

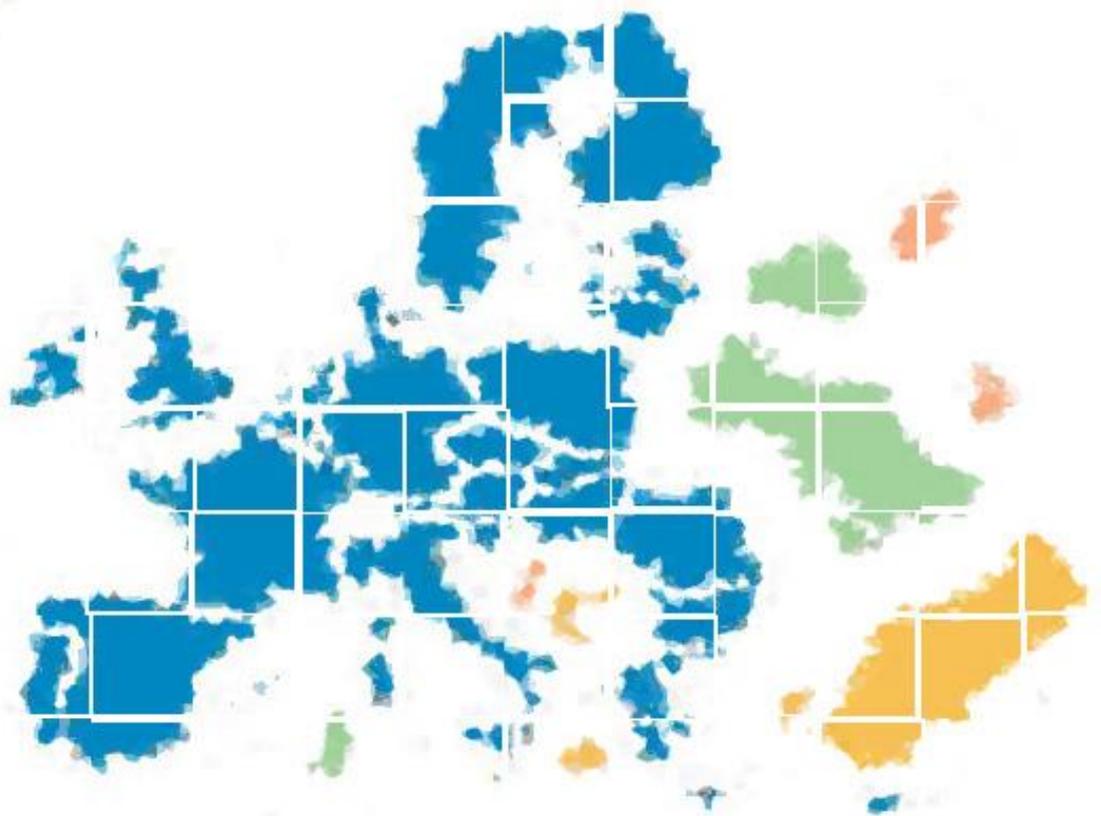
EU Frontiers

Policy Brief

No. 15

Introduction: European integration Perspectives for the Western Balkans

Peter Balazs



July 2017

Center for European Neighborhood Studies

The Center for European Neighborhood Studies (CENS) is an independent research center of the Central European University (CEU) located in Budapest, Hungary. Its main goal is to contribute to an informed international dialogue about the future of the European Union in the world, while capitalizing on its Central European perspective and regional embeddedness.

The strategic focus of the center is academic and policy-oriented research on the place and role of the European Union in its rapidly changing and increasingly volatile neighborhood. Through its research, CENS seeks to contribute to the understanding of the environment where the EU, its member states and partners need to (co)operate, and it aims at supporting the constructive development of these relations by providing opportunities for discussion and exchange. The center's geographic focus areas are Central and Eastern Europe, the Western Balkans and Turkey, Eastern Europe, the South Caucasus and Russia.

EU Frontiers

The 'EU Frontiers' publication series aims to provide an account of actors and developments along the enlargement frontiers of Europe. It fills an academic gap by monitoring and analyzing EU related policies of the broad Central – and Eastern European region, studying the past and evaluating the prospects of the future. Furthermore, it follows and gives regular account of the EU Enlargement process both from an inside and an applicant perspective.



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About the author

Peter Balazs

Peter Balazs is a director of the Center for European Neighborhood Studies (CENS) which he established in 2005. Research activities of Prof. Balázs are centered on the foreign policy of the EU and problems of the late modernization and European integration of the Eastern part of the continent. He also analyzes the questions of European governance including the future of European institutions. Péter Balázs graduated in Budapest at the Faculty of Economics of the “Karl Marx” University (later: Budapest School of Economics, today Corvinus University). He got his PhD degree and habilitated at the same University. He is a ScD of the Hungarian Academy of Sciences. In parallel with his government and diplomatic career, he has been teaching and doing research. He was nominated Professor of the Corvinus University in 2000 and joined the Central European University as a full time Professor in 2005. He is regularly teaching at various Hungarian and foreign universities, lecturing in English, French, German and Hungarian. After the systemic change in 1990, Prof. Balázs joined the Government of Hungary several times. He was State Secretary for Industry and Trade (1992-1993) and State Secretary for European Integration (2002-2003). He was Ambassador of Hungary in Denmark (1994-1996), Germany (1997-2000) and to the EU in Brussels (2003-2004). He was also the Government Representative of Hungary in the European Convention drafting the Constitutional Treaty, which became later, after several modifications, the Lisbon Treaty. In 2004, he was nominated the first Hungarian Member of the European Commission responsible for regional policy. In 2009-2010, he was Foreign Minister of Hungary.

