



THE STRATEGIC ROLE OF EXTERNAL ACTORS IN THE WESTERN BALKANS

STUDY

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Dear readers,

As the Wilfried Martens Centre for European Studies, the Political Academy of the Austrian People's Party and the Austrian Institute for European and Security Policy, we are pleased to present to you the following study on the strategic role of the external actors in the Western Balkans. Albania, Bosnia and Herzegovina, Kosovo, Montenegro, North Macedonia, and Serbia are not only geographically and historically closely linked to Austria and the European Union, but are also of great economic and geopolitical importance to them. Accordingly, the influence of other states on the countries of the Western Balkans is of equally great relevance.

The importance of the Western Balkans and the region's future for the European Union can be seen by the effort the Union puts into them. European Commissioner for Neighbourhood and Enlargement Oliver Varhelyi announced in October 2020 that the EU plans to invest €9 billion in the region, under the Instrument for Pre-Accession (IPA III) between 2021 and 2027. Additionally, the EU aims to provide guarantees of €20 billion of investments through the new Western Balkans Guarantee Facility, and has also supported the Western Balkans in the global COVID-19 pandemic with €3.3 billion.

Particularly in times of this pandemic and the economic crisis that accompanies it, we do not want to perceive the efforts made in the region by different countries as a race or competition. Any help is welcome and will support the region to develop further. Accordingly, this study aims to provide an objective analysis of the dimensions and nature of assistance and its strategic importance in the Western Balkans.

We are convinced that the European Union will only be complete with the accession of the Western Balkans. Therefore, we hope that the results of this study will contribute to a better understanding about the role and concrete goals of other external actors in the region, and in further consequence will lead to an enhanced rapprochement between the EU and the countries from the Western Balkans.

Last but not least, we would like to thank all the authors and staff involved, who have put together a detailed and high-quality study in a very short time.

We hope you enjoy the results.

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Albania and the Influence of Outside Actors

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Abstract Albania is a NATO member state, a candidate country with a green light to open accession negotiations with the EU and pursues an agenda of commitment to regional cooperation. Much of what will happen in the area of its international relations will depend on the European perspective of the country, which for the moment serves as an umbrella of reforms and foreign policy positions. The purpose of this paper is to briefly present and analyse the interacting dynamics in the relations that Albania has with the Western states, on the one side, and other commonly called 'third actors', which include Russia, China, Turkey, among others. Each case has its own particularities when it comes to the history of bilateral relations and various political, economic and social dimensions. Throughout the sections of this paper, we shall take a quick journey, visiting each one in search of understanding and, to the extent that is possible, predicting.

Keywords Albania – EU – US – NATO – Russia – China – Turkey – EU integration

Introduction

Albania and Kosovo are unique in the Western Balkans (WB) region when it comes to their high support for and alignment with the Western states and alliances such as the US, NATO and the EU. Their preference to indicate the US as a strategic partner, to support their countries' integration into the EU, and to rely or work together with NATO for their security vision, sets them apart from the rest of the WB countries (RCC 2020, 39). This is mainly the result of history and geopolitics and is therefore sustainable in the long run. However, this does not mean that other actors are not influential or at least do not try to gain some advantage from various access points, especially through economic or soft power. Russia, China and Turkey are all present in various forms and degrees in Albania through ties in politics, business, media, education or religion.

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The US–NATO reign

Albania's particular devotion to the United States as its strategic partner and perceived protector in the international arena dates well back. In the 1930s, the Wilson administration is credited with giving the Albanian state a real survival chance when most of the European powers at the time were not as enthusiastic about it. The Albanian diaspora in the US is also perceived as a key contributor to the country's early years of state consolidation.

Later on, the role of the United States in assisting Albania's democratic transition and particularly in spearheading the NATO intervention in 1999 in Kosovo solidified the bilateral relationship as one of strategic importance and mutual benevolence.

The role of the US Embassy during times of political crisis in Albania is famous. In the early 1990s, when the democratic governments were extremely fragile; in 1997, when the country erupted in a civil strife after the pyramid schemes collapsed; in 2016, with major diplomatic action to approve the judicial reform in the Assembly; and as recently as 2020, when the US Ambassador convened at her own residence the different political sides to discuss electoral reform. The US imprint is all over the key moments that have defined Albanian politics and guaranteed stability in the last three decades.

This special relationship has led to the outcome that the US is perceived as both friendly and powerful in the public opinion. Some experts have outlined the fact that since these relations are very asymmetrical, they have often been riddled with myths and exaggerations instead of realistic perspectives (Rakipi 2016).

For most Albanians, the United States and NATO are intrinsically linked. Albania's membership to NATO in 2009 was considered as the first major milestone in achieving the transition from an isolated Stalinist regime into the larger family of the Transatlantic Alliance, united by collective security and democratic values. NATO is the first substantial link of Albania to the West. In addition, the alliance is seen as a saviour of Kosovo and a

driver behind its independence, since its intervention in 1999 proved decisive to fight down the genocidal actions of the Milosevic regime. Since then, Albanians view NATO as their security anchor in the global arena and have been contributing, within their very modest means, in operations as well as by taking over a commitment to increase military spending. The recent enlargement of NATO to the countries that flank Albania to the north and east, Montenegro and North Macedonia, makes Albania even safer and more secure in the regional context.

EU integration: a shifting perspective

Eighty-seven percent of Albanians would vote in favour of integration, should the referendum take place in 2020 (AIIS 2020). The figures have been consistent for all the years that various institutions have measured them, always above 85%, which is more than in any current EU member state. The European integration narrative and framework has provided legitimacy behind painful structural reforms and the impetus to instil and promote the rule of law in all dimensions of public and private activities.

The EU is Albania's main trading partner and its largest donor, with a plethora of projects and grants. Albania's foreign policy is fully aligned with that of the Union, even when it comes to highly complex and delicate issue such as Russia, Palestine, etc. EU integration has provided the main mechanisms and incentives for the growing regional cooperation, in which Albania has been involved and which has led to improved bilateral relations with neighbours and countries in the region. However, enlargement is encountering several obstacles, and not just for Albania.

First, the European Union has entered a reflection period, with some member states wanting to prioritise deepening over expanding. Second, several key member states have expressed distrust over the European Commission's reports assessing the countries progress and have undertaken their own analysis on certain issues (Vurmo 2020). In the case of Albania, this had led to the Netherlands and other countries often being unsatisfied with the progress of reform implementation. Finally, instead of focusing on the

work to be done to fulfil conditions, political parties in Albania have used the EU integration perspective for internal political strife. For the moment, this perspective hangs on a delicate thread, since the negotiation framework for both Albania and North Macedonia was not approved in the last EU Council meeting (*Tirana Times* 2020).

Albania's eastern neighbour, North Macedonia, was vetoed by Bulgaria upon ethnic identity arguments. If the disagreement is not solved quickly, the ramifications will be disastrous for the whole region, as the integration horizon will become even murkier. The EU's credibility is on the line and so is the political willingness to go forward with the reforms. Albania will hold general elections next year in April, and their conduct will determine whether the country gets to go further on the integration path alongside fulfilling a set of conditions mainly related to the completion of justice reform.

Russia: paranoia to fill in the vacuum

For historical reasons and the perceived Slavic affinity between Russia and Serbia, Albanians consider Russia as an actor that is not sympathetic with their interests. There has been one specific period in which the communist Hoxha regime in Albania strengthened ties with the Soviet Union and developed extensive economic, social, and educational relations with Moscow. After the split in the early 1960s, however, this period came to an end.

Albania's official policy towards Russia is almost entirely dictated by its straight alignment with the foreign policy of the West: NATO and the EU. It has joined the EU in imposing sanctions against Russia after the annexation of Crimea and the conflict with Ukraine. Ledion Krisafi, senior researcher at AIIIS, observed that the sanctions naturally have damaged Albania much more than Russia, given the extremely different market sizes (Interview with L. Krisafi 2020).

Russia's direct influence in Albania is almost non-existing. Upon taking over the chairmanship of the OSCE this year, Albanian Prime Minister, Edi Rama, visited Moscow

and was received by Sergei Lavrov, who commented on the lack of relations, saying that even the basic communication channels between the two countries are missing (Dosja 2020).

The efforts of the Russian Embassy in Tirana have recently increased in the realm of soft power by offering Russian language courses and organising cultural events. Also, the Russian media outlet *Russia Today* opened for some time an Albanian language branch *Rusia Sot*, which is presently discontinued. However, the 2019 protests in Albania have been covered by *Russia Today* and *Sputnik*.

Albanians are aware of Russia's presence in the region, especially of the economic ties with Montenegro and extensive ties with Serbia. When Albania and North Macedonia were refused the opening of negotiations at the end of 2019, Russia half mockingly extended an invitation to them to join the Euro–Asian Union (Sideris 2019). However, to be labelled as working with Russia or being Russia-friendly is a grave accusation in Albanian politics and competing parties have recently taken up this kind of rhetoric to score points in the public debate. Recently, the main Albanian opposition was accused in the pro-government media of having obtained financial support from Russian sources for lobbying purposes. The head of the Socialist majority has proposed a regulation in the law of party financing, in order to avoid 'the influence of malignant countries towards Albania,' clearly referring to Russia in this case (Top Chanel TV 2020).

Russian paranoia is mostly made up for internal political strife and not based on realistic evaluation on the ground.

China: an old acquaintance

The bilateral relations with China have the most interesting background in the entire region, shaped by an unparalleled story of Cold War dynamics and ideological rivalries (Biberaj 2014).

Albania was the first country to recognise the People's Republic of China in 1949, but also to stand up for it in the United Nations. In the 1970s, a few years after Albania fell out with the Soviets (unbelievably for not being loyal enough to the Stalinist ideology) China became Albania's strategic partner and economic lifeline. Chinese credits and technical expertise enabled Albania's key infrastructure projects, including the major hydropower plants and metallurgic factory—gigantic enterprises for the extremely isolated and poor country on the eastern coast of the Adriatic. However, ideology played again a divisive role when US President Regan visited Beijing, putting a closing lock on the Sino-Albanian relations at that time, only to be re-opened after the fall of the Hoxha regime.

Today, China interacts with the entire region of the Western Balkans and even wider Eastern Europe through its ambitious Belt and Road Initiative and the related 17+1 network. China is an important economic investor in Albania, having acquired equity in two key sectors: oil production and air transport. The year 2016 marked the beginning of these two major concessions: in March, Canada's Banker's Petroleum sold its exploration and drilling rights in the fields of Patos–Marinze and Kucova to China's Geo-Jade Petroleum and in October, the Hong Kong based Chinese firms, China Everbright *and* Friedmann Pacific Asset Management Ltd. acquired the shares in Tirana International Airport (TIA), as well as a concession license to operate the airport until 2027 (Bastian 2020). Previously, the concession of the only international airport in Albania belonged to the German consortium Hochtief.

China has made efforts to increase its soft power through the opening of the Confucius Institute at the premises of the Tiara University and through cultural cooperation projects. Chinese media delivers in Albanian language through the CRI portal (<http://albanian.cri.cn/>) and *Radio Ejani*. There is also a sizeable Albanian alumni community that has studied in China, both during communism and recently, which constitute the membership of a few friendship associations supported by the Chinese Embassy in Tirana.

However, there is a visible hesitation on the side of Albanian authorities to go deeper in the cooperation with China, especially after the deteriorating relations between USA and the PRC during the Trump administration. Albania has joined the Clean Network list of countries that ban Chinese firms from entering in their digital markets for the ambitious 5G network plans (US Embassy in Albania 2020).

The future dynamics between China and the US, especially after 2021, will also bring potential changes in the bilateral relations between Albania and the PRC.

Turkey: the real influential third actor

The origins of the bilateral relations between Albania and Turkey are host to a strong and interesting dichotomy: on the one side, the Albanian nationalistic historiography portrays the birth of the independent Albanian state as the result of a heroic resistance against the occupying Ottoman Empire. On the other side, modern-day Turkey is portrayed and largely perceived as a key ally and friend to the Albanian people, and political relations are very friendly and important. Albania's current ruling majority designated Turkey officially as one of Albania's strategic partners in 2013, and Albania's Prime Minister is among the region's leaders that have cultivated a strong personal tie with Turkey's Recep Tayyip Erdogan.

Turkey is present in Albania's economy with investments in the telecommunications sector, industry, banking (the second largest bank in Albania is owned by a Turkish company),² as well as in private education and healthcare establishments.

Recently, Albania has also been involved in the aftermath of the conflict between Erdogan and Fethullah Gülen, which culminated in the attempted coup d'état against Erdogan and extreme fallout afterwards. Turkey has repeatedly asked Albania to close down the education empire first founded by the Gülen movement and comprising of dozens of institutions of pre-tertiary and tertiary education, as well as some religious schools.

² <https://www.bkt.com.al/en/about-us/who-we-are>

Albania has resisted some of that pressure. However, there have recently been signs of concession (Tirana Times 2020).

Additionally, the Turkish influence in the Albanian Muslim community is also important. Turkey has financed, through its Diyanet, the construction of the largest mosque in the region in Tirana, which is set to be opened soon. The Turkish current within the religious teachings in the country is seen as compatible with the Albanian version of traditional Islam, which is quite moderate (AIIS 2019). The Gülen controversy, however, has also caused a commotion in this community, turning it sometimes into a small proxy of a much larger conflict being played elsewhere.

