

**GEOPOLITICS AND NEGOTIATIONS:
MAIN ASPECTS OF NEGOTIATIONS REGARDING
BIG INFRASTRUCTURE PROJECTS.
CASE STUDY: DANUBE AND IRON GATE SYSTEM**

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Abstract: This paper aims to present the main peculiarities of negotiations carried on for big infrastructure projects. As man and human society act in time and in space, infrastructure projects help them to *manipulate the geographical environment*. On the one side, the article is focus upon how these negotiations proceed, and which are the factors who could have an influence upon their evolution. There are exposed both technical, economical, social, political, and geopolitical aspects of such negotiations; in the same time, it could be observed the role such projects have from technical, social, economical, and geopolitical points of view.

Key words: geopolitics, infrastructure projects, negotiations, political character, technical elements

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DANUBE

It is a simple observation that man acts in *time* and *space*; and human society do the same. It is the prisoner of time and space... But if man can escape time thinking to his past actions, or projecting in future his intentions, *space* is present in all his interactions. It is a determinant element; man cannot escape space. As such, geographical elements have an *integrative* character for human society. Furthermore, man builds infrastructure projects to control space and through this, to project its power. And when we have knit together these two elements – space and power – we are already in the field of *geopolitics*. Infrastructure projects are the expression of technical success, and they belong to the sphere of civilization. They can be built and they endure as long as there is peace. Peace and civilization are inseparable...

In the case of Danube, it has an integrative character on European continent; it knits together and integrates the societies which are wet by its waters. It is the most important river on European continent. It is the only big river which cuts Europe from West part to its Eastern part, and this through the middle of European landmass. Through it, Central Europe is linked, over the Black Sea, in the most facile way, to an area well endowed in natural resources,

agricultural potential, and human resources: the Middle East. Along it – as in all cases – are located the terrestrial communications, and important cities, which, in their turn, are *hubs* in the European transportation network; four European capital cities are located along it: Vienna, Bratislava, Budapest, and Belgrade.

As it could easily be observed, its importance is due to its location, but the exploitation of the geographical advantage is connected with the possibility of transportation on Danube.

Danube has been repeatedly a *political axis* for different political entities which appeared on historical arena... Roman Empire made it its boundary, while nomads used it to infiltrate from East to West; Ottoman empire used it as strategic line to consolidate its power in Central Europe (after it took Moldavian fortresses on the Black Sea shore, it marched along Danube to West; then followed Belgrade, Buda, and even Vienna). The Austrian revenge came along Danube, too: it took Hungary and a part of actual Romania (Oltenia) out of Turkish control, and promoted its interest in Black Sea using navigation on Danube; Vienna had the most powerful fleet on Danube. Vienna fully used its geographical location, benefiting from Danube navigation to promote its interest in the Danube river basin.

As we can note, geographical elements can fully be used by man only if he strives for the realization of projects which helps him in this regard. In case of Danube, it can be fully exploited only if man strives to create the conditions for free navigation on it, and riparian countries can use it only if there are not obstacles on it at all. In case of international rivers, category in which enters Danube, these obstacles can be technical, or legal.

The legal obstacles are made by man, and they can multiply the impact of natural obstacles, in order to promote specific *political* and *economic* interests. The administrative, legal, and commercial elements could be knit together, and presented as legal obstacles, in order to protect or promote some peculiar political interests by a specific political entity, while depriving others to fulfill their interests.

Danube is a special case. When one country enjoyed a position of relative superior power in one historical moment, and when this context favored it, it tried to push hard to promote its interests in transportation on Danube, while trying to hinder the realization of other riparian states' interests in this regard. Danube importance can be understood when we saw that France and England – non riparian states – were parts in different legal instruments which regulated navigation on Danube, and in this way they created diplomatic keys for access to continental politics.

Technical obstacles regard the natural elements which hinder the navigation on Danube, or augment the dangers and risks for this activity. The greatest danger for navigation was represented by natural elements located in the mountains, after its entrance on Romanian territory, in the Iron Gate sector.

