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## THE EVOLUTION OF CULTURAL AND ECONOMIC ACTIVITIES IN THE DKMT EUROREGION

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**Abstract.** Even if it is functioning officially for one decade, the Danube-Kris-Mures-Tisa (DKMT) Euroregion has its roots back to 1992, when Timiș and Csongr d counties began the first discussions for a cross-border cooperation. Till 1997 the Euroregion needed to develop its institutions for greater effectiveness, so the period 1992-1997 could be considered a background of fruitful public and scientific discussions. The study is focused on three levels of developments: institutional-political, cultural and economical. It is a large reflection on the projects of which DKMT should profit in the future as well as on the economic potential of the Euroregion. The recent developments and the different stages of integration to the EU are also matters of discussions.

**Rezumat.** Euroregiunea Dun re-Criș-Mureș-Tisa (DKMT) ar avea șansa de a se dezvolta foarte mult dac  am lua  n calcul moștenirea ei cultural  și economic . Deși funcționeaz  oficial de un deceniu, aceast  Euroregiune  și are r d cinile  n anul 1992, c nd oficiali ai județelor Timiș și Csongr d au  nceput discuțiile privitoare la o cooperare transfrontalier . P n   n 1997 a fost necesar ca Euroregiunea s   și dezvolte instituții astfel  nc t s  devin  mai eficient , fapt pentru care perioada 1992-1997 poate fi considerat  doar fundamentul unor discuții științifice și publice. Studiul de faț  e focalizat pe trei paliere de dezvoltare: instituțional-politice, culturale și economice. O reflecție aparte se acord  pe proiecte de care DKMT poate profita pe viitor, mai ales pe elemente de potențial economic și infrastructural. Dezvolt rile economice recente și diversele stagii de integrare  n Uniunea European  ale statelor implicate  n Euroregiune sunt alte probleme tratate de studiul de faț .

**Key-words:** *Danube-Kris-Mures-Tisa Euroregion; institutional frame; economic development.*  
**Cuvinte cheie:** *Euroregiunea Dunăre-Criș-Mureș-Tisa; cadru instituțional; dezvoltare economică.*

## 1. INTRODUCTION

Today over seventy cross-border regions are known in Europe, in which 38 states participate. The conception which originated in 1952 when the first conventions were signed in the Western Europe, gained greater popularity after the 1980 Madrid Cross-Border Cooperation Convention - involving communities or local authorities – was signed by 19 states of the Europe Council (Cernicova-Buca, 1999, p. 301). If the first Euroregion (EUROREGIO) was created in 1959, in the eighties almost seventy such entities already existed. The European Union policy, through *the acquis communautaire*, encouraged crossborder cooperation<sup>1</sup>. The evolution of the European model concerning the value of the regions was marked by the Maastricht Treaty (1992), after a Committee of the Regions has been founded. This treaty gives the hope that the regional dimension will play a very important role in the process of European integration, taking over at a qualified level specific to the sub-state level, those issues that do not necessarily belong to this area of which the states are preoccupied with. Nowadays there are Euroregions created both between member states of the EU, between members and non-members of the EU and between non-members of the EU (Petsinis, 2004, p. 2).

This study wants to show that DKMT Euroregion is one of the most lucrative European Euroregion, basing on close relationships on terms of culture, industry and infrastructure between the three involved countries (Romania, Hungary and Serbia).

## 2. THE GOALS OF EUROREGIONS

A Euroregion might be defined as any form of structured cooperation, established between local and regional authorities across the national borders, with the objective to jointly adopt common goals and pursue them in a coordinated and sustained way<sup>2</sup>. The Euroregions do not aim at creating new types of government on a trans-frontier level. Cross-border cooperation structures do not have political powers and their activity is restricted to the jurisdictions of the local and regional authorities that constitute them.

There is also scope for sharing experiences through Linkage Assistance & Cooperation for the European Border Regions (LACE) a EU project administered by the Association of European Border Regions, created in 1971 by Rhine regions. LACE tries to apply experience collected and evaluated by AEBR as a basis for cross border programmes for internal and external frontiers of Europe. The model has been applied in Eastern Europe because considerable progress was made along the eastern frontiers of Germany in 1991-1993.

According to the guidelines specified by the 'Association of European Border Regions', operating within the bounds of the Council of Europe, the following criteria have been set up for the identification of the various Euro-regions<sup>3</sup>:

-an association of local and regional bodies on either side of the national border, sometimes endowed with a parliamentary assembly;

-an association of a private legal character based on non-profit making associations in either side of the border, in compliance with the respective national legislation(s) in force;

- a trans-frontier association with a permanent secretariat and a technical/administrative team managing its own resources;
- an association of a public legal nature, based on inter-state agreements that have been concluded with the participation of the borderline local/regional authorities involved.

### **3. THE PERIOD OF CREATING THE INSTITUTIONAL FRAME OF DKMT (1992-1996)**

The idea of inter-county cross-border collaboration was initiated in 1992 by the president of the Csongrád County (Hungary), István Lehmán, on the occasion of his visits in Timiș County. The first step was made on 10 September 1992 when a collaboration protocol was signed between the two counties. This document represented the hope of the chosen leaders from the two administrative-territorial units, that the economic, scientific and cultural relations would experience an upward evolution.

