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The Return of Geopolitics to Southeast Europe

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A few months ago, the newspapers in Southeast Europe reported extensively on an arms race in the region, sparked by Croatian attempts to acquire the US artillery system M270 MLRS and Serbia's reaction to that event. Officials in Belgrade found the aforementioned move assertive and, by way of response, announced the procurement of Russian-made S-300 within the wider programme of rearming with Russian military equipment. Those who wanted to dig more deeply into trying to find evidence for a developing arms race cited the fact that Serbia, on the occasion of the visit of Russian President Putin, had organised a military parade to commemorate the liberation of Belgrade from Nazi occupation. That was followed by Croatia's military parade on the occasion of the 20th anniversary of the military-police operation 'Storm'. The display of military strength, they concluded, was

another sign of growing military rivalry between the two states which had the capacity to dramatically destabilise the fragile peace in the region.

Those with more detailed knowledge of the region remind us that neither Croatia nor Serbia - especially the latter - had the political, economic or human capacity to engage in a military conflict, especially given the existing international presence and strategic set-up in the region. Numerous experts rightfully pointed to the prevailing low level of cross-border political dialogue and the fact that political elites in the region had frequently used populist rhetoric to fuel the support of their electorate, focusing less on the real substance of the dispute with the neighbour. Lastly, but certainly not of least importance, was the fact that, both countries, together with Bosnia and Herzegovina and Montenegro, had taken on international

obligations to safeguard a stable military balance, thus preventing any potential escalations and destabilisation in the region. The so-called 1996 Florence Agreement on Sub-Regional Arms Control, derived from Article IV of the Dayton Peace Agreement, set the basic framework for negotiations on the limitation of arms. The Amendments to that agreement, signed at the 21st OSCE Ministerial Council in Basel (December 2014), imposed full responsibility on signatory states for regional stability and arms control.

There is an increasing number of analysts viewing this issue in the wider geopolitical context, especially - after the conflict in Ukraine - in the framework of Russia-West relations. The return of conventional warfare to the eastern flanks of Europe has obviously changed the security outlook of the continent and brought geopolitics back to the fore, especially in regions where the process of consolidation and democratic transition is yet not finished. For that reason, this brief focuses mainly on Southeast European countries that are still in the process of accession to the EU and/or NATO.

The EU and the region - from consolidation to geostrategy

The post-conflict situation in Southeast Europe immediately arrested the attention of the transatlantic community. Both NATO and the EU (in particular the EU) have taken responsibility for the long-term stabilisation of the region and the gradual introduction to it of the process of democratic transition. Not

only have NATO and the EU deployed both military and civilian missions to maintain peace on the ground, but they have invested greatly in democratic institution-building in the entire region. And most importantly, in the early 2000s, both of them created policy frameworks that opened a prospect for future membership of Southeast European countries. The conditionality mechanisms that were the most important element of the accession processes actually provided an opportunity to directly influence the democratic transition and shape the development of political systems. What is even more important, these processes served as an excellent medium for transmitting the values of the transatlantic community to newly-created states in Southeast Europe.

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All of the above-described activity was intended to create a prospect for the countries of the region to become part of 'the West' upon fulfilment of the membership criteria. Actually, the EU and NATO had developed and started implementing plans to integrate post-socialist states - Southeast European included - when Russia was still struggling with its own problems and, therefore, *de facto* out of the picture. Regardless of the overall impression that geopolitics were of less importance at that

time, it is obvious that these policies were changing the strategic map of Europe, not to speak about having impacts on the market and macroeconomics of 'the post-socialist East'. If we add to this the consequences of the entire 5th wave of enlargement, it is obvious that 'the West' had gained much in the post-Cold War period.

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However, the institutional crises of the EU and the Eurozone (in particular, the Eurozone) have put a halt to the process of enlargement and even the current EC president spoke about a pause in that process back in 2014. This is coupled with the fact that the remaining candidate states represent 'hard' cases; some such states are characterised by significant democratic deficits, unresolved statutory or inter-ethnic issues whereas other states have the status of international protectorates.