Even if before the end of World War II, there had been a legal regime which regulated the way Danube riparian states could use it for navigation, and which provided guidance even for the way to create technical capabilities to eliminate natural impediments on navigation, the main international act which precisely induced riparian states to eliminate the natural hindrances was concluded in August, 1948; it is known as Danube Convention. In it, there it is mentioned that all riparian and non riparian states have the right to navigate on Danube on equal foot (Convenția Dunării, 1948, art. 1), (this means the elimination of legal barriers to navigation), while there could be found that each contracting party had to maintain the section of the river on the appropriate section which is

under its responsibility (along border represented by Danube, or on the whole river, in case it crosses along national territory, as in the case of Hungary, or Austria), (Convenția Dunării, 1948, art. 3, art. 4, al. 1) this meaning that states have the legal obligation to realize works in order to eliminate all technical barriers to navigation on this *international waterway*.

As we already have noted, Iron Gates section of Danube posed the greatest dangers for navigation. As contracting parties to Danube Convention convened to take specific actions in order to eliminate all these natural inconveniences, (Convenția Dunării, 1948, art. 20) these actions aimed to eliminate hindrances to navigation in this part of Danube; the direct responsible parts for this work were Romania and Yugoslavia.

There was a legal obligation for these two riparian states to work together in order to eliminate hindrances for navigation on their common frontier in Iron Gate sector, but between 1948 and 1956 there hasn't been nothing done. Again, as so many times in the past, political interests took first floor and put aside the elimination of technical barriers.

INTERNATIONAL CONTEXT

International context has some peculiarities which pressed hard upon these two countries. There were created two structures with international character, both influenced by Moscow: Warsaw Pact (for politico-military affairs), and COMECON (for economic and political matters). Romania belonged to both of them, while Yugoslavia not; furthermore, to dilute Moscow's power at global stage, Belgrade, together with India, Mexico, Indonesia, Egypt, Sweden, and other states created in 1955 the nonaligned movement. It is to be mentioned that between Belgrade and Bucharest, there were very great tensions, especially alongside Danube border, but Bucharest were pressed to this position by Moscow, which wanted to invade Yugoslavia, in order to throw out Tito from power.

Furthermore, Stalin wanted Tito to owe him his power position, while Belgrade tried a policy of departure from Moscow because Tito wanted to respond to its country direct interests, not to promote through him the Moscow power position in the Balkans, and through Danube, to Central and Western Europe.

The rupture between Belgrade and Moscow eliminated the possibility of cooperation in Iron Gate sector between Bucharest and Belgrade in order to eliminate once and for all the hindrances for navigation on their common Danube border. And as Belgrade departed from Moscow's policy, Stalin pressed much harder upon Bucharest, in order to influence through it Tito's Yugoslavia.

But once the Stalin died, the top level fighting for power in Moscow took off, and as in 1954 Khrushchev took power, it tried to open Moscow to the world, but this was a measure with a tactical character, Khrushchev using it to escape top level party (and state) positions from Stalinists.

In 1956 in summer, Tito was invited to Moscow, as a sign of a new type of relation between Moscow and Belgrade; returning home, he crossed through Bucharest, where he and Dej, publicly announced that past asperities should be buried, and a new start for cooperation in Iron Gate sector should be done.

This was the shifting point in Romanian-Yugoslavian relations. It marked openly the starting of negotiations for Iron Gate System project and for its construction.

Once again, as in the past, political matters were more powerful than wellbeing ones; navigation on Danube river could have brought for all riparian

states, and beyond them, to all European and Middle Eastern states benefits, but as long as political interest of dominant power in Danube river basin were prominent, it had an upper hand upon the interests from economic area.

But Iron Gate System is much more than transportation on Danube: there is a system which generates energy, using the greatest natural potential offered by Danube – which is concentrated in Iron Gate sector – in a sustainable manner, in the same time rising the national capacities for electricity generation, and energy independence, in an era when industrialization was the prove that a country succeeds on the path to development.

