

RETHINKING THE DUTCH POSITION TOWARDS THE WESTERN BALKANS IN THE NEW SECURITY ENVIRONMENT IN EUROPE

Discussion paper

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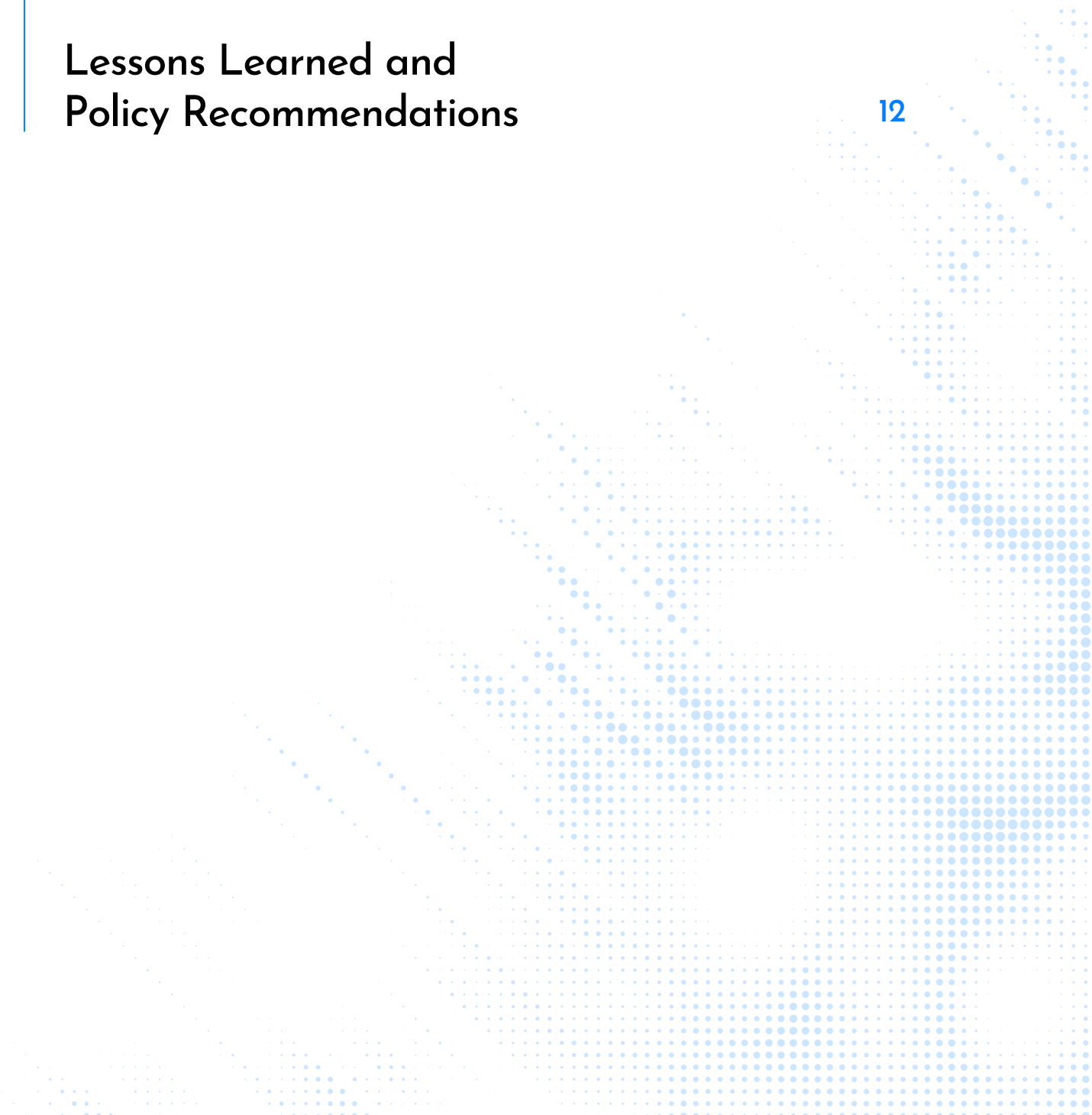