Meanwhile, the conflict in Ukraine has changed the post-Cold War strategic set-up of Europe and brought conventional warfare and geopolitics back to the fore. The latter has become increasingly important in regions where the democratisation process has not been concluded and accession processes are still pending, leaving space for the growth of increasing Russian influence that threatens to subvert the strategic orientation of countries in the region. In an attempt to deal with this threat, the EU seems to have been forced, by way of minimum response, to create an environment in which there are indicators of the continuation of the enlargement process.

Serbia finally opened a few chapters, Kosovo is linked to the Serbian pace of accession and is getting modest concessions too, Bosnia and Herzegovina has officially submitted its application for membership and is waiting for the *avis* and Montenegro has been invited to join NATO. Only in Macedonia there seems to have been limited or almost no positive signs. Even Turkey has opened two chapters in accession negotiations after a lengthy period of stalemate and is likely to gain some further concessions in this field in the framework of the EU-Turkey deal on tackling the migration crisis.

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While this is good news for all respective countries that aspire to join the club, there is an overwhelming impression that these are actually *ad hoc* defensive geopolitical measures that have little to do with a joint EU consolidated approach to remaining enlargement challenges. Instead of investing additional energy in creating an implementable comprehensive strategy for the most complicated remaining cases, the EU has been relying on the enlargement policy, seeing it as a principal transformational driver and failing to comprehend the rise of geopolitical forces at the expense of the legitimacy of its normative power concept in Southeast Europe.

In other words, the normative power concept relies on strict implementation of conditionality and benchmarks for each step in the accession process, which is in contrast with geopolitical considerations and motives (basically to safeguard 'Western values' and interests in the region and to prevent the increase of influence of others), as well as with the necessity to show continued progress in improving the current state of preparedness of countries in the region.

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On the other hand, any further prolongation of the existing enlargement stalemate will surely not be conducive to enhanced transitional progress by countries in Southeast Europe and will hence not yield long-term stability, especially in the new European security environment. Obviously, neither the containment nor the unprincipled speed-up of accession would be a solution for long term consolidation of the region and geostrategic strengthening of the transatlantic community in it. A comprehensive and implementable strategy for the remaining complicated candidates, based on a realistic estimation of capacities and political compromise both in the EU and in the region, seems to be the only viable solution. If it really wants to maintain the role of normative power, the EU obviously has to rethink its most successful policy so far and

put it in the framework of changing strategic posture of the Old Continent, at the same time maintaining its merit-based approach. The Berlin Process, initiated in 2014, obviously brought a new impetus to the process, especially due to the fact that it has been driven by EU's most powerful member, Germany. However, other than declarative awareness of necessity to bring a new dynamics into the process, it fell short of providing more in an environment burdened heavily by immigrant crisis and disintegrative trends like 'Brexit' and 'Grexit', as well as geostrategic challenges in Eastern Neighbourhood and Middle East.

While any further enlargement should be directly related to meeting demanding criteria, a question has arisen about realistic future scenarios for countries that will not be able to conduct necessary reforms in the medium-term. Obviously, given the fact that there are very difficult candidates in the region, a failure to meet the prescribed criteria for joining NATO and the EU (in particular the EU) should be regarded as a likely scenario, not to mention the adverse impact of enlargement fatigue on enthusiasm for reforms in the region. Furthermore, security implications and geostrategic consequences of such enlargement loopholes in Southeast Europe should certainly be anticipated.

Russia and Southeast Europe in a new European strategic environment

Russia has been investing much effort in returning to the global scene as one of key actors. After the dissolution of the USSR and

hardships of Yeltsin's presidency, political elites in Moscow are doing their best to reset the post-Cold War strategic posture.