This is a short presentation of *international context* before, and during the negotiations carried on for Iron Gate System construction, but its importance was very great. As a conclusion, this aspect should be part of any analysis regarding all big infrastructure projects: *the political aspects dominate over any economic, social, and technical affairs.*

Now, the main characteristics of negotiations carried on for big infrastructure projects, and in particular for Iron Gate System, are presented on the following pages.

LEVEL OF DECISION

As in all cases of human interaction, on of the key elements are space and natural factors, while *negotiations carried on for big infrastructure projects, and their effect – infrastructure projects – create effects in space over a very long span of time, and for this reason they are under the influence of very important political decisions.* Transportation and energy are top political agenda elements, attracting the focus of highest political echelons in each state, its interests being directly and in the long run affected by projects in such areas.

Both in Romania and in Yugoslavia the highest political echelons were involved in starting negotiations, in signing what was negotiated, and in the moment of official opening of Iron Gate System in 1972; there were present Ceausescu and Tito, on the Iron Gate Dam, while photographers immortalized the moment... Of course, these persons were not aware of all details of negotiation, these being task of technical, legal, and financial experts, but in key-moments their intervention was of capital importance.

TECHNICAL CHARACTER

The negotiations carried on for infrastructure project's building have in the same time a very pronounced technical character. For this reason, there are needed a lot of specialists from very different fields of specialization.

In the negotiations carried on for Iron Gate System's fulfilling, there were technical experts, financial and legal experts, as well as military and diplomatic experts.

HIGH COMPLEXITY, PARALLEL, CASCADE NEGOTIATIONS

Political interests and technical character mean that the negotiations carried on for big infrastructure projects are *very complex.*

On the one side, there is needed a *big number* of specialists, from very different fields of activity, and on the other side, they expand over *long* period of time. The complexity of debates determines their grouping, depending on different aspects the project implies. There are to be found map designers, geology specialists, geographers, legal and financial specialists, diplomats and

military specialists, environmental specialists, even future analysts and statisticians.

In case of negotiation carried on for Iron Gate System project, they took place under the aegis of a Mixed Commission, which had to elaborate a Technical-Economic Memoranda, and it reunited Romania, and Yugoslavian specialists. These specialists were grouped in four sections, each in its turn being formed by Romanians and Yugoslavians:

- the section for terrain technical documentation;
- technical section;
- juridical section;
- economical – financial section.

Each section did its peculiar work, depending of its specialists, and where Romanians and Yugoslavians worked side by side. All these four sections worked in *parallel*, and all collected data were analyzed from time to time, during common meetings of each of the mentioned sections. Big steps in the process were taken at the meetings of the Mixed Commission, this one approving the work of the four sections, and establishing new targets for their future work.

There were six meetings of the Mixed Commission until the elaboration of final the Memoranda (1960).

But the four sections organized successive meetings, and data collected were analyzed, and new objectives were established for future work. Each of the four sections worked in parallel with other three, depending of its competence area, and from time to time, there were completed reports, which would have been accepted by responsible persons from each state. But each data collected in this manner by the specialists of each section, and specified in the report, were the starting point of the of debates in the others three sections. The specialists reunited in the four commissions worked and negotiated in parallel, buy from time to time, they gathered in order to check the situation's evolution, in order to satisfy both parties' interests.

As such, there were debates carried on in parallel, in different sections, and a series of meetings for each one of the four sections; this means that the negotiations were carried on *in parallel* and *in series*.

DIMENSION

In many cases, negotiations for infrastructure projects' construction are quite small, being involved a small number of parties; but this does not mean that the effects of the project are not felt at least regionally, and even at global level. Think about for example of Transsiberian Railroad, which crosses only Russian territory, but its geopolitical significance is global: it connects Europe and Asia, Atlantic power with Pacific powers, making Russia instantly a global player, while Panama Canal, crossing only a very small country's territory – Panama – makes USA the biggest naval power on Earth.

