTA.

## **Introduction**

Trade exchange in the region can contribute to their faster development. Regional integration processes and regional organizations can create conditions for a harmonized exchange of goods within the region and indirectly provide great benefits in terms of ease of entry into neighboring markets that would otherwise be less accessible. The advantage of CEFTA, as a common market of 27 million consumers, is that each of the countries of the region makes it more attractive place for foreign capital. This significantly raises the interest of investors. On the other hand, the biggest problem is many kinds of non-tariff barriers (for example, complicated procedures at border crossings, plenty of paperwork, insufficient number of internationally recognized accreditation and certification bodies).

The common economic market similar countries can serve as a testing ground for the willingness to enter into open market competition that prevails in the EU market. In addition to economic free trade zone in Southeast Europe has a political significance because, to a great extent the EU project aimed at improving cooperation among countries in the region. In this respect, and receiving financial assistance as well as the speed of approaching the EU, and WTO, to a large extent depend on the mutual trade cooperation among countries of the region.<sup>2</sup> Countries with the greatest economic potential and political significance, in southeastern Europe, Serbia and Croatia. Most competitive manufacturing industry, and from there most of the exports) is Croatia. Its relative importance of the “dominant” and accordingly the company from Croatia will most easily achieve the benefits of free business in the single market. Economic cooperation of SEE countries, however, is the strategic interest of all countries in the region, and foreign trade can contribute to their faster development.

## **The level of development of Southeast Europe**

SEE countries with the greatest economic potential of the Croatian and Serbian, but the IMF projected that GDP will grow by Serbian Croatian. In Table 1 are given indicators GDP per capita for countries and their tendency to

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<sup>2</sup> Dragoljub Živojinović, *U potrazi za zaštitnikom — Studije o srpsko-američkim vezama 1878–1920*, Albatros, Beograd, 2010. p. 23.

assess the year 2015. The crisis has affected all countries in the region but recovery (measured by GDP pc in dollar terms at current exchange rate) but significant in 2011godini. However, if for example in Serbia rose by 1.5% in 2010 due to depreciation of real GDP per capita is still reduced and that year. By far the highest levels of pc GDP has, as expected, Croatia. Serbia is in the middle, while at the rear of Kosovo and Albania.

*Table 1.* GDP per capita in dollars at current exchange rate  
(Assessment for the years)

	2010	2011	2012	2013	2014	2015
Albania	3616	3720	3932	4165	4437	4765
B i H	4158	4275	4585	4929	5263	5623
Croatia	13528	13872	14572	15381	16238	17146
Kosovo	2604	2776	2925	3058	3151	3268
Macedonia	4635	4868	5204	5532	5885	6242
Montenegro	6117	6197	6530	6883	7163	7443
Serbia	5262	5574	6421	7007	7655	8257

Source: World Economic Outlook Database, October, 2010., [www.inf.org/external/ns/cs.aspx?id=29](http://www.inf.org/external/ns/cs.aspx?id=29) (02.04.2012).

On the other hand, if we look at GDP purchasing power (in billions dollars) the picture is somewhat different because it incorporates the price level in each country. Serbia in 2010 was the largest economies in the region on this indicator (the level of GDP is estimated, it will be for ten years). Poorer countries have lower prices and see if the figures in the table divided by the population, the GDP *per capita*, roughly, about two times higher in most SEE countries, while in Croatia the difference is smaller (Table 2).

Table 2. PPP GDP (at purchasing power) of the SEE countries,  
in billions of dollars  
(Assessment for 2011, 2012, 2013, 2014, 2015 years)

	2008	2009	2010	2011	2012	2013	2014	2015
Albania	21,9	22,8	23,6	24,7	25,9	27,4	29,2	31,2
B i H	30,5	29,8	30,2	31,5	33,5	35,8	38,1	40,5
Croatia	82,5	78,4	78,0	80,3	83,4	87,2	91,3	95,7
Kosovo	4,0	4,2	4,4	4,7	5,0	5,4	5,7	6,0
Macedonia	18,9	18,9	19,3	20,2	21,4	22,5	23,8	25,2
Montenegro	6,9	6,6	6,5	6,9	7,4	7,9	8,3	8,8
Serbia	79,8	78,1	79,9	83,3	88,7	95,0	101,9	109,0

Source: World Economic Outlook Database, October, 2010. [www.inf.org/external/ns/cs.aspx?id=29](http://www.inf.org/external/ns/cs.aspx?id=29) (02.04.2012).

According to the IMF, in 2010, all countries, except Croatia, have had positive growth rates of GDP (3.1% Albania, Croatia — 1.5%, 0.3%, Montenegro, Macedonia 1%, 4.6 Kosovo %, B 0.5%, Serbian 1.5%). The following table IMF estimates are given for the next five years, where you can see that the highest growth rates achieved Serbia, Kosovo and Albania, while GDP growth will be slowest in Croatia, which is, again, in accordance with the rule that the economy on a higher level of development progresses slowly and has a lower growth rate.<sup>3</sup>

<sup>3</sup> Boris Nikolić; "Trade in Western Balkans", *Međunarodni problemi*, Institut za međunarodnu politiku i privredu, Beograd, br.3/2011. 2011pp. 423–37.

*Table 3. Estimated growth rates of GDP PPP  
(Predictions for the years)*

	2011	2012	2013	2014	2015	2015/2008
Albania	4,5	5,0	5,8	6,5	6,9	42,5
B i H	4,3	6,4	6,8	6,3	6,4	33,0
Croatia	3,0	3,9	4,5	4,7	4,8	16,0
Kosovo	7,2	6,8	5,5	5,6	6,4	52,0
Macedonia	4,4	5,9	6,6	5,7	5,9	33,5
Montenegro	5,9	6,9	6,5	6,0	5,8	27,5
Serbia	4,3	6,4	7,1	7,3	6,9	36,7

Source: World Economic Outlook Database, October, 2010.

