

THE ROLE OF COOPERATIVES IN REGIONAL INTEGRATION: A PERSPECTIVE FROM THE WESTERN BALKANS

RUI SAMARCOS LORA

ruisamarcos@gmail.com

PhD Fellow at the Foundation for Science and Technology (FCT), former Fellow at the Tokyo Foundation for Policy Research (SYLFF). He holds a degree in International Relations (UniCEUB) and is a Specialist in Political Science from the University of Brasília (UnB). Lora holds a Master's degree in International Relations and European Studies from the University of Évora. He is currently a doctoral candidate at the Center for Social Studies-CES / Faculty of Economics (FEUC) at the University of Coimbra (Portugal). He is a member of the Hannah Arendt Center for Politics and the Humanities at Bard College (HAC).

Abstract

This paper investigates the pivotal role of cooperatives in facilitating regional integration, with a focus on the Western Balkans region. Utilizing insights drawn from the European integration process and the unique dynamics of the Western Balkans, this study delves into the multifaceted ways in which cooperatives contribute to various facets of regional integration, encompassing rural development, agriculture, employment, social inclusion, and energy. Through an analysis of projects and initiatives involving cooperatives in the region, it becomes apparent that these entities serve as inconspicuous yet crucial local actors, driving socio-economic advancement and fostering cross-border collaboration. Despite encountering challenges such as legal frameworks and historical contexts, cooperatives significantly influence the promotion of bottom-up approaches to integration, thereby amplifying the participation of local stakeholders in the process. By leveraging fundamental principles inherent to cooperativism, including solidarity and democratic governance, these organizations facilitate dialogue, trust-building, and sustainable development, thereby furthering the overarching objectives of regional integration. This paper underscores the imperative for greater acknowledgment of cooperatives as possible stakeholders in regional integration processes and advocates for policies aimed at bolstering their engagement and empowerment.

Keywords

Cooperatives, Regional Integration, Western Balkans, local turn, Rural development.

Resumo

Este artigo analisa o papel fundamental das cooperativas na facilitação da integração regional, com foco na região dos Balcãs Ocidentais. Utilizando insights extraídos do processo de integração europeia e da dinâmica única dos Balcãs Ocidentais, este estudo aprofunda as formas multifacetadas pelas quais as cooperativas contribuem para várias facetas da integração regional, abrangendo o desenvolvimento rural, a agricultura, o emprego, a inclusão social e a energia. Através de uma análise de projetos e iniciativas envolvendo cooperativas na região, torna-se evidente que estas entidades atuam como atores locais discretos, mas cruciais, impulsionando o avanço socioeconómico e promovendo a colaboração transfronteiriça. Apesar de enfrentarem desafios como quadros jurídicos e contextos



históricos, as cooperativas influenciam significativamente a promoção de abordagens de integração de baixo para cima, ampliando assim a participação das partes interessadas locais no processo. Ao alavancar princípios fundamentais inerentes ao cooperativismo, incluindo a solidariedade e a governação democrática, estas organizações facilitam o diálogo, a construção de confiança e o desenvolvimento sustentável, promovendo assim os objetivos gerais da integração regional. Este documento sublinha a necessidade imperativa de um maior reconhecimento das cooperativas como possíveis partes interessadas nos processos de integração regional e defende políticas destinadas a reforçar o seu envolvimento e capacitação.

Palavras-chave

Cooperativas, integração regional, Balcãs Ocidentais, viragem local, desenvolvimento rural.

How to cite this article

Lora, Rui Samarcos (2025). The role of Cooperatives in Regional Integration: A Perspective from the Western Balkans. *Janus.net, e-journal of international relations*. VOL. 16, Nº. 2, November 2025-April 2026, pp. 255-271. DOI <https://doi.org/10.26619/1647-7251.16.2.14>

Article submitted on 16th September 2024 and accepted for publication on 8th September 2025.





THE ROLE OF COOPERATIVES IN REGIONAL INTEGRATION: A PERSPECTIVE FROM THE WESTERN BALKANS

RUI SAMARCOS LORA

The integration process in the Western Balkans is guided by two main strategies. The first strategy revolves around the European Union's bilateral approach, wherein each candidate country must individually fulfill specific requirements. The second strategy involves the European Union's enlargement conditionality for candidate nations, which includes fulfilling stipulated criteria and establishing parallel structures under EU sponsorship. Additionally, multilateral intra-regional initiatives, such as the integration of the Western Balkans itself, complement these strategies. The overarching aim is for these inter and intra-regional approaches to mutually reinforce one another, facilitating smoother accession processes to the European Union for Western Balkan countries. Ultimately, this approach aims to foster initial enlargement among these nations, aligning them closely with the EU's four freedoms of the market and its *acquis communautaire*, thus promoting closer integration with the European Union.

Within this outlined integration framework for the Western Balkans, the post-war context is paramount, particularly in rural areas, which faced a devastated economy and inadequate infrastructure (Van Houtte 1999:625-638). Cooperativism emerges as a viable crisis management alternative (Vieta and Lionais 2015:32), capable of contributing to regional development and fostering integration among populations fragmented by conflict (Radosavac, Djukic, and Jovanovic 2014:23-26) (Pugh 2002:467). However, the role of cooperatives in this context is not immediately evident. Rather, it operates diffusely, often with the assistance of various international organizations through hybrid mechanisms and platforms. Factors such as the erosion of trust resulting from war (CEDP 2018:42) and the complex political and economic legacy of the former Yugoslavia (Gardner and Lerman 2006) partly explain the delayed recognition of the cooperative sector's contribution to regional integration.

