

Economic integration

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Abstract. In this scientific paper we have presented how the European Integration process gives results so that the level of economic development is approximately comparable between different countries. The economic structure should be, if possible, the complementary structure of production and the market between different countries. The basic economic goals are to advance the development of economic activities between member states, the permanent and balanced expansion of the economy, greater economic stability and the improvement of living standards and the strengthening of economic relations between member states.

The realization of the set goals is realized through: elimination of barriers and ensuring the free movement of labor, the circulation of capital and services, the establishment of a common customs tariff for EEC countries.

It is considered that the reform in accordance with the standards of the European Union, is one of the most effective measures for the acceleration and successful transition of the transition process and individually advancement in the process of European integration.

Keywords: Theory, process, Integration, sovereignty, economy, politics.

ECONOMIC INTEGRATION IN THE EU

For the process of European Integration to work, it must be: The level of economic development is approximately comparable across countries. The economic structure should preferably be the (complementary) structure of production and market between different countries.

I. THE IMPORTANCE OF CREATING THE EUROPEAN UNION

The idea of a united Europe: Its crystallization into a political project, the long-term political goal of the "United States of Europe", ideal in the time of Victor Hugo and World War I, human casualties and material destruction, and World War II, reviving the idea on the need for European unity. Support from European politicians: Konrad Adenauer, Chancellor of RF Germany, Alcide de Gasperi, Italian premier Robert Schuman.

In a May 9, 1950 statement, Schuman said, among other things, that Europe cannot be done with a single blow, not even with a single building: it will be made with concrete realizations, first of all creating real solidarity. European Coal and Steel Community (18.4.1951 - Paris), Jean Monnet: National Committee for the Union of European States.

II. Creation of the European Union for Atomic Energy (Euro atom) and the EUE.

Treaty of Rome, 25.3.1957 (entered into force 1.1.1958¹). Concerning this Schuman, among other things, he stated: "The unification of European nations demands that a centuries-long hostility between France and Germany² be ended: commitments to action must be taken first and foremost by France and Germany." Signatories of the Agreement: France, R.F. Germany, Italy, Belgium, the Netherlands and Luxembourg. The aim of the European Union is: to create a common market for coal and steel, to maintain peace, to bring the conflicting parties into an institutional structure, to enable co-operation as equal partners, with 1973: Great Britain, Ireland and Denmark, enlargement of scope: social, regional, environmental policy. 1981: Greece, 1986: Spain and Portugal, need for structural programs. The fall of the Berlin Wall (1990), the democratization of the CEECs, the changes in the political structure of Europe. Member States committed to strengthening reciprocal links. Start of talks on reforming the Rome Agreement, and the Maastricht Treaty (1991).

Presentation of ambitious plan: Monetary Union until 1999. New Common Security and External Security Policies 1995: Austria, Finland and Sweden - new members. But whatever the case, the Maastricht Treaty brought substantive innovation, compared to the Rome Agreement. With the aim of advancing European processes, the Maastricht Treaty set out 5 main goals, or as they were called the 5 pillars on which the European Union would be built, namely³: (I) Promote economic and social progress within a single body, strengthening economic and social cohesion and creating an Economic and Monetary Union that will create a common currency, which would come into force at the end of 1999;

Ii) To create a European identity in the international arena by implementing a common foreign and defense policy;

¹ Economics Lecture, ed.1, Zagreb, 1995, p.

² European Union-Treaty Summary (consolidated version in force) European Center publication, Tirana, 200, p.3.

³ European Union-Treaty Summary (consolidated version in force) publication of the Center Europeans, Tirana, 200, p

Iii) To protect the interests of the citizens of the Member States, starting with the process of establishing European states;

(Iv) Promote close development between Member States in the field of justice and home affairs; and

(III) Ensure the efficiency of Union mechanisms and institutions.