All SEE countries had a relatively high level of current account deficit of balance of payments (for example, Serbian 18% in 2008) that he would have declined during the crisis so that in 2010, compared to GDP was: Serbian 9%, B H and 6%, 3% of Croatia, Albania 11%, 29% of Montenegro. So, Montenegro and Kosovo have a very high balance of payments deficits as a result of huge capital inflows (relative to GDP in these areas) in recent years in this country, but the export sector and underdeveloped.<sup>4</sup>

Fiscal deficits, generally speaking, are not so large and significantly lower than the average for the European Union. However, given the much more difficult features of these countries to borrow in financial markets deficits in public spending is not a problem. For example, in Serbia 2010 consolidated budget deficit is 4.8% of GDP in the year 2011 is projected at 4.1% of GDP, a decline caused by encouraging the adoption of rules under the patronage sallied

<sup>4</sup> IMF, *World economic outlook statistical database* <http://webzrzs.stat.gov.rs/WebSite/Public/PageView.aspx?pKey=9201/2011>.

fiscal IMF. In Croatia, the fiscal deficit stood at 4.2% of GDP, 3% in Albania, Bosnia-Herzegovina 4.5% to 7.2% in Montenegro, Macedonia 2.5%).<sup>5</sup>

Public debt is also low for the standards of the European Union, but its rapid growth (in the last two years has been to nearly 39% of GDP in Serbia, an increase of up to 14%) creates potential problems for this country. External debt is a growing problem in Croatia and Serbia, because these countries by the standards of the World Bank's Heavily Indebted or are on the verge of highly indebted countries (for example, Serbian nearly 80% of GDP in 2010).<sup>6</sup>

Exchange rate movements had a negative only in Serbia, because of the crisis in September 2008 to the end of 2010 was a depreciation of the diner by 28% (about 10% in real terms), while other Southeast European countries had fixed exchange rates in effect (B & H has fixed due to the currency board regime, Montenegro and Kosovo use the euro, the Albanian, Macedonian and Croatian currency, were practically unchanged in recent years). This gave impetus to Serbia in the context of growth of price competitiveness relative to neighboring countries but also in relation to the European Union and in recent years was expressed improving trade balance. Proportion of observations in the region of the seven countries is usually around 0.16% of global exports in the period 2005-2010. When it comes to imports observed seven countries share in global imports is also low but significantly higher and usually amounts to just over 0.3% during the 2005-2010 year. These are comments in the past to look at the trends.

### **Impact of economic crisis on developing countries of Southeast Europe**

Indisputably the world's financial and economic crisis has hit all countries in the region. Although there is great potential for growth in bilateral trade with most Southeast European countries and the region was badly hit by the global economic crisis, so that the recovery is very dependent on economic developments in the European Union. The global economic crisis has significantly impeded the ability of countries in the region to finance the balance of trade imbalance. Therefore, the value of exports region countries is relatively small, while the value of imports increased significantly, and these countries have large trade deficit. It was in 2008 for these countries amounted to 33.4 billion euros that in 2009 dropped to 23.8 billion dollars. In 2010 there was a

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<sup>5</sup> Statistical Office of Ross, internet: <http://webrzs.stat.gov.rs/WebSite/Public/PageView.aspx?pKey=9201/2011>.

<sup>6</sup> National Bank of Serbia, internet: [http://www.nbs.rs/export/internet/english/80/platni\\_bilans.html01/2011](http://www.nbs.rs/export/internet/english/80/platni_bilans.html01/2011).

further decline in the trade deficit significantly higher rate of growth of exports than imports and the foreign trade deficit amounted to 21.1 billion dollars. Before the crisis, the October 2008 trade growth was higher in the mutual exchange with regard to trade with the rest of the world. The fall was greater trade between them in relation to the rest of the world. Positive growth rate of exports began in January 2010. The trade between the positive growth rate of exports was reached in mid-2011. Bearing in mind that the countries of the region hard hit by the global economic crisis, a recovery will depend on economic developments in the European Union.<sup>7</sup>

There are three exit strategies, among many options that the countries of the region could use, or already partially implemented, in order to have a speedy economic recovery:<sup>8</sup>

- 1) Improve bilateral trade;
- 2) Attract production-oriented investments, and
- 3) Finding a bilateral financial assistance from friendly countries in case the banks with their markets (which is at present an unlikely option);

The European Union is only from 2007 to 2010 invested more than a billion euros in improving regional cooperation in Southeast Europe. Cooperation between countries in the region has made significant progress, but the region still is not, and in 2011, and apparently even reach the 2012 growth rate that was before the crisis, and it is necessary to convince investors that the market rule of law. In any case, the European Union will continue to politically and financially support by the CEFTA agreement, as well as important reforms for the accession countries in the European Union. Before the global financial and economic crisis (2007-2010) South East European countries had higher rates of growth of mutual trade (relative to the growth of trade with the rest of the world) which affected the relative growth of mutual trade interest. The crisis is much more affected by the mutual exchange, but exchanges with the rest of the world, while the post-crisis recovery of exports based on demand from the rest of the world, with stagnation or slight increase in imports.

### **The achieved level of external trade in the region**

In the region of Southeast Europe by far the largest exporter of goods is Croatia, although its relative importance decreases in favor of countries that

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<sup>7</sup> Dezmon Dinan, *Sve bliža Unija – Uvod u evropske integracije*, Službeni glasnik, Beograd, 2009, str.490.

<sup>8</sup> Duško Lopandić and Jasminka Kronja, *Regional Initiatives and Multilateral Cooperation in Balkans*, Second Edition, National Library of Serbia, Belgrade, 2010, pp. 38, 40.

have significantly increased their exports in the previous period, primarily Serbian, speaking in absolute numbers, because it exports almost doubled. So if we take into account the exchange or export of services, Croatia's advantage is far greater, given that the country achieved in 2010 exports of services by as much as 8.4 billion euros, while imports amounted to 2.7 billion euros. The relative importance of which is improved with Montenegro (service exports 0.7 billion, imports 0.3 billion euros in 2010). B&H exports of services was 1.9 billion euros and imports about 0.9 billion euros. Serbia and the remaining SEE countries had a relatively modest share of services exports and imports about 2.6 euro 2.6 billion in 2010.

With approximately 0.5 billion euros, Croatia is among the countries of the region, the largest investor in Serbia. In contrast Serbian investments in Croatia are only 45 million. Bosnia and Herzegovina is the most important importer of products from other countries in the region and making a huge trade deficit with Croatia and Serbia. In trade with the countries of Bosnia and Herzegovina has the same aggregate value of exports and imports with countries such as the cumulative value of trade with Germany, Italy and Slovenia. Given the large trade deficit, the economic crisis affected the B&H reduces the trade deficit with the countries of the region, a deeper decline in exports to CEFTA countries than imports, a fact that reduces the trade imbalance.

In general, foreign trade, as in much other economic performance, there are many similarities between countries in the region. This above all: very few commodity exports — absolute and relative terms (relative to GDP, imports, per capita), large trade deficits (financed by remittances, loans, foreign loans and grants).

The following two tables can be seen relatively modest value of merchandise exports and, to a lesser extent, imports of the region. The cumulative growth of exports was 57% and imports 26% on average in the period 2005-2010 years. The largest exporter of goods in the region has by far, Croatia although its relative importance decreases in favor of countries that have significantly increased their exports in this period.

The advantage over other countries, Croatia is significantly higher if we take into account the exchange or export of services because it was in 2010, exports of services by as much as 8.4 billion euros, while imports amounted to 2.7 billion euros. Montenegro had exports of services by 0.7 billion euros and imports of 0.3 billion euros. BiH exports of services were 1.9 billion euros and imports slightly less than 0.9 billion euros. And Serbia has a relatively modest share of services exports and imports about 2.6 billion euros 2.6 in 2010.