Considering this context, this paper aims to delve into the role of cooperatives in facilitating regional integration in the Western Balkans region. Building upon the outlined integration strategies for the Western Balkans, which emphasize both bilateral EU accession processes and intra-regional initiatives, this study seeks to elucidate the historical context and contemporary dynamics of cooperatives in the region in the first moment. By examining the historical evolution of cooperativism in the Western Balkans and its contribution to the broader European integration process, this paper aims to shed light on the multifaceted ways in which cooperatives foster socio-economic development and cross-border collaboration. Moreover, it endeavors to explore the nuanced role of cooperatives in navigating the challenges posed by the post-war context and the complex political and economic legacy of the former Yugoslavia. Ultimately, this paper seeks to emphasize the importance of considering cooperatives as stakeholders in the Western Balkans' integration process and promoting policies aimed at enhancing their engagement and empowerment within the region.



The Cooperative Movement in the Western Balkans

In contrast to Europe, where the cooperative movement boasts a well-documented history and is celebrated for its contributions to the social economy (Bietti et al., 2021; Gijselinckx & Bussels, 2014; Ortmann & King, 2007), the history of cooperatives in the Western Balkans, while similarly old - dating back to the 19th century - follows a unique trajectory, yielding distinct outcomes that shed light on the asymmetries of cooperativism's role in their respective integration endeavors. The first cooperative in the Western Balkans region, Gazdovsky Spolok, was founded in Bački Petrovac, Serbia, in 1846, modeling cooperative savings and loan frameworks. Predominantly, the cooperatives sprouting during this era aimed to address capital scarcity issues, marking a phase of relative prosperity for the cooperative movement (Krasavac & Petković, 2015). According to a report by the Food and Agriculture Organization (FAO), cooperatives established in the Western Balkans during this epoch mirrored the European model within a context characterized by:

"a developed awareness about the need to associate; a significant number of different kinds of cooperatives; and one or several alliances connected to international cooperative associations" (FAO 2013:12).

Hence, the initial imprint of cooperativism in the region is largely positive, as it not only establishes cooperative enterprises, inspired by the Rochdale model¹, but also aligns with the global cooperative movement, thereby bolstering and fortifying ongoing initiatives. At this juncture, the trajectory of cooperativism in the Western Balkans mirrors that of its European counterparts. However, following the Second World War, this trajectory underwent a significant shift with the adoption of a collectivization system modeled after the Soviet paradigm. This entailed a partial amalgamation of private property, akin to developments in the Soviet Union, with the establishment of *kolkhozes*². Those cooperatives that did not undergo this transformation evolved into community hubs, fostering rural development and serving as conduits for socialist principles within the country (Irwin, 2000). Consequently, *kolkhozes* deviated from the cooperative model, as laborers were unable to leave the premises, remuneration was tied to labor input rather than production output, and decision-making processes mirrored governmental

¹ The Rochdale Model refers to a cooperative business model that originated from the Rochdale Society of Equitable Pioneers, a group of weavers in Rochdale, England, in 1844. This model laid down the principles of modern cooperative organizations and became the foundation for the cooperative movement worldwide. Key features of the Rochdale Model include voluntary and open membership, democratic control by members (one member, one vote), distribution of surplus or profits among members based on their transactions with the cooperative, education and training of members, cooperation among cooperatives, and concern for the community.

The Rochdale Model emphasized the importance of self-help, self-responsibility, democracy, equality, equity, and solidarity in creating sustainable and ethical businesses that serve the needs of their members and communities. It provided a blueprint for the organization and operation of cooperatives across various sectors, including agriculture, retail, finance, and housing.

² Kolkhozes were collective farms in the Soviet Union where land, livestock, and equipment were pooled together for joint production. These collective farms were a key component of the Soviet agricultural system, established during Joseph Stalin's collectivization campaign in the late 1920s and 1930s. The term "kolkhoz" is derived from the Russian words "kollektivnoye khozyaystvo," meaning collective ownership or management. Kolkhozes were characterized by centralized planning and state control over agricultural production, with farmers working collectively and sharing the profits from their labor. However, the system faced various challenges, including inefficiency, low productivity, and resistance from individual farmers forced to give up their land and join collective farms.



mandates rather than cooperative principles, effectively reproducing state directives within their assemblies.

By the late 1950s, amidst a Yugoslav adaptation of the Soviet model, cooperatives began to showcase their role in rural development and were acknowledged as vital community hubs, fostering social and cultural development and enhancing overall quality of life within the region.

"With the adoption of the Law of 1957 when the emphasis was put on general agricultural cooperatives, which aside from procuring inputs, purchasing products needed for processing, providing services to farmers and other jobs related to improving agriculture, also had a significant role in rural development because these were places of gathering and the development of social and cultural life, which helped to improve life" (FAO 2013:13).

In this context, it is noteworthy to recognize the role of cooperatives in fostering community bonds - irrespective of the prevailing political and economic milieu - and even in nurturing social capital (Barham and Chitemi, 2009). However, within the specific context of the Western Balkans, the deepening of reforms in the region resulted in the closure of numerous cooperatives, particularly smaller ones, with a significant portion being nationalized and amalgamated into state-owned enterprises. This had detrimental effects and, to some extent, dampened the cooperative sector's vigor in the face of evolving reforms, inconsistencies, and a drift away from the cooperative ethos (FAO, 2013:13).

The intensification of this model effectively transformed cooperative entities into extensions of the government, utilized for political ends rather than representing the interests of the cooperators themselves. Consequently, this period witnessed a significant departure from the original objectives and *modus operandi* of cooperatives, elucidating why their contribution to regional integration in the Western Balkans diverged from that observed in European integration. The legacy of the socialist era profoundly discouraged association and cooperative endeavors, a sentiment that persists among certain segments of the population even today (Hagedorn, 2014; Wegren and O'Brien, 2018).