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INTRODUCTION

The year 2022 brought many political, legal, and security changes to Europe. Most importantly, events which had been considered unthinkable for decades have occurred. On February 24th, Russia commenced a full-scale military invasion of Ukraine, conducting attacks that have caused 7,061 civilian deaths, while some sources report up 21,000 deaths only in Mariupol, indiscriminate attacks in violation of the laws of war that may amount to war crimes, and more than five million refugees. The European response was unified and timely. A clear willingness to stand by the side of Ukraine has been shown and sanctions are enforced against Russia by all EU member states (MS), while providing aid in various forms.

An uptick in polarization, populism and far right sentiment can be observed in Victor Orban's success in the Hungarian April Elections and in Marine le Pen's persisting into the second round of the French Presidential election. Not only the right political spectrum is gaining traction but also the left. The Slovenian Prime Minister Janez Janša has been defeated by a left wing party, the Freedom Movement, founded a year ago. In addition, European governments that are key to stability and peace of the Western Balkans region are experiencing drastic political changes. The new German government that succeeded Angela Merkel's cabinet after one and a half decade is posing new foreign and security policy questions. Macron suggested an end to the enlargement agenda as we know it, proposing the political European community as an alternative. Tensions in terms of hate and acts of violence have been reported in Bosnia and Herzegovina and Kosovo, raising further questions about the future of the Western Balkans in Europe.

War in the continent posed a threat to the credibility and legitimacy of the European project. It questions European values and is an existential threat to the integration process, and European security. Ursula von der Leyen offered a speedy response to Ukraine's bid to join the European Union, for which Ukraine applied in times of conflict. This is the first time in history that a nation during conflict applies for EU membership. The Ukrainian application and the war have resulted in many uncertainties for Europe. This raises questions surrounding the accession processes of

other countries in the Western Balkans region, such as Serbia, Montenegro, Albania, North Macedonia, Bosnia and Herzegovina, and Kosovo.

An analysis of the EU integration policy in the Western Balkans region is therefore crucial given the recent events. Progress towards EU integration has varied among countries in the Western Balkans region. The closest to the EU integration are Montenegro and Serbia with many chapters open. North Macedonia and Albania are waiting to start formal negotiations. Kosovo and Bosnia and Herzegovina are farthest removed due to their internally and externally driven fragilities. The main goal of the report is to question the current approach while providing a fresh perspective on the EU's integration policy, given the recent security and political events. In addition, a deeper understanding of the Dutch foreign and security policy is also provided, since the Netherlands has rejected plans for the EU's further expansion.

The following sections outline Dutch foreign policy, followed by recent political, security and legal developments in the Western Balkans region. The final section outlines lessons learned, and present policy recommendations regarding the EU integration policy in Western Balkans given the recent events in 2022.

THE DUTCH POLICY ON EU INTEGRATION STRATEGY

The skeptical countries' policy towards integration have evolved mainly around fulfilling the Copenhagen criteria, alignment with *acquis communautaire*, and fulfilling their specific conditions, as requested by the EU MS or the Commission. One of the most well-known examples of skepticism towards EU integration is the Netherlands. In the last decades, the Dutch foreign policy regarding the EU accession of the Western Balkans countries has evolved around the fair and strict approach focusing on rule of law and Copenhagen criteria, while fearing financial repercussions, such as the financial burden on the Dutch economy as experienced by the accession of Romania and Bulgaria, and ignoring the geopolitical and security relevance of the region. Given the higher polarization in Europe, the war in Ukraine, and the deteriorating situation in terms of democracy in Western Balkans, the EU integration, and the nexus to defense, security and foreign policy necessitates rethinking.