Turkey is directly present through its media in the Albanian language, namely the portal *TRT Albanian* (<https://www.trt.net.tr/shqip/>) and *Anadolu Agency Shqip* (<https://www.aa.com.tr/sq>), as well as through associated social media pages where the given Turkish assistance is often promoted alongside the presentation of the Turkish point of view over various developments.

Ultimately, Albania's public opinion towards Turkey is a very decisive factor. Turkey is seen as a bulwark of defence and aid-provider of last resort. This can be best illustrated with this year's early pandemic response. In a press conference describing the emergency plans, Albanian prime minister Edi Rama said that in the event that all other plans failed, he had personal assurances that there would be a contingency plan with Turkey (Halluni 2020). Turkey was also one of the first countries to offer substantial rebuilding projects after Albania's major earthquake in November 2019.

Turkey's influence in Albania is durable, multifaceted, and definitely one to closely watch in the coming years.

Conclusion

The special preferential relations between Albania and the main actors of the West—NATO, the US and the EU—have deep foundations in history and a large popular backing. This has allowed for a foreign policy almost totally aligned with that of the West. These relations have given grounds to Albanian decision makers to even tolerate special arrangements that limit their country's own sovereignty: in the current constitution, the International Monitoring Operation (IMO) oversees the judicial reform with a special mandate.³

Albania's relations with Russia are weak and characterised by a passive belligerence on both sides. The relations with China have a special past and key economic interests at the present but are limited by the overall global context. Turkey stands alone among 'third actors', as one of Albania's most influential and strategic partners with a wide-reaching arm in the economy, culture, religion and education. These are not the only 'outside actors', since in the last years Albania has faced smaller but still dynamic developments with others, such as the Gulf countries and Iran.

In the future, there is one decisive factor that will shape the interplay between the strong pro-Western associations, in particular pro-EU and US, and the various forms of influence of third actors, and that is the European integration perspective. This umbrella of structural reforms, which at the same time is a horizon of hope, provides the main impetus for successor generations to keep their affiliation towards the West steady. In case the EU perspective becomes intangible or compromised, the playing field will become much less predictable.

³ The deployment of the IMO is foreseen in Article B of the Annex to the Constitution of Albania', according to the European Delegation in Albania. For more see: https://eeas.europa.eu/delegations/albania/20144/node/20144_en

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Bosnia and Herzegovina: A Forgotten Crossroad

Haris Ćutahija⁴

Abstract The interest of the European Union and the United States of America and the influence resulting out of this interest is clear—they both want to see Bosnia and Herzegovina in the European Union and NATO alliance and in order to achieve that, they use their mechanisms. However, the influence of certain countries on Bosnia and Herzegovina is complex and not so straightforward. Russia, for example, has a strong influence on Serb political structures in Bosnia and Herzegovina, as Turkey has influence on the Bosniak side. Even though China has an economic focus, they want to position themselves in a part of Europe, which is still not fully aligned with Brussels and view Bosnia and Herzegovina as a puzzle piece in a larger geopolitical game.

Keywords Influence – BiH – NATO – USA – EU – China – Russia – Turkey

Introduction

After the first multi-party parliamentary elections in 1990, which resulted in a national assembly where communist power was replaced by a coalition of three ethnically-based parties—Democratic Action Party (SDA), Serb Democratic Party (SDS) and Croatian Democratic Union of BiH (HDZ BiH)—a significant split developed among the residents of Bosnia and Herzegovina on the issue of whether to remain within Yugoslavia (overwhelmingly favoured by Serbs) or seek independence (overwhelmingly favoured by Bosniaks and Croats). Bosnia and Herzegovina declared its sovereignty in October 1991 and independence from the former Yugoslavia on 3 March 1992, after a referendum which resulted in an ethnic war between Bosniaks, Bosnian Serbs, and Bosnian Croats. After the Dayton Agreement in 1995, Bosnia-Herzegovina became a democratic country, with a new constitution, comprised of two entities: the Federation of Bosnia and Herzegovina (FBiH), Republika Srpska (RS) and the Brčko District.

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According to the 2013 census—the results of which have been contested by RS—Bosnia and Herzegovina has a total population of 3.53 million people. Bosniaks now make up 50.11% of the population, Serbs comprise 30.78%, and Croats account for 15.43% of the population. The census also confirmed that the two entities have a clear ethnic structure, with 92.11% of all Bosnian Serbs living in the RS, and 91.39% of Bosnian Croats and 88.23% of Bosniaks living in the Federation.⁵ Among those with religious affiliation, the majority of Serbs belong to the Orthodox Christian church; Croats are mostly Roman Catholic, while most Bosniaks are Sunni Muslims.

Bosnia and Herzegovina has a transitional economy with limited market reforms. A highly decentralized government hampers economic policy coordination and reform, while excessive bureaucracy and a segmented market discourage foreign investment.

Bosnia and Herzegovina is currently one of the Western Balkan countries with the largest EU presence, although the scope of the EU's presence has been reduced and significantly transformed over the years. However, in line with its mandate granted by the United Nations Security Council, the EU member states still have their own military forces in BiH engaged in the ALTHEA mission (European Commission 2020). The interests of the European Union and United States of America and the influence resulting from their interests is clear—they both want to see Bosnia and Herzegovina in the European Union and NATO alliance and in order to achieve that, they use their mechanisms. Bosnia and Herzegovina aspires to join NATO (it is even stated in the Defence Law of BiH) and currently supports the NATO-led mission in Afghanistan and works with the alliance and other partner countries in many other areas.

However, the influence of certain countries on Bosnia and Herzegovina is complex and not so straightforward. Russia, for example, has a strong influence on Serb political structures in Bosnia and Herzegovina. This manifests itself in support for some controversial decisions and legislation in Republika Srpska, where the majority are Serbs,

⁵ <http://www.statistika.ba/>

as well as in the Peace Implementation Council, where they almost always abstain from voting on decisions directed at sanctioning Serb representatives or Republika Srpska's legislation that has been contested by the Constitutional Court. The president of SNSD (the Alliance of Independent Social Democrats, a major Serb political party in BiH) regularly meets and consults with the Russian ambassador, especially when it comes to the role of the international community. He is also using these consultations and formal Russian support as political capital among his party's base.

On the other side, Bosniak parties, especially the SDA (the most popular one) are using the relationship with Turkey and some Arab countries for the same purpose. The SDA has a special relationship with the Turkish president's AK Party (AK and SDA representatives regularly attend each other's parties' major events, congresses, etc.). The Sultan, as the party's base calls Erdogan, on one occasion stated that the late Alija Izetbegović (first president of BiH and the father of the current SDA president) has left him Bosnia and Herzegovina as his inheritance (Ćutahija et al. 2020, 12).

European Union

Bosnia and Herzegovina, along with other Western Balkan countries, was identified as a potential candidate for EU membership during the Thessaloniki European Council summit in June 2003. As stated on the European Union website, since then, a number of agreements between the EU and Bosnia and Herzegovina have entered into force - visa facilitation and readmission agreements (2008), Interim Agreement on Trade and Trade-related issues (2008), as well as the Stabilisation and Association Agreement (SAA) in 2015. Bosnia and Herzegovina applied for EU membership in February 2016. The Commission adopted its Opinion (Avis) on the EU membership application of the country in May 2019, identifying 14 key priorities for the country to fulfil in view of opening EU accession negotiations. The EU Council endorsed the Opinion and key priorities in December 2019. The Opinion constitutes a comprehensive roadmap for deep reforms in the areas of democracy/functionality, the rule of law, fundamental rights and public administration reform. The EU continues to deploy considerable resources in Bosnia and

Herzegovina within the framework of the Common Foreign and Security Policy (CFSP) and the Common Security and Defence Policy (CSDP).

According to the Foreign Investment Promotion Agency of Bosnia and Herzegovina, 10 out of the top 15 trade partners of Bosnia and Herzegovina are member states of the European Union, led by Germany. Furthermore, since Bosnia and Herzegovina aspires to be a part of the European Union, all the new economic legislation documents are adopted according to the EU's criteria.

It is no secret that foreign policy is the weakest of the three pillars on which the EU rests. Guided by their individual interests, EU members are often unable to crystallise a common position on a particular issue. When it comes to BiH, inconsistent action, application of double standards, adopting standards of domestic political actors, and the policy of fulfilling a mere form without real qualitative content is what most often characterised EU policy. However, unlike his predecessor Lars-Gunnar Wigemark, whose frequent solo efforts benefited only political actors in BiH who wanted to maintain the status quo and stagnation of the country, the actions of the current head of the EU Delegation to BiH, Johann Sattler, are largely synchronised with the USA (Čarkadžić 2020).

USA

The United States of America is the number 12 trading partner of Bosnia and Herzegovina. However, US investments in BiH are low due to a small market, relatively low-income levels, distance from the United States, a challenging business climate, and a lack of investment opportunities. Most US companies in BiH are small sales offices that focus on selling US goods and services, with minimal long-term investment in the country. US companies with offices in BiH include large multinational companies and market leaders in their sectors, such as Coca-Cola, Microsoft, Cisco, Oracle, Pfizer, McDonalds, Marriott, Caterpillar, Johnson & Johnson, FedEx, UPS, Philip Morris, KPMG, Price Water House Coopers and others.

The foreign policy approach and actions of the United States towards Bosnia and Herzegovina must be viewed in the context of huge changes in the international relations and geopolitical configuration in the last twenty-five years. From 1993 to 1995, the United States slowly but surely took the lead in resolving the war in BiH, and the first important military-political effect was the signing of the 1994 Washington Agreement, which ended the war between the Bosniak and Croat sides and established a Federation of BiH. The culmination of American intervention in the Bosnian-Herzegovinian conflict came in 1995 through NATO military action against the Serb side in BiH and the signing of the Dayton Peace Agreement. Until 2004, US troops made up the majority of the peacekeeping force in BiH, and since 1993, the United States has invested more than \$2 billion to help the war-torn country. After a political change in Washington and the arrival of President George W. Bush, BiH has been moving out of the focus of US foreign policy priorities. However, even during Bush's two terms, US diplomacy actively sought to find ways to increase the effectiveness of BiH institutions, especially through proposals regarding new constitutional arrangements. But such two attempts in 2006 and 2009 failed, with the latter coinciding with the beginning of Barack Obama's first presidential term and the new US foreign policy doctrine of insisting on international cooperation and focusing US national interests on the Far East. The visit of US Vice President John Biden to BiH in May 2009 and his speech on that occasion reflected the current US policy towards the country. Biden then stressed the need for Bosnia and Herzegovina to engage in Euro-Atlantic integration, a functioning central government with two entities, preventing any conflict between central and lower authorities, working to raise standards and social security of citizens, and adopt such electoral legislation which will not exclude any group in the process of coming to power. Former US Secretary of State Hillary Clinton, who visited the country and the region in the fall of 2012, formulated the US attitude towards BiH in a similar way (Picula 2014). Even though the USA is less present in Bosnia and Herzegovina and the Western Balkans when compared to fifteen years ago, the interest has not changed. They want to see Bosnia and Herzegovina in NATO and that should be even more empowered under Biden's presidency. A document which was published by Biden's campaign says that the US influence in the region has faded, as the Trump-

administration has cast the European Union as a strategic adversary and questioned the value of the NATO Alliance. As for now, the US is actively involved in producing most of the BiH strategy documents that have to do with terrorism threats, including fighters that are returning from Syria and other warzones.

Russia

Bosnia and Herzegovina is fully dependent on Russia's natural gas and oil, and there is no perspective of diversification of supply sources when it comes to energy, since the country is a minor market. This dominant position in the energy sector in the region is important to Russia because of the associated political influence, which is reflected in the fact that already in 2013, Russia designated the Western Balkans as a region of strategic importance in its foreign policy strategy. Every round of renegotiation of the conditions and prices with Russia, also taking into account the wartime debt, which is a heavy burden of sorts, is done from an inferior position. Russia has also established a monopoly in the oil industry (namely in Republic of Srpska entity), putting Bosnia and Herzegovina in a bad position—all the investment and privatisation of former state-owned companies has indebted the companies in question, which is larger than their capital, influencing the entire economic situation of the country heavily.

When it comes to political influence, it is important to understand that Russia and Turkey support and/or influence different groups in Bosnia and Herzegovina. Russia, for example, has supported the entity of Republic of Srpska, prioritising the region over the country, mostly supporting anti-OHR (Office of the High Representative which is an *ad hoc* international institution responsible for overseeing implementation of civilian aspects of the Peace Agreement ending the war in Bosnia and Herzegovina), anti-NATO and other anti-Western issues. Russia also supports the entity of Republic of Srpska in the Peace Implementation Council, mostly by refraining from voting for acts directed against the Republic of Srpska or Serb politicians. Milorad Dodik, the president of the biggest Serb political party, the SNSD (Alliance of Independent Social Democrats) has been received by Vladimir Putin numerous times in Moscow. Visits to Bosnia and Herzegovina

from the highest levels of Russian leadership are not prevalent at all, albeit the Russian foreign affairs minister visited Banja Luka once. However, Dodik regularly meets the Russian ambassador for reporting and consulting on current issues. Russia is naturally against the Euro–Atlantic integration of the region, but they do not directly influence the political actors in Bosnia and Herzegovina. They do it indirectly through Serbia, since Serb political leaders in Bosnia and Herzegovina proclaimed that they would follow Serbia’s policy on the issue. In 2017, the RS National Assembly adopted the ‘Resolution on protection of the constitutional order and the declaration of military neutrality of the Republika Srpska.’ According to the interpretation of the proposer, the resolution defines the ‘neutrality of RS’ in relation to the existing military alliances.