*Table 4. Total exports of the Western Balkans  
(in billions of euros)*

	2005	2006	2007	2008	2009	2010
Montenegro	0,369	0,441	0,455	0,416	0,277	0,330
Croatia	7,044	8,260	9,017	9,599	7,510	8,809
Serbia	3,751	5,308	6,660	7,638	6,172	7,632
Macedonia	1,639	1,911	2,448	2,714	1,929	2,426
Albania	0,529	0,631	0,786	0,920	0,780	1,252
B & H	1,918	2,729	3,029	3,413	2,817	3,629
Kosovo	0,049	0,110	0,165	0,198	0,165	0,279
Collectively Western Balkans	15,298	19,391	22,561	24,899	19,652	24,098

Source: *European Commission*, internet: <http://ec.europa.eu/trade/creating-opportunities/bilateral-relations/regions/balkans/01/2011>.

*Table 5. Total imports of the Western Balkans  
(in billions of euros)*

	2005	2006	2007	2008	2009	2010
Montenegro	1,043	1,457	2,073	2,530	1,654	1,654
Croatia	14,903	17,116	18,843	20,883	15,203	14,792
Serbia	8,400	10,485	13,535	16,478	11,504	12,621
Macedonia	2,592	2,995	3,813	4,681	3,472	4,333
Albania	2,099	2,433	3,064	3,568	3,261	3,616
B & H	5,663	6,017	7,091	8,284	6,290	6,965

Source: *European Commission*, internet: <http://ec.europa.eu/trade/creating-opportunities/bilateral-relations/regions/balkans/01/2011>.

Trade deficit is the rule in the trade of all countries in the region, as none of the seven countries of the Western Balkans in the 6 years of observations did not achieve a surplus in merchandise trade with foreign countries. The largest cumulative deficit in the observed 6 years, Croatia has high as 51.5 billion euros, 35.9 billion euros in Serbia, Bosnia and Herzegovina 22.7 billion euros, 13.1 billion euros in Albania, Kosovo 8.9 billion euros, Macedonia, 8, 5 billion euros and Montenegro 8.2 billion euros. Export-import ratio is extremely low, averaging only 23.3%. Serbia in the period 2005-2010 it had 50.7% coverage ratio, Croatia 49.7%, 60.7% of Macedonia, Bosnia and Herzegovina 43.4%, 26.8% of Albania. The average coverage for all seven countries surveyed in 6 years, 45.9% is low but slightly increasing export-import ratio. Merchandise exports per capita shows that Croatia is leading in the region, while Macedonia, Bosnia and Serbia can halve exports per capita. Croatia is the first position when it comes to imports per capita, and behind it was Montenegro. We should bear in mind that the more advanced transition countries have generally more than 6000 euros goods exports and imports per capita in the observed years (2005-2010) and to indicate their greater integration into the international division of labor. Countries with which we can compare Bulgaria and Romania, and they have become full members of the European Union.

Table 6. Exports and imports of Western Balkan countries per capita in euros

	Export pc 2009	Export pc 2010	Import pc 2009	Import pc 2010
Montenegro	447	533	2668	2669
Croatia	1707	2002	3455	3362
Serbia	834	1031	1555	1706
Macedonija	941	1183	1764	2114
Albania	257	417	1076	1206
B & H	854	1037	1906	1990
Kosovo	75	140	880	985
Collectively Western Balkans	854	1059	1890	1998

Source: *European Commission*, internet: [http://ec.europa.eu/trade/creating\\_opportunities/bilateral-relations/regions/balkans/01/2011](http://ec.europa.eu/trade/creating_opportunities/bilateral-relations/regions/balkans/01/2011).

Collectively, or average terms, exports to other Western Balkan countries generally makes about 26% - 30% of total exports, while the relative importance of aggregate or average of imports from other Western Balkan countries much more modest (around 15%). The average growth rate of the discrete cumulative exports amounted to 9.4% (cumulative 56%), and cumulative imports ZB 5.9% (cumulative 33%) during 2005-2010 years, which is somewhat higher than the growth of total merchandise imports of the same countries. Observed in absolute numbers the largest export is Serbian and that's already ahead of Croatia in 2006. Third place belongs to Bosnia and Herzegovina, followed by Macedonia, Albania, Montenegro and Kosovo. On the imports of goods from the air base sequence is somewhat different: the Bosnia and Kosovo are unmatched, and roughly half as imports have Serbia and Croatia. Then follows Macedonia, Montenegro and Albania; in 2009 those countries have reduced the mutual exchange of surplus and deficits have reduced the deficit. In 2010 the recovery of exports of the Western Balkans is directed to the rest of the world, while the recovery of imports and a modest growth rates in trade with the world and the Western Balkans, the mutual trade, improving the trade balance were: Kosovo, Montenegro and Bosnia. It notes the slow recovery of mutual exchange, because the recovery is highly dependent on the total share of the growth in imports from Italy, Germany and Slovenia.

### **The difficulties in raising foreign exchange**

At present there are over a hundred different types of non-tariff barriers such as:

- Complicated procedures at border crossings;
- Extensive paperwork and inconsistency of customs and inspection services;
- Insufficient number of internationally recognized accreditation and certification

Bodies, and authorized laboratories and institutions:

- Non-recognition of quality certificates;
- Complicated visa regime;
- Corruption and smuggling;

Given these barriers it is necessary to improve the quality of infrastructure to the level when the certificates for the products of the SEE countries recognized in all EU countries.

The structure of trade of the SEE countries is still is inadequate. Commodity trade is predominantly based on the lower phase of processing products (raw

materials, semi-finished) and to a lesser extent, finished products with low added value. The exchange consists mainly of food products (vegetables, fruits, confectionery, cereals), agricultural raw materials, electricity, gas, petroleum products, paper, paperboard and articles of paper pulp, basic metals (steel sheets, aluminum profiles, copper cathode), chemical and textile products. With this in mind that it is not realistic in the short term significantly improve the quality of mutual trade of the SEE countries. In the last decade of the exchange notes stagnations structures within the region. In addition, many “sensitive” industrial products not covered by CEFTA (customs duty on them to reduce the phase) as well as agriculture or services. Countries of the region are technologically obsolete industries, compete in exports to the European Union and that practically no one much to offer others. On the other hand, there are still numerous obstacles to the realization of regional economic integration, the creation of powerful regional retail companies, regional trade balances, the impact of large investors. For most countries in the potential of mutual economic cooperation is important but there are significant limitations. This is primarily related to unfavorable export structure and a small number of large exporters, while the second problem can be eliminated good strategy of export incentives by attracting investment and large exporting companies, the first problem is solvable difficult in the short term.