The current Cabinet works according to the Rutte IV program. Regarding the foreign policy and the EU, the program focuses on strengthening rule of law mechanisms and taking a leading role in creating a more decisive, economically stronger, greener and safer EU, amongst others. The program also aims to abolish veto rights on sanctions, human rights violations, and civilian missions. The Netherlands also focuses on understanding how desirable and feasible it is to create a decisive EU foreign policy-making, such as through creating the EU Security Council, while aiming to provide concrete proposals. They also expressed their need to engage in intensive collaboration and support towards the Western Balkans countries, while reaffirming their old strategy as 'strict and fair' regarding the EU integration policy.

Regarding foreign affairs, policy-making revolves around inclusiveness, partnerships, collaborations, human rights and independence. The following five aspects are key: 1) promoting international cooperation with a pioneering role in the EU and multilateral organizations through strengthening the Atlantic relation and new partnerships, 2) providing more focus on the

international interests, 3) decreasing the dependence on strategical goods and raw materials, 4) respect for human rights, 5) better and more accessible services for the Netherlands abroad (i.e. post network). The Netherlands also commits to speaking up against human rights violations and to taking action in instances of gross violations of human rights (crimes against humanity), freedom of religion (including Christian persecution), LGBTIQ+, and freedom of press.

In practice, the Netherlands shows high dedication towards the Western Balkans countries, in both security and rule of law areas. A regional rule of law (RoL) network has been established to assist the aforementioned countries. The embassies have their representative, as well as a Coordinator based in Serbia. The Netherlands is also concerned and therefore engaged with stability and security. As a result, a Regional Stability Coordinator based in North Macedonia is appointed as well as a Regional Security Coordinator based in Bosnia and Herzegovina. This approach towards the Western Balkans countries is unique among EU MSs and shows high interest and commitment, though the Netherlands' policy towards EU enlargement remains unclear, particularly considering the changing political and security environment in Europe.

THE POLITICAL, SECURITY AND LEGAL DEVELOPMENTS IN WESTERN BALKANS

Serbia is at a crossroads. For years, Western policymakers failed to cope the country's democratic backsliding, which has gradually reached the level of a captured state. In the name of alleged internal and regional stability, the regime in Belgrade was silently given the green light for this autocratic shift. Moreover, the Serbian government has been openly praised for the non-existing reforms by the most prominent European leaders. In the meantime, the level of the economic and political influence of other actors, such as China has been rising rapidly through non-transparent large-scale investments with detrimental environmental consequences, while anti-EU narratives have been continuously disseminated through pro-government media outlets. Furthermore, by emphasizing the concept of the Serbian World, the regime in Belgrade has significantly radicalized its rhetoric and awakened the ghosts of the recent past across the region, which is at odds with the self-proclaimed image of a guarantor of regional peace and stability.

The situation has changed drastically with the Russian invasion of Ukraine. A unanimous message from various European officials is that Serbia needs to take a clear position when it comes to Russian aggression and join EU sanctions on Moscow to prove its strategic orientation towards the EU. Up until now, the government has been trying to avoid such a costly scenario. Serbia is heavily dependent on energy supplies from Russia, especially when it comes to gas, and the support that Belgrade receives from Russia in the UN Security Council is the Serbian wild card regarding the Kosovo issue. Simultaneously, the government is aware that not aligning with the EU sanctions on Russia could effectively isolate Serbia in the international arena, and severely harm or even suspend its further EU integration process for years, which would have harsh political and economic consequences. The Parliamentary elections held in April have weakened the position of the still dominant ruling party, which lost the absolute majority for the first time since 2014, increasing the unpredictability of developments in the immediate future.