The Bosnian Orthodox group traditionally belongs to the Serbian Orthodox Church with headquarters in Belgrade, which is important regarding the influence of the Russian Orthodox Church. There is a deep historical connection between these two churches and their collaboration is substantial. There is no record available on regular financial flows between them but there are some occasional donations, mostly for building temples. The Serbian Orthodox Church recognises their Russian counterpart’s seniority on certain issues, but their decisions are not obligatory, since the orthodox churches are autocephalous. The latest example of the special bond between those two churches is the Russian Orthodox Church’s support for the Serbian Orthodox Church in the case of recent issues in Montenegro.

There is no clear empirical evidence that Russia or Russian media sponsor fake news campaigns in Bosnia and Herzegovina to shape public opinion. Its influence is not easily proven because it is not transparent. However, Russian news agencies like Sputnik are important sources of news—mostly on global affairs—for many media outlets from Serbia and the Republic of Srpska (Ćutahija et al. 2020, 12).

China

Chinese investors have been stepping up their presence in the Balkans in recent years in order to get closer to the EU's Single Market. China also has additional reasons to expand its investment, credit lines, and the economic presence in Europe in general. In addition to the attempted substitution of the US dollar as a key factor in trade, the gradual process of 'de-dollarisation', Beijing's efforts are focused on increasing the chances of Chinese corporations to access the market of the European Union. It hereby aims for the transfer of technology and management skills, the development of a distribution network suitable for Chinese exports, but also for general political influence in this part of the world. In previous years, China offered a €10 billion investment fund to 17 countries in Central and Eastern Europe. As part of the Belt and Road Initiative, as much as €100 billion are planned for the investment fund. Beijing is actively trying to acquire major infrastructural projects through investments. So far, there were no major privatisation ventures, but that is to change. The construction of the private thermal power plant Stanari near Doboj in Republika Srpska, worth about €550 million, which is owned by the company EFT, is the only project fully realised. Block 7 of the Tuzla Thermal Power Plant is still in the process of construction. There are a lot of other planned projects and it remains to be seen what will happen. China, as Russia, also invests in fossil energy sources in Bosnia and Herzegovina. As for the trade deficit of Bosnia and Herzegovina, China stands out among all trade partners, according to data from the Ministry of Foreign Trade and Economic Relations of Bosnia and Herzegovina. China and its banks are continuing to invest in the Balkans in line with the EU-China 2020 Strategic Agenda for Cooperation. The latest example is a loan from the Export–Import Bank of China (Eximbank) worth €614 million for the construction of block seven of the Tuzla coal-fired power plant in Bosnia and Herzegovina.

Even though China has an economic focus, they want to position themselves in a part of Europe, which is not still fully aligned with Brussels and they view Bosnia and Herzegovina as a puzzle piece in a larger geopolitical game. Their higher-ranking officials rarely visit Bosnia and Herzegovina, but symbolic political gestures are present. The latest

example was during the coronavirus pandemic, when China was among the first ones to send help to Bosnia and Herzegovina. These gestures of cooperation resulted in an improved image of China in Bosnia and Herzegovina.

China does not have any influence over the religious communities and churches in Bosnia and Herzegovina. It is an atheist state and it has a negative image in religious communities and churches for a number of reasons, including the treatment of certain religious groups in China.

China does not conduct any active information campaigns to influence public opinion in Bosnia and Herzegovina, or at least there is no proof they exist, but that does not mean there is no agenda or influence on public opinion. *Xinhua News Agency* has its branch in Bosnia and Herzegovina, which is one of China's state news agencies. There is also the Bosnian–Chinese Friendship Association, which has a news portal entitled *Kina Danas*. It is, however, not very popular (Ćutahija et al. 2020, 12). China has thus far not communicated its stance in regard to Euro–Atlantic integration of Bosnia and Herzegovina.

Turkey

Turkey is often mentioned in the context of economic influence, but it is overestimated. They mainly invest in the service industry and there are generally no large infrastructural projects of strategic importance for Bosnia and Herzegovina. Companies from Turkey have participated in the construction of certain highways, but this is not associated with the type of loans as in the case of China. The exemption is the Sarajevo-Belgrade highway, which is a Turkish investment. Turkey's influence in the banking sector is much smaller than that of Russia. The only Turkish bank present in Bosnia and Herzegovina is the state-owned Turkish Ziraat Bank. Bosnia and Herzegovina has the fifth largest trade deficit with Turkey, while by overall volume it is one of the top ten partners of BiH.

Turkey, as Russia, has influence in only one side of Bosnia and Herzegovina, namely Bosniaks in the Federation of BiH. Erdogan's political party has a special relationship with the SDA, the largest Bosniak political party. The representatives of AKP regularly attend SDA's events and Erdogan openly supports the party. Visits from Turkey on the highest level are frequent, as well as grand political gestures. Turkish political presence in Bosnia and Herzegovina is highly visible and intensive. Turkey, in exchange for its political, financial, and any other support in BiH and, above all, among Bosniaks, urges Bosniak ruling elites to follow certain demands of Turkey. Especially regarding the abolition of organisations considered to be affiliated with Fethullah Gülen, an ousted Turkish opposition figure and ideological opponent of President Erdogan. These requests come without providing any concrete evidence that these organisations are indeed affiliated with him and without any evidence that this Gülen organisation is in fact engaged in terrorist activities.

Turkey has branches of its official news agencies' in Bosnia and Herzegovina, with the *Anadolu Agency* as the most important one. A lot of media outlets in Bosnia and Herzegovina use the agency as a main source for news and information. There is a certain number of media outlets that have financial support from Turkey, starting with *STAV* (internet portal and weekly newspaper) and *Faktor* (internet portal). Both of them are pro-SDA, especially *STAV*, which is aggressively defending SDA's political positions, discrediting its political opponents and occasionally spreading hate speech. Thus, Turkish influence reflects upon political relations in Bosnia and Herzegovina. However, their focus group is limited to only a part of Bosniaks—mostly sympathisers of the SDA (Ćutahija et al. 2020, 12).

Turkey used to support Bosnia and Herzegovina's path to NATO membership, but that has changed since the relations of Turkey and NATO deteriorated. Turkey's support has significantly decreased in this regard.

Conclusion

The complex political system of BiH has an upside—it restricts foreign influence of some actors (Russia and Turkey) to a point. At the same time, the internal divisions and alignment of external actors along them enable external factors to meddle in internal affairs and incite internal conflicts. Both Russia and Turkey have influence on only one of three ethnic groups' political representatives. However, at the state level, for all the major decisions and legislation, a wide consensus is needed, which includes the votes from representatives of all three groups. The European Union and the United States of America, on the other side, are actively trying to put an end to the region's instability by integrating the countries into the European Union and NATO alliance. Finally, after the joint efforts of Ambassador Quinte and the EU Delegation, the SDA and HDZ BiH finally signed an agreement that resulted in holding local elections in Mostar. Apart from the BiH Reform Program, all the highlighted issues are on the list of priorities from the European Commission Opinion. It is obvious that this time, Brussels understands that only by close cooperation with Washington, it can expect a positive outcome in forcing key political actors in BiH to implement reform processes which they are, on the basis of international obligations and decisions of domestic and international courts, obligated to implement.

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Montenegro between the East and West: Who will prevail in the ‘land of seas and mountains’?

Azra Karastanović⁶

Abstract Montenegro ignites the strategic interests of the regional and global powers. Particularly, for the past decade, it has been under influence of both Western and non-Western actors. This paper seeks to identify, analyse, and present the means of influence of five major players in Montenegro—Russia, China, Turkey, the EU, and the US. Each of the external actors’ footprint within Montenegro has been assessed against the respective factors of influence: economic, political, security, religious, and media. In this context, external actors’ influence is understood as the capacity or power of these actors to produce effects on the political, economic, and social affairs within the country that favour their national interests. The paper shows the growing presence and influence of non-Western actors within Montenegro, as the prevalence of the EU and US influence has been decreasing for the past decade and lacks visibility despite strong economic and political presence.

Keywords Montenegro – US – EU – Turkey – China – Russia – footprint – influence

Introduction

Montenegro is one of the seven countries born out of the violent dissolution of the Socialist Federal Republic of Yugoslavia (SFRY). Even though it was mostly spared from the violence and bloodshed of the war, as one of the smallest countries in the Western Balkans, its political, economic, and social progress was very much conditioned by a series of internal and external factors—in the first place by efforts to regain its independence. This endeavour, which was ten years in the making, was crowned in 2006 with the historic independence referendum. However, this was only the beginning. Regaining independence meant strengthening institutions, stepping out on the

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international scene, building up the economy, closing the gap, and unifying society. An endeavour which is still in the making.

Since regaining its independence in 2006, Montenegro set out two principal foreign-policy goals—becoming part of the EU and of NATO. The latter one was accomplished in 2017, despite a strong backlash and efforts by external actors (primarily Russia) to prevent it. The first still waits to be achieved, even though Montenegro is considered one of the frontrunners for future EU enlargement. Growing non-Western influence is a consequence of a vacuum created by diminished US involvement in the region for the past ten years, which the EU has failed to fill, due to its internal problems and enlargement fatigue. With the created void that the EU and the US have left in the Western Balkans, several external actors played every card up their sleeve to increase their influence. The most notable are Russia, China, and Turkey. The ultimate goal is to push out the Western presence, slow down or halt further integration of the Western Balkans into Euro–Atlantic structures, and create an environment enabling the growth of their geostrategic interests. In doing so, all tools are used such as political, economic, religious or—lately more present—media influence.

Russia plays on all fronts

Russia and Montenegro historically have strong cultural, religious, and political ties dating back to the eighteenth century. The invitation for NATO membership in 2015 was a turning point and a sign for Russia that it must intensify its actions. In October 2016, a coup attempt and a plot to assassinate the then Prime Minister Milo Đukanovic, planned for the day of the parliamentary elections, were thwarted by the arrest of several individuals. The primary objective of this act was to stop the further weakening of Russia's influence in the Western Balkans, but also to prevent the last strategic part of the Adriatic coast from squeezing under the NATO umbrella. Despite Russia's efforts, Montenegro became a NATO member in 2017.

Soft power levers that Russia very successfully employs in Montenegro are not weakening; to the contrary, they will intensify in the coming period. These levers of influence in Montenegro are the Serbian Orthodox Church, the pan-Slavic identity, the economic presence, and lately more visible, Russian media and disinformation efforts.

Russia's exploitation of religion and culture is most noticeable with the church. The Metropolitanate of Montenegro and the Littoral, still ecumenically connected to the Serbian Orthodox Church, represents one of Russia's key channels of influence. Montenegro's adoption of the Law on Freedom of Religion in December 2019 was the breaking point in this regard. Led by the Serbian Orthodox Church, months-long campaigns and processions followed, which the Montenegrin government characterised as a political protest directed not only against the Government, but also against Montenegro itself (Jankovic 2020). Even the Ukrainian Orthodox Metropolitan of Kyiv, Onufriy, came to Montenegro to lead one of the processions. This strong campaign eventually bore fruit, and with the help and support of the church, the coalition For the Future of Montenegro gained critical support in the parliamentary elections on August 30, 2020. Together with two other coalition partners (Black on White and Peace is Our Nation) it will form the new government in Montenegro. The long-term support for pro-Russian, mainly Serbian nationalist parties in the Montenegrin opposition (and now part of the new government), which are connected to the Serbian Orthodox Church, has finally paid off for Russia.

Russia is also making powerful appeals to a common Slavic identity in Montenegro, with a desire to prove their incompatibility with Western democracies, thus exercising a stronger influence. Two important aspects of the pan-Slavic movement should not be overlooked. One is the strengthening of nationalist right-wing extremism, visible in the participation of Montenegrin foreign fighters alongside pro-Russian separatists in the Donbass (Azinović and Bećirević 2017). The other is the presence of two pro-Kremlin groups: Russia's Night Wolves motorcycle gang, and the paramilitary Balkan Cossack Army. In addition, a research article published by the International Republican Institute

(IRI) in June 2020 found that within Montenegro, Russia is viewed as one of the most favourable among foreign countries and international institutions (IRI 2020).

Apart from the religious, cultural, and identity ties, Russia's influence in Montenegro is channelled through its economic presence. Foreign direct investments (FDI) from Russia to Montenegro equalled €1.4 billion from 2006 to 2019, out of which the purchase of real estate represents the largest part of the investments with as much as €1.07 billion. Direct investments in Montenegrin companies amount to €131 million, and only €176 million were invested through intercompany debt.⁷ However, trade between Montenegro and Russia is not significant as Montenegro is not dependent on Russian energy sources, and therefore is less susceptible to Russian energy manipulations. In addition to FDI, tourists from Russia make up a significant part of the arrivals and overnight stays of the Montenegrin tourist structure. When Montenegro joined EU sanctions against Russia in 2014 over its annexation of Crimea, the percentage of overnight stays of Russian guests slowly started to decline from 30% in 2014 to 24.9% in 2019 (MONSTAT 2019). Tourism is one of the most important parts of the Montenegrin economy and has the greatest impact on GDP (Investitor 2019a). Thus, a lack of diversification and a high dependence on tourists coming from only one country is a significant lever of power and influence, which Russia exploits.