### **The role of CEFTA**

CEFTA agreements which are covered by the SEE countries is in some way, “trial balloon” to connect these countries to the EU, where the country should prepare for the obligations that membership implies. CEFTA agreement replaced a network of as many as 32 arrangements for free trade in the region of Southeast Europe, which have applied since 2001. CEFTA has a positive effect on the intensification of mutual trade, which is indicated by reference statistics. The common economic market similar countries can serve as a testing ground for the willingness to enter into open market competition that prevails in the EU market. Most benefit from duty-free space will be companies with relatively high quality supply that will help in this way to reach new consumers, while the main losers will be companies that have survived thanks to the difficulty surrounding the performance of competitors, the domestic market. Further liberalization of trade in agricultural and food products in the region should enter into force in the future. Non-tariff barriers, particularly those relating to technical barriers and phytosanitary measures, but should be abolished. It is expected to soon adopt measures to some of the barriers, primarily mutual non-recognition of quality certificates (sanitary, phytosanitary, veterinary) agricultural products, removed. Prohibition of discrimination

against the products of different Member States, free movement of goods and services across administrative boundaries and strong competition, the basic economic principles of the European Union. Achieving these criteria in a smaller, more homogenous market will help the CEFTA countries to prepare themselves better for the market economy and competition within the European Union. Benefits of CEFTA, as a not-so-small market size in the European context, are that each of the countries of the region makes it more attractive place for foreign capital, which significantly raises the interest of investors. For mutual investment should be eliminated administrative and other obstacles, and the ultimate goal is establishing a joint investment market with the agreed investment policies. CEFTA has nine annexes including the list of industrial and agricultural products, which are not fully, liberalized the entry into force. The most important new CEFTA agreement in relation to the previous bilateral agreements, which are of particular interest to industry are:

- Possibility of using diagonal communication origin of goods;
- The introduction of gradual liberalization of trade in services;
- Obligation of equalization of conditions for investment by reference to the WTO,
- Ensuring equal treatment of domestic and investors from the region;
- Gradual opening of supply markets and equal treatment of domestic and suppliers from countries in the region;
- Ensuring the protection of intellectual property rights in accordance with international standards;
- Improved mechanisms for resolving disputes that arise during the implementation of the Agreement;
- The obligation to respect the WTO rules, regardless of whether a country is its member. In addition, the CEFTA agreement is determined to eliminate all quantitative restrictions, customs duties and other duties among the countries of the region, and to not introduce new barriers. There are certain restrictions on the list of products that can be exported duty-free, or lists of products that do not apply to preferential trade rules. However, the biggest problem is probably more than one hundred kinds of non-tariff barriers (procedures at border crossings, extensive paperwork, insufficient number of internationally recognized certification bodies and accreditation) based on the theoretical and empirical research as well as data on the relative importance of countries region, the greatest benefit from the implementation of CEFTA is Croatia, and Serbia. The relative importance of Croatia's economy is "dominant" (the proportion is generally greater than 40% in relative economic indicators), and

accordingly the company from Croatia will most easily achieve the benefits of free business at the regional common market.

### **Prospects of regional integration of Southeast Europe**

Due to the relatively small industrial base, with high import restrictions from the effects of insufficient integration of the developed countries in the region are not appropriate. These effects are, usually, determined empirically, because due to the effects of economic geography (economies of scale) industrial production tends to concentrate in the largest and most developed country in the integration, with negative consequences for other countries in the integration.<sup>9</sup> This is probably the main reason why most of the regional economic integration among developing countries has failed, and lasted a very short time. The experience of many free trade agreements between developing countries, points to some examples in which integration promotes divergence and trade diversion. Gravity model (which measures the difference between potential and actual trade) shows that Serbia has a scope for increasing trade with Croatia and Albania, while trade with Bosnia, Macedonia and Montenegro, well above potential.

Regional economic integration of countries with low GDP, most likely, will lead to divergence in the development of the countries involved in at least two reasons:<sup>10</sup> (1) is usually the country in the free trade agreement that has a comparative advantage furthest from the world average is most at risk of serious and divert trade flows (if a group of low-income countries formed a free trade zone there will be a tendency for states with the lowest incomes have a real loss of income due to diversion of trade);

(2) agglomeration gravity to bring about the spatial cauterizations activities of this force tends to lead to large concentrations of economic activity will be expressed in free trade zones that form the poor countries, in relation to the integration of developed countries (that's extra power divergence in levels of development, the free trade of developing countries, with relatively rich countries have used to the detriment of the poor.

Undeniably, the regional economic integration is a particularly good choice for the countries small and medium-sized those are highly dependent on international trade. The overall effects of integration are more important than the quantifiable economic size and can be understood as an extension of

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<sup>9</sup> Anthony Venables, „Regional Integration Agreements: a force for convergence of divergence“, World Bank WP 2260, 1999, p. 3.

<sup>10</sup> Antevski Miroslav, *Regionalna ekonomska integracija u Evropi*, IMPP, Beograd., 2008, pp. 45–76.

opportunities and development potential. When it comes to the future of EU integration will depend on the momentum to enhance efficiency and international competitiveness of European economies, convergence in productivity and income across countries, the political unity between countries, and harmonize conflicting interests. The goal of development policy is to help poor countries, especially those historically associated with the EU member states that economic growth, but not at the risk of exposure to politically sensitive sectors of European higher competition. For all countries in the region faster EU accession requires regional economic cooperation and market reform, and change the economic structure in order to create opportunities for accelerated economic development.

### **Conclusion**

The accelerated development of the SEE countries can greatly affect the quality and increase the volume of foreign trade. The greatest barriers to trade are the numerous non-tariff barriers. In addition, many “sensitive” industrial products not covered by CEFTA (customs duties on them to reduce the phase) as well as agriculture or services. Gravity model that measures the difference between potential and actual trade, shows that all countries have scope for increasing trade. Regional economic integration is a particularly good choice for the country’s small and medium-sized, such as the Southeast European countries, which are highly dependent on international trade. Short-term, medium term and to a lesser extent, the costs can be greater than the benefits, but the benefits arrive in the small “meals”. In the long run, the overall benefits of economic integration are greater than costs. The overall effects of integration are more important than the quantifiable economic size and can be understood as the expansion and development opportunities potential. CEFTA creates conditions for a harmonized exchange of goods within the region and indirectly brings huge benefits, which are primarily related to the possibility of easier entry into neighboring markets that were less accessible and increase participation in other markets of this agreement.

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## A Selected Bibliography for Conflict and Economic Inequality

Economic inequality is of interest not only to economists, but also to other social scientists, and especially peace researchers. The literature on correlation between conflicts and economic inequality is very diverse as well between inequality and particular type of violent conflict (inter state war, revolution, coup, etc.). This bibliography provides overview of the most important references (books, edited volumes, contributions to edited volumes, journal articles and online resources) related to this topic, and represents possible starting point for all researchers who are interested in this issue.

