

# AT THE HARRIMAN INSTITUTE

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## Brussels and the Western Balkans: Next Steps for the EU Integration Process

On Monday October 26, 2009, three panels of distinguished scholars, diplomats and policy makers, addressed the topic of, "Brussels and the Western Balkans: Next Steps for the EU Integration Process," during a conference hosted by the Harriman Institute. The panelists discussed the progress achieved, as well as the obstacles faced by western Balkan regions in their attempts to join the European Union.

### **Panel 1: Problems for the Western Balkans EU Accession Efforts**

**Marie Janine Calic** of the Ludwig Maximilians University in Munich argued that while the western Balkan region is unevenly prepared to use EU accession instruments, the current state of the EU poses as much of a problem for enlargement as the region itself does.

Most western Balkan states are institutionally unprepared for EU accession. Progress towards democracy and the rule of law is slow and uneven, corruption is getting worse, civil society is weak, and governments do not adequately protect ethnic and minority rights. There are widespread concerns that the longer the region stays behind other European nations, the more it will fall apart.

As the region continues to destabilize, pundits recommend that a speedy EU accession would be the best security solution. "EU conditionality advises the contrary," said Calic. The EU, which has always set rigorous conditions for its potential members, has become considerably stricter after the last wave of integration in 2007.

With uncertainties over its new constitution, and anxiety over "enlargement fatigue," the EU has its own institutional problems to deal with. After its membership reached 27 in 2007, EU officials question the number of additional members the Union can successfully digest.

Calic lamented that the EU enlargement strategy provides "rather weak instruments, and maybe even inappropriate ones," and that these instruments "often fail to achieve their purpose." She also mentioned that some member states hinder the accession of other countries because of "egoistic national interests."

Calic pointed to the disputes over Macedonia's name and the Croatia-Slovenia border as examples. Greece has vetoed Macedonia's accession because it chooses to use the name Macedonia, which Greece views as a misappropriation of its own Hellenic heritage. Meanwhile, Slovenia blocked accession talks with Croatia because of an 18-year-old dispute over a small bay in the Adriatic Sea.

"The most important political instrument is the European prospective itself," remarked Calic. The prospect of joining the European Union has "had a profound impact on countries, giving them a sense of direction and providing a stimulant for reform." Calic advised that a more concrete perspective with clear accession roadmaps and benchmarks is the only way to provide the necessary reform incentive for western Balkan countries. "Any changes in strategy will depend on reform of the EU decision making processes," Calic concluded.

**Venelin Ganev**, from the Miami University of Ohio, used the privilege of hindsight to support his argument that while an accession roadmap can indeed help countries to meet EU accession standards these countries will not necessarily maintain those standards once they obtain EU membership. Ganev discussed Bulgaria and Romania as examples of member states unable to sustain the reforms they made during the integration process.

Bulgaria and Romania became EU members in January 2007. "Their cases are not identical, Romania is doing much better than Bulgaria, but I will discuss the similarities," Ganev said, noting that the situation resembled "a controlled lab experiment about the impact of EU conditionality and what happened once it was removed."

Ganev focused on "negative, elite-centered developments." Immediately preceding EU accession, Romania and Bulgaria had both achieved relatively functioning and efficient bureaucratic structures because "EU pressure provided the momentum for state-building." The governments of Bulgaria and Romania combined created 28 bureaucratic units to deal with the European Union and implement policies. Young,

well-educated elites emerged to staff these units in both countries.

After EU accession two-thirds of the young elite fled to work in Brussels. EU conditionality disappeared as did the incentive for creating and maintaining institutions. “The situation visibly deteriorated, leaving the countries in administrative disarray,” which, Ganev continued, “was followed by an explosion of corrupt political practices.”

Ganev divided corruption into two categories: cronyism, the practice of distributing assets by allotting power to cronies, and competitive rent-seeking, which distributes assets to the highest bidder. Ganev prefers competitive rent-seeking to cronyism because it allows for competition. In the 1990s cronyism was prevalent in both countries, but in order to get into the EU they shifted to competitive rent-seeking in the 2000s. The relief from conditionality caused a return to cronyism.

Political elites have reverted to old habits. “Membership emboldened them to do things formerly forbidden.” Ganev referred to conditionality as a “short-term anesthetic.” He described the mentality that EU membership was a “one-time promotion,” which is not seen in terms of “internalized values or constraints.”

**Gordon Bardos**, Assistant Director of the Harriman Institute, discussed the “Historical and Structural Obstacles to the Western Balkans EU Accession Efforts.” He lamented that the focus on the administrative capacity and the political will of western Balkan countries overshadowed the discussion of historical and structural disadvantages that these countries face.