Ever since 2015, Russia's media influence in Montenegro is on the rise with an abundance of pro-Russian media outlets whose main objective is to disseminate the Kremlin's agenda (Šajkaš and Tadić 2016). However, those are largely run by local journalists and media outlets who share pro-Russian and anti-EU and anti-NATO sentiment. In addition to the well-established and popular media outlets *IN4S* and *Borba*, a range of websites such as *Sloboda*, *Ujedinjenje*, *Princip* or *Nova Rijec* appear and disappear as the need for their existence emerges. Their role is to portray a positive image of Russia, push Moscow's political agenda, and endorse favourable political parties in Montenegro. Furthermore, *Sputnik* (in the Serbian language) as well as the online portals

⁷ Data of the Central Bank of Montenegro based on the regular Annual Reports of the CBM in the period 2006–2019 (including the preliminary report for 2019).

News Front and *Russia Beyond*, although located in Belgrade, significantly bolster Russia's presence as the content is constantly exchanged and republished by local media outlets in Montenegro. It is also important to emphasise that most of these outlets are present on social media and use it to increase their outreach in the dissemination of Russia's propaganda (Tomovic 2017).

China's silent foray

Unlike Russia or Turkey, China's relations with Montenegro or any other Western Balkan country do not rely on any historical, cultural, or identity ties. Its presence in the region is comparatively new. Nevertheless, it has been progressively growing for the past decade, beginning in 2008 with the onset of the global economic crisis and the power vacuum that the EU itself created. Today, China expanded its infrastructure and technology footprint in the region, mainly implemented in the framework of the Belt and Road Initiative (BRI) and the 17+1 format (CEEC 2018).⁸

The Chinese presence in Montenegro does not seem to have political aspirations, at least not in the sense of direct interference in internal affairs or foreign policy reorientation goals. Their policy, for the most part, is placed on economic interests, most notable in financing the construction of the first section of the Bar–Boljare highway. This highway is designed to connect the Montenegrin port city of Bar with Belgrade, the capital of Serbia and the largest city in the Western Balkans. Montenegro took a loan of €809 million in 2014 from the Export–Import Bank of China to build the first section of the highway, constructed by the China Road and Bridge Corporation (CRBC), a large, state-owned Chinese company (Barkin and Vasovic 2018). The first of three phases will eventually cost Montenegro around €1.3 billion, which is equivalent to a quarter of its 2018 GDP and has already caused its GDP-to-debt ratio to increase to just over 80% (Investitor 2019b; *Al Jazeera Balkans* 2020). Chinese loans come as a tempting alternative to the strict

⁸ The '16+1' format, initiated in 2012, was designed as a regional initiative that includes 11 EU member States and 5 Balkan non-EU member states. The format expanded at the 2019 Dubrovnik Summit to include Greece and thus became '17+1'.

financing conditions of the European Investment Bank (EIB), accompanied with less bureaucracy but with much higher interest rates (*Mediterranean Affairs* 2018). Critics are concerned that China could use this 'debt-trap diplomacy' to extract strategic concessions (Kuo and Kommenda 2018). Contrary to Russia, China is not trying to hamper the EU accession of the Western Balkans, as it can enable greater access to the European single market. Montenegro, as a coastal country and a frontrunner in the EU accession process, provides China with a strategic advantage and entry point into Europe from the Adriatic Sea.

Interestingly enough, China has become the largest investor in Montenegro with €70 million in FDI in the first half of 2020, according to the Central Bank of Montenegro report (Kajosevic 2020). The report stated that 'Chinese investments involved investments in companies in Montenegro or their purchase, the purchase of real estate and so-called inter-company debt'. However, investment details are confidential. In 2018 and 2019, China was not mentioned among the top 50 countries investing in Montenegro, while in 2017 it barely made it on the list with only €676,000 in investment. In June 2020, Montenegro also signed a €54 million contract with the Chinese–Montenegrin consortium DEC International–Bemax-BB Solar–Permonte for the reconstruction of the Pljevlja thermal power plant (Kajosevic 2020). It should be noted that the Mozura Wind Park, whose construction began in 2017 and ended in 2019, is the result of Sino-Maltese-Montenegrin cooperation within the BRI framework, which is also in the midst of a corruption scandal that awaits resolution.

In addition to the economic footprint, another means of Chinese influence, devised in order to reaffirm and enhance its presence, is the cultural aspect. For that purpose, China provides scholarships and opportunities for the academic aspirations of Montenegrin students in different fields of study. It also established a Confucius Institute in Podgorica in February 2015. Its main objective is to promote Chinese culture and language, to improve the understanding of China among the locals, to connect all individuals and institutions in Montenegro that are engaged in Chinese language and culture, as well as

other activities of cultural, educational, and economic cooperation between the two countries (Đukanović 2017).

Turkey plays the history card

After the Ottoman Empire's five hundred years rule over the Balkans that only ended some hundred years ago, Turkey continued its close historical and cultural ties with the region. Carried on the wings of the new AKP rule in the early 2000s and introduced by the ideological father of the Strategic Depth, Ahmet Davutoglu, Turkey started exercising new, multi-dimensional, and proactive foreign policy, implemented through cultural diplomacy and a soft power approach. This approach is very much visible in Montenegro, where Turkey, apart from the customs, cuisine, and vocabulary, also introduced Islam, resulting in roughly one-fifth of the Montenegrin population identifying as Muslim today (MONSTAT 2011).

In terms of the political influence, relations between the two countries are very friendly, as the business climate coming from Turkey is perceived more than favourable. Turkey's presence in Montenegro concerns part of the population that is historically, culturally, and religiously susceptible to its influence—the Islamic Community of Montenegro and the Bosniak party, which maintain close and friendly relations with their Turkish counterparts. The agreement that the Government of Montenegro signed with the Islamic Community of Montenegro in January 2012 is worth mentioning. A move welcomed by Turkey, it gives legal and constitutional recognition to Muslims in Montenegro. This agreement has far-reaching implications for both Montenegro and the wider region and gives the Religious Affairs Directorate in Ankara, Diyanet, the right to mediate in cases of disagreement between members of the Muslim community in Montenegro (Bozkurt 2012). Similar to how Russia perceives itself as a protector of Orthodox communities abroad, Turkey is reaffirming its role as a patron and protector of Muslim communities in the Western Balkans.

The most notable presence of Turkey in Montenegro is represented through its economic interests. However, this presence is not mirrored in FDIs, as Turkey is only the tenth largest investor with €39 million of investments in Montenegro during the period from January 2019 to April 2020, according to the Central Bank of Montenegro (*RTCG* 2020). However, the peculiarity of the Turkish economic footprint in Montenegro is the growing number of companies that are owned by individuals and legal entities from Turkey. In 2019, Turkey had the largest share of foreign-owned businesses in Montenegro—3,652 or 29.4% compared to 24.4% in 2018 and only 8.7% in 2017 (*MONSTAT* 2020). The favourable investment climate in Montenegro, with an initial capital requirement of one euro, simple procedures, 9% income tax, and personal income tax attracts Turkish companies.

Turkey conducted several large investment projects in Montenegro: *Tosçelik's* purchase of the former Ironworks *Nikšić* in 2012 for €15.1 million; the purchase of Port of *Adria* in *Bar* in 2013 for €8.08 million; brand *Merit* that operates within the Turkish *NET Holding* and has contracts for casino management in *Hilton*, *Splendid* and *Avala* hotels; as well as Turkish company *Gintaş* purchasing the shopping centre *Mall of Montenegro* worth €50 million (*Milosevic* 2018). In addition, the Turkish *Ziraat Bank* has entered the market as well as Turkish brands *Doğtaş*, *Enza Home*, *LC Waikiki*, etc.

Cooperation between the two countries is visible in the defence industry sector as well. During the visit of the former Minister of Defence of Montenegro, *Predrag Boskovic*, to his Turkish counterpart in October 2019, the two officials signed an Agreement on military–financial cooperation as the basis for the modernisation of Montenegro's Armed Forces (*Dragojlovic* 2019). Playing the historical, cultural, and religious card, Turkey is primarily using its soft power to reassert its role and influence in the region (e.g., through education, health, cultural restoration, Turkish soap operas, tourism, etc.). To that end, in 2007, the Turkish Cooperation and Coordination Agency (*TIKA*) started operating in Montenegro, undertaking cultural, infrastructure, and social projects by restoring mosques and other sacral objects, schools, and kindergartens and providing donations and equipment. Since 2007, *TIKA* has implemented almost threehundred projects in Montenegro worth around

€20 million (FOS media 2017). Only in the field of health, Turkey has allocated more than €2 million in the Montenegrin health system through TIKA in the past decade (*crnagoratorska.com* 2019).

Turkish influence is also present through the Turkish cultural institute Yunus Emre, which promotes a favourable image of Turkey's language, history, culture, and art, as well as provides information and other services. Education is another means of Turkish influence, implemented through partnerships between universities and student exchange programs on both sides. There has been an increased number of scholarships for Montenegrin students in Turkey. More than 444 Montenegrin citizens have received Turkish scholarships so far and 28 students for the 2019–2020 school year (Ozan 2019). In addition, the office of Montenegro Association of Turkish Alumni (MASAT) was opened in 2018, which brought together more than 130 Montenegrin citizens who have gone through higher education in Turkey (*crnagoratorska.com* 2018). When it comes to media influence, the Turkish footprint in this area is still marginal. There are no Turkish-language TV channels, newspapers, or radio stations in the country. However, a group of people from Montenegro and Turkey established the Montenegro–Turkey portal in 2012, in order to enhance interactions and to deepen the bond between the two countries (*crnagoratorska.com*).

The EU needs to step up its game

For quite some time, Montenegro has been regarded as one of the frontrunners in the EU integration process. Montenegro applied for EU membership in 2008 and started negotiations with the EU in 2012. After eight years of accession negotiations, all the chapters have been opened; of which three are provisionally closed (European Commission 2020a). The majority of political parties in Montenegro, including the new government, are at least formally committed to the EU accession process. However, the public support for EU membership is at its lowest, with merely 54% in favour (CEDEM 2020).

Montenegro, like the rest of the Western Balkan countries, encounters difficulties in reform efforts. According to the European Commission's latest report on Montenegro's progress towards EU membership published on 6 October 2020, tensions and mistrust between political actors and a low level of trust in the electoral framework marked the observed period in terms of political criteria. In terms of governance issues, the Commission noted that recommendations had only partially been addressed and that there is a need to strengthen transparency, stakeholders' participation, and the government's capacity to implement reforms, including those of the public administration. Progress was limited to areas related to the judiciary, respect of fundamental rights, and the fight against corruption and organised crime. No progress was made in the area of freedom of expression, while the volume of disinformation has been on the rise (European Committee of the Regions 2020).

When it comes to the EU's economic presence, FDIs in Montenegro reached €55.3 million in 2018 while the volume of trade with the EU was at €1.38 billion in 2019. Within the framework of the accession process, the EU is the largest provider of financial assistance to Montenegro. €504.9 million were granted in EU pre-accession funds from 2007 to 2020, €804 million were provided in European Investment Bank loans since 1999, and €172.9 million since 2009 in Western Balkans Investment Framework grants, amounting to a total of an estimated €1.7 billion. In addition, in the framework of the COVID-19 response, €53 million in bilateral assistance was granted to Montenegro to cover urgent health needs and economic and social recovery, as well as a €455-million-package for regional economic reactivation. Also, €60 million were approved by the EU for Macro-Financial Assistance and the European Investment Bank is providing €1.7 billion to the region. Moreover, visa-free travel to the EU was introduced in December 2009, which greatly empowered the mobility of people as well as student exchange. Between 2015 and 2020, over 4,188 participants took part in academic and youth exchanges under ERASMUS+ (European Commission 2020b).

Montenegro's cooperation with the European Bank for Reconstruction and Development has been very successful, as the EBRD has invested €710 million in nearly 74 projects

over the last 14 years (EBRD 2020). Nevertheless, the cooperation and investments coming from the EU are insufficiently promoted and lack visibility. It seems like the EU's influence in Montenegro, despite the accession process, is fading away with increased Chinese and Russian political and economic clout. The EU will need to seriously step up its game in Montenegro if it wants to maintain its role and influence, as Montenegro is undergoing internal ruffles and a deepening of religious and ethnic rifts, which combined with strong external pressures make it susceptible to malign foreign influence.

US still indispensable

The recent history of diplomatic relations between the US and Montenegro began right after Montenegro regained independence in 2006, with the formal establishment of a US Embassy soon after. However, the history of political contacts, friendship and relations go well beyond that. Back in the day, after World War I, the USA was a great supporter of Montenegro's independence, despite the fact that it was unsuccessful at that time. It is also important to mention that during the 1990s and in the aftermath of the wars in former Yugoslavia, Milo Đukanovic was one of the very few politicians in the region that the Clinton administration was in communication with, which very much shaped and strengthened these relations.

Today, these relations and US influence are notable within the framework of support for Montenegro's Euro-Atlantic integration path, with NATO-membership having been achieved in 2017. This support includes programs and assistance in fighting organised crime and corruption, strengthening civil society, encouraging free and independent journalism, and promoting stability in the Balkans. The visits to Montenegro from both Secretary of State Mike Pompeo and Vice President Mike Pence are strong indicators of the importance of Montenegro for the stability in the region and the US-Montenegro partnership in this part of Europe. In addition, the appointment of a Special Envoy from the State Department for the Western Balkans represents an impetus to the EU enlargement policy and further integration of this region. This is an important indicator of the United States indispensable role in Montenegro and the wider region.

