RECENT TRENDS IN ECONOMIC COOPERATION AND DEVELOPMENT IN THE ALPE-ADRIA AREA

Giacomo Borruso and Romeo Danielis

1. Introduction

Over the centuries this area has been of great strategic importance; this explains the frequent political changes. Together with some contiguous areas, this region represented the "growth pole" of economic development in Continental Europe; and control of this area was a means of controlling the whole continent. Furthermore, it played an important role as a link between Europe and the Eastern Mediterranean and the Islamic nations. This explains, for example, why the Venetian Republic took so much pains to create fortified sites to defend its commercial activities; why, later, Napoleonic France created the Illyrian Provinces; and why the Austro-Hungarian Empire considered control of this area to be a strategically vital objective.

At the beginning of the present century the break-up of the Austro-Hungarian Empire determined a new political environment in Continental Europe. The lands under discussion were split up among a variety of national states. The links among their populations that had been set up and maintained by the imperial administration were relaxed. Subsequently, when the Second World War began, the Alpe-Adria territory belonged to different military blocs; and after the war, it belonged to different sides of the "iron curtain." Only after the Tito-Stalin break and the subsequent opening-up of Yugoslavia to the West did there occur the reverse tendency, i.e., toward increasing political, economic and cultural collaboration.

The creation of the Alpe-Adria community derives directly from this new attitude, and represents one of its most meaningful and practical achievements. It is relevant that in the Alpe-Adria Community there are regions belonging to different alliances (EEC, COME-CON) as well as both neutral and non-aligned countries (Austria and Yugoslavia, respectively). Economically, we see differences of the same order, within the range of capitalist and socialist economies.

Remarkably, all these striking political and economic diversities are no longer a source of controversy, but are now a stimulus toward integration and cooperation, and toward the overcoming of all kinds of barriers. In this regard, the common history of the Alpe-Adria regions, and the fact that they share a marginal status within their own nations, is an inspiring fact. As a consequence, a willingness to promote the process of aggregation has been strengthened by the presence of the mutual aim of regaining the political, economic and cultural roles which these regions played within Continental Europe in the past.

2. Functions and Activities

It may be helpful if we illustrate the functioning and objectives of the Alpe-Adria Community Organization.

The Presidency of the Community rotates among all the member regions, in alphabetical order, for two-year terms. Meetings of the Presidential Committee are scheduled twice within each of these terms. Hitherto, decisions by majority vote have not been required: thanks to a mediation policy, all decisions have been adopted unanimously. The aims of the Community, and its general interests, were identified and illustrated in a protocol

agreement signed in Venice in November 1978; this represents the "Constitution" of the Alpe-Adria Community.

In order to analyze and implement decisions taken by the Presidential Committee, six commissions (originally four, and in 1985 a further two) were created, each of which is subdivided into working groups. The presidencies of all the commissions rotate on two-year terms, in alphabetical order. The terms of reference and activities of the commissions will now be reviewed.

2.1. FIRST COMMISSION: Land Use and Environment

This commission studies problems that have recently been growing in importance. Three reports have been produced to date: "The First Report on Land Use in the Alpe-Adria Community," with extensive maps (October 1982); "Report on the Economy of Water Resources," with a quadrilingual dictionary of urban land-use terminology (May 1983); and "Report on the Environment," on environmental management and protection. Within this commission working groups have been drawn up on the following subjects: environment; cartography; an environmental dictionary; environmental disaster protection; firefighting; and urban and industrial waste disposal.

2.2. SECOND COMMISSION: Transportation and Traffic

In 1980 the Commission on Transport and Traffic drew up a planning document concerned with road and railroad traffic organization, a matter considered essential for the future development of the Alpe-Adria Community. This plan, which was approved by the Presidential Committee, has been presented to a number of European institutions. The definition of technical transportation characteristics, and of costs and financing of transportational infrastructures, is in progress. This phase will be followed by a more politically-oriented one, including consultations with the national governments that correspond to the member regions. Transportation problems, as being one of the main interests of the Community, are dealt with further below.

2.3. THIRD COMMISSION: Culture and Information

The activity of this Commission is both broad and complex. It requires close collaboration with several organizations that are external to the Community's administrations. Its main activities are the following:

- •activities for young people in the form of yearly seminars, held in rotation in every region of the Community. Also, both winter and summer games have been successfully organized;
- •music and theatre, in the traditions which have their roots in the Alpe-Adria regions. Several meetings between organizational personnel have taken place with a view to stimulating various kinds of events;
- •conventions and exhibitions, including traveling exhibitions, treating a variety of subjects;
- •other cultural activities: relevant here is the introduction of a card, called a "cultural passport," that guarantees special assistance to organizers in the Community's cultural institutions;
- •a Working Group on the maintenance of historical centers, which has already produced a first report;
- •a survey of linguistic minorities by means of an ad-hoc questionnaire;

•activities by the Committee of University Rectors/Presidents; this group, which has representation from 30 universities and colleges, coordinates scientific and scholarly meetings, and provides scholarships for the exchange of researchers.

2.4. FOURTH COMMISSION: Economics

This commission is concerned with a wide variety of issues. It is therefore subdivided into a number of sub-commissions, e.g., the Sub-commission on Energy, the Veterinary Sub-commission, the Sub-commission on Tourism, etc. Some external organizations, such as the Presidents of Chambers of Commerce and Economy, and a Working Group on Commercial Exhibitions, work in close cooperation with this Commission. See further below, under 3.