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### Online Resources

- Global Conflict Trends
- Available from SSRN <http://www.systemicpeace.org/conflict.htm>
- Global Peace Index
- Available from <http://www.visionofhumanity.org/gpi-data/>
- The Failed State Index
- Available from SSRN <http://www.fundforpeace.org/global/?q=fsi-about>
- The Political Instability Task Force (PITF)
- Available from SSRN <http://globalpolicy.gmu.edu/pitf/>
- UNU-WIDER (World Income Inequality Database)
- Available from SSRN <http://62.237.131.23/wiid/wiid-documentation1.php>
- Uppsala Conflict Data Program
- Available from SSRN [http://www.pcr.uu.se/research/ucdp/program\\_overview/](http://www.pcr.uu.se/research/ucdp/program_overview/)

## DOCUMENTS\*

*Official Journal of the European Union C326/391, 26/10/2012*

### **Charter of Fundamental Rights of the European Union**

(2012/C 326/02)

The European Parliament, the Council and the Commission solemnly proclaim the following text as the Charter of Fundamental Rights of the European Union.

#### **CHARTER OF FUNDAMENTAL RIGHTS OF THE EUROPEAN UNION**

##### *Preamble*

The peoples of Europe, in creating an ever closer union among them, are resolved to share a peaceful future based on common values.

Conscious of its spiritual and moral heritage, the Union is founded on the indivisible, universal values of human dignity, freedom, equality and solidarity; it is based on the principles of democracy and the rule of law. It places the individual at the heart of its activities, by establishing the citizenship of the Union and by creating an area of freedom, security and justice.

The Union contributes to the preservation and to the development of these common values while respecting the diversity of the cultures and traditions of the peoples of Europe as well as the national identities of the Member States and the organisation of their public authorities at national, regional and local levels; it seeks to promote balanced and sustainable development and ensures free movement of persons, services, goods and capital, and the freedom of establishment.

To this end, it is necessary to strengthen the protection of fundamental rights in the light of changes in society, social progress and scientific and technological developments by making those rights more visible in a Charter.

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\* In view of fact that the text in this section are an official nature, no alternations of any kind have been made to them by the editor of the *Review of International Affairs*.

This Charter reaffirms, with due regard for the powers and tasks of the Union and for the principle of subsidiarity, the rights as they result, in particular, from the constitutional traditions and international obligations common to the Member States, the European Convention for the Protection of Human Rights and Fundamental Freedoms, the Social Charters adopted by the Union and by the Council of Europe and the case-law of the Court of Justice of the European Union and of the European Court of Human Rights. In this context the Charter will be interpreted by the courts of the Union and the Member States with due regard to the explanations prepared under the authority of the Praesidium of the Convention which drafted the Charter and updated under the responsibility of the Praesidium of the European Convention.

Enjoyment of these rights entails responsibilities and duties with regard to other persons, to the human community and to future generations.

The Union therefore recognises the rights, freedoms and principles set out hereafter.

## Title I

### **DIGNITY**

#### *Article 1*

#### **Human dignity**

Human dignity is inviolable. It must be respected and protected.

#### *Article 2*

#### **Right to life**

1. Everyone has the right to life.
2. No one shall be condemned to the death penalty, or executed.

#### *Article 3*

#### **Right to the integrity of the person**

1. Everyone has the right to respect for his or her physical and mental integrity.

2. In the fields of medicine and biology, the following must be respected in particular:

- (a) the free and informed consent of the person concerned, according to the procedures laid down by law;

- (b) the prohibition of eugenic practices, in particular those aiming at the selection of persons;
- (c) the prohibition on making the human body and its parts as such a source of financial gain;
- (d) the prohibition of the reproductive cloning of human beings.

*Article 4*

**Prohibition of torture and inhuman or degrading treatment or punishment**

No one shall be subjected to torture or to inhuman or degrading treatment or punishment.

*Article 5*

**Prohibition of slavery and forced labour**

1. No one shall be held in slavery or servitude.
2. No one shall be required to perform forced or compulsory labour.
3. Trafficking in human beings is prohibited.

Title II

**FREEDOMS**

*Article 6*

**Right to liberty and security**

Everyone has the right to liberty and security of person.

*Article 7*

**Respect for private and family life**

Everyone has the right to respect for his or her private and family life, home and communications.

*Article 8*

**Protection of personal data**

1. Everyone has the right to the protection of personal data concerning him or her.

2. Such data must be processed fairly for specified purposes and on the basis of the consent of the person concerned or some other legitimate basis laid down by law. Everyone has the right of access to data which has been collected concerning him or her, and the right to have it rectified.

3. Compliance with these rules shall be subject to control by an independent authority.

*Article 9*

**Right to marry and right to found a family**

The right to marry and the right to found a family shall be guaranteed in accordance with the national laws governing the exercise of these rights.

*Article 10*

**Freedom of thought, conscience and religion**

1. Everyone has the right to freedom of thought, conscience and religion. This right includes freedom to change religion or belief and freedom, either alone or in community with others and in public or in private, to manifest religion or belief, in worship, teaching, practice and observance.

2. The right to conscientious objection is recognised, in accordance with the national laws governing the exercise of this right.

*Article 11*

**Freedom of expression and information**

1. Everyone has the right to freedom of expression. This right shall include freedom to hold opinions and to receive and impart information and ideas without interference by public authority and regardless of frontiers.

2. The freedom and pluralism of the media shall be respected.

*Article 12*

**Freedom of assembly and of association**

1. Everyone has the right to freedom of peaceful assembly and to freedom of association at all levels, in particular in political, trade union and civic matters, which implies the right of everyone to form and to join trade unions for the protection of his or her interests.

2. Political parties at Union level contribute to expressing the political will of the citizens of the Union.

*Article 13*

**Freedom of the arts and sciences**

The arts and scientific research shall be free of constraint. Academic freedom shall be respected.

*Article 14*

**Right to education**

1. Everyone has the right to education and to have access to vocational and continuing training.

2. This right includes the possibility to receive free compulsory education.

3. The freedom to found educational establishments with due respect for democratic principles and the right of parents to ensure the education and teaching of their children in conformity with their religious, philosophical and pedagogical convictions shall be respected, in accordance with the national laws governing the exercise of such freedom and right.

*Article 15*

**Freedom to choose an occupation and right to engage in work**

1. Everyone has the right to engage in work and to pursue a freely chosen or accepted occupation.

2. Every citizen of the Union has the freedom to seek employment, to work, to exercise the right of establishment and to provide services in any Member State.

3. Nationals of third countries who are authorised to work in the territories of the Member States are entitled to working conditions equivalent to those of citizens of the Union.

