

# The West Balkans between the EU, the USA, and Russia

## Challenges and Options

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The European Union's success in its self-defined role as the driving force of conflict resolution in the West Balkans depends to a large extent on its accurate understanding of the interests and actions of the other two most important external actors: the USA and Russia. Russia has more often been the West's adversary than ally in the Western Balkans in the course of the last two decades since the disintegration of Yugoslavia started. In particular, the Kosovo crises and NATO's war against Serbia in the year 1999 caused deep rifts in Russia's relationship with the West. Russian President Dmitri Medvedev will visit Serbia at the end of this October signalling Moscow's continuing interest in the region. Russia is striving to limit US influence in the Western Balkans and to increase its own leverage. Russia's two main means to achieve this goal is to continue supporting Serbia's struggle to preserve its legal claim over Kosovo and to build the large gas pipeline "South Stream" which will further increase Russia's importance for Europe's energy security.

Russia has not ventured into a competition with the EU in its integration of Southeast Europe. Instead Russia has incorporated these countries' ambitions to join the EU into its regional strategy. The advantages of EU integration are clear to Moscow: because of the close cultural and historical ties and affinity to Russia in parts of the population and the political elite in the region, the West Balkan countries are more open to increased cooperation with Russia than are the Baltic or Eastern Central European countries. The West Balkan states also view Russia as an extremely attractive economic partner, in part because they depend on Russia for energy. If these countries later become EU members, according to Russia's calculations, it could be a political and economic advantage for Moscow as well. The fact that the Russian government is thinking along these lines frees the EU, on the other hand, from viewing Russia as a blocking force and steadfast adversary in the West Balkans. The EU can include Russia in common political projects that will increase security in the Balkans and in Europe. Whether this kind of EU cooperation with Russia in the West Balkans turns

out to be truly productive will depend on the results of three processes:

- ▶ the EU accession progress of the West Balkan countries, especially Serbia;
- ▶ the outlines of conflict regulations (drawn up together with the USA) that allow for lasting stability in Kosovo and Bosnia and Herzegovina;
- ▶ Russia's ability to complete its large South Stream pipeline project.

### **The Arduous EU-Integration of the West Balkan Countries**

The crisis of EU enlargement politics that had been latent since Romania and Bulgaria's accession became fully apparent in 2009. The so-called enlargement fatigue of the Union also results from uncertainty over the future institutional development of European integration and its acceptance by EU citizens. Additionally, the West Balkan states seeking membership have not made the degree of progress Brussels would like to see, not only in terms of economic and political reforms but also in terms of lasting conflict resolution in the region. If the accession process were to reach a halt before the regional conflicts are resolved, one can expect the governments in the region to become less eager to continue reforms and resolve conflicts. An accession stop would also increase their interest in alternatives to EU membership.

In all the West Balkan countries such a situation would bolster national-conservative powers. The politically most important country in the region, Serbia, would probably react to such a development by focusing on a strategic partnership with Russia and coming closer to adopting the Putin model of "sovereign democracy" at home. Brussels-Belgrade relations are already constantly threatening to reach a dead-end because the majority of EU member states recognize the sovereignty of Kosovo. As a result, these states will not be able to agree to any treaty with Belgrade that in any way recognizes Serbia's legal claim to Kosovo. No Belgrade government, on the other

hand, would ever want to sign a document that implies in any way that Belgrade might accept Kosovo's independent status. President Tadić is required by his constitutional oath to continually stress that if forced to choose between EU membership and retaining Serbia's legal claim to Kosovo, his country would always choose Kosovo.

Any government in Belgrade that wants to maintain the Kosovo claim and ensure the survival of the Serbian entity in Bosnia and Herzegovina depends on Russia's support. This has its price, as the history of Gazprom deals in Serbia shows. To date, however, Russia's ambition to gain political influence in the West Balkans and Serbia in particular, under the banner of "privileged interests" (Dmitri Medvedev), has only seen limited fruition. Nonetheless, Serbia's future orientation is of fundamental importance to stability in the West Balkans and consequentially to Europe's security. Whether the countries of the region, and Serbia in particular, can and will continue working toward EU integration depends a lot on how the tense situations in Kosovo and Bosnia and Herzegovina develop.