It was only in the late 1980s, amid the onset of new economic and social reforms in the Western Balkans coinciding with the collapse of Yugoslavia, that cooperatives commenced a revival rooted in their foundational principles. However, with the eruption of the Bosnian war and subsequent conflicts, cooperativism was relegated to the backseat, not deemed a priority at the time (FAO, 2013:15). With the advent of peace negotiations in the late 1990s and the imperative for economic and social reconstruction that interest in cooperatives was reignited definitively.

Thus, as can be perceived, when examining the nexus between the cooperative movement and regional integration processes, it is imperative to acknowledge that the trajectory of cooperative formation in the Western Balkans differed significantly from that experienced in Europe. Consequently, the contribution of cooperatives to regional integration is more readily discernible in the European context than in that of the Western Balkans (Chaves and Monzón, 2017). Nonetheless, this does not negate the existence of cooperative engagement within the Western Balkans.



Cooperatives as a Catalyst for European Integration

The integration trajectory of the Western Balkans is marked by a distinctive feature, rooted in the aspiration of each country in the region to join the European Union (Volk et al., 2014:11). Moreover, the European Union, in addition to delineating its accession criteria and requirements, actively encourages and conditions the Western Balkan nations to foster regional integration, thereby facilitating a smoother and more harmonious bilateral accession process, as previously noted³.

Given that the integration journey of the Western Balkans is intricately linked to EU accession, understanding the role of cooperatives and their impact on the integration process necessitates an examination of the existing synergies between cooperativism and European integration. Subsequently, it becomes imperative to underscore their involvement in the ongoing integration process within the Western Balkans.

Accession to the European Union entails a multifaceted process outlined in Article 49 of the Treaty on European Union:

"Any European State which respects the values referred to in Article 2 and is committed to promoting them may apply to become a member of the Union. The European Parliament and national Parliaments shall be notified of this application. The applicant State shall address its application to the Council, which shall act unanimously after consulting the Commission and after receiving the consent of the European Parliament, which shall act by a majority of its component members. The conditions of eligibility agreed upon by the European Council shall be taken into account. The conditions of admission and the adjustments to the Treaties on which the Union is founded, which such admission entails, shall be the subject of an agreement between the Member States and the applicant State. This agreement shall be submitted for ratification by all the contracting States in accordance with their respective constitutional requirements".

Based on the provisions of the Treaty, the first step for a country to become a member of the European Union is to comply with the accession criteria defined in the European Council of Copenhagen in 1993, known as the Copenhagen Criteria, which can be divided into three broad axes:

- i) stability of institutions guaranteeing democracy, the rule of law, human rights and respect for and protection of minorities;
- ii) a functioning market economy and the ability to cope with competitive pressure and market forces within the EU;
- iii) the ability to take on the obligations of membership, including the capacity to effectively implement the rules, standards and policies that make up the body of EU law (the 'acquis'), and adherence to the aims of political, economic and monetary union.

³ European Commission. European Neighborhood Policy and Enlargement Negotiations. Website: https://neighbourhood-enlargement.ec.europa.eu/enlargement-policy/policy-highlights/regional-cooperation_en. Access on 24th February, 2024.



Upon initial examination of these foundational documents, namely Article 49 of the Treaty on European Union and the Copenhagen Criteria, it becomes apparent that they share certain parallels with the principles underpinning the cooperative movement. This correlation facilitates the identification of synergies, thereby enabling discourse or visualization of the guidelines established by the European Union at a supranational level, regarding integration. Concurrently, cooperative principles⁴, operating at a more localized level, can be delineated, as depicted in the table below⁵:

Table 1. Comparison between Cooperative Principles, Article 49 TEU, and the Copenhagen Criteria

Cooperative principles	Article 49 of the Treaty of EU	Copenhagen Criteria
1. Voluntary and Open Membership	Democratic principle and voluntary membership are aligned with the EU's aspiration to accept new members who share democratic values and seek voluntary accession to the bloc.	"Stability of democratic institutions" and "Respect for human rights and protection of minorities."
2. Democratic Member Control	It reflects the commitment to democratic governance, one of the pillars of the EU accession process.	"Stable institutions ensuring democracy, the rule of law, human rights, and respect for minorities" is a criterion.
3. Member Economic Participation	The principle of sharing benefits equitably is in line with the objective of building fair and market economies in the EU.	"Functional market economy."
4. Autonomy and Independence	It reflects the desire for autonomous entities, a principle related to the need for EU member states to maintain their sovereignty.	The requirement for "ability to assume the obligations of accession, including adherence to the goal of economic stability."
5. Education, Training, and Information	The pursuit of education and information is aligned with the values of transparency and information in the EU.	Concerns regarding the "ability to assume the obligations of accession" and the need for "effective institutions to implement and enforce the <i>acquis communautaire</i> ."
7. Cooperation among Cooperatives	It reflects the idea of working together at national and international levels, which can be compared to cooperation among EU member states.	Can be related to the commitment to "good neighborly relations" and "peaceful conflict resolution."
8. Concern for Community	The commitment to sustainable community development aligns with the emphasis on social and regional cohesion in the EU.	Can be linked to the need for "good neighborly relations" and the commitment to "stability of borders."

Source: Adapted from "Regionalism in Southern Europe: The cooperativism in the Western Balkans' integration process" [Master's thesis, Universidade de Évora], by R. Lora, 2023. (<https://dspace.uevora.pt/rdpc/handle/10174/36014>).