2.5. FIFTH COMMISSION: Agriculture, Forestry, Wildlife and Mountain Economy

2.6. SIXTH COMMISSION: Hygiene and Health

These last two groups were created in November 1985, and there is little to report as yet. In addition, there are two other groups, separate from all of the above; one deals with information transfer, the other on tourist promotion. The latter is now organizing a world campaign to promote tourism in the Alpe-Adria regions as a whole.

3. Economic Development and Cooperation.

Besides manifesting a variety of economic systems, with various degrees and kinds of capitalism and socialism, the Alpe-Adria regions performed differently over the past decade with respect to their growth rates. Both the variation in economic system and the variation in growth rate have important consequences for future economic cooperation within the Community.

The Commission on Economy (see **2.4.** above) initially focused on the following topics: 1) Banking cooperation, 2) The role of economic organisms for cooperation within the Community, 3) The creation and maintenance of an integrated socio-economic statistical data bank, and 4) Cooperation in investments in technological innovations and the promotion of specific economic sectors.

With respect to the first two topics, the Commission found it difficult to overcome the problems that were inherent in the different regional situations. More specifically, with respect to banking cooperation, the possibility was studied of promoting an international financial establishment that would be sponsored by the banks and other financial institutions of the Community. This project has not yet been completed because of the individual regions' lack of legislative power; the diversity of banking jurisdictions; and—last but not least—the inability of some economic organisms to face such a task.

Issues are less complicated with respect to the second topic. There has been progress in the analysis of cooperation among the relevant authorities that are institutionally involved in the promotion and stimulation of economic activity, e.g., Chambers of Commerce, Fairs committees, Harbor committees, and tourist authorities. Common initiatives have been undertaken, such as the Alpe-Adria conference in London and the tourism card (which was presented to the Community in Graz); and others are planned.

With respect to the third topic, the integrated data-bank is still in its preliminary stages. The data set is still insufficient to calculate indicators of single-country economic performances. As an exercise, we list below the economic growth rate for the various regions,

insofar as the data are available and applicable; it may be easily noted, however, that they are both incomplete and non-homogeneous. It is necessary to have, instead of these figures, data on the economic integration processes among the various regions. The Italian regions, for instance, are constructing—and the Veneto region has already published theirs—regional input-output matrices, to be extended to social accounting matrices, as a means of evaluating integration indices. More work is required to integrate these data.

TABLE I: DATA ON ECONOMIC GROWTH RATES

REGION	GROWTH RATE
Upper Austria	8.6% (1982)
Carinthia	5.5% (1984)
Croatia	6.0% (1984)
Friuli-Venezia Giulia	
Salzburg	
Slovenia	2.1% (1984)
Styria	2.5% ()
Veneto	
Trentino-Alto Adige	

NOTE: The data are not homogeneous because they refer to different yeas and furthermore relate to different definitions of 'growth:' Gross National Product, Gross Social Product, and so on.

The fourth topic, recently proposed by the Croatian regional representative, is more practical. It relates to the promotion and diffusion of technological knowledge and innovations among the regions of the Community. This is a very challenging objective, viewed by all the countries as important.

4. Some Conclusions.

At this juncture it is worthwhile considering the role that the Alpe-Adria Community will play in Europe, and its possible achievements, from the viewpoint of the current socio-political situation. The creation of the Community in the late 1970s has to be viewed against the international economic background of the time, which was characterized by the widespread economic downturn caused by the increase in oil prices and other factors. Economic crises have traditionally had far-reaching socio-political consequences in most of the countries of Europe; hence the desire and the need to counteract economically depressive forces, by developing collaborative actions and solidarity within international relationships.

The achievements to date must be considered a very important initial phase. The opinion is world-wide that technological innovations bring about a tendency toward socio-economic integration and interdependence. As striking examples, the recent environmental events in Europe—the Chernobyl nuclear plant explosion, the pollution of the Rhine river—have posed issues that can not be faced at the level of single nations. Collaboration among the Alpe-Adria regions, in the context of other international alliances, may help overcome difficulties of this nature. At the economic level, international competition ought not to be

an obstacle to cooperation. A scientifically-based knowledge of international economic integration can counter the search for policies that are based within single nations.

Obviously, more work needs to be done. The central authorities' agreements, in particular, ought to be broken down into instances of real cooperative activity among maximally large groups of socio-economic representatives.

Universita degli Studi di Trieste

POVZETEK

NOVEJŠA PRIZADEVANJA ZA EKONOMSKO SODELOVANJE IN RAZVOJ ALPSKO-JADRANSKEGA OBMOČJA

Članek v glavnem skuša razložiti sistem ekonomskega sodelovanja in razvoja Alpsko-Jadranskega območja. V članku avtorja najprej opišeta funkcioniranje Alpsko-Jadranske Organizacije in sistem odnosov med njenimi cilji in strukturo. Potem drugo za drugo opišeta njenih šest Komisij, njihov namen, organizacijo in delovanje. Končno, potem ko se dotakneta problemov v zvezi z gospodarskim razvojem in sodelovanjem na Alpsko-Jadranskem območju, se za trenutek predasta ugibanju o bodočem razvoju območja.