### **Contradictions in EU's Kosovo Policy**

The European Union's efforts to reach a peaceful solution to the Kosovo argument are based on two institutional pillars: the rule-of-law mission EULEX and the EU Special Representative (currently Peter Feith), who is also head of the International Civilian Office (ICO) in Pristina. While the ICO is tasked with furthering Kosovo's accession to the EU and carrying out plans for Kosovo's independence, which Serbia has rejected, the EULEX mission claims to be neutral regarding Kosovo's legal status. This contradiction weakens the credibility and as a result the assertiveness of EU Kosovo policy.

With EULEX, the largest civilian mission launched by the European Security and Defense Policy, the European Union has set out to support the establishment of demo-

cratic structures and peaceful multi-ethnic cohabitation in Kosovo. To make it possible for EULEX to function in Kosovo's primarily Serbian-populated north, a special agreement had to be made beforehand between the UN and the government in Belgrade, with Russian involvement. In this area of Kosovo, which borders Serbia, many communities observe Serbian law and function in general as part of Serbia. The accord between the UN and Serbia is decried by the Albanian-dominated government in Pristina as a violation of its sovereignty. Pristina announced that it no longer sees the UN Resolution 1244 as binding. Yet, this document provides the legal basis for sending the EULEX mission. Pristina also considers the UN mission in Kosovo, UNMIK, as no longer welcome. On the other hand, the Serbs in Kosovo refuse all contact with IC0 in Pristina since the UN Security Council members could not agree to the establishment of this mission. The convoluted political and legal situation has reinforced the de facto partitioning of the area. Accordingly, the Albanian and Serbian "realities" in Kosovo are in constant conflict.

There are also two external realities: on one side the US-led group of countries (including 22 EU states) that have recognized Kosovo's independence; and on the other side Russia, China, India, South Africa, Brazil, Indonesia, and a large majority of UN members that do not recognize Kosovo independence. NATO and EU states Romania, Slovakia, Spain, Greece, and EU-member Cyprus are also part of the second group.

Probably not until 2010 will the International Court in The Hague rule on the legality of Kosovo's independence. On October 8, 2008, the UN General Assembly voted, on Serbia's request, to send the unilateral declaration of independence to the highest court. Until this legal ruling is given (though the verdict would not be legally binding) it is unlikely that a political framework can be found that would allow for direct political negotiations between the parties, including the external players.

As long as such a framework is missing, the region will remain on the verge of a dangerous security crisis, fuelled by the almost-daily disagreements over control of northern Kosovo.

Among the Western allies, only the USA (toward the end of the Bush Administration) has directed NATO to prevent any partition efforts in Kosovo. Moscow, on the other hand, has repeatedly warned the alliance not to "overstep" the bounds of the UN mandate for the peace keeping mission KFOR and in particular not to take part in any suppression of the Kosovo-Serb resistance to the Albanian's unilateral declaration of independence. It is unclear, however, what means Russia would have to stop new NATO interventions in Kosovo. And Serbia does not have the political will or the military might to risk a new confrontation with the alliance. Russia remains unable to send reinforcements by land or air because all transport routes are blocked by NATO states. Yet it is also doubtful that NATO members could agree among themselves to exert pressure, let alone use force, to reverse further breaking away of the northern part of Kosovo.

US diplomats continue to see Russian support of the political process in Kosovo as unnecessary. However, they acknowledge the possibility that if US-Russia relations were to deteriorate, Kosovo could again become the object of "unpleasant" conflicts with Moscow. The new administration has shown its determination to regain a stronger influence in Kosovo and Bosnia and Herzegovina. Shortly after taking office, on February 26, 2009, US Vice President Joseph Biden met with the leaders of the Kosovo Albanians in the White House. He then visited Sarajevo, Belgrade, and Pristina in mid May. Leading up to the trip, representatives of the US government voiced their displeasure over the lack of progress toward integrating the West Balkan states in the EU. Biden's visit communicated America's determination to return political attention to the West Balkans, to align Western partners regard-

ing the region's development, and especially to encourage quicker EU integration progress.