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While post-Soviet space is considered a zone of almost exclusive Russian interest, regions such as Southeast Europe represent a very opportune playground for a geostrategic power-struggle with the West. The region consists of countries with unfinished transition processes and weak economies, which makes it vulnerable to penetration by outside economic and political influence. Also, it is placed at a very important geostrategic location; there is not only a trajectory, but also an increased narration about traditional bonds, common history and Slavic origin all of which 'provide the opportunity' for Russia to increase its efforts for engagement in Southeast Europe.

There are different pragmatic reasons for a particular Russian interest in Southeast Europe, but the converse is also true. First of all, while the region is important for the transport of energy, it also has export markets for that product. On the other hand, the vast Russian market represents an attractive destination for agricultural products and raw materials from Southeast European economies that fail to reach the European market, while arbitrary loans from the Russian side represent very useful financial injections to troubled economies and political elites.

Besides these principal economic interests, there are many others of less importance. However, they all have one thing in common - at least when we deal with the Russian view of Southeast Europe's strategic importance - they represent elements of an integrated endeavour to counter Western interests in the region. In this regard, the Kosovo conflict in 1999 was a turning point in the Kremlin's policy towards the region, where NATO's military intervention against its close partner - Serbia - was perceived as an obvious neglect of Russian interests in that part of Europe. In broader terms, the initiation of the EU and NATO enlargement processes that followed - while not being directly opposed by Russia in its early stage - came to be seen as a geopolitical loss in a region of particular interest.

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Since these events - which overlapped with the beginning of president Putin's first term - Russia started reengaging economically in the region, slightly opening a manoeuvring space for extended political influence and increased strategic positioning. Relying heavily on its comparative advantages, such as history, culture, trade, energy and special relations - particularly with respect to certain countries that will be analysed in the forthcoming passage - it attempted to strengthen its role in the region.

Russia's main partner in the region is Serbia. Close relations can be tracked for centuries, while the most important basis for partnership in the contemporary period was Russia's support of Serbia's position on the Kosovo issue, especially its exercise of veto power in the UN Security Council relating to that matter. The two countries signed a declaration of strategic partnership in 2013, followed by a military cooperation agreement in 2014. The former encompasses both different forms of cooperation in the field of security and coordination of positions in international institutions. Furthermore, Serbia obtained observer status in the Collective Security Treaty Organisation (CSTO), a Russian-sponsored initiative, intended as a post-Soviet counterpart to NATO, and also refused to join the EU in imposing sanctions on Russia over its policies in Ukraine. All of the above raises important questions about Serbia's capacity to align itself in the appropriate manner with the CFSP of the EU, which has consequentially had an impact on the overall debate about Serbia's accession prospects. That concern has been fuelled by Russia's increasing share of investment in Serbia's strategic infrastructure, in particular in the field of energy and transport, and the erection of a Russian humanitarian camp in the south of the country - seen by many as a first installation of Russian presence on the ground in Southeast Europe. However, there is an overwhelming feeling that the increased maturity of the country's accession stage will exert additional pressure onto Serbia to align with EU's policies or even reconsider its current declarative 'military neutrality'. It is difficult to estimate now, but the recent conclusion of an agreement with NATO that

grants its staff a diplomatic status in Serbia, which sparked a great deal of criticism in Russia, may appear to be illustrative of the development in the period to come.

Russia is also trying to increase its influence over Bosnia and Herzegovina, in particular through its close connections with the Republika Srpska. Kremlin has for a long time been the supporter of that entity and of its president who frequently threatens the stability of the state by his secessionist attitude. The annexation of Crimea was warmly welcomed by that entity's political elites and was immediately put in the political context of BiH. Obviously, Republika Srpska is an important channel for Russian influence over BiH, especially due to its ownership over entity's main oil refinery. However, this is neither the only nor the most important tool for wielding influence. In this regard, Russia is a member of the Steering Board of the PIC (Peace Implementation Council), which is charged with providing political guidance to the highest international governing body in post-Dayton BiH (High Representative), which is actually 'in the driving seat' of the country's consolidation process. The last, but certainly not the least important factor is membership in the UNSC, where Russia recently abstained from voting on extensions of EUFOR's mandate, arguing that the resolution was placing excessive emphasis on the country's possible accession to the EU.