“Does Brussels need to devise a new accession mechanism for these countries?” Bardos asked, commenting that the EU has a church-like approach towards the countries of southeastern Europe, “they are expected to behave in the way the EU tells them to, but there are no benefits that they can see in this lifetime.” There is no incentive if current leaders will not reap the electoral rewards of accession, which will not happen for at least another two to three electoral cycles.

Even if given the proper incentives, Bardos argued, certain western Balkan countries will be unable to fulfill accession requirements within the given time span. Due to the military conflict that plagued the region during the 1990s, most political energy goes towards reconciliation instead of EU accession.

The ethnic divisions in the region make consensus difficult and result in weak economies and political institutions. “There is a powerful political hypothesis—social divisions hinder the economy,” homogenous societies have the advantage of population consensus and shared

interests. “Not only do the western Balkans face more obstacles than ethnically homogenous nations that joined the EU in the 1980s, such as Greece, Portugal, and Spain,” Bardos remarked, “but these countries also face much harsher accession requirements.”

## **Panel 2: Regional Perspectives on the Accession Process**

**Mila Delević**, Head of the EU integration office in Belgrade, remarked that Serbia has tackled more challenges since 2000 than most countries. “These challenges have interfered with Serbia’s integration story,” Delević said.

In 2006 Serbia faced Montenegro’s declaration of independence, which Delević referred to as a “politically delicate and emotionally charged issue.” In 2008, Kosovo seceded. In response to this, Serbia’s government fell. “This was not because of disagreements over Kosovo’s independence but because the parties disagreed on whether Serbia should continue to pursue EU integration.”

Serbia does not recognize Kosovo as a sovereign state, while the EU, with the exception of five member states, supports Kosovo’s sovereignty. Despite tense feelings towards the EU, parties in support of accession won the elections. Delević applauded their victory.

Another issue for Serbia has been the need to cooperate with the standards of the International Criminal Tribunal for the former Yugoslavia (ICTY). Delević contended that the United States, not the European Union, has been the engine behind the ICTY. “The EU had nothing to do with making Serbia arrest and extradite Milosević,” and until recently the US was the wielder of conditionality for Serbia’s compliance with the ICTY.

The EU began to use ICTY cooperation as leverage in 2005, during the negotiations on the European Union’s Stabilization and Association Agreement (SAA), which will provide tariff-free access to some or all European markets, in exchange for political, economic, and human rights reform. The Netherlands vetoed the signing of the SAA with Serbia because of its failure to arrest Radko Mladić, a war criminal believed to be living under the protection of Serbia’s government.

Delević concluded that despite accession challenges, Serbia is making some progress towards accession. “We need to continue with the reform process and to demonstrate that we are not only interested with reforms for the sake of EU membership.”

**Nida Gelazis**, Program Associate for the East European Studies Program at the Woodrow Wilson International Center, discussed Bosnia and

Herzegovina, focusing on the European Union as a new institution that does not “fit into the usual boxes,” and on Bosnia and Herzegovina’s attempts at constitutional reform.

“The European Union is a new political animal,” Gelazis said, urging that we take into account the Union’s unpredictability and nascent experience in the international sphere when analyzing the accession process. “It doesn’t make mistakes,” she continued, “it acquires new experiences, and we need to take a step back, remove our emotions and examine this as a biologist would.”

Since 2003, Bosnia has made the least progress by far in terms of accession readiness among candidate countries. Because of weak institutions and the resulting lack of decision-making structures, Bosnia has been unable to adopt a new constitution since the one outlined in the Dayton Peace Accords in 1995. A new constitution is crucial in order to begin the accession progress.

Reform attempts have been few and far between. “The EU has been reticent to take on another failing project after the failure of the April Package in 2005,” lamented Gelazis. Another reason for its hesitancy to delve into the reform process is that “as a matter of principle the EU does not want to be seen as an international empire. Each state needs to have sovereignty before it joins.”

Recently the EU and the US organized the Butmir negotiations as another attempt toward constitutional reform, negotiations that have also failed. Gelazis attributes the failure of constitutional reform to weak institutions, the lack of consensus, and the opposing wills of the Serbians and the Bosniaks; Serbians want to maintain the separate state structures imposed by the Dayton Peace Accords, while Bosniaks would like to create a system of united states.

(For a detailed report on Bosnia’s challenges in adopting a new constitution please refer to “Beyond Dayton in Bosnia: Challenges of International Withdrawal,” by Masha Udensiva-Brenner, published in the Harriman Events in Brief section of our website on October 6, 2009).

**Erion Veliaj** of the G-99 in Tirana discussed Albania’s EU accession efforts. “The mood in Albania is pro-European,” he said, noting that Albania’s recent NATO membership and the prospect of visa liberalization have boosted the country’s self-esteem.