Cologne Conference, a major turning point in EU history (1999). Establish the Stability Pact for South Eastern Europe. The expansion of the European Union towards the East and the South began. In May 2004 the biggest expansion in EU history: Key economic goals: advancing the development of economic activity among member states, permanent and balanced economic expansion, greater economic stability and improved living standards and strengthening of economic relations between member countries. The achievement of the stated goals is achieved by: eliminating barriers and ensuring free movement of labor, circulation of capital and services, imposing a common customs tariff for EUE countries.

The need for continuous interaction of common and national interests while respecting the diversity of traditions and national identity Integration Effects, Static Effects of Integration: Market Liberalization, Elimination of Trade Barriers, Mobility of Production Factors. After joining the European Union, EU member states limit their national objectives by replacing them with those set by the European Union. According to Hitiris 2003, progress towards economic integration depends largely on the willingness of member states to transfer their powers to the European Union.⁴ Dynamic effects of integration (long term) Improving resource allocation and utilization, Economizing production scale and specialization requirement based on comparative advantages. Economic integration involves the integration of the market and economic policies. Market integration is the initial step of economic integration by eliminating trade barriers between different countries. Economic policies include the coordination and harmonization of policies between different countries.

IV.Copenhagen criteria for EU integration

It is considered that the reform of the European Union's standards is one of the most effective measures for accelerating and successfully transitioning the process of transition and progressing in the process of European integration⁵. Integration into the European Union is a very important issue for Kosovo since the post-war period. Based on many key objectives and the achievements that Kosovo has made in this regard, much is being done by our Institutions and international ones. Mechanisms other than officials dealing with this issue promise that Kosovo will also be a member of the EU in the near future.

⁴ Hitiris, Theo (2003) European Union Economics, Person Education Limited.

⁴ Kosovo Sectorial Strategy for EU Integration (2007-2013): Office of Stability Pact for

⁵ Kosovo Sectorial Strategy for EU Integration (2007-2013): Office of Stability Pact for Kosovo, 2006

Although we have made quite a number of important steps in this regard, the right thing still needs a lot of work to be done and many important issues to be resolved so that we can join the EU as quickly as all other countries in Europe, and of particular importance and importance is the free movement of Kosovo citizens, as well as all other citizens of Europe. Kosovo and the European Union It is considered that advancing relations between the European Union and the Western Balkan countries including Kosovo is very important based on the objective of these countries for EU integration.

The European Agenda provides support for institutional reforms, financial support, economic reform, market liberalization and support for the consolidation of democracy and legislation in line with European standards. It may be considered that some of the main aspects or mechanisms of cooperation, liaison with Kosovo are: The Stabilization and Association Process Tracking Mechanism 2002 - as an instrument that engages Kosovo on the European path even before defining its final status. Thessaloniki Summit 2003 - where the European Union's commitment to the Western Balkans is reaffirmed, promising this region a European perspective. The European Partnership is also an important instrument of the EU in the implementation of the tasks and requirements arising from the European Union towards Kosovo. Annual progress report, a mechanism through which the work and progress of Kosovo institutions is reviewed. These tasks and tasks foreseen and arising from the European Partnership Work Plan or Action Plan.

I. Political Criteria: Within the Copenhagen Criteria political criteria are: Democracy and the Rule of Law, Protection of Human Rights and Minorities. Intensifying Regional Cooperation.

1. ***Democracy and the Rule of Law:*** It is very important to note that this criterion requires the promotion of democratic processes in society and the drafting of laws in line with European standards. It is considered that all the laws that have been drafted have undergone revision to standardize the EU acquis. Problematic in the case of Kosovo are mainly the sectors of movement of goods and people, public procurement, and financial control. This category includes the empowerment or reform of Institutions such as: Assembly, Government, general and local elections reforms, public administration, judicial system, local government and other aspects.

2. ***Protection of Human Rights and Minorities:*** Based on the International Declaration of Human Rights and Minorities, this should be guaranteed by the Constitution. Kosovo should establish mechanisms for implementing these rights and empowering effective institutions where human and minority rights will be monitored, reviewed and protected. Here we talk about the mechanisms, the protection of children's rights, the rights of people with disabilities, the rights of different minorities in Kosovo, the rights of women, respectively gender equality and many other aspects.