Two years later, in 1994, after the model of the already existing Euroregion "Carpathica" involving counties from Hungary, Ukraine, Slovakia, the authorities from Timiș and Csongrád agreed a protocol for the "Cooperation region Danube-Mureș-Tisa". In March 1994, the Timiș county council requested the agreement of the Local Public Administrative Department for the establishment of "DMT Euroregion". With the administrative units of Csongrád and Timiș which had the cooperation initiative, also joined Bács-Kiskun, Jász-Nagykún-Szolnok<sup>4</sup> and Békés from Hungary, Arad, Caraș-Severin and the Independent Province Vojvodina from the Federal Republic of Yugoslavia.

At that point, the cooperation results were rather limited. We can mention functional bilateral collaborations (between cities or institutions, especially between Romania and Hungary) and symbolic manifestations (special economical or cultural days) but with few concrete results. The leaders of political parties and the public administration agreed without exception that cross-border collaboration was a beneficial factor - along with others - in achieving the economic development of the region. The degree of awareness with regard to this issue however varied depending on: the participation of the respondent in administrative matters, the administrative leaders - the mayor, the vice-mayor and the president of the County Council - defined most closely the concrete aspects and issues of cross-border collaboration whereas other politicians held more general and abstract views on the matter; straight professional interest.

On the one hand, the political elite in the three involved countries were aware of three constraints limiting the good functioning of the DKMT region:

- differences of legislation and institutional practice between the partners from the counties;
- infrastructure discontinuities and the absence of the finance for projects;
- the international context in which the partners from those three countries were operating (especially membership of the EU and NATO).

On the other hand, dissimilarities in the individual political and economic practices in the three countries from which counties or regions entered this co-operation<sup>5</sup> the absence of an institutional framework for DKMT, and most important - the disadvantageous status of Vojvodina in the international arena (due to the lasting embargo on Yugoslavia which hinders the participation of any part of the federation in any out-of-

the-border activities) still made it difficult to foresee whether the Euroregion as a frame was the proper answer to the dilemmas that the regions in Hungary, Romania and Yugoslavia face at the end of the millennium.

It was necessary to gather energies in order to: identify the current state of a possible Euroregional co-operation; to develop the devising actions within the structures aimed at social, economic, and cultural ties; to search for new ideas in order to deepen the Euroregional co-operation; to stimulate the academic debate concerning the use and future of Euroregions as a means of building a new European identity; to contribute to promoting Euroregional links in the public sphere. The main elements of such a Euroregion must base on the historical background and the traditional links between the regions within the administrative units of the involved area, the documents concerning legal frames, political, economic and social strategies in the three countries and the existing infrastructure. The main problem is if the historical tradition is common to Banat, Csongrád, Arad and Hunedoara areas. The most diversified ethnic values lies in historical Banat where over 20 minorities are cohabitating since last two centuries. Indeed, Banat is the core area of DKMT but the relationships between the predominant group or the majority and the minorities have a political expression. Because after 1918 our studied region was governed under Romanian, Serbian and Hungarian cultures, the majorities of ethnic groups could maintain their language, family and religious traditions. Cultural pluralism determines multiculturalism (Smolicz, 1999) that developed, due to official policy under different administrations (Austrian, Hungarian, Serbian and Romanian) since the 18<sup>th</sup> century until now. In this context, the roots of cultural pluralism can be found a few centuries back. By "multiculturalism" it must be understood interaction and not cultural isolation, just as the ethnic differences determine coexisting fundamental values and not competition. Multiculturalism also implies the cultural entities which fight for their recognition both at national and global level (Watson, 2000). There is a dynamic balance between national values and those of the minorities; the values of the majority do not become a "private domain", but something for all the citizens from DKMT. There should always be uniformity in the relation between the social variables of race, religion and ethnicity. This is a pattern to which all democratic states incline. Bhikhu Parekh (1997) identifies three types of cultural diversity (subculture, communitarian and of perspective), among which the communitarian diversity fits better for DKMT. On the other side, as Richard Rorty (1997) recommends, DKMT multiculturalism lies more on economic development, resources and welfare then on education for separate cultural identities. Analysing the inter-ethnic relationships in DKMT we can profile the differences between ethnic groups in terms of cultural characteristics, population size and levels of political mobilization. Geographically speaking, when we talk about ethnic minorities of the counties of DKMT we consider the linguistic, confessional and territorial differences. For instance, the ethnic areas map of Banat in 2002 shows that the territory is shared by a lot of minorities (Popa & Crețan, 2001). The colonists were settled especially in the 18<sup>th</sup> century (Crețan, 1999; Țintă, 1972). Villages were developed in the Habsburg period on the basis of grid-iron street layouts with geometrical shapes for the total built-up area (Simu, 1924): generally a square, but circular shapes may be noted in the Lipova Hills. Sometimes a 'surplus of land' ('Überland'), which was not allowed to be divided or sold by the Habsburg administration, was deemed to be available for colonists (Pop, 1942). For example, village Johannisfeld was established on the Überland of Csavos (today Granicerii, a settlement situated now at Romanian border with Serbia). It is important that most of the villages maintained their Habsburg shape even today, while the 'enlightenment' and prosperity (e.g. the sewerage of rivers, the modernizing of agriculture - model-farms, the work of rural