⁴ The cooperative principles serve as a guiding framework for the operation and organization of cooperatives worldwide. These principles outline the fundamental values and practices that cooperatives adhere to in their daily activities. They include voluntary and open membership, democratic member control, economic participation by members, autonomy and independence, education, training, and information, cooperation among cooperatives, and concern for community. Together, these principles ensure that cooperatives operate in a manner that prioritizes the needs and interests of their members, promotes democratic decision-making, fosters cooperation and mutual support, and contributes to the well-being of the communities they serve.

⁵ Lora, R. (2023). Regionalism in Southern Europe: The cooperativism in the Western Balkans' integration process [Master's thesis, Universidade de Évora]. Retrieved from <https://dspace.uevora.pt/rdpc/handle/10174/36014>. Access on 24th February, 2024.



The initial synergy identified can be further underscored by viewing cooperatives as agents of development from a grassroots perspective, i.e., on a local scale. Upon closer examination, it becomes evident that cooperatives contribute to certain chapters of the *acquis communautaire* of the European Union accession process or even in a regional integration process. Therefore, it is imperative to pinpoint the areas in this relationship where cooperatives make a contribution and highlight their role in the integration process by scrutinizing the *acquis communautaire* outlined in the third point of the Copenhagen Criteria.

In the European integration process, once a country is recognized as a candidate, it undergoes several stages until it begins to adopt and implement the *acquis communautaire*. At this juncture, chapters of the *acquis* are opened for negotiation, assessment, and approval. Presently, this community *acquis* comprises 35 chapters that serve as the foundation for commencing negotiations for each candidate country. Hence, they pertain to various domains wherein the candidate country needs to adapt administratively and ensure that national legislation aligns with EU legislation in these domains.

Out of the 35 chapters constituting the *acquis communautaire*, cooperatives can be directly associated, identified, and analyzed in five specific chapters, namely: Chapter 11, pertaining to agriculture and rural development; Chapter 19, concerning social policy and employment; Chapter 20, related to business and industrial policy; Chapter 26, addressing education and culture; and Chapter 27, focusing on the environment. By examining the scope of these chapters and cooperative activities it can be argued that cooperatives have the potential to be recognized as catalysts for regional integration not only by contributing to the harmonization of the *acquis communautaire* but also by serving as local enterprises capable of improving deficient or necessary aspects to meet accession criteria, thereby actively and dynamically expediting the process.

In this regard, considering the chapters of the *acquis communautaire* from the perspective of the contribution of cooperativism, it is possible to highlight that the establishment of cooperatives has proven to be an effective instrument for alleviating rural poverty (Mojo et al., 2017), as well as enhancing the efficiency and productivity of processes in rural areas through the collective acquisition of inputs and machinery (Abate et al., 2014; Ji et al., 2019). Furthermore, it empowers producers with bargaining power and facilitates access to broader markets (Gava et al., 2021). It also fosters integration between producers and supply chain actors and addresses gender issues. Similarly, it promotes knowledge building and the creation of local social capital (Barham and Chitemi, 2009), which is crucial in an integration process considering the history of conflict in the Western Balkans.

Moreover, the establishment of cooperatives can support capacity building and the dissemination of knowledge and co-creation through peer learning among producers, which are vital for adopting best practices, adapting to climate change, and implementing risk strategies. Finally, it is worth mentioning that cooperatives can play a central role in local governance by identifying relevant technological innovations and necessary changes in rural management, as well as in education to bolster producer leadership and foster youth and female entrepreneurship (Gava et al., 2021).



In this vein, cooperatives can be associated or observed alongside the concept of *subaltern and insurgent cosmopolitanism*⁶ (Lora 2023), as they enable subordinate or excluded actors from the globalization process to organize transnationally in defense of common interests. This is achieved through links with international organizations, such as the International Cooperative Alliance (ICA), or through initiatives, projects, and institutions that allow the grouping of often marginalized voices excluded from a process, not only to participate but also to enjoy common benefits, as is the case with regional integration.

Emphasizing the cooperative contribution to the process and highlighting this *insurgent cosmopolitanism* capacity is crucial because the integration process of the Western Balkans ultimately aims at accession to the European Union in the long term. Therefore, the involvement of cooperatives in this scenario enables, in the short and medium term, the highlighting of the role of a local actor as an international actor in contributing not only to the regional scenario of the Western Balkans but also locally in each country. Furthermore, it is important to note that, in the case of the Western Balkans countries, additional accession conditions were established in the so-called Stabilization and Association Process (SAP)⁷, mainly related to regional cooperation and good neighborly relations. However, it is still necessary to analyze the *catalytic effect* that the cooperative can provide, which will be discussed in detail in the next item regarding regionalism.

Cooperatives: a Non-Evident Local Actor in Regionalism

The role and impact of cooperatives within the European integration process are discernible through the alignment between the foundational principles of European integration — enshrined in the Treaty on European Union and the Copenhagen Criteria — and the cooperative principles. Moreover, the correlation between specific aspects of the *acquis communautaire* and cooperative principles in relevant sectors further highlights their participation in shaping the accession process to the European Union.

Conversely, when considering the integration efforts in the Western Balkans, the contribution of cooperatives appears less conspicuous, primarily due to the historical backdrop of the cooperative movement in the region, as mentioned before. Moreover, the ongoing nature of the integration process in the Western Balkans adds complexity to the visibility of cooperative involvement. Additionally, akin to the dynamics observed in European integration, the engagement of local actors, including cooperatives, may not

⁶ “Insurgent cosmopolitanism,” a term coined by Boaventura de Sousa Santos, refers to a critical and alternative approach to traditional cosmopolitanism. While conventional cosmopolitanism tends to emphasize a universalist and harmonious view of global citizenship, insurgent cosmopolitanism highlights the voices and perspectives of marginalized and subaltern communities. This approach acknowledges the structural inequalities, injustices, and oppressions that pervade global relations and seeks to challenge and transform these dynamics from the margins of society. Insurgent cosmopolitanism values diversity, plurality, and the struggle for social justice at local, national, and global levels, promoting a vision of global citizenship that is more inclusive, supportive, and engaged with the realities and needs of marginalized communities. Santos, B. de S. (2007). Beyond Abyssal Thinking: From Global Lines to Ecologies of Knowledges. Review (Fernand Braudel Center), 30(1), 45-89.