European integration perspectives for the Western Balkans

The Western Balkans shifted to the background

Who cares about the Western Balkans nowadays? For the European Union this region has obviously lost its interest. On the home front of the EU, the member states and the Union's institutions focus, first of all, on the new and unprecedented challenges of 'Brexit'. No country has ever left the EU, on the contrary, on the forefront of the EU's external relations some candidates always lined up waiting for their accession or conducting negotiations about it. That dimension is not totally empty today either, as Turkey has started accession talks back in 2005 followed, several years later, by two applicants from the Western Balkan region: Montenegro and Serbia. However, the President of the European Commission, Mr Jean-Claude Juncker in his first speech at the European Parliament (EP) on 15 July 2014 declared the following:

*"The EU needs to take a break from enlargement so that we can consolidate what has been achieved among the 28. This is why, under my Presidency of the Commission, ongoing negotiations will continue, and notably the Western Balkans will need to keep a European perspective, but no further enlargement will take place over the next five years."*¹

Mr Juncker was not authorized by the EP or mandated by the Council to take such a position, but neither the member states, nor the Euro-parliamentarians stood up against him heaving listened to his speech. Enlargement was evidently not in the forefront of the Union's interest. On the contrary: serious fears floated around in connection with a potential Turkish EU membership. Juncker wanted to dissipate such suspicions, first of all in the two leading EU member states, Germany and France. Even if the famous reservation of the Commission's President maintained the "European perspective" of the Western Balkan countries, the slow pace of the ongoing accession negotiations with Serbia and Montenegro has been accepted, even supported, by a silent majority within the EU.

At the same time, in the Union's close neighborhood several new problems occurred challenging the limited foreign policy capacities of the EU. The situation in Ukraine is most unstable, armed conflict is still fuelled by secessionist forces in the eastern departments of Donetsk and Luhansk. The Russian occupation of Crimea is a political and military fact; however, it cannot be accepted by the international community without serious injury to the existing international order and guiding principles of the post-Second-World-War era. The President of Turkey, Mr. Recep Tayyip Erdoğan has

¹ Opening Statement in the European Parliament Plenary Session, Strasbourg, 15 July 2014.

taken a sharp political turn deviating from the historical heritage of Kemal Atatürk and started to build up a new presidential system in his country distancing it from the European norms in several respects. Both great neighbors of the EU, Russia and Turkey are interested in the Western Balkans for economic, political and cultural reasons and try to take concrete action in order to preserve, or even to extend, their traditional influence.²

Important changes in the EU's external relations will occur following the departure of the United Kingdom, too. Such expected developments bring us to the larger international arena. The departure of the UK will modify the representation and the relative weight of the EU in a series of international organizations like the United Nation's Security Council, the OECD, the IMF and the World Bank etc. The separation of the UK from the EU family will certainly change the internal dynamics of the 'summitry' – the G7 and the G20 – acquiring an increasing importance in world affairs as well as in maintaining a dialogue with critical partners and leaders like the United States, Russia, Turkey and others. 'Brexit' will have more consequences on the international contractual relations of the UK than on the various agreements concluded and maintained by the EU. However, the European Commission will also get a long list of such agreements to review and adapt to the post-Brexit situation by extracting the United Kingdom as a contractual party on the EU side.

With this - background in a nutshell, it is understandable that the complex and unfinished situation on the Western Balkans is not at the center of the EU's foreign policy activities today. However, the complexity of the ongoing transition in the region as well as its external connections, make this special enclave in the EU's direct neighborhood a 'ticking bomb'. But the relatively small size of the region (18 million people distributed across six states), its closed enclave location encircled only by EU members and the peace agreements calming the armed conflicts could dissipate the worries of the international community. At first sight, the various events in the Western Balkans could be considered as the end game of the post-Yugoslav wars and part of a general transition tending towards a difficult but still feasible consolidation. However, the situation on the ground is definitely more complex than that.

The complexity of the triple transition process

The transition process, to which this conference has added rich and updated evidence, is an extremely complicated phenomenon. In the particular case of the Western Balkans the ongoing transition is the compound of three parallel developments. First, the systemic change is a complicated transformation process in itself, combining the transition from monolithic political and rather centralized economic structures towards pluralistic democracy and

² CENS is analyzing such tendencies in the framework of an ongoing project.

market economy. The state building process is a second component of the region's complexity. The successor states of ex-Yugoslavia have to establish within their given territories complete and functioning state administrations, national economies, infrastructure networks etc. As new actors of international relations they also have to define their own foreign policies, create bilateral ties with other countries, first of all with their neighbors sharing partly the same heritage and similar problems, and find their place in the multilateral structures and organizations, too. The EU accession process is the third challenge, in addition to the systemic transformation and the state-building efforts. The complexity of the situation in the Western Balkans is explained by the parallel development of the three processes, their interdependencies and mutual effects.