planning, handicraft workshops, industries like mining and metal working) brought by the Habsburgs gave birth to a positive European mentality (Kräuter, 1929). Even if Banat is the strong nucleus of multi-ethnic identities, all the other territories from today DKMT were under the ‘umbrella’ of the Austro-Hungarian dualism. In this context, a uniformisation of occidental mentalities were specific to all adjacent spaces around Banat in the mentioned period. The Peace of Trianon imposed a barrier for the development of the towns at the borders of Hungary (Szeged, Békéscsaba etc.), becoming in short time periphery areas of Hungary. Thus, the Habsburg era of multiethnic and intercultural cohabitation was succeeded by an era of “hard” national borders, based on homogenisation. Besides the communist system tried to make forgotten the old traditions, people living now in DKMT has a strong mentality formed in 18<sup>th</sup>-19 centuries.

Improvements in DKMT in the ‘90s were bound to be gradual. It could be a costly business to overhaul infrastructure, while communities that have long been separated may not always share a yearning for reintegration: where isolation and economic depression have stripped border communities of their younger elements it may take time to stimulate an entrepreneurial approach to cross-border collaboration. Security requirements inevitably meant disadvantaged borders highly sensitive to political change, the drawbacks should have surely been minimised and there was a long way to go before the potential for cross-border cooperation in Eastern Europe be fully realized (Christiansen et al., 2000). Border regions had been considered as deprived areas with legitimate aspirations for easier circulation and improved living standards generally. The changes in transport geography had to be dramatic in frontier regions where improvements had been triggered not only by high-level planning and finance but also by local initiative (Turnock, 1999).

#### **4. POLITICAL, CULTURAL AND ECONOMIC DEVELOPMENTS OF DKMT AFTER THE OFFICIAL PROTOCOL WAS SIGNED (1997-2006)**

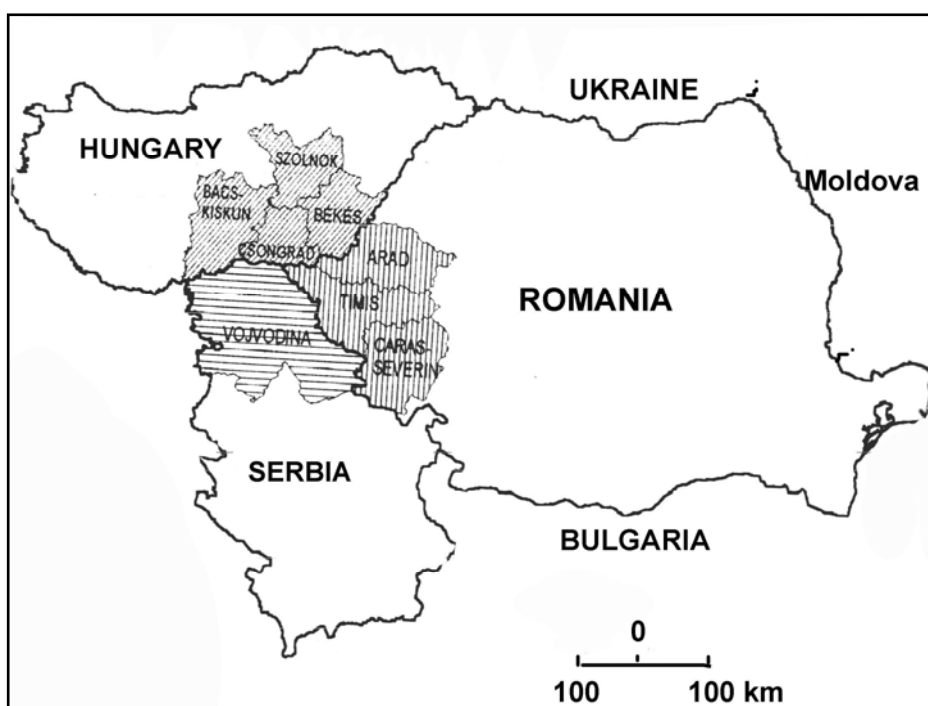
##### **4.1. The Institutionalisation of DKMT**

At the request of Békés in the title of Euroregion was also introduced, as a defining element, the reference to the basin of river Criş, of which this megye is part of. As a consequence of this, the name of the Euroregion suffered a modification: “Dunăre-Criş-Mureş-Tisa” (DCMT in Romanian), Dunav-Kireš-Maroš-Tisa (in Serbian) and Duna-Körös-Maros-Tisza (in Hungarian). It was considered by the three participant countries that the international ‘brand name’ must be Danube-Kris-Mures-Tisa or abbreviated DKMT. In its final form DKMT has a surface of 77.243 km<sup>2</sup> and 5.968.000 inhabitants, including Hunedoara county (Romania) which took part as well as an institutional founding partner of DKMT (figures 1 and 2). The official Protocol of this trans-frontier organisation was signed at Szeged in November 1997, bringing thus together the various part of the Banat region divided after the First World War including some additional territory in Hungary and Romania (Turnock, 1998).

As it is stipulated in the Protocol, the purpose of the Euroregion is ‘the development and the enlargement of the relationships between the local communities and

the administrations in the economic, educational, cultural and sporting field, so that through this cooperation the European integration process can be facilitated’.