While China wants to rise its global influence through the rebirth of the Silk Road, this time a modern one, being made by steel: (Binyon M., 2013, pp. 2-6) she wants to connect its maritime shores to Europe through Central Asia via Turkey through a tunnel constructed under the Bosphorus Strait, in this way rising its leverage upon both Europe and Asia, and upon Atlantic and Pacific countries, while in the same time reducing the leverage Moscow has today... This is a project which is environmentally friendly and which can be negotiated independently between neighboring countries, but under some political umbrella

which emanates from Beijing and Bruxelles, and a financial umbrella which can emanate from big China's chest filled with liquidity. It is a project with global implications, and if this is coupled with a bilateral one – China intends to cut the Isthmus of Kra in Thailand to connect directly its rim on the South China Sea to Indian Ocean (Kaplan R., 2009, p. 22) – China will become the most important global player. It can manipulate all movements on the World Island, both on land and on the sea... These are short examples brought here only to highlight again the high connectivity between transportation and geopolitics, between infrastructure and power projecting capabilities.

Now, the negotiation carried on for the construction of the Iron Gate System project has small dimension, being mainly a *bilateral negotiation*, but its implications were felt at regional level, all riparian states being influenced by the project, due to improving conditions of navigation, and through taxes imposed by contracting parties as a measure to cover the cost generated by the works which were destined to improve the conditions of navigation.

The project satisfied in the same time two vital interest of Romania and Yugoslavia – transportation and energy – while the interests in transportation area were satisfied for all riparian states. And the conception of the project took this aspect in account: the part of investments destined to electricity generation were the burden of Romania and Yugoslavia, while, the investments destined for the improvement of navigation were to be supported by all states parties to Danube Commission, institution which was created as a result of Danube Convention. And as a result, the investments needed for this part of the project had to be accepted by the other riparian states than Romania and Yugoslavia, the negotiation taking here a quite bilateral form: one the one side, Romania and Yugoslavia elaborated *together* the Technical-Economic Memoranda, which would constitute the base of debates with the others riparian states, and the Memoranda constituted their (common) position in negotiation, while the other side was composed by other member states of Danube Commission, which itself was a forum of multilateral negotiations, but where there was defined their common position in regard with the common position presented by Romania and Yugoslavia.

So there were three interconnected negotiations: one small taking a *bilateral* form, between Romania and Yugoslavia; one a little bigger, being a *multilateral* one, which involved all Danube riparian states; and the third one, a *bilateral* negotiation between Danube Commission and Romania and Yugoslavia knit together.

CONTINUITY AND LENGTH

Negotiations carried for infrastructure projects are highly influenced by political decisions. Even if they are very complex from technical point of view, they can advance continuously, but when there are at stake political interests, these can complicate negotiations, sometimes these being disguised under different reasons from financial or even technical fields; they can even prompt negotiation's halt.

Anyway, they are negotiations which span long period of time. This is because they are very technical and because they generate effects over long time through the creation of great leverages for rising influence man can exert upon space; their effect – the project/or the megaproject – consists in multiplying the power of the country which constructs the project in the long run... And for this reasons they must be very well balanced, which means that there is needed period of time for their successful conclusion.

As negotiations for infrastructure projects are long and intricate, so is the project's construction. And the necessary period for construction is over 5 years and even more than 10 years, time when there are made only investments; and the repayment period spans over two decades, sometimes even more... While the repayments period expands over many years, 20, or even more.

The negotiations had a character of *continuity*, and spanned over a *long period* of time: 7 years (1956-1963); in first part of this period (1956-1960) there were collected all necessary technical details for choosing the best solution from technical, financial, and energy points of view, and which were mentioned in the Technical-Economic Memoranda; in the second part (1960-1963), there were elaborated the texts of international agreements which constituted the juridical bridges which were the base for technical construction. In first part there were more active the section for terrain technical documentation, and technical section, respectively, while in the second part the greatest part of the work was for the juridical section, and economical - financial section.

During 1958, there could be remarked a slowing down of negotiating process, but it was not due to work complexity, but to political considerations; again politics dominated projects with reverberation in civilization area. As Tito adopted some quite hostile positions regarding the "interests of international trend of working force", Romania was forced, because of bipolar system and because elements connected to internal politics, to postpone negotiations.