*Article 16*

**Freedom to conduct a business**

The freedom to conduct a business in accordance with Union law and national laws and practices is recognised.

*Article 17*

**Right to property**

1. Everyone has the right to own, use, dispose of and bequeath his or her lawfully acquired possessions. No one may be deprived of his or her possessions, except in the public interest and in the cases and under the conditions provided for

by law, subject to fair compensation being paid in good time for their loss. The use of property may be regulated by law in so far as is necessary for the general interest.

2. Intellectual property shall be protected.

*Article 18*

**Right to asylum**

The right to asylum shall be guaranteed with due respect for the rules of the Geneva Convention of 28 July 1951 and the Protocol of 31 January 1967 relating to the status of refugees and in accordance with the Treaty on European Union and the Treaty on the Functioning of the European Union (hereinafter referred to as ‘the Treaties’).

*Article 19*

**Protection in the event of removal, expulsion or extradition**

1. Collective expulsions are prohibited.

2. No one may be removed, expelled or extradited to a State where there is a serious risk that he or she would be subjected to the death penalty, torture or other inhuman or degrading treatment or punishment.

Title III

**EQUALITY**

*Article 20*

**Equality before the law**

Everyone is equal before the law.

*Article 21*

**Non-discrimination**

1. Any discrimination based on any ground such as sex, race, colour, ethnic or social origin, genetic features, language, religion or belief, political or any other opinion, membership of a national minority, property, birth, disability, age or sexual orientation shall be prohibited.

2. Within the scope of application of the Treaties and without prejudice to any of their specific provisions, any discrimination on grounds of nationality shall be prohibited.

*Article 22*

**Cultural, religious and linguistic diversity**

The Union shall respect cultural, religious and linguistic diversity.

*Article 23*

**Equality between women and men**

Equality between women and men must be ensured in all areas, including employment, work and pay.

The principle of equality shall not prevent the maintenance or adoption of measures providing for specific advantages in favour of the under-represented sex.

*Article 24*

**The rights of the child**

1. Children shall have the right to such protection and care as is necessary for their well-being. They may express their views freely. Such views shall be taken into consideration on matters which concern them in accordance with their age and maturity.

2. In all actions relating to children, whether taken by public authorities or private institutions, the child's best interests must be a primary consideration.

3. Every child shall have the right to maintain on a regular basis a personal relationship and direct contact with both his or her parents, unless that is contrary to his or her interests.

*Article 25*

**The rights of the elderly**

The Union recognises and respects the rights of the elderly to lead a life of dignity and independence and to participate in social and cultural life.

*Article 26*

**Integration of persons with disabilities**

The Union recognises and respects the right of persons with disabilities to benefit from measures designed to ensure their independence, social and occupational integration and participation in the life of the community.

Title IV

**SOLIDARITY**

*Article 27*

**Workers' right to information and consultation  
within the undertaking**

Workers or their representatives must, at the appropriate levels, be guaranteed information and consultation in good time in the cases and under the conditions provided for by Union law and national laws and practices.

*Article 28*

**Right of collective bargaining and action**

Workers and employers, or their respective organisations, have, in accordance with Union law and national laws and practices, the right to negotiate and conclude collective agreements at the appropriate levels and, in cases of conflicts of interest, to take collective action to defend their interests, including strike action.

*Article 29*

**Right of access to placement services**

Everyone has the right of access to a free placement service.

*Article 30*

**Protection in the event of unjustified dismissal**

Every worker has the right to protection against unjustified dismissal, in accordance with Union law and national laws and practices.

*Article 31*

**Fair and just working conditions**

1. Every worker has the right to working conditions which respect his or her health, safety and dignity.

2. Every worker has the right to limitation of maximum working hours, to daily and weekly rest periods and to an annual period of paid leave.

*Article 32*

**Prohibition of child labour and protection  
of young people at work**

The employment of children is prohibited. The minimum age of admission to employment may not be lower than the minimum school-leaving age, without prejudice to such rules as may be more favourable to young people and except for limited derogations.

Young people admitted to work must have working conditions appropriate to their age and be protected against economic exploitation and any work likely to harm their safety, health or physical, mental, moral or social development or to interfere with their education.

*Article 33*

**Family and professional life**

1. The family shall enjoy legal, economic and social protection.

2. To reconcile family and professional life, everyone shall have the right to protection from dismissal for a reason connected with maternity and the right to paid maternity leave and to parental leave following the birth or adoption of a child.

*Article 34*

**Social security and social assistance**

1. The Union recognises and respects the entitlement to social security benefits and social services providing protection in cases such as maternity, illness, industrial accidents, dependency or old age, and in the case of loss of employment, in accordance with the rules laid down by Union law and national laws and practices.

2. Everyone residing and moving legally within the European Union is entitled to social security benefits and social advantages in accordance with Union law and national laws and practices.

3. In order to combat social exclusion and poverty, the Union recognises and respects the right to social and housing assistance so as to ensure a decent existence for all those who lack sufficient resources, in accordance with the rules laid down by Union law and national laws and practices.

*Article 35*

**Health care**

Everyone has the right of access to preventive health care and the right to benefit from medical treatment under the conditions established by national laws

and practices. A high level of human health protection shall be ensured in the definition and implementation of all the Union's policies and activities.

*Article 36*

**Access to services of general economic interest**

The Union recognises and respects access to services of general economic interest as provided for in national laws and practices, in accordance with the Treaties, in order to promote the social and territorial cohesion of the Union.

*Article 37*

**Environmental protection**

A high level of environmental protection and the improvement of the quality of the environment must be integrated into the policies of the Union and ensured in accordance with the principle of sustainable development.

*Article 38*

**Consumer protection**

Union policies shall ensure a high level of consumer protection.

Title V

**CITIZENS' RIGHTS**

*Article 39*

**Right to vote and to stand as a candidate at elections  
to the European Parliament**

1. Every citizen of the Union has the right to vote and to stand as a candidate at elections to the European Parliament in the Member State in which he or she resides, under the same conditions as nationals of that State.

2. Members of the European Parliament shall be elected by direct universal suffrage in a free and secret ballot.

*Article 40*

**Right to vote and to stand as a candidate at municipal elections**

Every citizen of the Union has the right to vote and to stand as a candidate at municipal elections in the Member State in which he or she resides under the same conditions as nationals of that State.

*Article 41*

**Right to good administration**

1. Every person has the right to have his or her affairs handled impartially, fairly and within a reasonable time by the institutions, bodies, offices and agencies of the Union.

2. This right includes:

- (a) the right of every person to be heard, before any individual measure which would affect him or her adversely is taken;
- (b) the right of every person to have access to his or her file, while respecting the legitimate interests of confidentiality and of professional and business secrecy;
- (c) the obligation of the administration to give reasons for its decisions.