In previous years, negotiations between Serbia and Kosovo have come to a standstill, while occasional incidents in the northern Kosovo area between the Kosovo Police and the Serbian citizens have sporadically brought the situation on the ground to the brink of conflict. Recurring confrontations in Kosovo such as the re-opening of the negotiations over the recognition of license plates contribute to weaker relations. However, the Kosovo government deems re-opening of former agreements as a necessary step to progress in dialogue between Belgrade and Pristina. The Kosovo government, led by Prime Minister Albin Kurti that won a landslide electoral victory in early 2021, has focused on sovereignty of the state as the ultimate priority of the negotiation process, and it is far less flexible in terms of compromising with Serbia by comparison to previous regimes. The diplomatic push by the new German government and the first face-to-face meeting in months between Vucic and Kurti organized in Berlin at the beginning of May might bring the two sides back to the table after months passed in the deadlock, yet it is still hard to envisage any substantial agreements on the horizon. Simultaneously, the United States is pushing the Kosovo government to enter into compromises. Meanwhile, progress has been noted by the international community regarding Kosovo's anti-corruption efforts. Some high-profile political leaders - which resigned from their political functions - are facing accusations of war crimes in the Tribunal in the Hague, and are also accused of having links to organized crime. This provides opportunities for a democratic start in Kosovo.

Challenges surrounding crucial issues, such as the visa liberalization for Kosovo citizens, seems to be out of the European decision-makers' agenda, despite Kosovo fulfilling their criteria. This adds to further disappointment in the EU by Kosovo citizens, as the exclusion of Kosovo - the only Western Balkans country whose citizens are not allowed to travel freely in Europe - signals a desire to isolate them and double standards applied in the Western Balkans region in the eyes of citizens. Given the war in Ukraine, intentions for applying for EU membership have been voiced by the Kosovo government. But the EU's response has not been as open and warm as with Ukraine's application. Relations between Kosovo and the EU therefore remain fragile, creating opportunities for other illiberal actors, be it Russia (even though less than in other countries in the region), Iran, Turkey, Saudi Arabia, the United Arab Emirates, Qatar, to use the sentiment for fostering instability.

In the last few years, Bosnia and Herzegovina has entered the most serious political and constitutional crisis since the Dayton peace accords. The fragile state's architecture has been shaken to the core, with discussions of revived conflict becoming louder both in the country and in the international community. In mid-October last year, the political leader of the Bosnian Serbs Milorad Dodik announced that the Republic of Srpska will withdraw from federal state institutions that represent key pillars of state security, the rule of law, and the fiscal system. As a response to these actions, the US and the UK have introduced bilateral sanctions against Dodik. The raised European alertness provoked by the Russian invasion of Ukraine might create urgency in the EU to follow accordingly and put additional pressure on the regime in Banja Luka, which is closely allied with the Kremlin. Moreover, a lasting dispute over the question of electoral reform which should resolve the issue of ethnic representation in the institutions is escalating the internal friction between Bosniaks and Bosnian Croats, but also in bilateral relations between Bosnia and Herzegovina and Croatia. The confrontation between the two sides might increase after the general elections have been called for October without the compromise achieved. In light of this turmoil, the UK has threatened the Bosnian Croats' leader Dragan Čović with sanctions for destabilizing the country. Additional EU peacekeeping forces were deployed in B&H in the first days of the war in Ukraine. Despite the dysfunctional situation, Bosnia and Herzegovina seems to be in a stalemate, since the compromise between the parties with the opposing interests that would change the existing status quo does not look realistic in the foreseeable future. Meanwhile, the European perspective of the country is looking grimmer, with the Commission reports on the progress worsening each year. As in other countries in the region, illiberal actors may use this momentum to foster further instability.

Although Montenegro progressed furthest through the accession process, it is still far from achieving European standards when it comes to solidified institutions and the rule of law. Ever since the regime change in 2020, the first since the country's independence, the political scene has been unstable. The heterogeneous coalition government which did not successfully overcome internal struggles has been replaced in April by the new minority government supported by the former establishment. The new Prime Minister Dritan Abazovic has formed his Cabinet on a clear pro-European agenda, yet the dubious political legitimacy of such a weak government leaves a lot of questions unanswered. Several high-profile arrests on corruption charges in the last weeks might be a sign of long-expected progress when it comes

to the rule of law. It is yet to be seen what effects this new political landscape will have on political tensions which were triggered by the controversial Law on Religious Freedom that led to mass protests in 2020, and culminated over the inauguration of the new local leader of the Serbian Orthodox Church in the town of Cetinje in 2021. Local elections in several municipalities previously scheduled for Summer have been postponed after the new majority in the Parliament adopted amendments to the Law on Local Self-Government, which some experts claim to be unconstitutional.