⁷ The Stabilization and Association Process (SAP) is a framework established by the European Union (EU) for countries in the Western Balkans with the aim of promoting stability, democracy, and economic development in the region. It provides a pathway for these countries to gradually integrate with the EU and eventually become candidate countries for EU membership. The SAP involves various measures and reforms, including political, economic, and legal reforms, as well as initiatives to promote regional cooperation and reconciliation. It is an important mechanism for advancing the European integration aspirations of the Western Balkan countries.



be readily apparent. This observation stems from the predominant theoretical frameworks, such as neofunctionalism and intergovernmentalism, which emphasize the roles of states and supranational entities in integration endeavors, a phenomenon accentuated in the context of the evolving integration process in the Western Balkans. This does not mean that there are no local actors or that cooperatives are not indirectly represented, contemplated, and participants in the process. The very mechanisms and structure of global governance mention the possibility of participation and interaction (Lora 2023). In this sense, it is interesting to note that the South East Europe 2030 Strategy⁸ (SEE 2030 Strategy), organized by the member countries of the SEECP⁹, as well as by the RCC¹⁰, highlights the traditional format of global governance processes as insufficient for the full involvement of actors and beneficiaries of an integration process, i.e., the top-down-oriented perspective demonstrates a lack of interaction with local actors and does not foresee greater participation of other actors such as cooperatives.

"The top-down oriented process of programming and implementation of actions did not provide for sufficient involvement of the implementers and intended beneficiaries on the ground, such as the private sector and its related institutions. Furthermore, limitations were detected in access to and operationalisation of available funding; frequent succumbing to a silo approach; weak capacities and/or lacking mandates of some regional coordinators; and challenges in target formulations and data collection."
(RCC-SEE 2030 2021:5)

Although the lack of a robust regulatory framework is a common challenge across the Western Balkans, national approaches vary significantly, reflecting diverse political and administrative structures. Serbia has made notable strides by enacting a modern Law on Cooperatives, which aims to align with EU standards and principles of the social economy (Ljubojevic & Maksimovic Sekulic, 2021). In contrast, Bosnia and Herzegovina faces the additional complexity of harmonizing legislation across its state and entity levels, resulting in a fragmented legal landscape for cooperatives that hinders the development of a unified support system (European Parliament, 2024). North Macedonia, despite its candidate status, still grapples with institutional and administrative capacity challenges that impact the potential of cooperatives to act as instruments for regional

⁸ The South East Europe 2030 Strategy is a regional initiative aimed at promoting cooperation and development among countries in the Southeast European region. It outlines a vision and objectives for the region's sustainable development, addressing various socio-economic challenges and opportunities. The strategy focuses on areas such as economic growth, social inclusion, environmental sustainability, and regional integration. It serves as a framework for joint action and collaboration among governments, international organizations, civil society, and other stakeholders to foster progress and prosperity in the region by the year 2030.

⁹ SEECP stands for the South-East European Cooperation Process. It is a regional initiative aimed at promoting cooperation and dialogue among countries in Southeast Europe. The SEECP was established in 1996 to address common challenges and foster stability, security, and prosperity in the region. It provides a platform for political dialogue, economic cooperation, and cultural exchange among its member states. The SEECP is based on principles of equality, mutual respect, and good neighborly relations, and it works closely with international partners to support regional integration and development efforts.

¹⁰ RCC stands for the Regional Cooperation Council. It is an international organization that promotes cooperation and integration among countries in Southeast Europe. The RCC was established in 2008 to support the European and Euro-Atlantic integration of the region and to foster stability, security, and economic development. The organization focuses on areas such as regional cooperation, economic growth, infrastructure development, and rule of law. The RCC facilitates dialogue and cooperation among its member states and coordinates with other international organizations and donors to support the region's integration efforts.



development¹¹. Furthermore, Kosovo's cooperative sector development is closely tied to the broader dialogue on normalizing relations with Serbia and fulfilling specific EU conditions related to regional cooperation¹².

Through data collection and analysis, it becomes apparent that the interaction between cooperatives and the RCC occurs indirectly, facilitated at times through established mechanisms or platforms, and at other times through intermediary actors like the International Labour Organization (ILO), which coordinates numerous projects in the region where cooperatives play a central role.

Moreover, the SEE 2030 Strategy underscores the imperative of bolstering regional cooperation across existing sectors within the Western Balkans and between the region and the European Union, aiming to establish a foundational framework through key organizations across various political dimensions (RCC-SEE 2030 2021:6). Emphasizing the need to harness the social capital of sectors and institutions, the Strategy aims to enhance both intra- and inter-regional integration within the Western Balkans. This strategic objective aligns with a specific requirement highlighted in the European Commission's Report on Social Economy in the Eastern Neighborhood and the Western Balkans¹³, further emphasizing the significance of cooperatives in fostering regional integration.

"The lack of a regulatory framework for social economy development is cumbersome (...), not allowing socially driven initiatives full and needed recognition (...) none of the countries have implementation tools. In practice (...) social enterprises do not receive needed public recognition, do not enjoy tax benefits, and are struggling with administrative burden and inconsistent implementation of regulations. Social economy is seen as an inclusion model mostly for people with disabilities, with few countries having defined other vulnerable groups as beneficiaries of the employment model created by social enterprises" (Rosandić 2018:5).