The construction of Iron Gate System commenced in July 1964, and it was publicly and officially opened in May, 1972; the time needed for its construction was 8 years. While the repayments period was 20 years. But the effects were felt immediately in foreign policy and economic fields, while the technical, economic and social benefits can be felt even today, and even over the following decades...

OPENNESS

The *openness* of negotiations is another peculiarity to be observed. As the negotiation for infrastructure projects involves an aspect which can change for long term the situation in one country or in the region where that country is located, the negotiation is more discrete. But discretion does not necessary means secretiveness. Furthermore, in case of debates with high complexity, they "speak" for a very specialized audience, while the common peoples are not familiar with it; this is another point which constitutes the motivation for discretion.

Taking account of the international context which characterized the negotiations carried on for Iron Gat System construction, opacity was necessary both from political, and from technical reasons. Russia and others COMECON member states intended to keep Romania on a preponderant agricultural position, while Bucharest intended to change its destiny, trying to step on the industrialization path; this mean that creating a national base for energy independence was of capital importance. But this Romania could do only allying with a non-aligned country, which was not in good terms with Moscow. Moscow even tried to control the project, imposing in Danube Commission to expand the negotiations from bilateral one to a trilateral base, Bulgaria being the third part in negotiation. This context and the very technical character of negotiations prompted the two main parties to hide from public eyes the process of negotiation.

But they were not secret at all: the international acts, the agreement and conventions, respectively, regarding Iron Gate System's construction were

publicly signed by Tito and DeJ in Belgrade (November 30, 1963), and they could be found in official publications of both countries by anyone who wanted to.

COMMON INTERESTS, FLEXIBILITY, COMMUNICATION

The success of a negotiation is in great part due to the interests of the parties which identify points where these interests are superposed. Flexibility and communication are vital ingredients here.

Even that the countries which intend to build infrastructure projects can belong to different forms of cultures and religions, and they can have different forms of organization and government, they can promote their interest in creating the technical base for their economic, social, cultural, and political development. Big infrastructure projects from the fields of transportation and energy (especially dams) are such projects, which contribute to the civilization level's rising of the societies which implement them. For this reason each state and each society has a special interest in promoting such type of projects. As they belong to *civilization* area, they can overcome *cultural* differences between the parties involved.

Common interest is situated in civilization field, but different cultures can hinder the negotiation process; for overcome this impediment, parties to a negotiation for infrastructure project have to prove that they are flexible enough, in order to find solutions that satisfy all of them. Of course communication and trust are vital ingredients here.

In case of Iron Gate System negotiations, even the two countries involved had quite different political systems, and they belonged to very different international blocks, their flexibility and ingenuity in exploiting common interests pushed them to cross over numerous hindrances, and finally they found a solution which could be seen on Danube river even today: Iron Gate System. Of course, all riparian states wanted improved conditions in Iron Gate sector, and this element pushed them to sustain the project's fulfillment, but the main effort, responsibility, and burden were on Romania and Yugoslavia.

Specifically, both have interests in economic and social field, and in political field, too. While both Romania and Yugoslavia wanted to create their own energy base to sustain their own path to industrialization, while reducing dependence on foreign energy imports (in case of Romania, the main deliverer being Soviet Union) the project represented much more than that: it was a great work which proved to the whole world that two quite small countries could finish successfully the negotiations regarding the building of a big project, solely on their own efforts, in a quite tensioned international environment, aspect which contributed to present them to the world as countries which have good schools, and good organizational capacities.

Furthermore, even that Romania presented it as a friend of Moscow and of socialist countries it negotiated and built together with a quite opposing country from ideological point of view the dam which connected them *together* in energy and transportation, too.

This was the "bridge", the visible element for the whole world that Romania is nothing more than a dissident ally of Moscow and it could be interpreted from foreign policy point of view as a declaration of independence from Romania's part. Belgrade used the negotiation and the project as propaganda element, proving that it can be friend with a socialist country and that they can together built a giant project which served the *special interests* of Yugoslavia and Romania, and the *general* interest linked to navigation, for all riparian countries to Danube.

More than the negotiations regarding big infrastructure projects are complex, long, very technical, they involve complex financial, strategic, and environmental aspects.