North Macedonia also has a new Government since January, led by the Social Democrat Dimitar Kovacevski. This was the final chapter of the political crisis which started with the decision of the former Prime Minister from the same political party Zoran Zaev to step down after the loss in the local elections in October last year. This crisis of the Government was in large part due to the lack of progress in the EU integration of the country, which was the main priority on Zaev's agenda. Although very difficult decisions were made to solve bilateral issues with Greece and Bulgaria, including changing the name of the country, North Macedonia was not granted the pledged candidate status. The betrayed European promise has led to the historically low trust in the EU, with the number of Macedonians who believe the EU is the country's biggest ally plummeting to a third of the previous number over the last two years alone according to the public polling results. This radical shift in public opinion is opening the space not only for the right-wing opposition close to other illiberal leaders such as Orban, but also for the influence of third countries such as Russia and China. This trend could still be reversed after several officials from the EU countries have called for urgent progress in the accession process, while the new Bulgarian Prime Minister has shown readiness to solve the dispute between the two countries in the upcoming months.

Albania experienced political turmoil in 2022 due to the lack of separation between politics and the rule of law. Edi Rama, the Socialist Prime Minister, supports anti-corruption and the rule of law reforms. The Special Courts against Corruption (SPAK) were established as part of a separate structure for the investigation, prosecution, and adjudication of corruption and organized crime. However, questions remain over these courts' effectiveness among the country's civil society as the government is involved in the process which requires them to destroy their network. In addition, according to Transparency International, Albania decreased one place

from its 2019 rank to a Corruption Perception Index score of 35, placing it 110th globally. Along with Montenegro, Albania received one of the lowest ranks in Europe. While rule of law has proven a difficult challenge to overcome during the year, political turmoil is strengthened by the blacklisting by the United States of Sali Berisha, the former head of Democratic Party. He is declared persona non grata due to his involvement in corruption. This caused friction among the political party members, which led to the split up of the party and resignation of Lulzim Basha as the leader of the party in March. This political turmoil may have also shifted the country's priorities inwards rather than focusing on EU integration. As a result, the disenfranchised youth is searching for new opportunities abroad due to the disillusionment in terms of politics, rule of law, and economy.

While the EC has noted progress and provided the green light to open the negotiations with the EU, the European Parliament (EP) has not opened the negotiations with Albania. A high level of support towards the EU is observed, while sentiments of disappointment towards the EU are also observed among the youth. This sentiment is perceived as being excluded due to the Muslim religion, even though religion plays a low role in everyday life. As a result, the anti-EU narratives that are under formation can be utilized by far right and religious extremists to foster instability in the long term.

LESSONS LEARNED AND POLICY RECOMMENDATIONS

Regaining Legitimacy

This is a picture of a neglected region in the middle of Europe, which today is anxiously looking to an uncertain future. Instead of the EU integration project being completed so far, leaving Europe strong and without fear of third powers' malign influence, it has unstable states in the strategically important Southeast of the continent, with leaders many of which do not belong within the democratic value framework. In the last ten years, the EU has had the opportunity to define and complete its political and security structure by uncompromisingly committing itself to the Western Balkans region. Instead, transactional and utilitarian political decisions have replaced strict and fair enlargement policies. Sometimes driven by internal interests and sometimes simply fleeing from interfering in complicated regional dynamics under the burden of their problems, European leaders have contributed to the loss of EU credibility in the region and reduced influence.