Thus, it is noticeable that, despite the existence and participation of social economy entities, there is a lack of support from the Western Balkans countries in establishing a legal framework to support and enable the functioning of cooperatives (Lora 2023). While the Commission points out this gap, the SEE 2030 Strategy seems to encourage and even highlight the need for greater involvement of this sector.

In this regard, the SEE 2030 Strategy seeks to incorporate this local capacity into integration priorities as a significant contribution to creating synergies among regional, sub-regional, economic, and local levels (RCC-SEE2030 2021:33), primarily through the

¹¹ Balcanicaucaso.org. (2023). The state of progress of regional policy in the European integration process of North Macedonia. Recuperado em 9 de setembro de 2025, de <https://www.balcanicaucaso.org/eng/Areas/North-Macedonia/The-state-of-progress-of-regional-policy-in-the-European-integration-process-of-North-Macedonia-233282>

¹² Ifri.org. (2017). The Challenge of the European Integration of Kosovo: Regional Cooperation and Neighbourly Relations. Recuperado em 9 de setembro de 2025, de <http://www.ifri.org/en/challenge-european-integration-kosovo-regional-cooperation-and-neighbourly-relations>.

¹³ European Commission. Website: <https://ec.europa.eu/docsroom/documents/29642/attachments/15/translations/en/renditions/native>. Access on 25th February, 2024.



Employment and Social Affairs Platform 2 (ESAP2)¹⁴. This can be linked to the earlier discussion on synergies between cooperativism and the fundamentals of European integration. Therefore, the Strategy acknowledges the importance of local actors, anticipates their participation, and even mentions the construction of this relationship at different levels (RCC-SEE 2030 2021:54).

Based on the European Commission's Report on Social Economy in the Eastern Neighborhood and Western Balkans (Rosandić 2018), as well as the SEE 2030 Strategy (2021), the participation and role of cooperatives in the integration process are not explicitly highlighted. However, when observing the activities of international organizations cooperating in the process as supranational agents, the contribution of cooperatives to various projects, initiatives, and activities indirectly supporting the integration of the Western Balkans region becomes apparent. Thus, cooperatives have served as catalysts for many actions, albeit in a hybrid process with international organizations such as the Food and Agriculture Organization (FAO), International Labour Organization (ILO), International Fund for Agricultural Development, International Cooperative Alliance (ICA), among others.

Furthermore, it is important to note that countries in the Western Balkans have support infrastructure in the form of intermediary organizations, incubators, accelerators, training centers, mentorship programs, along with financing and networks advocating for the interests of social economy stakeholders (Rosandić 2018). In this context, cooperatives are included in various segments and solutions, as their seven principles enable them to be perceived as local enterprises capable of leveraging characteristics related to the social economy. This underscores the aspect of insurgent cosmopolitanism once again.

Thus, considering hybrid initiatives that take into account cooperative capacity and the activities of observed international organizations, it is possible to highlight specific areas - potentially related to the *acquis communautaire* - where cooperativism has contributed to the integration of the Western Balkans in a non-evident manner but as a catalyst. One such area extends beyond regional integration, encompassing rural development, agriculture, employment, and social inclusion, and may even be linked to peacebuilding efforts (Lora 2023). By fostering economic and social development in the region, cooperatives have facilitated the integration of individuals at a local level, enabling groups previously divided by conflict to coexist through the structure provided by cooperatives, as the case of a multi-ethnic agri-food cooperative established in the canton of Zenica-Doboj¹⁵.

The aforementioned project can be related to various chapters of the *acquis communautaire*, in addition to those dedicated to agricultural development, employment, and social aspects. It is also possible to observe in this case the hybrid manner in which cooperatives have operated and been represented in the global governance bodies of the region, always through an international organization. In the same vein, recent projects by the International Fund for Agricultural Development (IFAD) have been notable in

¹⁴ Employment and Social Affairs Platform 2 is a forum associated with the Regional Cooperation Council (RCC). It serves as a space for discussions, collaborations, and initiatives focused on employment and social affairs within the framework of regional cooperation in Southeast Europe

¹⁵ Committee for the Promotion and Advancement of Cooperatives (COPAC COOP). Transforming our world: A cooperative 2030 Cooperative contributions to SDG 16. Website: https://www.ilo.org/wcmsp5/groups/public/-ed_emp/---emp_ent/---coop/documents/publication/wcms_711383.pdf. Access on February 25th, 2024.



fostering cooperative initiatives in the Western Balkans region through the Rural Competitiveness Development Program (RCDP)¹⁶. These initiatives aim to establish small agricultural groupings alongside small and medium-sized enterprises and other actors in the agricultural sector, with the goal of implementing rural development, local prosperity, poverty alleviation, and promoting social inclusion.

It is noteworthy that the mentioned project has been operating in a hybrid manner, whereby once the proposal was presented to farmers, they themselves established and registered the groupings. Therefore, the initiative originated from the grassroots, in a bottom-up perspective, in a joint process between cooperatives and international agents, such as IFAD in this case. Although not all groupings in the project identify as cooperatives, farmers may potentially organize themselves in this format in the future and provide collaborative work as has been happening in the region. According to IFAD, these groupings have already facilitated the establishment of five cooperatives and the consolidation of twelve others. In total, a network of 700 farmers has been established so far.