The Forum of Presidents, the head institution of the DKMT Euroregion, is made up of the presidents of the County Councils in Hungary and Romania and the president of the Executive Council of the Autonomous Province of Vojvodina. The leadership of this institution is ensured in turn, for one year. However, due to the mandate of the county council presidents (4 years), the formal relations are replaced by the personal ones. A conclusive example in this sense is the Declaration of the Presidents of DKMT Euroregion, a supporting document of Vojvodina’s citizens, elaborated later, in the spring of 1999<sup>6</sup>.



*Fig.1. The nucleus of counties wich began collaboration before the institualization of DKMT Euroregion (October 1997)*

“Euroregio” magazine publishes in three languages the developments in DKMT, while the official language of the DKMT cooperation is English, and the languages used for reunions are Romanian, Hungarian and Serbian. Cooperation should proceed as a result of the work of the specialised committee, coordinated by a president (among the nine members of the Presidential Forum), in the following fields:

- a) economy, infrastructure, tourism
- b) territorial development and environmental protection
- c) socio-human issues
- d) European integration

The strength of this cross-border trade - from 'rucksack trade' to foreign trade enterprises - can generate substantial lobbies and contribute significantly to the growth of border towns (Stryjakiewicz, 1998) but the resistance test of the DKMT Euroregion was represented by the spring of the year 1999, when two important events took place:

- a) The change of county leadership in Hungary due to the elections of 1998 and the modification of the international status of the counties of Hungary, given Hungary's membership of NATO and its selection as a favoured candidate for accession to the Europe Union.
- b) The deterioration of the Yugoslav partner's position due to the conflict from Kosovo.



Fig.2. The countries of DKMT after June 2003 ([www.dkmt.hu](http://www.dkmt.hu))

The ineffectiveness of DKMT in the years 1999-2000 was due to the bombing launched by NATO forces to Pančevo, Novi Sad and other economic centers of Voivodina. During the crises in former Yugoslavia the Romanian and Hungarian support was limited to sheltering the refugees. After the 1999 bombing, Voivodinian industry was negatively affected by the UN embargo as well. As a matter of fact, the technical equipment in quite a few factories remained largely out of date since the import of new machinery was not possible (Tomic&Romelic, 1997).

But problems do not deal only with the two mentioned countries. Meanwhile, in 2002, The Council of Europe drafted a Report<sup>7</sup>, in which is stipulated that some problems still persist with regard to the state of local self-government in Romania. Self-government is still highly conditioned by the political interests and the forces in power at central level, while the rigid regulations on financial resources of local authorities continue to be too



limited and oblige local authorities to depend too much on state transfers. Private interests and public priorities is largely the case on the regional and municipal administrative level. According to the Council of Europe and the remaining sub-organisations involved, decentralisation of state administration and strengthening of local and regional government institutions remain crucial preconditions for regional, economic, and social development-including the proper function of the "Euroregion" schemes<sup>8</sup>.

Regarding the assessment of the historical traditional role of the DKMT space and the relevance of this tradition for actual cooperation, there are small differences of local community leaders' opinions of all the three countries involved. Some specialists say that it is necessary to create institutions to sustain DKMT activities. They make suggestions such as: the need for institutions that have nothing to do with politics but simply develop specific services for the administration of important programmes for the entire Euroregion; the need that an institutional background to increase the ability to act across the entire region; the idea that without an institutional background all proposed actions will fail. Many other local politicians believe that the best partnership could be launched from the economical and political point of view. The potential uncertainties concerning the protection of minority have been solved by recent prospects in regard to the more effective protection of minority rights within the Euroregion. This is facilitated by bilateral agreements over the protection of minority rights by the states whose administrative units participate in the Euroregion. Such examples are the respective agreements ratified between Serbia-Montenegro and Romania (October the 30<sup>th</sup> 2002) and Serbia-Montenegro and Hungary (December the 27<sup>th</sup> 2002) on the bilateral protection of national minorities. It seems to be also important the agreement on a 'Memorandum of Understanding between the Government of the Republic of Hungary and the Government of Romania'<sup>9</sup>.

The European Union should carefully manage its role so as to be perceived as strictly neutral in the light of any national or political antagonism. The EU should support the achievements of DKMT with regard to multiethnic cohabitation but it also should be careful enough to consult with the national capitals so that no suspicions over the potential resurgence of irredentist trends occur.

#### **4.2. Recent Cultural Developments in DKMT**

Certain positive prospects have opened regarding cross-border cooperation within the DKMT in the fields of education and culture. As a matter of fact, the universities based within the Euro-region have undertaken quite a few joint research projects so far (Djurđjević, 1997). This has also been the case as far as cross-border cooperation between museums and other such cultural institutions are concerned. A lot of Music Festivals and Traditional Ethnic Workshops are held in different towns from the Euroregion (Timisoara, Szeged, Vrsac). There is also a good partnership between museums in DKMT.