As indicated before, the US had an important and strong influence in Montenegro when it comes to security policy, primarily concerning NATO membership. 'The United States has been a staunch, reliable, and precious partner of Montenegro in achieving the vision of a Euro-Atlantic and European country' (Markovic 2017). Within this area, the US has provided financial support to the Montenegrin Armed Forces from the Foreign Military Financing (FMF) Program with over \$8.2 million for an equipment upgrade. Within the United States European Command's (EUCOM) Humanitarian Assistance Program that began in Montenegro in 2008, over \$3 million have been or will be used to fund over 20 different projects. The US has donated fire trucks, firefighting equipment, and other emergency vehicles to municipalities throughout Montenegro. Under the International Military Education and Training (IMET) program, Montenegro has received over \$4 million in funding. With this financing, they have sent approximately 100 students to military courses in the United States. Equally, US presence in Montenegro is visible in different programs such as the Export Control and Border Security Program (EXBS) that has thus far committed over \$4 million to training and equipment with 634 persons attending EXBS organised trainings since 2010. Additionally, the US presence is reflected in assistance to the justice system and police administration through providing high-level skills and knowledge training to over 2000 justice sector officials in the past 10 years and over \$5 million for training, equipment grants, and educational initiatives. The US assisted in the development of a new Office of the Special Prosecutor, which focuses on organised crime, corruption, and other forms of serious crime. Furthermore, it provided training to over 4,500 justice sector officials in the past 8 years and allocated \$12 million in assistance (U.S. Embassy in Montenegro 2020). Between 2001 and 2013, the US Agency for International Development (USAID) delivered \$243.3 million in assistance to Montenegro. Throughout its tenure, USAID has focused on economic growth, good governance, and improving the quality of Montenegrins' lives (USAID 2013).

When it comes to the public perception in Montenegro, according to the CEDEM public opinion poll from August 2020, 17.2% of respondents think that Montenegro should rely on the US in its foreign policy, as opposed to the 19.5% who think that it should be Russia

or the 26.1% who want to rely on the EU. In terms of FDI, US investments are still very low. For example, for the first half of 2020, the total amount of investments coming from the US was €21.5 million (Kajosevic 2020). According to the US Embassy's fact sheet, 50 American companies operate in Montenegro and the top 6 US investors have invested over €300 million in Montenegro since its independence (US Embassy in Montenegro 2020).

Regarding public diplomacy outreach, the Education USA Center offers support for those that would like to study in the US. More than 120 Montenegrin students are currently studying at US Universities. Since 2006, almost 130 projects worth nearly \$1.9 million were supported to strengthen democracy, respect for human rights, and civil society. In addition, American Corners are operating in Podgorica, Pljevlja, and Cetinje that offer literature, lectures, English language discussion clubs and events, cultural exchange, and networking. When it comes to media, there are no US media outlets present in Montenegro. However, the media environment is dominated by the ping-pong game between pro-Western and pro-Russian media outlets, presenting the other as an adversary. In addition, US TV shows and movies that portray US culture and way of life are very popular and omnipresent.

Conclusion

Montenegro aspired to join Euro–Atlantic institutions even before regaining its independence in 2006. Subsequently, it has become a member of NATO, while EU membership still awaits to be accomplished. Despite strong aspirations towards the West, the shifts in the global geopolitical balance of power and several pressing challenges in other regions caused a shrinkage of the US and EU influence and created a void that non-Western actors readily embraced. Russia's extensive presence directly or indirectly uses all means of influence, from religion, culture, history, identity, to the economy and media presence. Their goal is to influence the country politically and with the recently elected political structures that include pro-Russian, mainly Serbian nationalist parties, it remains to be seen how this new government will position itself regarding the EU and

NATO, and more importantly, towards Russia. Their media influence and dissemination of propaganda and disinformation further promotes Russia's agenda.

On the other hand, Turkey and China have increased their presence, but mainly in terms of their economic interests, with the addition of soft power means of cultural and educational connections. China's agenda regarding the development of huge infrastructure projects and provision of loans to Montenegro poses a very serious question on the long-term consequences of Chinese money—economic breakthrough or debt-trap? The economic presence of Turkey is on the rise since it has the largest share of foreign-owned businesses in Montenegro, as well as cultural connections and appeal, at least for some parts of the society.

Although Montenegro and other Western Balkan countries aspire to EU membership, the diminished presence of the EU and reduced influence of the US over the past decade that supports these aspirations created space for a stronger presence of other regional and global powers. Together with rising social tensions and nationalist right-wing extremism, both the EU and the US need to consider and adopt a more clear and comprehensive strategy for the entire region in order not to be pushed out.

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After Prespa: External influences in North Macedonia

Zoran Nechev⁹ and Ivan Nikolovski¹⁰

Abstract This essay analyses North Macedonia's Euro–Atlantic integration prospects after the 2017 government change, focusing on the role of the EU and the US, as major Western external actors vis-à-vis the relations with the main non-Western external actors—Russia, China and Turkey. In the analysis, the Western and non-Western actors are studied as rival powers, given their increased and conflicting presence and influence in North Macedonia. As this study shows, North Macedonia's relations with the rival powers as a NATO member state awaiting the start of the accession negotiations with the EU is interdependent. This means that the bilateral relations with each external actor respectively are very much dependent and vary as a result of the bilateral relations with the other external powers. Hence, the variations in the relations with the rival powers are explained both individually and in comparison, while their influence is analysed from a political, economic, and cultural-religious angle. Timewise, this essay specifically focuses on the developments since the foreign policy milestone for the country i.e. the signing of the Prespa Agreement in 2018, ending the almost three-decade-long dispute with Greece.

Keywords North Macedonia – EU – US – Russia – China – Turkey – external actors – rival powers – external influence

Introduction

The 2017 change of government has brought a change of heart in North Macedonia's foreign relations focusing almost exclusively on the Euro–Atlantic membership prospects of the country. Despite keeping the EU and NATO membership as a top strategic priority ever since the country's independence, historically, the governments of North Macedonia have always nurtured friendly relations with other regional and global powers, such as Russia, China, and Turkey. Compared to its predecessors, the government of Zoran

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Zaev, the incumbent Prime Minister and leader of the centre-left Social Democratic Union of Macedonia (SDSM), distanced itself from the occasional ‘adventures’ with rival powers present in the past—such as the cultivation of closer relations with Russia under the rule of Nikola Gruevski, former Prime Minister and former leader of the centre-right VMRO–DPMNE, or the 1999 Taiwan recognition explained later in this text—building closer ties with the Western allies.

However, there are some notable differences in Skopje’s approach toward these different players vis-à-vis North Macedonia’s Euro-Atlantic integration—the relations with Moscow reached a tipping point in the last years under Gruevski’s government, while the ties with Beijing and Ankara remained relatively stable yet more reserved and, at times, ambiguous. The variations in the relations with these external actors are explained individually and in detail, while their influence is analysed from a political, economic, and cultural–religious angle. Timewise, this essay specifically focuses on the developments since the foreign policy milestone for the country i.e., the signing of the Prespa Agreement in 2018, ending the almost three-decade-long dispute with Greece.

External Western actors: the EU and US

The signing of the Prespa Agreement with Greece paved the way for putting the decision on opening accession negotiations with North Macedonia on the table in June 2018. This was not enough for the Council to reach a decision, as the requirement was upgraded following the problematic outcome of the Slovenia-Croatia bilateral issue. According to the *Credible enlargement perspective for and enhanced EU engagement with the Western Balkans* from February 2018, ‘definitive and binding solutions must be found and implemented before a country accedes’ (European Commission 2018, 3). In the case of North Macedonia, this solution needed to be implemented as a requirement for opening accession talks. The Council of the EU conditioned the positive decision with the ‘completion of national parliamentary procedures and the endorsement by the European Council’ (Council of the European Union 2018, 16). The ratification of the agreement accompanied by the ratification of the NATO accession protocol by Greece in February

2019, opened the door for North Macedonia's progress on its European path (European Commission 2019).

Besides the delivery on this issue, in its June session, the Council decided to postpone the decision to no later than October 2019 (Council of the European Union 2019), and then again for the summer of 2020. The reason behind it was the French intention to initiate substantial reforms for the EU accession process with the countries of the Western Balkans. This French initiative was followed by another proposal made by the Tallinn Group.¹¹ After months of delay, in February 2020, these French efforts resulted in a proposal by the European Commission that was intended to drive forward the EU accession process by injecting more credibility, dynamism, predictability, and greater political engagement by EU member states (European Commission 2020a). The first countries that need to conduct the accession negotiation according to this new methodology were North Macedonia and Albania.

The novelties in the methodology, among others, encompass clustering thematically connected chapters in six groups, expansion of the 'fundamentals' cluster that include economic criteria, the functioning of democratic institutions and public administration reform, besides rule of law chapters 'judiciary and fundamental rights' and 'justice, freedom and security' and public procurement, statistics, and financial control. Reversibility is also enhanced, whereas a revised decision-making process for awarding and sanctioning has been introduced (Tilev 2020). This means that the accession process has become more complex and more political than ever before. Devotion to it by EU member states can steer the Western Balkan countries along the way, however, the negative side of this methodology could be its politicisation by the EU member states. And this is exactly what happened to North Macedonia.

Following the positive decision by the Council in March 2020, North Macedonia's second EU neighbour, Bulgaria, objected and effectively vetoed in November 2020, the formal

¹¹ An informal group of EU member states supporting the EU enlargement process: the Visegrad and Baltic countries as well as Finland, Romania, Slovenia, Sweden, Italy and the UK.

opening of the negotiation process based on its (mis)interpretation of the Treaty on Friendship, Good Neighbourly Relations, and Cooperation signed between the two countries in 2017 (European Policy Institute, Institute for Democracy 'Societas Civilis' - Skopje and Center for European Strategies EUROTHINK 2020). If Bulgaria remains on its position and continues to block the EU accession process of North Macedonia, due to the insistence of including sensitive issues such as identity, legacy, and language in the negotiation framework, this will have severe effects not only for the country itself but also on the enlargement process with the Western Balkans. This situation will also produce negative security consequences on the EU's management of its external borders. Because of these issues, the European Commission already announced that Bulgaria is blocking the signing of the border management (status) agreement between North Macedonia and the European border agency Frontex (Gotev 2020). Under such agreement, part of EU's contingency plan to avoid duplication of the migration events from 2015 and 2016, the Agency's border guards with executive powers could conduct different types of operations in a third country (Nechev and Trauner 2019). And in a situation where Turkey is threatening Greece and the EU with war, and with releasing the migrants on its territory, the key country that can be attributed for the closure of the Balkan route will not be sufficiently prepared and motivated. Mid to long-term effects on the human capital of North Macedonia will be devastating as the brain drain will speed up without EU prospects.

On the other hand, the signing of the Prespa Agreement allowed North Macedonia to become the thirtieth member of NATO. Whereas the Greek parliament was the first country to ratify the accession protocol for NATO, the Spanish Senate was the last one to do so under severe restrictions and fears for the spread of the Coronavirus. The US Secretary of State, Pompeo, used the twenty-fifth anniversary of full diplomatic relations between the United States and North Macedonia, to visit the country and congratulate for the foreign policy successes (United States Department of State 2019). This October 2019 visit was the first one conducted by the US Secretary of State since the armed conflict in 2001. Secretary Pompeo was the second-high ranking US official that visited

North Macedonia in this period. A year earlier, the country was visited by the former US Defence Secretary Jim Mattis (United States Department of Defence 2018).

In terms of trade, the EU member states undoubtedly hold the greatest share of FDI. In the period between 2010 and 2018, the cumulative FDI amounted to €3.2 billion (National Bank of the Republic of North Macedonia 2018). On the other hand, the US lags way behind with only €61 million (National Bank of the Republic of North Macedonia 2018).

External non-Western actors

Russia

The bilateral relations between North Macedonia and Russia can generally be defined as 'limited' (Sijamija *et al.* 2020, 32), although they have altered over time and can be analysed through three periods—*stability*, *deterioration*, and *improvement*. After the two countries established diplomatic relations in 1994, Russia was the first permanent UN Security Council member to recognise North Macedonia under its then constitutional name 'Republic of Macedonia', which marks the beginning of the *stability period*. However, Moscow's presence in the country was rather weak and invisible until the 2015 political crisis when the Kremlin started issuing regular statements on the political situation in the country, which made the bilateral relations enter a *period of deterioration* (Nikolovski 2019a; Nechev and Nikolovski 2020b; Sijamija *et al.* 2020).

The tense relations continued after the government change and North Macedonia's accelerated integration into the EU and NATO culminating with the name change referendum in September 2018. By politicising ethnic Macedonians' grievances over the name change, the Kremlin received a great boost among the local population (Bechev 2018). Portraying itself as a protector of the humiliated fellow Orthodox Slavic Macedonian nation, Moscow attacked the move as an illegitimate and imposed solution to the long-lasting name dispute aimed at bringing the country into NATO at any cost (Bechev 2018). This narrative was reinforced through 'bots and automation tools', which

were 'particularly active within the [referendum] boycott campaign' (Metodieva 2019). Furthermore, after the membership to NATO became certain, the former Russian Ambassador to North Macedonia, Oleg Shcherbak warned that '[i]f it came to a conflict between Russia and NATO, you [North Macedonia] will have the role of a legitimate target' (Shcherbak 2018). Skopje did not remain silent either. The authorities accused Moscow of interfering in North Macedonia's internal affairs soon after the government change (Okov 2017), culminating in the expulsion of a Russian diplomat over the poisoning of Sergei Skripal (Nikolovski 2019a).