Similarly, in the areas of employment, social and economic development, and inclusion, another case worth mentioning is related to the Romani population in Serbia. Cooperatives have been important actors for this population, particularly in Serbia, as Romani people have traditionally been the main workforce - albeit informal - in the waste management sector of the country (Medina 2008). The establishment of cooperatives has strengthened the participation of this population as well as inclusion, bringing together competitive amounts of raw materials and increasing their bargaining power. In the energy sector, the study "Energy Cooperatives Comparative Analysis in Eastern Partnership Countries and Western Balkans," conducted by Women Engage for a Common Future (WECF) in partnership with the Green Energy Cooperative (Zelena Energetska Zadruga-ZEZ), highlights the contribution of cooperatives to the energy theme in the Western Balkans region. According to the study, energy communities, including cooperatives, play a vital role in helping governments achieve climate and energy goals. They foster commitment, reduce costs and distrust, and encourage sustainable actions. These projects promote community cohesion and are part of a broader strategy for inclusive development¹⁷.

In North Macedonia, also in the context of rural development, agriculture, employment, and social inclusion, the project "Support to Development of Agricultural Cooperatives," coordinated by CARE International, along with the United Nations Office for the Coordination of Humanitarian Affairs (OCHA) and the European Union, presented in its final report that cooperative projects established in the region have led to an improvement in agricultural practices and modernization of rural properties¹⁸."

It is possible to list other similar examples that allow us to observe the role of cooperatives as a catalyzing agent in regional integration processes. Therefore, the

¹⁶ Fundo Internacional para o Desenvolvimento da Agricultura (IFAD). Website: <https://www.ifad.org/en/web/operations/-/project/2000001813>. Access on February 25th, 2024.

¹⁷ Women Engage for a Common Future (WECF). Website: <https://www.wecf.org/wp-content/uploads/2018/06/EnergyCooperativesONLINEshortversionKopieren.pdf>. Access on February 25th, 2024.

¹⁸ United Nations Office for the Coordination of Humanitarian Affairs. Website: <https://reliefweb.int/report/republic-north-macedonia/final-evaluation-support-development-agricultural-cooperatives>. Access on February 25th, 2024.



cooperative acts as a non-evident actor. Whether due to the hybrid format in which cooperative initiatives are carried out or even because of the history of cooperativism in the region, the process of integration in the Western Balkans has relied on cooperative actions, although this contribution could be better utilized if indeed viewed from a “top-down” perspective, as suggested by the SEE 2030 Strategy, harnessing the inherent *insurgent cosmopolitan* potential of the cooperative essence.

Conclusion

The examination of the cooperative movement within the Western Balkans offers valuable insights into the complexities of regional integration. By tracing its historical trajectory, shaped by a confluence of communist legacies and regional conflicts, we gain a nuanced understanding of its divergent path compared to cooperative movements in Europe. This nuanced perspective underscores the importance of appreciating the multifaceted roles of cooperatives as agents of change within the region’s integration dynamics.

Furthermore, our analysis illuminates the significant but often understated contributions of cooperatives to European integration. As the Western Balkans navigate the path toward EU accession, understanding the pivotal role of cooperatives becomes imperative. Not only do cooperatives possess the potential to facilitate the accession process, but they also serve as vital drivers of regional cohesion and cooperation among Western Balkan nations.

Despite facing challenges stemming from historical legacies and legal frameworks, cooperatives demonstrate resilience and remain integral actors in the regional landscape. While their impact may not always be immediately discernible, their influence permeates various spheres of regionalism, offering avenues for enhanced collaboration and integration. By acknowledging and harnessing the latent potential of cooperatives, stakeholders can unlock new opportunities for synergy between local and global forces, fostering a more robust and inclusive integration process in the Western Balkans.

In conclusion, prioritizing the role of cooperatives as catalysts for integration represents a crucial step toward realizing the region’s aspirations for both regional cohesion and eventual EU accession. By leveraging the inherent strengths of the cooperative movement, policymakers can pave the way for sustainable and inclusive integration, positioning the Western Balkans as a dynamic participant in the broader European landscape. While the cooperative movement faces shared challenges across the region, future research and policy initiatives must account for the distinct national contexts. The differing legal frameworks in Serbia, the complex governance structure in Bosnia and Herzegovina, and the specific post-independence challenges in Kosovo all necessitate tailored approaches to effectively harness the power of cooperatives for integration.

References

Abate, G. T., Francesconi, G. N., & Getnet, K. (2014). Impact of Agricultural Cooperatives on Smallholders Technical Efficiency: Empirical Evidence from Ethiopia. *Annals of Public and Cooperative Economics*, 85(2), 257-286.



Balcanicaucaso.org. (2023). *The state of progress of regional policy in the European integration process of North Macedonia*. Accessed on 9 September 2025: <https://www.balcanicaucaso.org/eng/Areas/North-Macedonia/The-state-of-progress-of-regional-policy-in-the-European-integration-process-of-North-Macedonia-233282>.

Barham, J., & Chitemi, C. (2009). Collective action initiatives to improve marketing performance: Lessons from farmer groups in Tanzania. *Food policy*, 34(1), 53-59.

Bietti, E., Etxeberria, A., Mannan, M., & Wong, J. (2021). Data Cooperatives in Europe: A Legal and Empirical Investigation. *White Paper Created as Part of The New School's Platform Cooperativism Consortium and Harvard University's Berkman Klein Center for Internet & Society Research Sprint*.

Bijman, J., Muradian, R., & Cechin, A. (2012). Agricultural cooperatives and value chain coordination. In *Value Chains, Social Inclusion and Economic Development* (pp. 82-101). Routledge.

Bojnec, S. (2005). *Agriculture in post-war Bosnia and Herzegovina: Social buffer vs. development* (No. 724-2016-49329).