The establishment of a Regional Chancellery for Cultural Cooperation, within the bounds of the DKMT- financed by the Stability Pact for SEE, is also being envisaged. The Euroregion is a stimulus to the formation of new groups of local governments and non-governmental organisations which should in due course make a difference, given the propensity of post-socialist areas in general for enterprising initiatives (Sampson, 1995). The development of NGOs has been relatively slow in South-Eastern Europe but arguably they offer a way forward towards a more negotiated future for communities with problems that call for consultation and public mobilisation. One of the first steps had been made by

the governmental and non-governmental organizations in Novi Sad. Respecting the normalization of relations opened through Dayton Agreement and through the Pact of Stability for South-Eastern Europe, 'the Center for Regionalism' in Novi Sad began in 1999 a series of projects for cooperation between Tuzla and Novi Sad in spite of unofficial cooperation of the countries from the Dayton triangle (Bosnia-Herzegovina, Croatia and Yugoslavia). Between the two towns it began a strong cooperation in the fields of economy, culture and sport events (Eurotrio, 21 June, 2001:41).

In the year 2000, 'The Center for Multiculturality' in Novi Sad began the project 'Educational problems of ethnic minorities' in order to improve the education in minorities' languages in high-schools ('Eurotrio', 21 June, 2001).

It was also relevant the participation of The Euroregional Center for Democracy from Timisoara which launched in 2001 the programme (coordinated by Dorian Branea) called 'The Observer of regional and euroregional politics' as well as the Intercultural Institute from Timisoara. Both of them showed the cultural and economical 'pulse' of DKMT in the year 2001<sup>10</sup>.

On March 23<sup>rd</sup>, 2002, it was launched a petition of the Non-governmental Organizations from the Danube-Kris-Mures-Tisza Euroregion - formulated in the spirit of Timisoara declaration on cross-border regional cooperation in south-eastern Europe. This petition was called 'DKMT-the Citizens' Euroregion'. Its aim is to make to be more implied the role of citizens' opinions in DKMT as well as to help NGOs to make projects from the budget of DKMT. The most successful seminar of the 80 NGOs from DKMT was the final one (year 2000): it was part of the program entitled The DKMT Euroregion: The Framework for Regional Stability and Interethnic Tolerance, coordinated by Free Minds Association in cooperation with Intercultural Institute of Timisoara within the program Measures of Confidence of the Council of Europe. It was stipulated that all institutions of de-centralization had as main purpose the increase of citizens' participation in the public life<sup>11</sup>.

However, in Romania there are some problems still unsolved as adoption and abandoned children. Even if European Union, through the voice of Mrs. Ema Nikolson, advised Romania on the problems of adoptions, 1,300 children missing from the adoption acts, there are pressures from US officials on the Romanian Parliament to allow children from Romania to be adopted by American citizens (Adevărul, 22 June, 2006, p. 1). On the other hand, the Law of Lustration is still in discussion in the Romanian Parliament. A lot of old local and central elected actors (even from the Romanian counties of DKMT) have still a dark history connected to communism, being recruited by Securitate. Before Romania's joining the EU, the CNSAS (the Council for studying former Securitate activists) intend to publish on the internet the whole list of informators for Securitate ('Ziua', 24 June, 2006, p. 1). This is due to the fact that most of the people with communist mentality who were in high political positions have tried to slow the developments of DKMT as far as Romanian side was concerned.

### **4.3. Economic Activities: Achievements and Potential. A particular view on the Romanian part of DKMT**

The expression 'investment attractiveness' is really looking from the investors' perspective of making profits - so important matters are (e.g.) political stability, low wages,

easy repatriation of profits, good banking system, keen workers etc. Among such advantages of DKMT Euroregion there could be mentioned: a good infrastructure in Hungary, a lot of foreign banks investments in all the three countries (ING, Reifeissen Bank, ABN-AMRO, Groupe Societe Generale etc.), the low costs for the forces of work (some of the lowest in Europe), the low price of lands and buildings, the international airports (in Arad, Szeged, Timișoara etc.), the dominant European mentality etc. The geographic position of DKMT is very important inside a larger EU, hoping also in an economic explosion in Vojvodina area. All eastern Europe regions are now in a high competition of attracting investors and DKMT has to be one of the strongest.

As far as practical measures in DKMT are concerned till now it can be mentioned: the opening of new customs points (Cenad, Turnu etc.), thus fluidizing the road traffic; the multiple contacts as visiting experiences in the neighbourhood country for the local authority members; the changes of students and teachers; putting into practice in August 2006 of an industrial common investment at Beba Veche, considered the main rural settlement of Trio Confiorum area etc. A lot of investors are oriented towards big towns (Timisoara, Arad, Novi Sad, Szeged) where they already have facilities (banks, infrastructure etc.). Most of the investments are in the area of construction, services and small and middle-size industry. IOROM Trading SA is such an example of native Romanian enterprise, which find a Hungarian-German partner for exports due to DKMT facilities. Since 1991 it has been commercializing different car products. Their main client is JOST WERKE GROUP (in Germany and Hungary)<sup>12</sup>.

A very bad issue is still remaining the fact that to pass the Serbian border it is still requested visas for all citizens. A special case is that of the commuters. Small border towns have struggled to consolidate their role in the early years of the transition (Csatari, 1995). Because of the development of the border areas, there are commuters from Vojvodina to Jimbolia's new and small enterprises with German and Italian capital. It was noticed that Italian, German and Hungarian investments are the highest in the Romanian counties from DKMT<sup>13</sup>.

There could be opportunities for networking among groups of small towns which could emerge in the trans-frontier context and contribute to the growth of 'institutional thickness', recognised as part of the infrastructure for a growth and a relevant factor in the inter-regional competition for investment (Amin & Thrift, 1995).