3. ***Intensifying Regional Cooperation:*** Regional cooperation is one of the important conditions for EU integration. It is one of the key conditions in the integration process for the fact that regional co-operation implies a consolidation of relations between the Western Balkan countries. The European Union tends to force these countries to intensify cooperation and overcome their problems.⁶ Kosovo should continue to participate in regional initiatives such as the Regional Cooperation Council, CEFTA, the South East European Transport Observatory, and other initiatives.

⁶ Ferdinad Xheferaj: Balkan Debalkanism, Tirana 2007, p

II. Economic criteria

Given the low level of economic development in Kosovo and the approach of the European Council stated in the Copenhagen Criteria, Kosovo should consolidate the market economy criteria and therefore reforms should be continued until these criteria are met:

1. Building competitive capacity, 2. Privatization and restructuring of publicly owned enterprises, 3. Budget and economic sustainability, 4. Development of the financial sector, 5. Human capacity building, 6. Economic integration into the European Union.

Building competitive capacity and a functioning economy

Kosovo's pro-European approach requires clear economic vision and objectives towards the creation of a sustainable market economy, functional and competitive institutions. The economic problem is one of Kosovo's most serious challenges on the road to the European Union. The main problem lies in the fact that Kosovo has not created a stable production base for meeting domestic needs but also for potential export through which it would change the trend of trade deficit and balance of payments.

1. Privatization and Restructuring of Publicly Owned Enterprises: Privatization of publicly owned enterprises has created new employment opportunities, increased export levels and the achievement of development objectives in general for Kosovo. Another aspect to be discussed is the reform of enterprises through public - private partnerships in energy resources to enable Kosovo to supply energy, then infrastructure projects that would enable better access to regional markets.

2. Budget and Macroeconomic Sustainability: Another important aspect of economic criteria is macroeconomic stability by carefully analyzing the trend of revenues and public expenditures. The transfer of employment from the public sector to the private sector is very important in order to create added value in the private sector but also to relieve the public sector of the current heavy burden. Another important aspect is the sustainable cooperation with the IMF, the World Bank, as Kosovo is a very new member of these institutions. Also important is ensuring the sustainability and transparency of public finances as a budget in line with European standards.

3. Development of the financial sector: The good performance of the financial sector is also important for other sectors of the economy, particularly important is the efficient functioning of the Central Bank as a supervisor of the commercial banking system, respectively. The ratio between deposits and loans of commercial banks as a measure of liquidity, the approach of the real sector to commercial banks loans and other aspects should also be carefully analyzed.

4. Building Human Capacity: Without human resources upgrading and preparing them for the labor market there is no economic growth. The education system is important, so it is considered that continuous reform of the education system in Kosovo is needed. In addition to university education, capacity building through trainings, linking education with the business community, establishing vocational training centers and other institutional forms of action that would enhance the quality of education and prepare capable staff are important.

Therefore, based on this, some of the many tasks for the Kosovo Institutions are: Raising the level of education, achieving Europe 2020 objectives, identifying and promoting Kosovo's comparative advantages for achieving a market economy objective. and sustainable economic development, combating corruption to make efficient and transparent institutions operational.

Political Criterion: Democracy and the rule of law; It is important to note that this criterion requires the promotion of democratic processes in society as well as the drafting of laws in line with European standards. . Problematic in the case of Kosovo are mainly the sectors of movement of goods and people, public procurement and financial control. This category includes the empowerment or reform of Institutions such as the Assembly, the Government, general and local elections reforms, public administration, the judicial system, local government and other aspects.

Human rights and the protection of minorities Based on the International Declaration of Human and Minority Rights, this should be guaranteed by the Constitution. Kosovo needs to establish mechanisms to implement these rights and strengthen effective institutions where human and minority rights will be monitored and monitored. These include mechanisms for the protection of children's rights, the rights of persons with disabilities, the rights of different minorities in Kosovo, the rights of women respectively to gender equality and many other aspects.