A partly similar context could be identified in the case of the Czech Republic and Slovakia: their separation in 1993 directly preceded the start of the EU accession process. However, the state divorce of the two successors of ex-Czechoslovakia was a strictly bilateral event without the complications of the division of ex-Yugoslavia into seven successor states and, most of all, it was a peaceful and negotiated solution without any major conflicts. The three Baltic states offer another comparison. They descended from the dissolving Soviet Union with a heavy systemic heritage, but their separation happened in a peaceful and quick motion followed – and supported – almost immediately by EU accession. From the post-Yugoslav states only Slovenia had a similar chance, while all other successor countries sank into the turmoil of the bloodiest inter-ethnic conflicts since WWII. The new series of 'Balkan wars' in the 1990s retarded the completion of systemic transformation of the Western Balkans and set back the rapprochement process to the EU in comparison with those close neighbors of the region that could catch the first opportunity and access to the EU in the early 2000s. For one single country, Croatia the delay was about a decade as its EU entry took place in 2013. For the remaining Western Balkan states, their uncertain EU accession perspectives are dispersed along a rather long time-scale. Some of them are not yet fulfilling elementary pre-conditions of EU membership.

Ten years after the EU accession of Romania and Bulgaria (2007) their close regional neighbors, Serbia and Montenegro do not possess tangible perspectives for their completion of the EU accession talks. Macedonia took a good start in adopting EU norms, but the unfortunate name problem of the state, contested solely by neighboring Greece, set back the promising rapprochement process. Without near closing-up perspectives internal political controversies have deepened and undermined the country's governance. In Albania similar political divisions hinder the consolidation of the threefold transformation process described above. Bosnia and Herzegovina could not distance itself from the petrified heritage of the Dayton peace agreement and stabilize the multi-ethnic state on a new and forward-looking basis. Kosovo has not been recognized by all EU member states yet which is an obvious obstacle to establishing adequate international relations with it.

A new approach from the EU side

Problems inhibiting EU integration of the Western Balkans do not occur solely on the applicants' side, but within the EU, too. The unprecedented procedure of 'Brexit' will certainly retain the attention and block an important share of negotiating capacities of EU member states in the coming years. In parallel, the backsliding of Hungary and Poland in complying with EU norms as a result of their "illiberal" turn has raised serious concerns about the EU's conditionality in the post-accession phase. The extravagant conduct of populist-nationalist governments in those two countries has shed light on the weaknesses of the EU in enforcing its norms in member states and the poor choice of the toolkit for sanctioning deviations. Such internal troubles obviously hinder any further enlargement.

How to proceed further? CENS has contributed to an "Advocacy Strategy" for the use of the Western Balkan countries arguing in favor of their EU accession.³ On the basis of the rich contribution of the present conference, including representatives from all the six Western Balkan states, a few but essential suggestions can be formulated to the address of the EU.

First, the ongoing accession talks with Serbia and Montenegro should be speeded up with the aim of completing them before the start of the next Multiannual Financial Framework (2020-2027). More intensive negotiations could exert a beneficial pressure on the internal transformation process of the candidate countries and decrease and limit the obvious influence of Russia. For the EU, the inclusion of the two countries in question as new member states would not represent any major burden. Even on the institutional side two relatively small members (in fact, only one after the 'Brexit') would not overload the already existing complexity of EU institutions.

Second, for the remaining four states, Albania, Bosnia-Herzegovina, Macedonia and Kosovo (with less than 9 million inhabitants) a special strategy should be developed which takes into due consideration their internal and/or external unfinished status, but advances some elements of the hoped future EU membership even before all the pre-conditions are fully met. This advanced or flexible status could include, in a first phase, the following:

- joining the EU customs union and, by that, the common commercial policy;
- joining, together with Serbia and Montenegro, the Schengen zone, with special regard to the importance and sensitivity of the region in the 'Balkan route' of migration towards the EU; as integral parts of the Schengen zone those countries should also join the emerging common asylum system of the EU;

³ Advocacy Strategy for the EU Integration of the Western Balkans – Guidelines (2016), Belgrade, European Movement in Serbia

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- full integration of the enclave into the trans-European networks of transport, energy and telecommunication;
- attending (at least once a year) the Council meetings which are competent in the above sectoral issues, as well as (once a year) the European Council.

Third, a renewed neighborhood and enlargement strategy should be incorporated into the future scenarios of the EU's development with special regard to the promise formulated to the Western Balkan countries on the European Council in June 2003 at Thessaloniki. The White Book⁴ should also contain the external dimensions of the various scenarios, first and utmost take a position about the future size and composition of the EU with adequate and realistic target dates.

⁴ White Paper on the Future of Europe, Reflections and scenarios for the EU27 by 2025, European Commission, COM (2017)2025 of 1 March 2017.

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