Moreover, the focus has often shifted to the technocratic designs rather than the substantial progress on the ground. Frequent changes in the methodology, such as the recent switch from chapters to clusters, are not affecting the practice in the way which would resonate with the public. Moreover, political messages such as the one sent by President Macron last week that the full EU accession of the region should be postponed and substituted by other forms of collaboration further accelerate the dissolution in the EU among citizens. Thus, even to the strongest domestic allies and advocates of EU integration in the Western Balkans region, the arguments favoring the region's accession to the European Union were gradually kicked out. Of course, most of the challenges facing the region are of domestic origin, but the EU, which is (un)willing to integrate the region, has part of the responsibility for this situation. The Ukraine war showed again that the dependency between Europe and the Far East is high as it impacts supply chains. The negligence of the Western Balkans would impact not only supply chains but also the security of Europe itself in the long run.

It is of crucial importance for the EU to regain legitimacy in the Western Balkans region. Given the fact that unmet integration promises lie at the source of WB states' low appraisal of the EU, any effort in this area should afford a central position to making progress within the integration process. This will allow the Netherlands to contribute to a stronger and more united Europe, as foreseen in its foreign policy program. This would, in turn, foster local legitimacy in the eyes of the local population, and ensure that the EU exclusionary narrative in the region would not be utilized for propaganda, polarization and radicalisation which would foster instability in the region with a potential for spillover in Europe. This could be achieved through:

- Providing accurate reporting on the key reform priorities, including democratic backsliding, rule of law and foreign policy blunders of the Western Balkans region countries
- Refraining to use double standards while providing statements and implementing policies in the region
- Connecting with the WB regions citizens through strategic communication campaigns

Alignment with the EU Foreign and Security Policy

If not earlier, then at least since 2014, Russia's annexation of Crimea has signaled that some compromises must not be made and that the EU must demand that Western Balkans region leaders declare unequivocally that they intend to act in line with the EU's foreign policy. Passive observation of Serbia and Republika Srpska, parts of Montenegrin and Macedonian political elites building stronger ties with Russia, has led to the fact that today it is the only region in Europe where there are strong political forces that do not condemn Putin's regime for atrocities in Ukraine. These forces have a huge impact on public opinion, and their support is growing, while, for example, support for EU integration among Serbian citizens is declining. Satisfied with the gradual and slow alignment of some countries, such as Serbia, with the Common Foreign and Security Policy (CFSP), the EU has deluded itself that there is a sincere desire to end the political support that some leaders have in the Kremlin. Instead of providing a clear path on the foreign policy choices, the EU chose the other path. It squinted at the

obviously strong ties between Belgrade and Moscow. It did not start negotiations with North Macedonia, and thus indirectly provided a path to the pro-Russian opposition in the country. It did not provide sincere support to the Montenegrin government elected in 2020 because of its alleged ties to Russia, despite it overthrowing the party that ruled the country for the past 30 years. Lastly, it did not provide visa liberalization for Kosovo despite meeting the criteria. Such misguided moves have encouraged some regional leaders to practically blackmail the EU by looking at their fictitious alternative in the form of their countries' political alliance with Russia.

Russia's aggression in Ukraine has changed the geopolitical context. Therefore, it is necessary for Western Balkans countries to align their foreign and security policies with the EU CFSP immediately and completely. This will lead to a more united and secure Europe, strengthen EU support in the region, and counter univocally the pro-Russian forces in the region which have been observed to have violent intentions across the region. The Netherlands should:

- Request the Western Balkans countries to join the sanctions against Russia, while providing alternative solutions to the practical issues which introducing sanctions would present to the countries, such as alternative energy supplies
- Reward the countries that show deep partnership and collaboration on the EU CFSP regarding the war in Ukraine, such as by opening the negotiations with North Macedonia and Albania, and providing visa liberalization for Kosovo. This would deepen legitimacy and citizens' support
- Insist on more transparency regarding the inter-state contracts that are the driving force behind high-level corruption due to malign foreign influence, corrosive capital and environmental degradation