3. Every person has the right to have the Union make good any damage caused by its institutions or by its servants in the performance of their duties, in accordance with the general principles common to the laws of the Member States.

4. Every person may write to the institutions of the Union in one of the languages of the Treaties and must have an answer in the same language.

*Article 42*

**Right of access to documents**

Any citizen of the Union, and any natural or legal person residing or having its registered office in a Member State, has a right of access to documents of the institutions, bodies, offices and agencies of the Union, whatever their medium.

*Article 43*

**European Ombudsman**

Any citizen of the Union and any natural or legal person residing or having its registered office in a Member State has the right to refer to the European Ombudsman cases of maladministration in the activities of the institutions, bodies, offices or agencies of the Union, with the exception of the Court of Justice of the European Union acting in its judicial role.

*Article 44*

**Right to petition**

Any citizen of the Union and any natural or legal person residing or having its registered office in a Member State has the right to petition the European Parliament.

*Article 45***Freedom of movement and of residence**

1. Every citizen of the Union has the right to move and reside freely within the territory of the Member States.

2. Freedom of movement and residence may be granted, in accordance with the Treaties, to nationals of third countries legally resident in the territory of a Member State.

*Article 46***Diplomatic and consular protection**

Every citizen of the Union shall, in the territory of a third country in which the Member State of which he or she is a national is not represented, be entitled to protection by the diplomatic or consular authorities of any Member State, on the same conditions as the nationals of that Member State.

## Title VI

**JUSTICE***Article 47***Right to an effective remedy and to a fair trial**

Everyone whose rights and freedoms guaranteed by the law of the Union are violated has the right to an effective remedy before a tribunal in compliance with the conditions laid down in this Article.

Everyone is entitled to a fair and public hearing within a reasonable time by an independent and impartial tribunal previously established by law. Everyone shall have the possibility of being advised, defended and represented.

Legal aid shall be made available to those who lack sufficient resources in so far as such aid is necessary to ensure effective access to justice.

*Article 48***Presumption of innocence and right of defence**

1. Everyone who has been charged shall be presumed innocent until proved guilty according to law.

2. Respect for the rights of the defence of anyone who has been charged shall be guaranteed.

*Article 49*

**Principles of legality and proportionality of criminal offences and penalties**

1. No one shall be held guilty of any criminal offence on account of any act or omission which did not constitute a criminal offence under national law or international law at the time when it was committed. Nor shall a heavier penalty be imposed than the one that was applicable at the time the criminal offence was committed. If, subsequent to the commission of a criminal offence, the law provides for a lighter penalty, that penalty shall be applicable.

2. This Article shall not prejudice the trial and punishment of any person for any act or omission which, at the time when it was committed, was criminal according to the general principles recognised by the community of nations.

3. The severity of penalties must not be disproportionate to the criminal offence.

*Article 50*

**Right not to be tried or punished twice in criminal proceedings for the same criminal offence**

No one shall be liable to be tried or punished again in criminal proceedings for an offence for which he or she has already been finally acquitted or convicted within the Union in accordance with the law.

Title VII

**GENERAL PROVISIONS GOVERNING THE INTERPRETATION AND APPLICATION OF THE CHARTER**

*Article 51*

**Field of application**

1. The provisions of this Charter are addressed to the institutions, bodies, offices and agencies of the Union with due regard for the principle of subsidiarity and to the Member States only when they are implementing Union law. They shall therefore respect the rights, observe the principles and promote the application thereof in accordance with their respective powers and respecting the limits of the powers of the Union as conferred on it in the Treaties.

2. The Charter does not extend the field of application of Union law beyond the powers of the Union or establish any new power or task for the Union, or modify powers and tasks as defined in the Treaties.

*Article 52***Scope and interpretation of rights and principles**

1. Any limitation on the exercise of the rights and freedoms recognised by this Charter must be provided for by law and respect the essence of those rights and freedoms. Subject to the principle of proportionality, limitations may be made only if they are necessary and genuinely meet objectives of general interest recognised by the Union or the need to protect the rights and freedoms of others.

2. Rights recognised by this Charter for which provision is made in the Treaties shall be exercised under the conditions and within the limits defined by those Treaties.

3. In so far as this Charter contains rights which correspond to rights guaranteed by the Convention for the Protection of Human Rights and Fundamental Freedoms, the meaning and scope of those rights shall be the same as those laid down by the said Convention. This provision shall not prevent Union law providing more extensive protection.

4. In so far as this Charter recognises fundamental rights as they result from the constitutional traditions common to the Member States, those rights shall be interpreted in harmony with those traditions.

5. The provisions of this Charter which contain principles may be implemented by legislative and executive acts taken by institutions, bodies, offices and agencies of the Union, and by acts of Member States when they are implementing Union law, in the exercise of their respective powers. They shall be judicially cognisable only in the interpretation of such acts and in the ruling on their legality.

6. Full account shall be taken of national laws and practices as specified in this Charter.

7. The explanations drawn up as a way of providing guidance in the interpretation of this Charter shall be given due regard by the courts of the Union and of the Member States.

*Article 53***Level of protection**

Nothing in this Charter shall be interpreted as restricting or adversely affecting human rights and fundamental freedoms as recognised, in their respective fields of application, by Union law and international law and by international agreements to which the Union or all the Member States are party, including the European Convention for the Protection of Human Rights and Fundamental Freedoms, and by the Member States' constitutions.

*Article 54*

**Prohibition of abuse of rights**

Nothing in this Charter shall be interpreted as implying any right to engage in any activity or to perform any act aimed at the destruction of any of the rights and freedoms recognised in this Charter or at their limitation to a greater extent than is provided for herein.

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The above text adapts the wording of the Charter proclaimed on 7 December 2000, and will replace it as from the date of entry into force of the Treaty of Lisbon.



## INSTRUCTIONS FOR ASSOCIATES

*The Review of International Affairs* is a quarterly published in January, April, July and October every year.

The periodical publishes evaluated articles and conference and book reviews in the field of international relations, foreign policy, international public law and international economics.

In writing all contributions for *The Review of International Affairs* authors are kindly asked to respect the following rules.

### Instructions for Writing Articles

1. Author contributions (articles) should not be longer than 10 single-spaced pages (single) in *Word* format (up to 28000 characters with spaces).
2. Articles should be written in *Times New Roman* font, font size 12, with page numbers on the right side of the bottom of the page.
3. The title of the article should be written in capital letters, *in Bold*, font size 14. The title is separated from the text with – *spacing before 18 pt*. Below the title is given the author's forename, middle name and surname (including his title, possibly), the name of the institutions he works for as well as its seat. These data are given in *Italic*.