Options for sustainable rural development might well be usefully discussed in a cross-border context for the Carpathian Euroregion where a number of new organisations have emerged, including an interregional association of trans-border trade (Danko et al., 1996; A. Kaliberda, 1994). The Csongrad megye, for example, has remained a largely agricultural region up to date. On the other hand, salaries and rest income data are lower than the Hungarian average (Abonyine-Palotas, 1997). A significant degree of economic interdependence has been built up on the Hungarian-Romanian border, over the past decade, on the basis of informal cross-border trade and commuting for employment (e.g. the workers attracted recently on the free economic area of Curtici). Most peripheral were the rural communities from Vojvodina at the border with Romania where agriculture have been of vital importance for their economic survival. It is not the same situation on the settlements from the Hungarian side of the border with Vojvodina, where a lot of Serbians from Belgrade and Vojvodina migrated to open small enterprise. There is a wide array of newly established economic and social relations observable in the border region of the Southern Great Hungarian Plains for the period of the past 15 years. The majority of

Yugoslavian small enterprise holders, who moved their capital to Hungary set up new enterprises dominantly along the borderline, not only in the major cities but in the smaller villages as well. There are economic and social impacts of these enterprises on the lives of the Hungarian settlements along the border (Szonóky-Ancsin, 2006).

Moreover, the European Union has recently extended to the whole Romanian territory the interdiction for exports of hen, because of the large-scale suspicions of virus H5N1. This left a strong impact on aviary enterprises: all Romanian mass-media showed how at Bocsia about 30,000 hen and chickens were destroyed in May, 2006 but one month later it was concluded that there was only a common illness for birds. The consumption of hen meat decreased very much in general ('Renașterea bănățeană', 17 May, 2006).

Besides many big investors which have already been here for some years ('Continental' for car tires, big supermarkets: Kaufland, Billa, Metro etc.), in DKMT it is noticed a high number of specialists in IT but most of the young-educated people still emigrate to Canada and US. Timișoara, Szeged and Novi Sad are preparing an important number of specialists in engineering. Even in this way the Euroinvest Forum for the medium of affairs in DKMT held a seminar ('European Affairs, Leadership și Sustainable Developemnt in the Euroregion Timisoara-Novi Sad-Arad-Szeged') in Timisoara in 12-14<sup>th</sup> of June 2006 where it was stipulated that there are still needing more graduates in engineering studies and it is also requested to be a correlation between high education, administration and the economic system ('Renașterea bănățeană', June 13<sup>th</sup>, 2006). It was focused that Timișoara could be a pole of competition with the capitals of each country involved (Bucharest, Belgrade, Budapest). Even if there are now openings for projects of infrastructure and economy, the investors (specialists in affairs, managers) lack coherence and it is needed more dialogue. Romania, Serbia and Hungary could become countries with highly qualified workers and have elements of unique form as tourism (and other services) and industrial potential. All foreign investors appreciated in DKMT the creativity, honesty and cleaning. It seems that the role of rural mayors will be highly appreciated for the development of agriculture, while mayors in towns have to take care more on environment aspects. Besides these in a Euroregion with over 30 ethnicities there is needed more cooperation and dialogue.

The economic axes Timișoara-Arad could lead to a mixture of the two metropolises into a single strong one in the near future, being as a common pole an important competitor for Bucharest. It is now the exports from only these two cities are equal to those going out from Bucharest<sup>14</sup>. On the other hand most of the taxes going from these two counties to the capital of Romania now returns in only 30% to Arad and Timiș counties, for instance, fact which shows a need for a stronger decentralization in order to fit the EU integration system. Among the foreign companies having more than 1 million USD invested in the Timiș county it could be mentioned: Continental AG, Solectron Corp. Romania, Zoppas Industries Romania, Philips&Elba Street Lighting, ABB Rometrics, Alcatel NS, Delphi Packard, Siemens Automotive, Procter&Gamble, Eybl Textil, Eybl-Automotive-Components, Kromberg&Schubert, Lisa Drexlmayer, Mecatim (Group Dewoo), Incontro Prefabricati etc. There are over 23,000 firms at the Register of Commerce, of which 4,000 are with foreign capital, about 600 with strong FDI in production. There are 76 countries investing only in the Timiș county, the value of foreign investment passing 325,000,000 USD for the period 1991-2000<sup>15</sup>. The industrial form of participation is varied, but

industrial processing, automotives, electronics and chemical branches are raising to 70% of the whole investments. Germany, Italy and US are in the top of FDI in the Timiș county.

In October 2004 PITT (The Technological and Industrial Park Timișoara) was officially inaugurated and also the public auctions for concession of PITT's plots were set going. It is a project where are attracted investors mainly from DKMT in the following fields: software; IT & Communications; electronics and electrical technology; automotives and other types of industries that are utilizing advanced and non polluted technologies; logistics etc. The total amount of the investment up to now is of 3.7 million Euros<sup>16</sup>.

In the case of this kind of regional corporation in the western countries it is very important to find solutions to the concrete problems (as it was in the case of the development pole at the border between Luxembourg, Belgium and France, to improve, in the middle of the years 70s, the metallurgy industry in which was in a big crisis.). In this context, Hunedoara county (which is still marked by restructuring of the former communist imposed mining system) may become a prosperous area in the near future. It has tourist, agriculture and forest potential but few investments have already been done because of the lack of a good infrastructure, the problem of professional re-conversion, the somehow isolation of the Jiu Valley from big European routes etc. (Crețan et al, 2005).