The renewed US engagement can be seen as support for EU efforts in the two most problematic areas of the West Balkans. Conversely, with its re-engagement Washington could be signaling that it no longer trusts the EU to manage the challenges in Kosovo and Bosnia and Herzegovina alone.

### **Bosnia and Herzegovina between Centralization and Collapse**

The USA is also worried about the other crisis area of the West Balkans: Bosnia and Herzegovina. Fourteen years after the war's end, internal and external actors have still not reached any understanding about how best to strike the necessary balance between centralized government and territorial autonomy. Centralization is required to ensure efficient administration, and territorial autonomy is necessary in order to prevent oppression among the three ethnic groups. While much of the Bosniak (muslim) majority supports a recentralization or even the dissolution of the Serbian constituent republic, Republic of Srpska, the Serb and Croatian minorities oppose strengthened central institutions. What is more, the Bosnian-Serbian leadership demands that the mandate of the UN High Representative, who has the final say in all state matters, be withdrawn. The UN High Representative has a great deal of authoritarian prerogatives: he can make final administrative decisions, pass laws, and remove elected politicians from office. For the Bosniaks, the High Representative's mandate is the final guarantee against secession of the Serbian constituent republic.

In the Peace Implementation Council (PIC) Steering Committee, Moscow has long called for the High Representative to be abolished, by the end of 2009 at the latest, in order to release the country into "true" independence. The USA, conversely, holds

firm to the authority and mandate of the UN delegate, arguing that lasting stability is not yet ensured. The EU is of different minds on the matter. In any case, the Union would be prepared to send its Special Representative to replace the UN High Representative, thereby demonstrating the EU's capacity to secure peace and stability. The external parties, however, cannot agree on what kind of powers to grant such a Special Representative. Russia does not want to see this office with similar powers to the current UN High Representative. Since a European envoy would not be subject to UN Security Council direction, Moscow would wield no influence. In addition, the plan is to appoint an American deputy to the Special Representative, as is the case in Kosovo. This would allow the USA to keep its influence while essentially elbowing out Russia.

The underlying reason for Russia's removal from the political consensus with the West is Moscow's conviction that the US, with the help of some EU states, is using the High Representative to attempt to annul the Serbian constituent entity (Republic Srpska) in Bosnia and Herzegovina, as the Bosniak (muslim) majority demands. In doing so, according to the Russians, the US is revising the Dayton peace agreement. Moscow is afraid that the Muslims, who have an absolute majority in terms of populace and continue to see the US as their protector, would turn a recentralized Bosnia and Herzegovina into another Washington client state in South-east Europe. On the other side of the conflict, the political leadership of the Bosnian Serbs looks to Russia for support, thus allowing Moscow to hold on to some standing in this part of the West Balkans. In addition, Russian companies recently gained control over the mineral oil industry in Republic Srpska and plan further investments. As a result, Russia stands to gain more political influence.

In early February 2008, the Steering Committee tied the beginning of talks about possible removal of the High Repre-

sentative to a number of broad conditions without committing itself to a specific time frame. In the end this means that the Western majority in the Steering Committee will decide when the time is right to remove the High Representative. But if they delay too long, Moscow could vote in the Security Council against extending the European peacekeeping mission (EUFOR-Althea) in Bosnia and Herzegovina. It is debatable if Bosnia and Herzegovina can remain stable without foreign military presence and external political guidance.