*Example:*

*Prof. Dragana Marko Mitrović, Ph.D., Faculty of Political Science, Belgrade*

4. If the author has a wish to point to his readers that some of the views presented in the article express his own opinion and not the one of the institution he works for it is necessary to insert at the end of the title a special footnote with the symbol \* for this remark.
5. The *Abstract* should contain not more than 100 words, presenting the most significant hypotheses the work is based upon. Below the *Abstract* the author puts up to 12 *Key Words*. Both the *Abstract* and *Key Words* are given below the title of the article and they should be separated from the rest of the text by applying the option *Paragraph-Indentation*.
6. The *Summary* written in the language of the paper (e.g. Serbian) should be placed after the text. The author should give a concise contents of the paper and the most significant hypothesis his work is based upon.
7. The basic text and footnotes should be justified by applying the option *justify*, while titles should be centred by applying the option *center*.
8. Subtitles are written in *Bold*, while sub-subtitles are in *Italic*; in both cases the font size is 12.

9. The first line in every paragraph should by no means be indented by applying tabulator – option *tab*.
10. Latin, Old Greek and other non-English words and terms in the text should be written in *Italic* (e.g. *status quo*, *a priori*, *de facto*, *acquis communautaire*, etc.). The text should contain full names and not initials.
11. Only the following form of quotation marks should be put in the text – “ and ”. In case the additional quotation marks are to be put within these ones it should be done in the following way: “Establishing a Serbian Orthodox Monastic Community in Kosovo, as an integral part of comprehensive ‘final status’ settlement”.
12. Footnotes should be written on the bottom of the page (option *Footnote*), and their marks are solely to be put at the end of the sentence.

The details on the quoted bibliographic unit in footnotes should be given in conformity with the following suggestions:

a) *Monographs*

The author's full forename and surname, the title of the monograph (*in Italic*), publisher, place of publishing, year of publishing, p. if one page of the quotation in English is cited, pp. if several pages are quoted. In case several pages are quoted En Dash is applied with no space before and after the numbers (for example 22–50).

When the proceedings in English are quoted and they were edited by more than one editor, then there should be put (eds) in brackets with no full stop after the names of the editors. If there is only one editor then (ed.) is put, including a full stop inside the brackets.

*Examples:*

John Gillingham, *European Integration 1950–2003*, Cambridge University Press, Cambridge, 2003, p. 221.

Duško Lopandić (ed.), *Regional initiatives in Southeast Europe: multilateral cooperation programs in the Balkans*, Institute of International Politics and Economics, Belgrade, 2001, pp. 24–32.

Theodor Winkler, Brana Marković, Predrag Simić & Ognjen Pribičević (eds), *European Integration and the Balkans*, Center for South Eastern European Studies, Belgrade & Geneva Centre for the Democratic Control of the Armed Forces, Geneva, 2002, pp. 234–7.

b) *Articles in Scientific Journals*

The author's full forename and surname, the title of the paper (with quotation marks), the title of the journal (*in Italic*), the number of the volume, the number of the publication, pp. from–to. The numbers of pages are separated by En Dash (–), with no space. If some data are incomplete it should be clearly stated.

*Examples:*

Michael Levi, “The Organisation of Serious Crimes”, in: Mike Maguire, Rod Morgan & Robert Reiner (eds), *The Oxford Handbook of Criminology*, Oxford University Press, Oxford, 2003, pp. 878–84. (pp. 878–9 or p. 878).

Robert J. Bunker & John. R. Sullivan, “Cartel Evolution: Potentials and Consequences”, *Transnational Organized Crime*, vol. 4, no. 2, Summer 1998, pp. 55–76.

c) *Articles in Daily Newspapers and Journals*

There should be given the author's name (or his initials, if they are the only ones given), the title of the article – with quotation marks, the title of the newspapers or the journal (*in Italic*), date – in Arabic numerals, the number of the page/pages.

*Example:*

John Gapper, "Investor votes should count", *The Financial Times*, 17 April 2006, p. 9.

d) *Document quotation*

There should be given the title of the document (with quotation marks), the article, item or paragraph the author refers to, the title of the journal or official gazette containing the document (*in Italic*), the number of the volume, the number of the publication, the place of publishing and year of publishing.

*Example:*

"Resolution 1244 (1999)", Security Council of the United Nations, 10 June 1999.

e) *Quotation of sources from the Internet*

It should contain the author's name, the title of the contribution or article, a full Internet Website that enables to access the source of quotation by typing the mentioned site, the date of accession to the Web page, page number (if there is one and if presented in PDF format).

*Example:*

Maureen Lewis, *Who is Paying for Health Care in Eastern Europe and Central Asia?*, IBRD & World Bank, Washington D.C, 2000, Internet, [http://Inweb18.worldbank.org/eca/eca.nsf/Attachments/Who+is+Paying+for+Health+Care+in+Eastern+Europe+and+Central+Asia/\\$File/Who+is+Paying+text.pdf](http://Inweb18.worldbank.org/eca/eca.nsf/Attachments/Who+is+Paying+for+Health+Care+in+Eastern+Europe+and+Central+Asia/$File/Who+is+Paying+text.pdf), 14/09/2004, p. 3.

f) *Repeating of the previously quoted sources*

Ibid. or ibidem is applied only if quoting the previous source in the text, with the page number, and in case the new quotation belongs to the same source (e.g. *ibid.*, p. 11)

Loc. cit. or op. cit. is applied with no page number and only for the previously mentioned source of quotation with the same page number as the previously quoted source.

13. The article may contain tables or some other supplements (such as maps, graphs, and the like). It is necessary to give their number and full title (e.g. *Table 1: Human Development Index among EU members* or *Figure 2: State-Building or Sovereignty Strategy*). If the supplement is taken over from the contribution of some other author or a document its source should necessarily be given.

### **Instructions for Writing Book and Conference Reviews**

1. Conference and book reviews should not be longer than two and a half pages in *Word* format (line spacing *single*), or they should actually contain no more than 7500 characters with spaces.
2. The bibliographic details should be given at the beginning of the review in accordance with the rules prescribed for monographs in footnotes, and with the total number of pages given at the end (e.g. p. 345).

3. Book and conference reviews must not contain footnotes, while all possible remarks should be put in brackets.
4. The author may also write subtitles of the book or conference review in capital letters – font size 14, although this is subject to changes on the part of the editorial staff.
5. Font size, font and justification of the text should be in conformity with the previously mentioned suggestions on writing of articles.
6. The name of the author of the review is given at the end; it should be in *Italic*, while the whole surname should be written in capital letters (e.g. *Žaklina NOVIČIĆ*).

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In case you have some dilemmas do not hesitate to contact members of the Editorial Staff.

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# SELECTED PUBLICATIONS

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Published quarterly

*Evropsko zakonodavstvo*

A scholarly journal for European Union law

Published quarterly in Serbian

## BOOKS:

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