“The visa liberalization program is the big buzz in the region,” Veliaj noted, wondering if it was the main reason for Albania’s pro-European mood. He stressed that “the accession progress should go forward not because people equate it

with visa liberalization but because it makes sense.”

Visa liberalization will provide Albanians with the chance to witness “life on the other side,” he said, arguing that this will make Albanian citizens have higher standards for the accountability of their own leaders. “It will hold the government to a higher standard.”

Veliaj lamented that the EU expects less from member nations than from states who are vying to join. For example, “Albania is held to higher environmental standards than Italy. One has to wonder if some of today’s members would even get into the Union.”

### **Panel 3: Next Steps: Accelerating the Accession Process**

**Ivica Bocevski**, former deputy Prime Minister of Skopje, stressed that accession to the European Union will not ensure democratization in the western Balkans. “While the EU is an instrument for promoting and ensuring stability and long-term prosperity, it cannot guarantee democratization.” He added that EU membership can certainly help to accelerate the process, but democratization will not occur until there is domestic political consensus.

“The current EU accession process deviates from the original one,” Bocevski remarked, referring to enlargement fatigue and harsher conditionality, which has “exhausted the western Balkans.” He noted that the soft power of the European Union is waning in the region because the accession process has been prolonged by the EU’s rigid standards, “If it is delayed for much longer, the EU will lose all soft power in the western Balkans.”

Bocevski advocated a new EU approach, “the time is right, and timing is crucial.” He emphasized that the integration process needs a clear cut beginning and end, and suggested that the EU Commission should produce a strategic paper outlining a set of conditions and bench marks on how to complete the EU integration process. “Macedonia is currently pulled in two directions and if the integration process does not begin soon, support for integration will diminish.”

**Vladimir Drobnjak**, Chief Negotiator for Accession Negotiations with the EU in Zagreb, discussed accession from the point of view Croatia, which officially started the process in October 2005.

Drobnjak called Croatia “the ice breaker for other nations in the western Balkans.” While western Balkan countries that have not been approved for candidacy by the EU Commission receive little EU guidance, candidate countries are

overwhelmed by it. Drobnyak was able to offer a perspective from the other side of the fence, where the EU provides plenty of benchmarks.

Accession negotiations proceed according to the *acquis*, which is divided into 35 policy-negotiating areas, or chapters. In order to move to a new chapter, a country must successfully close the previous one with consensus from all EU member states. "There is no beaming device," Drobnyak said, "You have to move up the ladder one rung at a time."

The chapters are divided into benchmarks. Drobnyak referred to "roughly a 100 benchmarks that are split even further into sub-benchmarks." Including the sub-categories, Croatia will have to meet about 500 benchmarks by the end of the process. "Surpassing each benchmark is like submitting your masters thesis with the EU Commission as your professor."

According to several strategic documents produced by the EU Commission, Croatia is expected to close all negotiating chapters by next year. "For the moment we are the pathfinder," commented Drobnyak, "other western Balkan countries will have a case study they can refer to so that they can better prepare for the game to come." He deemed the current accession process a "different ball game," because of the new rules and instruments coming from the EU.

The previous accession waves only had to deal with 33 chapters, but for this wave two chapters have been added. One chapter deals with agriculture and the other, the more problematic chapter 23, covers judiciary and fundamental rights. This chapter intensifies the fight against corruption, which has been a part of every accession process, but has become harsher with the new regulations.

"Two additional chapters may not seem like much, but one has to remember that there are 27 instead of 15 member-states and that these two new chapters require them to pay even closer attention to detail," Drobnyak explained, adding that the necessity for consensus "puts member states in the position to insist on certain things in order to promote national interests."

The new chapters create more paperwork. "Each additional benchmark results in paperwork and the entire process requires solid administrative capacity on all sides." Drobnyak pointed out that new rules put more pressure not only on candidate countries but also on the member states.

**Aristotle Tziampiris** of the University of Pireaus discussed the accession progress of Macedonia in light of its name dispute with Greece. The dispute has persisted since 1991. "Almost every conceivable proposal has been raised or rejected by both sides," stated Tziampiris. He lamented that the name dispute was "routinely misunderstood, dismissed, and ridiculed," even though it is a crucial issue, concerning "culture, identity, and economics."

Macedonia was granted EU candidate status in 2005, but Greece, which had always considered vetoing its accession into both the EU and NATO because of the dispute, felt provoked after Macedonia decided to name Skopje's airport after Alexander the Great in 2007. Greece vetoed Macedonia's membership in both organizations at the Bucharest Summit in 2008. "The renaming of the airport sealed the deal, Tziampiris remarked. He also noted that NATO membership has regional implications, "it is irreversible and Athens didn't want to lose its bargaining chip."

*Reported by Masha Udensiva-Brenner*