After Russia recognised the new constitutional name and North Macedonia joined NATO, the two countries started *improving* their bilateral relations, primarily for economic reasons with nine high-level meetings in the period between 2015 and 2019 but also diplomatic exchanges on the margins of international events, including the last one between the President of North Macedonia, Stevo Pendarovski and Russian Foreign Minister Sergei Lavrov in November 2019, on the margins of the Paris Peace Forum (Sijamija *et al.* 2020, 33). Nevertheless, North Macedonia received support from NATO in its efforts to combat the Russian malign influence and disinformation spread in form of a hybrid threat prevention team before the early parliamentary elections initially scheduled for April 2020 (Radio Free Europe 2020b). This means that the improvement of the relations is still slow and fragile, and it will very much depend on the development of Russia–NATO relations.

In the realm of party politics, the political parties United Macedonia, the Democratic Party of the Serbs (DPS), the Left, and the newly-formed Rodina are the only ones whose manifestos stand for closer ties with Moscow or Beijing, advocating for the country to leave NATO although their rating and influence remain low and limited (Institute for Democracy 'Societas Civilis' - Skopje and Macedonian Centre for International Cooperation 2019; NOVA TV2020; Sijamija *et al.* 2020). Furthermore, Alexander Dugin, Kremlin's 'guru', was a guest at United Macedonia's founding conference (Trpkovski 2018), while Andrei Rodionov, the president of the international socio-political movement Russian–Slavic Unification and Revival, a supporter of Crimea's annexation involved in the creation of the 'Balkan Kozak' army, has close ties with both Rodina and United

Macedonia and, according to the latter's president, Janko Bachev, helps United Macedonia to develop its paramilitary unit (Banevski 2018; *NOVA TV* 2020; Obrenovic 2020). Moscow has a relatively good standing in public opinion polls as well. In 2019, Russia was ranked as North Macedonia's second-best foreign ally with 20% support, primarily by ethnic Macedonians, as well as among centre right VMRO-DPMNE supporters, non-voters and supporters of other smaller parties (Nikolovski and Kirchner 2020).

When it comes to economic influence, in the last 26 years, the two countries signed 20 cooperation agreements and memoranda in the fields of trade, economy, culture, education, science, investment, energy, diplomacy, and military (Ministry of Foreign Affairs 2020). The last fifteen years have been noted with an increase of Russian companies' revenues in North Macedonia as well. From €63 million in 2006 they increased to more than €212 million in 2015 even though they make up roughly 1 percent of the total revenues in the country (Center for the Study of Democracy 2018, 2). Similarly, the cumulative amount of Russian foreign direct investments reached €19 million in the period between 2010 and 2018 yet lagging behind the EU28's €3.2 billion, China's €133 million, and the US' €61 million respectively (National Bank of the Republic of North Macedonia 2018). Therefore, Moscow's economic influence in the country is rather limited compared to that of the other external actors.

From the perspective of cultural and religious influence, there are six Russian-style churches built across the country with financial support from businesspersons related to Russia, such as Sergey Samsonenko, former owner of the handball club and football club Vardar also involved in the gambling businesses. He has financed a project for a Russian-style church in Skopje (Dimeska 2014). Another more recent yet rather secular cultural project is the 9 May monument, erected by the Municipality of Centar (Skopje) and the Russian Embassy in North Macedonia to mark the seventy-fifth anniversary of the end of World War II (Jankovski 2020). This monument can be observed through the differences in narrative, discourse, and symbolism related to the festivities marking the end of World War II in Europe, that is, the Victory in Europe Day, honoured by most of the EU and

NATO member states, and the Victory Day (also known as the Great Patriotic War Day), celebrated mostly by Russia and the other post-Soviet states.

China

Unlike with Russia, the relations with China after the 2017 government change remained rather stable. Nevertheless, they are very much dependent on the variation in the relations between Brussels, Washington, and Beijing, and Skopje's positioning in this triangle. Told with the words of Prime Minister Zoran Zaev, 'North Macedonia is a beautiful crossroad of American, European and Chinese interests', which represents an opportunity and potential for growth (quoted in Jovanovski 2020). In general, the relations between North Macedonia and China did not follow the same pattern as with Russia, except the 1999–2001 recognition of Taiwan, which temporarily terminated the diplomatic relations between Skopje and Beijing. What is more, until now, China has not officially opposed North Macedonia's Euro–Atlantic prospects. Rather than having political influence, it invests primarily in deepening economic ties with the country through the Belt and Road and 17+1 initiatives (Nechev and Nikolovski 2020a; Zweerse et al. 2020).

Despite its pro-Western orientation and in line with his statement that North Macedonia is a crossroad of interests, Zaev's government remained a supporter of the 17+1 initiative—to them, a complementary initiative to North Macedonia's Euro–Atlantic objectives—praising it for the opportunities it provides, and upgrading the cooperation with China in different fields, such as agriculture, information technologies, science, culture, and others (Government of the Republic of North Macedonia 2018, 2019c, 2019b, 2019a; Ministry of Foreign Affairs 2019b). In addition, there has been a substantial increase in the cumulative amount of Chinese FDIs in the country, that is, from €1 million in 2010 to €133 million in 2018, yet significantly less than the EU28 FDI inflows for the same period (National Bank of the Republic of North Macedonia 2018). Beijing has been active in the battle against the coronavirus as well by providing funding, tests, reagents and medical equipment, although less visibly as compared to neighbouring countries such as Serbia, and much less if compared to the assistance received by the EU (Government

of the Republic of North Macedonia 2020; Nova Makedonija 2020; Radio Free Europe 2020a).

On a more specific note, North Macedonia has continued the cooperation with Huawei, an already established actor in the information technology field in the country (Government of the Republic of North Macedonia 2016, 2017; Ministry of Information Society and Administration 2020). One can also expect that Huawei will appear as a bidder in the public bidding on the construction of the 5G network announced by the Agency for Electronic Communications for the end of the year (*Inovativnost* 2020), despite the fact that North Macedonia joined the US-led Clean Network initiative aimed to prevent 'long-term threats to data privacy, security and human rights posed to the free world from authoritarian malign actors, such as the Chinese Communist Party' (*Deutsche Welle* 2020).

Apart from its primarily economic influence, China has produced a footprint in the field of culture. Besides the opening of the Confucius Institute in Skopje in 2013, the authorities of North Macedonia, as part of the 17+1 initiative, hosted the fourth forum for cultural cooperation between the CEE countries and China and signed memoranda for cooperation between the Macedonian Academy for Sciences and Arts and the Chinese Academy for Social Sciences (Government of the Republic of North Macedonia 2019a; 2019b). Hence, the cultural presence is rather nascent and very limited, yet with a potential to grow. However, there haven't been new major Chinese investments in the country after the corruption scandal with Kichevo–Ohrid and Miladinovci–Shtip highways in 2015 (Nechev and Nikolovski 2020a, 11), constructed by the Chinese state-owned company Sinohydro Corporation Limited (Sinohydro) with a loan provided by the Chinese Export–Import Bank.

After assuming power, the government of the Social Democrats unveiled construction-related, financial and legal wrongdoings related to the two highways, contracted by their predecessors VMRO–DPMNE. Recent studies additionally identified major governance gaps. These include: 1) absence of a transparent and competitive procurement procedure

concerning the loan conditions, limiting the choice of contractors to a list of companies singled out by the Chinese government; 2) lack of transparency and completion in the selection of Sinohydro as the main contractor, increasing the potential for corrupt contracting that damaged the highways' sustainability and value; and 3) political and private interference aimed at overlooking the construction supervision's opinion of the highways' infeasibility, which resulted in construction errors and increased costs (Nechev and Nikolovski 2020a, 25). In addition, the construction of the two highways increased the public debt, while the construction costs reached more than \$1 billion (an increase of more than \$211 million from the original amount) with a total of 1912 days construction delay (Nechev and Nikolovski 2020a, 24). This scandal shed a negative light not only on the high-profile corruption in the country, but also on the corrosive nature of Chinese capital and the trustworthiness of the Chinese companies.

The perils behind China's infrastructure investments in the Western Balkans did not go unnoticed in Brussels either. In 2018, the former European Commissioner for European Neighbourhood Policy and Enlargement Negotiations, Johannes Hahn, warned that the Western Balkan elites may find cheap Chinese loans and Beijing's 'combination of capitalism and a political dictatorship' attractive, which, as a result, may diminish the EU prospects and reforms in the region (Hahn in Heath and Gray 2018). Furthermore, in its latest communication on enlargement policy and the 2020 Enlargement Package, the European Commission (2020a, 15) called on the Western Balkans to 'strengthen the resilience' by '*ensuring* the full adherence of any foreign-funded economic activity to EU values, norms and standards', arguing that the:

Increasing business and investment activity by third countries . . . frequently neglects socio-economic and financial sustainability and EU rules . . . and may result in high levels of indebtedness, exclusion from the market of EU companies unable to compete.

In addition to the warnings, in her first ever state-of-the-union speech, the incumbent Commission President sent an obvious geostrategic message to China that 'Western

Balkans are part of Europe, not just a stopover on the Silk Road' (European Commission 2020c), making it known that Beijing has no place in a region which the EU considers as its zone of interest.

The political cannonade on Beijing's 'malign influence' in the region was also joined by Washington. As part of the war waged against Chinese companies, especially Huawei in the context of the construction of the 5G network, the outgoing Trump administration has left a mark on North Macedonia and the Western Balkans as well. In preventing the penetration of the Chinese information technology giant into the European economies, the United States have signed memoranda of understanding with many European countries, including North Macedonia, therefore limiting 'high-risk vendors from the construction of its 5G networks' (Duckett 2020). Furthermore, the US Embassy in Skopje warned the government of North Macedonia to refrain from business with the Chinese companies (Ilioski 2020), right after the first deputy prime minister, Artan Grubi, met with Ambassador Zhang Zuo, to thank him for Beijing's COVID-19 medical equipment donations but also to discuss cooperation in the field of technology (Makfaks 2020).

Turkey

Compared to Russia and China, North Macedonia and Turkey have more immediate historical and cultural links, yet with a potential for distancing and increased ambivalence. Traditionally, Turkey has been the most vocal supporter of North Macedonia's NATO membership (Petrović and Reljic 2011). It also used to be the only NATO member state who requested usage of the country's old constitutional name in the official correspondence of the Alliance (Nechev and Nikolovski 2020b, 134). Besides the short-lasting diplomatic crisis over the announced recognition of Cyprus by the authorities of North Macedonia in 2000 (Vračić 2016, 24), the relations between Ankara and Skopje have generally been friendly and fruitful with numerous bilateral agreements advancing cooperation in diplomacy, economy, trade, culture, and defence and security, and regular high-level state visits (see Petrović and Reljic 2011; Vračić 2016; Nikolovski 2019b; Nechev and Nikolovski 2020b; Sijamija *et al.* 2020; *Southeast Europe in Focus* 2020).

What is more, after Turkey ratified North Macedonia's NATO accession protocol in July 2019, Skopje and Nicosia established diplomatic relations the next month without major opposition from Ankara (Ministry of Foreign Affairs 2019a).

Nevertheless, after the 2016 failed coup d'état in Turkey, as well as the 2017 government change in North Macedonia, strains have emerged in Skopje's partnership with Ankara. After declaring war on the exiled Turkish cleric Fethullah Gülen and his Islamic socio-religious movement Hizmet (dubbed FETO), the Turkish authorities have repeatedly made requests for extradition of persons, as well as the closure of educational units, companies, and other facilities allegedly affiliated with the Gülen movement, culminating in Turkey's withdrawal from the bilateral agreement on mutual recognition of university diplomas in 2017 due to Skopje's inaction in this regard (Apostolov 2016; 2019; Zezova 2018). At one point in the ratification process of North Macedonia's protocol for NATO, the Ministry for Defence of North Macedonia admitted that Ankara's policy towards so-called Gülenists could influence the ratification's dynamics on the side of Turkey (*360 Degrees* 2019).

On the other hand, the increased tensions between Athens, Nicosia, and Ankara have had an impact on the inter-state relations as well. In aligning its foreign policy with that of the EU, in April this year, North Macedonia joined the updated decision of the Council of the EU and imposed restrictive measures against Turkey's companies involved in research and mining activities in the Eastern Mediterranean waters claimed by Cyprus (Fazlagic 2020). As Greece and Cyprus are pushing for stricter sanctions against Turkey, further deterioration between Skopje and Ankara might be expected, as Greece will expect from its immediate neighbour to align with it (Tzifakis 2020).

In terms of political influence, Turkey has nurtured close relations with the ethnic Turkish parties in North Macedonia, where the Turks make the second largest minority, while the ruling Turkish AKP party is closely linked with the political party Besa, which, although part of the same governing coalition, challenges the Democratic Union for Integration (DUI), the key ethnic Albanian partner in the government (*Southeast Europe in Focus*

2020, 12). In addition, the Association of Turkish non-governmental organisations (MATUSITEB), an umbrella of 55 member organisations who mostly work on religious, cultural, and educational issues, is closely related to the Turkish state and the Turkish Cooperation and Coordination Agency (TIKA) (Nova Makedonija 2018; Sijamija *et al.* 2020, 37). Turkey has made its presence felt in the media as well. Namely, the North Macedonian and Albanian desks of the *Anadolu Agency* and the *Turkish Radio Television* (TRT) registered in the country regularly report and broadcast on Turkey (Vračić 2016, 15; Sijamija *et al.* 2020, 36–37).