### **The West Balkans as Integral Part of the EU**

The more the West Balkans become a stage for American-Russian contests, the less opportunity the EU has to follow its foreign policy principles as set out in the Common Foreign and Security Policy (CFSP) – namely supporting consensual conflict resolution; strengthening international law; and pursuing effective multilateralism. Above all, this is the lesson from 20 years of conflict resolution in former Yugoslavia. Therefore, the guiding principle of European policy toward the West Balkans should be: The EU must not allow the area to be viewed as the front court of either Russia or the USA. Because of its importance for European security and the accession preparations underway, the West Balkans can only be treated as a future part of the EU. To quote the EU Commissioner responsible for enlargement, Olli Rehn, the EU cannot afford to take a “time-out” when it comes to ensuring the “European perspective” for the countries of the region. The idea that the problems in the West Balkans can be put on hold until the timing is more suitable to the EU is being rebutted by reality every day.

The Southeast Europe trip of US Vice President Biden in May 2009 signalled that Washington is worried that instability in the West Balkans could intensify. There can be no doubt that both Russia and the USA have a legitimate interest in peace and

stability in Europe and will get continue their involvement also in the south-east of the continent. Yet, the West can no longer expect that Russia will simply join the US bandwagon, as was the case after the Soviet Union collapsed. The EU needs to involve Russia as much as possible in shaping political developments in the West Balkans, without sacrificing the EU’s political identity and transatlantic solidarity. Such a course of action would not only be good for the EU’s relations with both major players, it would also be the best guarantee for positive change in the area. On the other hand, new attempts to push through measures clearly opposed by Russia would only abet conflict in the region and damage the EU’s relationship with Russia. Examples of such counterproductive policy would be tolerating a forced subjugation of northern Kosovo to Pristina’s control or any kind of involvement in abolishing the autonomy of Republic of Srpska against the will of the majority of its inhabitants.

Just a year after the end, or at least halt, of the conflict in Georgia, it is clear that independent of Russia-US relations, Russia does not want a deterioration of its relations with the EU. The Union should use this to pursue its goals in the West Balkans by involving Russia. For this to work, Brussels needs to take the initiative and hold the political reins without being swayed by either Russia or the USA. If the EU managed this, it would invalidate the stereotypical criticism from Washington that “US leadership remains indispensable until Europe finally shows the will and the capability to deal with its troublesome corner”.

The EU has three main instruments with which to manage development in the West Balkans:

- ▶ with the High Representative in Bosnia and Herzegovina and the EU Special Representative in Kosovo as well as by including all West Balkan countries in joint political plans to resolve conflicts in the region;
- ▶ by utilizing the Instrument for Pre-Accession Assistance (IPA) with which

the EU – in cooperation with bilateral aid from Western countries as well as international development aid – can speed up accession by accelerating economic, administrative, and civil-society transformation;

- ▶ through diplomatic consultation with the other two important actors in the West Balkans, the USA and Russia.

To increase the credibility and assertiveness of EU West Balkan policy, it would be helpful to give candidate status for EU membership to all states in the region who have not yet received it: Serbia, Bosnia-Herzegovina, Montenegro and Albania. This would signal to the countries that the EU will keep its promises and they need not search for alternatives to EU membership. Experience indicates that confirmed accession candidates are eager to become members as soon as possible. The more intense and ambitious West Balkan countries work to implement the *Acquis communautaire* and in doing so “Europeanize” themselves, the less likely it becomes that they backslide into ethnic-political conflicts or otherwise endanger their EU membership. Conversely, the insecure status of being a potential membership candidate leads governments to eventually look for domestic and foreign alternatives to “Europeanization.” This may well happen if the current enlargement crisis continues for too long.

Finally, the realization of the South Stream project would help consolidate the EU-Russian co-operation in the West Balkans. If Southeast Europe becomes the gateway for Russian energy supplies to the EU, then all parties would have a clear vested interest not to let unresolved issues slide out of control and to work together to foster stability and cooperation in the region. South Stream is one of the most important components of Europe’s energy security concept, which is being forged in dialogue with Russia. This concept is also key to the new “European security architecture” that the European states and Russia plan to discuss. Even if US-Russian relations remain unstable, economic ties

between Russia and the EU fortified by South Stream and similar projects would motivate both parties to avert new discord and quickly resolve existing conflicts in the West Balkans and beyond.

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