DKMT possess considerable agricultural wealth and an adequately developed food industry which seems like a rather positive development. In order the three involved countries to take full advantage of this background and to develop other industries and services (especially tourism), the reconstruction and modernisation process of the states' infrastructure as well as their economic mechanisms should be carried out successfully.

#### **4.4. Infrastructure Problems**

Without a good infrastructure and strong investors the development of DKMT will be very slow. The example of Maggi & Nijkamp's (1992) 'missing networks' could provide challenges for international business and diplomacy. Here some missing network are the Bega Canal, the construction of the Szeged-Kikinda-Timisoara railway line, the construction of the road route E-75, leading from Belgrade to Szeged and from there to Timisoara and Arad (Romania). The canal was abandoned after Tito's expulsion from the Cominform, but commercial interests now see potential in rebuilding Timisoara's port, where a customs-free zone is being prepared. Reopening the direct railway routes would involve quite literally the rebuilding of bridges between Szeged and the railheads of Banat Arandelovo (for Kikinda, Jimbolia and Timisoara) and Subotica (for Novi Sad).

Further facilities might be provided at Socol (allowing the movement of traffic from Romania to Belgrade by a shorter route along the Danube from Orsova), while the reopening of railways currently blocked at frontiers, as at Iam where through services might restart local developments (Romelic, 1997). The international flows of capital might support ventures locating in customs free zones, such as the one emerging at Moldova Noua (Schneidewind, 1997). It is now the Romanian and Hungarian governments give priority to the development of railway and road networks connecting the two countries and to the improvement of the border crossing infrastructure programme linked to it. Recently (May 2006), the leaders from the county of Timiș together with the specialists from Vojvodina proposed the rehabilitation of the cross-border point Foeni – Medja.

In 2001 the Hungarian border settlements around Curtici–Lökösháza development was stagnating in spite of existent projects of a railway terminal Ro-La and the logistic

center at Curtici. The free area in the Romanian side has been fulfilled but the cross-border point where the Budapest-Bucharest railway passes and the presence at only few kilometers of the international airport of Arad could prove to be factors of great progress in the future. In several years the big cities from Romanian side (Timisoara and Arad) would finish the projected belts of road transport so that the big trucks and lorries not to pollute and destroy the roads from the inner side of the cities. Around these belts there will be free tax area and a lot of investors are already attracted. There was a real positive competition as far as the high-way coming from Hungary at Arad to be continued southwards to Timisoara-Lugoj-Deva or to be in straight line Arad-Deva. In the end, the project passing at the east part of the city of Timisoara was chosen, but there are criticism because of the closeness to Timisoara airport. Owners of lands in that part of the city are not happy to sell their properties at low prices as the Townhall offered to them. From Timisoara it could be a connection with Vrsac (Vojvodina)-Belgrade high-way.

On the other hand, the permeability at state frontiers is not just a function of transport infrastructure (cross-border roads and regular railway, ferry and air connections): more crucially it concerns the scope for utilising these facilities which means the development of strong business associations. A Euroregion could ensure the monitoring of frontiers to maintain efficiency in the handling of the tourist traffic taking into account that the development of tourism is extremely sensitive to bureaucratic obstacles and impermeable frontiers (Szubinska, 1998).

Institutions dedicated to permeable frontiers and the removal of bureaucratic blockages against socio-economic progress may now be seen as a significant part of a global world with enhanced mobility and integration (Suli-Zakar, 1992).

An essential contribution in the process of balanced and complementary economic development is the cooperation inside DKMT. There must be created new cross-border institutions relevant for economic planning and the representativity of the Euroregion abroad, being connected to other euroregions and trying to be one of the leaders in the Association of Regions from the EU (Rieser, 2005).

## **5. DKMT AND THE DIFFERENT STAGES OF ACCESSION TO THE EU**

As far as the countries' accession to the EU is concerned, after Hungary joining in May 2004, the admission of Romania to the union as a full-fledged member by the year 2007 has been set as a main objective by the government. At meetings sustained on universities and other institutions from inside DKMT after Romania was still 'out of Europe' everyone puts the same question: how could DKMT develop as Hungary is going to be a member of EU and Romania not. Hungary solved its minority problems<sup>17</sup>, Romania was undergoing a positive process in this sense but Serbia-Montenegro was still confronting with some minority problems till 2005. On the other hand, the eastern border of Hungary became the border of EU, but through the free traveling permission given for the Romanians into the Schengen space the 'temporary new curtain' was in fact invisible. It was a problem only for those who tried to make human and drug traffic, for the persons who wanted to cross the border in order to work unofficially in EU etc. The problem of persistent political instability and the slow function of the state's economic mechanism,