When it comes to economic influence, Turkey is a much bigger player in North Macedonia than Russia and China. The amount of cumulative FDI for the period 2010-2018 reached roughly €284 million in 2018, much more than Chinese and even more than Russian investments (National Bank of the Republic of North Macedonia 2018). Ankara is present in many sectors of the economy in the country. Halkbank is the only Turkish state-owned bank in North Macedonia. In 2019, the bank was involved in an initiative for Yahya Kemal college billboards' removal in the capital Skopje, as Turkey associates this educational facility with the Hizmet (FETO) movement (Idriz and Abdula 2019). Other major Turkish investment are Istanbul TAV Holding's 20-year concession of Skopje and Ohrid international airports (€200 million), two large-scale mixed-use building complexes in Skopje, Cevahir Sky City (€100 million), and the Limak Diamond Complex (€250 million investment) (see Sijamija *et al.* 2020, 40–41). Ankara provided a significant amount of protective medical gear during the first wave of the COVID-19 pandemic as well (Arsovski 2020; Smailovikj 2020), yet much less than the donation received by the EU. However, AKP's spokesman, Omer Celik, used the opportunity to criticise the EU's slow reaction to the pandemic in the Western Balkans, by making a political statement:

[T]hey [the EU] have abandoned the Balkans. Turkey, however, is there. The single goal of Western European countries regarding the Balkans rests on the breaking of Turkey's influence. Yet none of them appear when the Balkans need pandemic-related assistance (Haber Turk 2020).

Turkey has indeed been very much present in North Macedonia, especially in the realm of culture and religious affairs. Compared to its neighbours, North Macedonia hosts many educational facilities with close ties to Turkey, such as the five educational institutions run by the Turkish Maarif Foundation (TMF), the International Balkan University with campuses in Skopje and Istanbul, as well as the Yunus Emre Institute in Skopje (Nechev and Nikolovski 2020b, 135; Sijamija *et al.* 2020, 42). Last but not least, TIKA has been involved in the reconstruction of many religious objects and Ottoman historical landmarks (Vračić 2016, 13; *Southeast Europe in Focus* 2020), while the Diyanet Foundation, part of Turkey's Directorate of Religious Affairs, has been building the largest mosque in North Macedonia (Aliju 2018).

Conclusion

Following the government change in 2017 and the Prespa Agreement in 2019, North Macedonia finally became the thirtieth member state of NATO in March 2020. The same month, the Council of the European Union gave green light for the start of the accession negotiations with the EU, 15 years after being awarded candidate status and following 10 recommendations of the European Commission. Nevertheless, following the veto by Bulgaria on the adoption of the negotiation framework over issues related to national identity, history and the Macedonian language, North Macedonia's EU's accession is once again at stalemate. If no progress is made in the foreseeable future, the influence and presence of the non-Western rival powers, Russia, China and Turkey, will likely become more potent and visible.

Besides building closer ties with the pro-Russian political forces in the country and playing the ethnoreligious card, Russia does not have a comprehensive strategy for North Macedonia or the Western Balkans in general other than hampering EU and NATO enlargement (Bechev 2018). Even less so in economic terms. In the context of the COVID-19 pandemic, Russia's presence and visibility in the region are further overshadowed by China whose 'mask diplomacy' has made an impactful influence worldwide (Verma 2020). However, that does not mean Moscow's sources of influence in

the country are futile and therefore do not deserve the appropriate attention. On the contrary, the Kremlin still has cards to play, especially if North Macedonia's EU membership prospects remain indefinitely postponed and Euroscepticism rises.

On the other hand, the stability in the, above all, economic relations between Beijing and Skopje persists with a potential for growth and deepened cooperation in the future, notwithstanding Western allies' opposition. At the same time, however, their intensity and scope may vary as a result of North Macedonia's EU accession dynamics, as well as the relations between the US and China, especially during the upcoming Biden presidency. Moreover, the economic influence may easily turn to a political one, since the membership in NATO may entail gradual phasing out of the relations with Beijing, as well as further compliance with the EU's common foreign and security policy, such as the Council of the European Union's declaration (2016) on the developments in the South China Sea. With accession talks on pause again, one may expect lower motivation for compliance on the Macedonian side.

Last, the historical and cultural ties with Turkey are irreplaceable and Ankara's economic footprint in North Macedonia is undeniable. However, the traditionally close bilateral relations between the two countries may easily weaken, depending on whether North Macedonia's EU accession will further progress. In this case, the country would have to build stronger alliances with Greece and Cyprus. If the country will remain in the eternal waiting room, it may result in reinforcing ties with Turkey in return.

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Serbia: The Hub for External Actor Involvement

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Abstract As a centrepiece of the Western Balkans, Serbia represents the key ground for external actor competition. If one had to pick a year of when the competition intensified, then it would be 2008, when Kosovo declared independence from Serbia. From then on, this issue has represented the key determinant of Serbia's foreign policy, and as such, it has impacted how the Serbian population viewed different external actors. As Belgrade publicly declared its four-pillar prioritisation in the aftermath of Kosovo's independence, with the emphasis on Washington, Brussels, Moscow, and Beijing, it continuously attempted to balance between them. Yet, the year of 2020 has revealed that Serbia's foreign policy is all but static, and that there is a zero-sum game at hand. The EU and Russia appear to be losing importance, while the interest of Serbia in the US and China seems to rise. In that context, only Turkey seems to be immune to the changes to the status quo in terms of geopolitics, particularly as it does not have as high political and economic stakes, nor leverage, as other external actors do.

Keywords Serbia – the Western Balkans – the EU – Russia – China – Turkey – the USA – external actors

Introduction

For the Balkans, it is often said that it 'produces more history than it can consume'. The same can be said about geopolitics, particularly as the competition between different external actors keeps producing spill-overs in this region. At the centre of the geopolitical competition is Serbia—a country which simultaneously keeps growing ties with powers both from the West and the East. In fact, although it is a candidate country for EU membership, there is a clear trend of Serbia keeping its doors wide open for the involvement of non-EU actors. Such a trend is perceived both in terms of political cooperation—perhaps in search for international support from other partners on the

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international stage regarding the issue of Kosovo—and economic cooperation due to its need for further economic investment and alternative sources of infrastructure loans and projects. Considering this context, the goal of this paper is to analyse and assess the concrete approach and policies of the EU, the USA, Russia, China, and Turkey vis-à-vis Serbia. Not only will this produce a better understanding of their individual approaches, but it will clarify whether and to what extent these actors are involved in a zero-sum game.

The European Union: a key player, a weak player

Ever since the democratic change of power took place in 2000, every government of Serbia has set EU membership as its strategic priority. As a sign of commitment to this priority, Serbia voluntarily started to harmonise its legislation with the EU already as early as 2004, although it has had no legal obligation to do so. Soon after, it signed the Stabilisation and Association Agreement (SAA) in 2008, acquired visa liberalisation and applied for EU membership in 2009, and gained the status of a candidate country in 2012. Officially, negotiations between Serbia and the EU were opened in January 2014. Until this point, the EU had successfully used its leverage to condition Serbia's cooperation with the International Criminal Tribunal for the former Yugoslavia (ICTY), and to start negotiations with Pristina.

Since then, however, the process has witnessed a significant slowdown. Fast-forward to 2020, and Serbia has managed to open only 18 out of 35 chapters, whilst provisionally closing only two. The slow pace of Serbia's accession process becomes particularly visible if compared to Croatia, which needed six years in total to close all chapters. During the same period, Serbia has ended up in a paradoxical situation - the longer its accession process lasts, the more its democracy levels deteriorate. The European Commission (2018, 3) recognised this already in 2018, in a communication called 'A Credible Enlargement Perspective for an Enhanced EU Engagement with the Western Balkans', in which it stated that Serbia (alongside other countries of the region), have 'elements of state capture'. In 2020, Freedom House (2020) noted that Serbia is not to be considered a semi-consolidated democracy, as it has turned into a 'hybrid regime'. This showcases

that Serbia's accession process has failed to fulfil its primary purpose—to guide Serbia towards comprehensive reforms in an effective and timely manner. The fact that the EU is the largest trade partner of Serbia (representing two thirds of total trade) (EU Delegation to Serbia 2020a), and the biggest donor to it (with €3.6 billion in grants in the past two decades) (EU Delegation to Serbia 2020b), did not successfully nudge local leaders to genuinely dedicate to the reform process. Although the local elites bear the largest share of the blame for the lack of reforms, there are, nevertheless, two flawed elements in the EU's approach: its willingness to provide legitimacy to Serbia's regime despite the evident lack of rule of law reforms, and its inability to act as a genuine geopolitical player.

First, the EU has failed to act strongly and with a single voice with regards to emphasis on the importance of rule of law reforms. Although the European Commission has continuously warned of Serbia's lack of progress in terms of rule of law and media freedoms, the EU has not managed to find a proper way to publicly and clearly articulate the criticism towards the political elites responsible for the aforementioned state capture. For this reason, many in Serbia's civil society sector have warned such developments leave the impression that 'the EU is willing to provide external support to regimes that include considerable shortcomings in terms of democratic governance for the sake of the (false) promise of stability' (hence, the term 'stabilitocracy') (Kmezić 2017). Nevertheless, there are some signs that the EU is willing to change its course, as seen in 2020 when the EU decided, for the first time, not to open any chapters with Serbia, and thus sending a message that it will not tolerate the current lack of dedication to reforms.

Second, the EU has long lacked the geopolitical ambition to get involved, both politically and economically. The drive went missing, particularly when the former European Commission president, Jean-Claude Juncker, argued in 2014 that there would not be further enlargement of the EU during his term (European Commission 2014). This has not only discouraged Serbia's leadership from pursuing reform, but it has also encouraged it to further intensify cooperation with external actors who would be ready to engage more strongly in different areas and tackle the niches not filled by the EU. Although Juncker realised his mistake by calling, in his 2017 State of the Union Address

(European Commission 2017, 10), for the re-affirmation of the European future of the WB, while defining Serbia (alongside Montenegro) as a frontrunner in the prospect of joining the Union in 2025—it was too late. Not only did EU member states fail to endorse his proposal, but the EU accession process has already lost its shine from the perspective of Serbian officials, while the geopolitical vacuum has already been filled by external actors.

China: so far, but so close

Although there were once no apparent links that would bring together Serbia and China, this link was created when Kosovo declared its independence from Serbia in 2008. Ever since, Serbia has been desperate to find allies in the international arena, in order to strengthen its claim over territorial integrity. In that regard, China was a natural ally. For this reason, Serbia's three-pillared prioritisation of foreign policy, established in 2004 and focused on Washington, Brussels, and Moscow (Tadić 2004), widened in 2009 by including the fourth pillar—Beijing (Tadić 2009). This showcases that it was realpolitik that has ushered the path for Sino-Serbian cooperation and not economic interests. In fact, once the two sides signed a Strategic Partnership in 2009, with which they committed to strengthen their cooperation in various areas, the relations between the two became solidified, while the political capital of China has suddenly jumped. This is the key reason why Serbia has not aligned since then with any foreign policy declaration of the EU that is directed against the interests of China.

Yet, that was only the starting point. From then on, the two sides translated political cooperation into the area of economics. At first, the cooperation was basic, particularly as Serbia was signing up for projects which were solely based on loans, such as the construction of the Pupin Bridge, construction of the Belgrade–Budapest high-speed railway, construction of the three sections of the Corridor XI, and reconstruction of the Kostolac thermal power plant's existing blocks B1 and B2 as well as construction of a new block B3. In fact, projects signed with China were hailed as major successes by the Serbian authorities, while it allowed China to showcase its ability to implement projects in Europe.

Considering the accumulated level of political trust and economic cooperation, the two sides have decided to further elevate their partnership by signing the Comprehensive Strategic Partnership in 2016, the highest level of partnership in China's diplomatic playbook. Since then, the level of China's economic involvement has increased, particularly with its acquisition of the Smederevo Steel Mill in 2016, the strategic partnership on the Bor mining and smelting complex (RTB Bor) in 2018, and the greenfield investment in a tire factory in Zrenjanin in 2019. For the Serbian Government, these projects were considered of crucial importance, illustrating that it pays off being close to China. This therefore allowed China to further increase its economic leverage in Serbia, despite the fact it still lags far behind the EU in terms of trade importance to Serbia.

Meanwhile, the Sino-Serbian relationship reached new heights in 2020, in the midst of the COVID-19 pandemic. On the one hand, Serbia used the crisis as an opportunity to openly undermine the EU's image and credibility, notably by declaring that European solidarity does not exist and that it is 'a fairy tale' (*Euractiv* 2020). On the other hand, the Serbian officials have actively worked on creating and nurturing a pro-China narrative, later recognised in the 2020 European Commission's annual report on Serbia (2020, 7). This gained prominence, as is evidenced by Serbia's President kissing the Chinese flag once the assistance from China came, or as China was purposefully labelled as a 'brotherly' nation in the official political discourse (Subotić 2020). Such a message was constantly reaffirmed and boosted during the pandemic by media outlets with close links to the government and an online, pro-government network of 'bots' on Twitter (Digital Forensic Center 2020). This has not only damaged the EU's image, but has also effectively contributed to side-lining Russia, who has traditionally been Serbia's 'favourite' external actor.

The public opinion polls suggest that such deliberate approach had its effect on the Serbian population. For instance, one poll conducted during the pandemic, in March 2020, shows that China is now considered to be the biggest donor (Institute for European Affairs 2020c, 4), although it is not even in the top ten donors, at the expense of the EU,

but also Russia. Another poll from June 2020 shows that Chinese aid was deemed more effective than the EU's (Faculty of Political Science 2020, 11). These results indicate that, despite the distance, China's soft power is on the rise in Serbia. For this reason, it appears that EU Commissioner Johannes Hahn was correct in saying that the EU has 'underestimated China' with regards to its cooperation with Serbia (*Financial Times* 2019). Yet, it should be noted that China would not have been able to use the opportunity to enter and grow its foothold in Serbia, had the Serbian authorities not purposefully kept their doors wide open.