Chagwiza, C., Muradian, R., & Ruben, R. (2016). Cooperative membership and dairy performance among smallholders in Ethiopia. *Food policy*, 59, 165-173.

Chaves Ávila, R., & Monzón, J. L. (2017). Recent Evolutions of the Social Economy in the European Union.

Europe, C. CEDP.(2019). *Cooperatives and Peace: Strengthening Democracy, Participation and Trust. A Case Study Approach*.

European Parliament. (2024). *Fact Sheets on the European Union: The Western Balkans*. Accessed on 9 September 2025: <https://www.europarl.europa.eu/factsheets/en/sheet/168/the-western-balkans>

Fan, S., Brzeska, J., Keyzer, M., & Halsema, A. (2013). *From subsistence to profit: Transforming smallholder farms* (Vol. 26). Intl Food Policy Res Inst.

Gardner, B. L., & Lerman, Z. (2006). *Agricultural cooperative enterprise in the transition from socialist collective farming* (No. 888-2016-65064).

Gardner, B. L., & Lerman, Z. (2006). *Agricultural cooperative enterprise in the transition from socialist collective farming* (No. 888-2016-65064).

Gava, O., Ardakani, Z., Delalić, A., Azzi, N., & Bartolini, F. (2021). Agricultural cooperatives contributing to the alleviation of rural poverty. The case of Konjic (Bosnia and Herzegovina). *Journal of Rural Studies*, 82, 328-339.

Grubbström, A., & Sooväli-Sepping, H. (2012). Estonian family farms in transition: a study of intangible assets and gender issues in generational succession. *Journal of Historical Geography*, 38(3), 329-339.

Hagedorn, K. (2014). Post-Socialist Farmers'cooperatives in Central and Eastern Europe. *Annals of Public and Cooperative Economics*, 85(4), 555-577.

Ifri.org. (2017). *The Challenge of the European Integration of Kosovo: Regional Cooperation and Neighbourly Relations*. Accessed on 9 September 2025:



<http://www.ifri.org/en/challenge-european-integration-kosovo-regional-cooperation-and-neighbourly-relations>

Krasavac, B. C., & Petković, G. (2015). Cooperatives in Serbia evolution and current issues. *Економика пољопривреде*, 62(3), 723-735.

Ljubojevic, G., & Maksimovic Sekulic, N. (2021). Serbian Agricultural Cooperatives and Their Path Towards the European Union - Legal Aspect. *Ekonomika Poljoprivrede*, *68*(1), 173-190. <https://doi.org/10.5937/ekoPolj2101173L>

Lora, R. (2023). Regionalism in Southern Europe: The cooperativism in the Western Balkans' integration process [Master's thesis, Universidade de Évora].

Ma, W., & Abdulai, A. (2016). Does cooperative membership improve household welfare? Evidence from apple farmers in China. *Food Policy*, 58, 94-102.

Ministry of Foreign Affairs, Serbia. (n.d.). *Regional Initiatives*. Accessed on 9 September 2025, at <https://www.mfa.gov.rs/en/foreign-policy/eu-integration/regional-initiatives>

Mojo, D., Fischer, C., & Degefa, T. (2017). The determinants and economic impacts of membership in coffee farmer cooperatives: recent evidence from rural Ethiopia. *Journal of Rural studies*, 50, 84-94.

Poole, N. (2017). *Smallholder agriculture and market participation*. Food and Agriculture Organization of the United Nations (FAO).

Pugh, M. (2002). Postwar political economy in Bosnia and Herzegovina: The spoils of peace. *Global governance*, 8, 467.

Pugh, M. (2002). Protectorates and spoils of peace: Political economy in south-east Europe. In *Shadow globalization, ethnic conflicts and new wars* (pp. 59-81). Routledge.

Radosav, A., Djukic, S. e Jovanovic, D. (2014). Cooperative significance for economic development of agro-rural economy of Bosnia and Hercegovina. In *Book of proceedings: Fifth International Scientific Agricultural Symposium Agrosym 2014, Jahorina, Bosnia and Herzegovina, October 23-26, 2014* (pp. 1027-1033). University of East Sarajevo, Faculty of Agriculture

Rosandic, A., & Kusinikova, N. (2018). Social economy in eastern neighbourhood and in the Western Balkans. *Synthesis Report from Directorate-General for Neighbourhood and Enlargement Negotiations (DG NEAR)*.

Santos, B. de S. (2007). Beyond Abyssal Thinking: From Global Lines to Ecologies of Knowledges. Review (Fernand Braudel Center), 30(1), 45-89.

Van Houtte, H. (1999). Mass property claim resolution in a post-war society: The commission for real property claims in Bosnia and Herzegovina. *International & Comparative Law Quarterly*, 48(3), 625-638.

Vieta, M., & Lionais, D. (2015). The cooperative advantage for community development. *Journal of Entrepreneurial and organizational diversity*, 4(1), 1-10.

Volk, T., Rednak, M., & Erjavec, E. (2014). Cross country analysis of agriculture and agricultural Policy of Southeastern European countries in comparison with the European Union. *Agricultural policy and European integration in Southeastern Europe*, 9-37.



Wegren, S. K., & O'Brien, D. J. (2018). Introduction to symposium: Smallholders in communist and postcommunist societies. *Journal of Agrarian Change*, 18(4), 869-881.

Wynne-Jones, S. (2017). Understanding farmer co-operation: Exploring practices of social relatedness and emergent affects. *Journal of Rural Studies*, 53, 259-268.

Zheng, S., Wang, Z., & Awokuse, T. O. (2012). Determinants of producers' participation in agricultural cooperatives: evidence from Northern China. *Applied Economic Perspectives and Policy*, 34(1), 167-186.