Montenegro has been economically dependent upon Russian investment for years, however it has made a politically clear choice in many regional/national issues (NATO accession, recognition of Kosovo independence, sanctions against Russia). However, the political spectrum

there is very divided and the opposition was fiercely arguing against all of the aforementioned decisions. While NATO accession seems to be a 'done deal', the change of political elites in power burdened with numerous democratic deficits, expected for long, could ironically carry the aversion of the current EU accession path.

Macedonia's ever-lasting transition stalemate and unresolved name issue with Greece produces the opportunity for Russia to increase its influence over the state, despite unquestioned public support for the EU and NATO bid. Democratic deficits of the current political elites and economic hardships that have burdened Macedonia for a long period, with very limited accession perspectives to the euroatlantic club, force the political elites to find alternative partners that can provide assistance to their preservation of power. This has forced the government not to side with EU's sanctions against Russia and to support the idea of a Russia - Turkey stream gas-pipeline project that actually competes with the idea to reduce the EU's dependency on Russian energy.

Russian interests in the region are almost entirely opposite to those of the Albanians, which is visible from differing positions on Kosovo independence and increasing instability in Macedonia, unquestionable siding of Albania and Kosovo with western interests, and those of the US in particular, as well as overall Russian perception of an 'Albanian threat' to regional stability. Therefore, Russian influence seems to have remained very low in Albania and Kosovo.

Instead of conclusions

Obviously, Russia has used the EU enlargement 'intermezzo' to return to the region. The trajectory should be viewed within the framework of strained relations between Russia and the West. Its policy profits from a realistic assessment of its limited options in the region. The transatlantic community undoubtedly holds greater resources - generous pre-accession funds, attractions of possible EU and NATO membership, trade balance and many others - and it is clear that Russia cannot offer comparable benefits. What it can do is profit from the inconsistency and loopholes of Western policies, relying very much on democratic deficits among regional political elites, economic hardship and dependence on its energy resources and investments. Pan-Slavic rhetoric and historical links serve as a catalyser to this increasingly assertive and relatively successful policy.

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Hence, Russia's interest is to slow down - if not stop - the transition processes in the region that would lead to the accession of the remaining countries to EU and NATO (in particular to NATO). It seems that the impact on long-term consolidation in south-eastern Europe is of less

importance for Russia. Even if the accession does happen, the impression prevails that it would not be considered as a substantial blow to Russia's interests by the Kremlin due to the fact that it would increase the number of EU and NATO members marked by significant Russian influence, which would dramatically decrease both the efficiency of decision-making in these organisations and their capacity to respond swiftly to emerging challenges. This would make the organisations - particularly the EU - weaker and increasingly vulnerable to Russian policies. In contrast to the EU, Russia may appear to be deficient in a long-term strategy for the region, but it is a strong tactical actor with the ability to take swift and flexible decisions. In the short-term, this is likely to make a difference to the efficiency of its performance in the region vis-à-vis that of the EU, unless the latter adequately rethinks its policies and takes a more proactive stance towards merit-based enlargement in Southeast Europe and finalisation of the European project.

There should be an increased awareness about the following - in periods of crisis, a pragmatic global power with significant democratic deficit and a clear top-down decision-making process seems to be more efficient than a liberal-democratic concept of shared

sovereignty with bottom-up decision making and diverging national interests. The shift of the US geostrategic focus to other parts of the globe complicates the situation even further. Also, it is much easier to undermine the latter because it requires institutional infrastructure and time.

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Having an eye on the remaining accession candidates, it seems understandable that it is less challenging to establish states than to make them functional, especially in an increasingly turbulent geostrategic environment. This leads us to the conclusion that the enlargement process of the EU needs substantial rethinking and re-engagement if we seek to have functional liberal democracies in Southeast Europe.

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