posed as two major obstacles that had to be overcome for the materialisation of this objective for Romania in 2004. The European Union has recommended a variety of guidelines for the reorganisation of the legislative and constitutional framework of Romania so that they can be compatible to the standards set by the EU. These recommendations began in 1997 and touch upon areas such as the democratisation of the state's political structures, regional and local self-government, banking, trade, fiscal policy, the judicial system and certain infrastructure issues (e.g. energy, telecommunication, transport). Besides corruption, the system of information about tax collection, the absorption of European fund in agriculture, the vet sanitary system and some 'personal' interests to delay some laws are among the problematic areas which were regarded with the above four red flags ('Evenimentul zilei', 10<sup>th</sup> of June, 2006). The EU move towards a strategy that supports local and regional development and cohesion processes within SEE, and between SEE and the EU. This strategy should rely on the experiences acquired by the EU with regard to the Accession Process, focusing on the experience of programmes aimed at preparing countries and regions for the implementation of the Structural and Cohesion Funds (e.g. the PHARE, SAPARD and ISPA programmes). The implementation of such an approach is also essential in order to convince the local political elites involved in the DKMT in regard to regional reconstruction.

Vojvodina has to wait much more time (it is proposed year 2010) till Serbia will be 'back to Europe' but they have to go through the same steps imposed by EU as Romania has undertaken. Vojvodina can be further enhanced between the relevant EU and Serbian organs with regard to the issue of the new Schengen border. It is the wish of the provincial institutions that the Schengen border is not going to bring about a new era of impenetrable boundaries and isolation. The introduction of EU borderline-monitoring mechanisms on the Schengen border might be suggested only as an additional measure for the effective control of phenomena as drug traffic, criminality etc.

## 6. CONCLUSIONS

The positive role of Euro-region projects such as the DKMT should be further emphasised. It is essential for the EU officials to understand that it is basically in their interest to provide for the long-term successful development of the DKMT and other Euro-regions in the CEE and in the SEE. The creation of the Euroregion is therefore a journey into stimulating the creation of transfrontier organisations that will identify potential, gather support and apply for funding that EU structural programmes and other sources may make available. The Euroregion will only succeed where there is genuine collaboration between people with similar objectives. Following Hungary's accession to the EU on May 1st, 2004, Banat region becomes one of Romania's gateway to the "new Europe", while Voivodina will become the border of EU both on Hungarian and Romanian side. The historical Banat is just a "strong nucleus" of the Euroregion, but to which have joined other administrative units from Romania, Hungary and Serbia. This motivates that the Euroregion is a 'workshop of the local identity, respectively of the regional one, which has a more and more important role'. The Euroregion is not only an institutional frame now, but it tends to become a mental reality.

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## NOTES

1. See details at: [www.dkmt.hu](http://www.dkmt.hu).
2. For much information look on **The Council of Europe Publishing House**, “Trans-frontier cooperation in South-eastern Europe,” (Report by the Council of Europe- Directorate of Cooperation for Local and Regional Democracy, Strasbourg, 2002).
3. see the website of the Council of Europe: <http://www.coe.int>
4. Jász-Nagykún-Szolnok megye left DKMT in May, the 24<sup>th</sup>, 2003 because of two reasons: the fact that they were part of another Euro-region as well as its peripheric geographic position. At <http://www.dkmt.hu/ro/doc/ef20030524.doc> it is shown that the vice-president of Csongrád megye, Marosvári Attila, presented the request of leaving the cooperation from Jász-Nagykún-Szolnok megye (annex no 3, Decision no 6/2003) which was adopted in unanimity. Hunedoara county joined the Euroregion only on November, the 21<sup>th</sup>, 1997, when the institutional frame of DKMT was created.
5. DKMT include similar levels of authority, such as counties and provinces: Hungarian *megye* (counties), Serbian *province* of Vojvodina and Romanian *județe* (counties).
6. [www.triplexregion.net](http://www.triplexregion.net)
7. see Council of Europe, ‘Report on the self-government in Romania (April, 2002)’, in: <http://www.coe.int>
8. About this issue see <http://www.stabilitypact.org>: Special Co-ordinator of the Stability Pact for South-eastern Europe, ‘Local Democracy and Cross-border Co-operation’.
9. It is a Memorandum concerning ‘**the Law on Hungarians Living in Neighbouring Countries and issues of bilateral cooperation**’, reached in Budapest on December 22<sup>nd</sup>, 2001. On Section I, Article 10, it stipulates that the Republic of Hungary will not provide any kind of support to the Hungarian political groupings in Romania unless it has previously informed the Romanian authorities and obtained their consent.

10. [www.regionalnet.org](http://www.regionalnet.org), 'The Observer of Regional and Euroregional politics' (coord. Dorin Branea), 2001.
11. the whole version of the Report is at: [www.freeminds.ro/reportCBM\\_2000pdf](http://www.freeminds.ro/reportCBM_2000pdf).
12. follow: [www.iorom.ro](http://www.iorom.ro)
13. see [www.trioregionet.org](http://www.trioregionet.org), news, Timisoara
14. article communicated at the Forum '**European Affairs, Leadership și Sustainable Developemnt in the Euroregion Timisoara-Novi Sad-Arad-Szeged**' on June 13th 2006 by Al. Ostaficiuc, the President of the Timiș County Council.
15. [www.cjt.ro/timisecon.phd](http://www.cjt.ro/timisecon.phd)
16. for details see: [www.pitt.ro/en](http://www.pitt.ro/en)
17. For a full text-version of the memorandum see Office for Hungarian Minorities Abroad at the Hungarian Government, Budapest, <http://www.htmh.hu>