Ending stabilitocracy

Many European decision-makers collaborate with regional strongmen who flirt with eastern “alternatives”. Brussels, Berlin, Paris and many other capitals in Europe and the United States were downplaying the weak state of democracy, freedom of the media and the sanctification of organized crime in fear of countries like Serbia or Montenegro turning their backs on the EU and sinking into the Russian embrace or causing instability in the region. In some cases, the European Union even went so far as to unintentionally nurture autocratic tendencies, while still maintaining the transactional process of the stabilitocracy. Recent examples include praise for Serbian reforms by the European Commission President and former German Chancellor, the opening of a new cluster in negotiations with Serbia, and questionable European Commission reports on progress in the country’s European integration. Paradoxically, the huge pre-accession support that the EU provides to the Western Balkans countries is actually a financial injection to the autocrats because corrupt institutions administer it. At the same time, the progress in reforms made by North Macedonia or the fulfillment of Kosovo’s conditions for a visa free regime has not been rewarded because some countries, such as France and the Netherlands, are skeptical of these successes.

Such decisions by EU leaders have undermined its credibility in the region, strengthened the arguments of those who believe there is no need to meet EU conditions because the EU membership will certainly not become a reality, and contributed to the collapse of support by the most pro-European citizens. Ultimately, the European decision-makers choose to support the autocratic leaders in the region, while rejecting Western Balkans citizens. This political decision was partly justified by the wish to limit the influx of organized crime from the Western Balkans region. Therefore, addressing relations between organized crime and states is crucial, rather than freezing the EU integrations or visa free regimes.

Although urgent and full alignment of the WB countries with the EU CFSP is currently in focus, the fundamentals must remain a priority in the medium and long term. Their (un)harmonized foreign and security policy must not mean turning a blind eye to the weak state of democracy and the rule of law. In order to improve the situation in the region, the Netherlands should:

- Intervene more strongly in the European Commission's Progress Reports on the rule of law violations
- Closely monitor and evaluate the adoption and implementation of laws, which often at first glance have a European appearance but are commonly applied in bad faith
- Initiate extraordinary measures e.g. special reports (similar to Priebe report) which can provide strong political backing for long-overdue reforms
- Sanction or vet individuals tied to corruption and organized crime, like the United States did, in order to protect rule of law and security in the long term, rather than freeze EU integrations which harms citizens.

Support the Democratic Allies

Finally, ill-advised decisions made by the EU and individual MSs towards the Western Balkans region have contributed to human rights defenders, activists, whistleblowers, think tanks and grassroots experiencing the fight against undemocratic governments injustices as lone riders. Although there is often financial and political support for these entities from the EU, in many key situations, it is lacking. The struggle of opposition parties and civil society regarding the environment, potentially opaque investments and political rights and freedoms are often followed by brutal attacks by officials not only on civil society but also on its donors. Unfortunately, there are examples of Western partners withdrawing in such situations and sometimes even putting pressure on those they support to "calm tensions". Such issues also often remain under the radar of EU officials, so they do not have the opportunity to react even if they have goodwill, which means that they do not have well-developed monitoring to assess relations between countries in the region and civil society.

The main European allies in the Western Balkans are not the kleptocratic elites but rather its citizens, civil society organizations, activists, civic initiatives, independent media and undoubtedly pro-Western political parties. The EU, Netherlands and other member states should rethink their rather technocratic approach to assessing progress in terms of numer-

ous benchmarks, activities, action plans, road maps etc. across dozens of chapters and a handful of clusters. As depicted in the Country Reports and non-papers, this official narrative of progress shows a distorted reality. Instead, the exclusive focus should be put on key reform areas, including the quality of democracy and whether the government's show commitment to European values. The latter has to be seen on the ground, through showing respect for the rule of law and public interest, but also by demonstrating improved living conditions of citizens, both in terms of economy and the liberties they enjoy.

The Netherlands should:

- Develop better monitoring mechanisms for human rights violations with non governmental sources on the state of democracy, performance of democratic institutions and independent bodies, media freedom, free elections, culture of dialogue and tolerance in the societies
- Become a vocal actor on condemning rule of law and human rights violations in the Western Balkans region, representing a leading role and example for the Western decision-makers in the region, in line with the foreign policy program
- Focus the attention on citizens, economic partnerships, and quality and values of democracy, rather than technocratic reforms