FINANCING THE PROJECT

The financial source for project's realization is vital to the satisfaction of all parties' interests. One solution is to borrow from international institutions (World Bank, or European Bank for reconstruction and Development), or from private banks, or even to agree with the builder company to finance it the project (or a part of it). This is the situation where financial provider can influence the country which intends to build the project, but does not have necessary sum of money, determining it to adopt some positions which it shouldn't have accepted, if it had enough money. These can interfere in economic area, the project's construction and its financing being only the first step to enter the economy of "helped" state, but it can expand to political area, too, the assisted state becoming an ally of the country which helps it, or the regime adopting a position favorable to the government which prompted the bank to lend money. In this moment big infrastructure projects are both the means to come out from underdevelopment stage, but in the same time they provide the key to make dependence on financial provider on long term. Building companies and international lenders become instruments in the hands of a peculiar government (or governments) which intend to project their interests in the country where the project is build, and even in the whole region where it is located.

In the case of Iron Gate System, Romania and Yugoslavia, more than that they build together the hydropower plant, the dam, and the locks, they provided together the *whole* needed money for project's construction. The whole sum was USD mil. 400, while USD mil. 95 being the part navigation contributed to project's fulfillment (USD mil. 55 represents the costs of objectives which are connected to improvement of navigation's conditions, and USD mil. 40 represent the part of navigation which supported the investments which aimed at rising the level of water: dam, sides protection, damages generated by the artificial lake created as a result of the project). This means that they had quite free hand in negotiation, and especially after that, during building phase.

The *political implications* of such a big infrastructure project are on the one side for the country which builds it, and for the lender country, in case the project is financed in such a manner. The country which fulfils alone big infrastructure projects has solid social and educational policies, has good organizational capacities, and is capable to mobilize human and material resources on its own. It can become an example which other countries would want to follow, in this way rise its influence upon them.

STRATEGIC IMPLICATIONS

In the case there is present a foreign assistance for big projects construction, the manipulation of the specific negotiation regarding the infrastructure project in such a manner that it determines the country to accept harder conditions is an omnipresent possibility.

In the case of infrastructure projects, there is present a strategic aspect, too; their impact upon the country which constructs it and on the region at large is on long and very long term. When a country start to build roads and railways to connect them to bordering countries, or only to *some bordering countries*, this

means that this country established its foreign policy objectives for a long period of time, transportation network being the network which acts like the *political bridges* among the nations it connects.

As there were finalized the negotiations between Belgrade and Bucharest, the foreign policy orientation of Bucharest became clearly one that departed from Moscow, and closed its ties with Western countries. Along the open position of sustaining Beijing over Moscow in international communist movement, Bucharest closed the ties with a nonaligned country, while at UN, voted openly against communist countries block, when it voted for Latin America denuclearization. (Malița M., 2007, p. 77)

ENVIRONMENT

The environmental problem is present, too. Each big infrastructure project has a huge impact upon the environment; it is a technical mean which man uses to manipulate the environment in order to control energy, territory, and finally society. But this brings changes in environment, and there must be balanced the weak and strong point for each solution, before it is finally implemented.

In case of Iron Gate System, the water falls artificially created has 35 meters high – the highest in the world until then. (Nicorovici V., 1973, p. 46) The river multiplied its dimension ten times over, and the artificial lake has 270 km length, close to Tisa river connection. (Sobaru et al, 1998, p. 111) And the people which lived on Danube shores in Iron Gate sector had to move out, entire communities located on Romanian and Yugoslavian Danube's banks changing their location for ever... And roads and railways on both banks had to be rebuilt, while the rivers which flooded Danube changed a little their riverbeds and their fauna, too.

DOMESTIC POLITICS AND PROPAGANDA

Being long term negotiations, and long term needed for bringing to life what there had been negotiated, it is possible that the negotiation is initiated by a government, other being the one which concludes the agreement, other which starts the infrastructure building, and other which finish the work. And for sure there are different governments which enjoy the civilization and financial benefits of the project, because it produces effects for generations...