Regional cooperation and international obligations; Regional co-operation is one of the important conditions for EU integration. It is one of the key conditions for the integration process for the fact that regional cooperation implies a consolidation of relations between the Western Balkan countries. The political and economic developments of the Western Balkans have been disappointing. The reasons for this have been: the issue of security and the slow and undetermined transition⁷ Kosovo needs to continue participating in regional initiatives such as the Regional Cooperation Council, CEFTA, the South East European Transport Observatory, and other initiatives.

Economic Criterion: Given the low level of economic development in Kosovo and the approach of the European Council stated in the Copenhagen Criteria, Kosovo must consolidate market economy criteria and therefore economic reforms should continue until the content of these criteria is met. Building Competitive Capacity and a Functional Economy: Kosovo's Pro-European Approach requires clear economic vision and objectives towards the creation of a sustainable market economy, functional and competitive institutions.

The economic problem is one of the most serious challenges for Kosovo's economy on the road to the European Union. The main problem lies in the fact that Kosovo has not created a stable production base to meet domestic needs but also potential export through which it would change the trend of trade deficit and balance of payments. Privatization and Restructuring of Publicly Owned Enterprises: Privatization of publicly owned enterprises has not created new employment opportunities, increased export levels and increased development objectives in general in Kosovo. Another aspect to be discussed is the reform of enterprises through public-private partnerships in energy supply in order to enable Kosovo to supply power, and infrastructure projects that will enable better access to regional markets.

⁷ FerdinadXheferaj:Deballkanizmi i Ballkanit, Tiranë 2007, fq.99

Budget and Economic Sustainability: Another important aspect of economic criteria is macroeconomic stability, Development of the financial sector: Of particular importance is the efficient functioning of the Central Bank as a supervisor of the commercial banking system of commercial banks. By carefully analyzing the ratio between deposits and loans of commercial banks as a measure of liquidity, real sector access to commercial bank loans and other aspects.

Capacity Building: The education system is important, therefore it is considered that continuous reform of the education system in Kosovo is needed. In addition to university education, capacity building through trainings, linking education with the business community, the creation of vocational training centers and other institutional forms of action that would enhance the quality of education and create market-capable frameworks are also important. of work. **Economic integration in the European Union:** One of the key problems is how competitive we are with the countries of the region but also with the European Union.

Have we identified country comparators so that we can specialize where we have comparative advantage and export strategy based on those products and services for which we specialize and have the lowest cost? **Legal Criteria,** State's ability to implement *acquis communautaire*⁸ or compatibility of national legislation with that of the European Union. **Administrative Criteria,** The administrative capacity of a state to implement European Union policies and rights. By setting these the criteria, laying the foundations for economic, political, legal and administrative development were a priority for the Western Balkan countries⁹. By raising these sound foundations, the region will not only ensure sustainable developments in the standards of living of their citizens, but also pave the way for rapprochement with the European family.

⁸ The *acquis* is the set of common rights and obligations that unites all member states in the European Union. This is constantly changing and includes: the content, principles and political aims of the Treaties; Legislation adopted pursuant to the Treaties and case law of the Court of Justice of the European Union; Declarations and resolutions adopted by the European Union; Measures relating to the Common Foreign and Security Policy; Measures relating to justice and home affairs as well as international agreements concluded by the Community and agreements concluded by Member States between each other in the field of European Union activities. The *acquis communautaire* thus encompasses European Union law in a narrow sense, acts adopted under the second and third pillars of the European Union, and the common objectives set out in the Treaties. The European Union is committed to maintaining the *acquis communautaire* in its entirety and further developing it. Applicant countries must accept the *acquis communautaire* before joining the European Union. They must transpose the *acquis* into their national legislation and implement it as soon as they accede to the European Union.

⁹ Since 1995 it has also joined the fourth Madrid criteria: State Administrative Capacity: Blerimreka / Rainbow Sala: Introduction to European Union Law. Tetovo 2007, p. 45

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