The length of negotiations and the time needed for building the infrastructure project, spanning over long periods of time create the possibility to be influenced by international and regional context, and by political evolutions, too. One favorable context at the beginning of negotiations, and even at the beginning of construction period, can change in such a manner that it can create a negative impact upon the finalization of the project, and all efforts made until then are for nothing... We can say that the risks of international interference in project fulfillment are directly dependent on the time which is needed to complete the negotiations, and to put in practice what there had been negotiated.

The impact of big infrastructure projects upon society and environment, and the emotional agitation they create in humans' souls made them the subject to headlines news. This is a very important aspect of negotiations for infrastructure projects. For example, if an administration comes out and sustain that it will negotiate with another country or company the perspective of construction of a road, this news can constitute itself in *political capital* for that

government. This is the reason why the infrastructure projects are the subject of open political battles, especially in electoral years; this peculiarity being limited to the countries with democratic form of organization.

A promise to build or to continue the building of infrastructure projects can transform itself in magnet for undecided voters, and can incline the balance in favor of the project's proponent.

Furthermore, in an election year, the country where the elections are to take place can make greater concessions to the other party/parties involved in negotiation process in order to have the possibility to show publicly the success of negotiations and its determination regarding the project fulfilling. But this is made only for public delivery, and the gains obtained on short term could be counterbalanced by greater losses on the long run.

But political interests can sacrifice welfare ones, especially in young and poor consolidated democracies, they being the most vulnerable to such arrangements because in their case, they miss not only consolidate democratic institutions and strong check-and-balances peculiar to old democracies, but the technical infrastructure which can sustain their development, too. They lack both: organizational, social, *institutional* infrastructure, and technical infrastructure, too, elements so common to strong democracies. *They can be exploited by their own nationals in their own interests, and by other countries' interests, too, while depriving host society of their full potential benefits.*

In case of negotiations carried on for Iron Gate System construction, the lack of electoral process specific to democracies, both in Romania and Yugoslavia, created the possibility to provide continuity to negotiation process, and impediments which could have appeared during negotiation and implementation phases due to change in government, were eliminated from the beginning.

Put shortly, the negotiations carried on for Iron Gate System building, and as an expansion, the negotiations aiming at big infrastructure projects, have some peculiarities, as:

- they have a *political component* and a very *technical* one;
- the *political component* determines the pace of negotiation process, and the implementation of things agreed, too;
- they have a very *complex character* due to their political implications, and to technical characteristics of the project;
- they involve a lot of *specialist* from very different fields and specializations;
- they are *long*;
- they are susceptible to *political maneuverings* in electoral years (in case of democratic countries);
- they can awake *public* imagination, making them subject of the forefront newspapers' pages, and as such, being used as tactical maneuvering by competing political entities;
- once the negotiation regarding infrastructure project is commenced, the parties involved directly and indirectly have established their long term *foreign policy priorities*, infrastructure projects acting as umbilical cords through the territories crossed by them;
- they have a great impact upon the *environment*, infrastructure projects being in this regard technical means which help man to control space;

- they need for the full implementation of negotiated agreement *long period of time* and there are needed even two decades for the project's finalization;
- they involve *huge amounts of money*, and with this, the possibility to maneuver them by countries or lenders which have money, and intend to give them to the country which wants to realize the project;
- during project's construction time there are pumped enormous amount of money, while the period necessary for its *repayment* spans over 2-3 decades;
- being both *civilization resultants*, and *civilization promoters*, negotiations for infrastructure projects can be initiated by parties very different from cultural point of view, and successful negotiation in this case is due to flexibility, communication, and possibility of identifying common interest for all those involved;
- big infrastructure projects have a *geopolitical dimension*, too, and this is the most important aspect over the long run. A dam or a road, a canal or a railway, if it is conceived strictly in one nation's interest, being huge investments, generate jobs and money in their host economy, but after finishing it, there are more money, more jobs, *more motivation*, bigger experience, and *a greater capacity to mobilize* the natural resources on a wider area; and this are elements which in long run rose the power of the society and state which realized them.

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