Russia: sticking a rock in the West's shoe

Although Russo-Serbian cooperation goes back to the past with notable ups and downs in the past two centuries, their contemporary relationship begins in the late 1990s, when Russia openly stood out against the NATO bombing campaign in 1999 against then Yugoslavia. Looking at Russia's approach to Serbia from a geopolitical perspective, the space for its increased involvement became more open once it became apparent that the issue of Kosovo was not going to be solved in a manner that would suit the Serbian interests. The fact that Russia is a permanent member of the UN Security Council with a veto right, gave it particular political weight in the eyes of Serbian officials, who wished to rely on Russia in order to counter-weight the West. That is why it was included as part of Serbia's pillared system of foreign policy as early as 2004 (Tadić 2004).

Since then, all heads of states and governments have tried to keep close working relationships with Russia, no matter whether they were pro-EU or Eurosceptic. The analysed contemporary period also coincided with the entire career of Vladimir Putin as leader of Russia (either as Prime Minister or President), whose rise became synonymous with the rise of Russia in the eyes of the Serbian public. The relationship was particularly useful to Serbia prior to and after Kosovo's self-declared independence in 2008, as Russia has shown readiness to proactively promote Serbia's interests in terms of territorial integrity in the international arena. For this reason, Serbia had no choice but to stop short from aligning with any declaration of the EU which targeted Russia. From the

economic standpoint, the relationship paid off for Russia, as it managed to get, for a low price, the majority share in Serbia's key oil and gas company (NIS), as part of the political concessions provided by Serbian officials in 2008 (Petrović 2010, 28). Therefore, Russia's energy leverage further increased, even though it never became a significant trade partner to Serbia.

Another critical juncture took place in 2013, when Serbia and Russia signed a Strategic Partnership just a year after the change of government in Serbia. Interestingly, it was in 2013 that the Stabilisation and Association Agreement between Serbia and the EU was put into force and that the European Council greenlighted opening the accession talks with Serbia. In that regard, the closer Serbia was to the EU, the more it became engaged with Russia, in parallel. What is more, it started military exercises with Russia in 2014 and has continued doing so ever since, while also starting trilateral military exercises with Russia and Belarus as of 2015. In the same period, Serbia kept purchasing sophisticated weapons from Russia, which has brought the level of cooperation to a very high level.

Yet, it appears that Serbia became stuck in the seemingly excessive relationship, particularly as Belgrade has recently shown more willingness to strike compromises with regards to the dialogue with Pristina than Moscow would be willing to accept. This became notable in September 2020, after the Washington Agreement on economic normalisation between Belgrade and Pristina was signed, under the auspices of the US. The fact that Serbia backtracked from its insistence in 2017 to involve Russia in the dialogue if the US were to step in (N1 2017), sent a negative signal to Moscow that its support is not needed to the same extent as before. It is therefore unsurprising that the spokesperson for Russia's Ministry of Foreign Affairs, Maria Zakharova, directly ridiculed the Serbian President for going to the White House (N1 2020a). Russia's unwillingness to welcome with open arms any definite, comprehensive, and legally binding agreement that would solve the issue of Kosovo is rational from its standpoint, as the definite resolution of this issue would deal a crucial blow to its leverage, which would essentially contribute to driving Russia out of the entire region.

To that extent, it appears that Serbia is also increasingly using China as a pillar to overshadow Russia. In fact, Russia's medical assistance during the COVID-19 pandemic had a mild reception by the Serbian officials, which also translated into a moderate reception by the media. As Serbia openly put to the front its cooperation with China, Russia's traditional image of a 'brotherly nation' has suffered a blow. The fact that the pro-government media in Serbia even went as far as to blame Russian-backed extremists for organising 'violent' protests in Belgrade in the Summer of 2020, showcased that the Russo-Serbian relationship is not as solid as is often presented by the highest officials in public.

Despite these hiccups in their relationship, it would be premature to conclude and argue that Serbia would make a U-turn on Russia. This is unlikely to happen, as long as the Belgrade–Pristina dialogue remains unresolved, as long as the prospect of Serbia's EU membership remains distant, and as long as Serbia's population continues cherishing the cult of Vladimir Putin, who appears to be more popular in Serbia than in Russia itself (Gallup 2018, 19).

Turkey: a historical adversary, a contemporary partner

Turkey and Serbia have a long history together, yet each interprets it in drastically different ways. For Turkey, the joint Ottoman legacy is seen through the perspective of a 'glorious' past when everybody used to live in peace and prosperity, while for Serbia, the same period is seen as a period of shame and enslavement. What damaged the relationship in contemporary times is that the two countries were on opposing sides during the 1990s. Turkey then openly stood out and defended the interests of Albanians and Bosniaks, and in 2008 it was among the countries to have recognised Kosovo's self-declared independence from Serbia. Despite all of these differences, the Serbo-Turkish relationship witnessed a critical juncture in 2009, when they decided to turn another page.

Not only have they since signed a free-trade agreement, established a Turkish Agency for Development (TIKA), and increased the number of highest-level bilateral visits, but

they have also expressed willingness to deepen their partnership. Today, they claim to have raised their cooperation on the level of strategic partnership, although such partnership was never officially signed (*Politika* 2018). The key hurdle to achieving such a milestone is the fact that Turkey still recognises Kosovo. Although this prevents Turkey from having significant leverage on the level of Russia and China, the two sides have nevertheless found ways to focus on their similarities rather than their differences. The key similarity is the personalised style of leadership of the Serbian and Turkish leaders, Aleksandar Vučić and Recep Tayyip Erdoğan, which is accompanied by their focus on deepening economic ties. The fact that Vučić stood out in terms of swift support for Erdoğan in the aftermath of the attempted coup in 2016 only solidified their ties (*Al Jazeera Balkans* 2017).

Namely, the key focus is on the opportunistic economic behaviour on the Serbian side, which allows its political establishment to take advantage of increasing readiness of Turkish economic stakeholders to start their business in Serbia. Interestingly, many of the textile companies that are being opened in Serbia are not in the Muslim dominated region of Sandžak, as many would expect considering that Turkey continues to argue that this region is a bridge between Turkey and Serbia; the companies are instead opened in rural places next to the Corridor X, a highway which connects Turkey to the rest of Europe.

For Turkey, development of economic relations can only benefit its economy, which has been witnessing significant problems in the past years. On top of that, this gives further leverage to Turkey to ask for political concessions from Serbia. Two important cases include the expressed willingness of Serbian officials to help Turkey. Its fight against the Gülen movement, a faith-based organisation which Erdoğan accuses to have plotted a *coup d'état* against him in 2016, and against the Kurds, an ethnic minority with which Erdoğan has increased clashes in the past years. In that regard, Turkish officials have stated that they have received positive signals from the Serbian authorities with regards to the closure of the Gülen institutions in Serbia (*Blic* 2016). Meanwhile, Serbia has also shown its readiness to meet Turkish demands even at the cost of the violation of rule of

law procedures, by extraditing a Kurdish political activist to Turkey against the request of the UN Committee against Torture (2019).

All things considered, Turkey is not as politically and economically relevant a partner to Serbia as the EU, Russia and China are, but it nevertheless manages to keep a working relationship with Serbia. Although the COVID-19 pandemic has contributed to shifts on the geopolitical chessboard, Turkey appears to have come out of it unscathed, which is why it is expected that Serbo-Turkish cooperation will continue in a stable trend.

USA: an uneasy, but important partner

The United States represents a country that considers the Western Balkans as part of its sphere of influence. Not only has it been deeply involved with the region in the 1990s, but even today, it continues to shape the relations and project its power. Although Serbia continues to be the country with which the US has the weakest relations in the entire region, the two continue to develop a pragmatic relationship.

Despite the fact that the US gave Serbia the status of 'most-favoured nation', which granted it preferential terms of trade back in 2003, the US never managed to become a relevant or significant trade partner to Serbia. In fact, even though the trade balance works in Serbia's favour, the trade relations remain underdeveloped nevertheless (US Census Bureau 2020). Meanwhile, the US did try to compensate for this fact and increase its leverage by providing foreign aid to Serbia. In fact, with its Agency for International Development (USAID), the US invested \$864 million in the period between 2001 and 2019 (USAID 2019), in areas such as legal and judicial development, democratic participation and civil society, anti-corruption organisations and institutions, and legislatures and political parties.

Despite this assistance, public opinion on the US continues to remain largely unfavourable, or at best mixed (Institute for European Affairs 2020a, 5), particularly due to its lead role in the 1999 NATO bombing campaign against then Yugoslavia and its

backing of Kosovo's self-declared independence in 2008. Yet, this has not represented a hurdle for the Serbian political establishment to continuously develop a close military and security partnership with the US and NATO. In fact, Serbia and NATO agreed on the SOFA (Status of Forces Agreement) in 2014, and on the Individual Partnership Action Plan (IPAP) in 2015. With these agreements in force, Serbia has effectively achieved the highest possible level of cooperation with NATO as a non-member. Meanwhile, in the period from 2012 to 2019, Serbia has participated in 109 joint military exercises with NATO and its member states (Institute for European Affairs 2019, 14)—which is by far more than with Russia. On top of all of that, the US is the largest donor to Serbia's Ministry of Defence (2020), with \$25 million donated in the period between 2008 and 2018. All of these elements showcase that the US is an influential power with whom Serbia indeed cooperates in practice.

Considering it having the political and military capital of a world power, the US manages to use it to somewhat limit Serbia's cooperation with other third actors. With regards to Russia, the US threat of sanctions in Belgrade was credible enough that Serbia decided to stop buying weapons from Russia at the end of 2019 (*Business Standard* 2019). The US also successfully pressured Serbia not to provide diplomatic status to the controversial Russian Humanitarian Centre stationed in Southern Serbia (*Balkan Insight* 2017). Furthermore, the 2020 Washington Agreement contains a clause stating that Serbia will diversify its energy supply, showing that the US aims to make Serbia less dependent on Russia (*N1* 2020b).

With regards to China, the US was long unable to prevent Serbia's actions in growing this relationship. Yet, the fact that Serbia committed in the 2020 Washington Agreement to limit the distribution of a 5G network by 'untrusted vendors' is a clear sign that Serbia has conceded to US' demands to put a brake on Serbia's cooperation with the Chinese technological giant Huawei. It is expected that the Biden administration will continue on the same course in that regard, particularly by closely paying attention to whether Serbia will keep its word.

Conclusion

As this paper has shown, Serbia has become a hub for external actor competition. On the one hand, it has allowed Serbia to increase its geopolitical value and raise its bargaining power vis-à-vis the EU. On the other hand, it has weakened the EU's leverage through increasing the importance of actors such as China and Russia. Meanwhile, the year of 2020 has shown that geopolitics is never static. Although the EU has suffered a blow, Russia did as well, particularly with the rise of China's visibility. Besides China, it was the US who has managed to turn another page with Serbia in the same year. Despite these external actors having had their ups and downs, Serbia's moderate cooperation with Turkey seems to be stable and immune to disruption.

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The Strategic Role of External Actors in the Western Balkans: Kosovo's Perspective

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Abstract This policy brief seeks to inform policy discourse on the strategic role of external actors in Kosovo, mainly of the European Union (EU) and its member states, the United States (US), and Turkey. It does so by analysing and assessing their influence in the context of their interests and policies for the Western Balkans (WB) and their impact vis-à-vis Kosovo's political interests at the current stage of its state-building. It focuses on their political, economic and security influence in Kosovo.

Keywords Kosovo – state-building – foreign policy – EU – US – Russia – China – Turkey

Political influence

Kosovo's unequal position on the world stage is shaped by a unique paradigm: it is an 'externally unfinished' state because the UN-led process that led to its statehood was premised on the EU's and US's consensus with Russia, China and Serbia. This consensus then failed, because Marti Ahtisaari's proposal of supervised independence for Kosovo was rejected by Russia and China at the UN and by Serbia likewise. This position deprives Kosovo of the ability to conduct a foreign policy primarily informed by political, economic and security interests, and constrains its use of reciprocity or conditionality as instruments. We mainly focus here on the political influence of the EU, US and Turkey.

As the most influential external actors in Kosovo, the EU and the US, play strategic political roles in key aspects of state-building, such as institution-building, economic reforms, domestic and external consolidation of statehood and EU integration. This stems from their shared policy aimed at the Western Balkans Euro–Atlantic integration, by supporting its states towards democratic governance and free market economies.

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Because five member states do not recognise Kosovo's statehood, the EU's 'status neutrality', premised on 'constructive ambiguity', allows it to exert strategic political influence over Kosovo by also allowing it to pursue its interest of external state-building.

We look at the EU's and the US's political role in the EU integration process and normalisation with Serbia, because these processes contribute to external state-building. The EU plays a leading role, while the US directly supports reforms in key areas such as rule of law, good governance, economic growth and normalisation of relations with Serbia (Rey 2018, 17–18). The narrative of supporting external state-building through normalisation is that recognition by Serbia will also convince non-recognising EU member states to do so, and Russia and China to lift their veto on Kosovo's UN membership. This would allow Kosovo to gain UN membership and the status of a candidate state for EU membership.

Political influence of the EU and the US

The political influence of the EU and US in Kosovo is focused on the EU integration process. Kosovo is currently pursuing its EU integration objective through the Stabilisation and Association Agreement (SAA), which reflects the EU's 'constructive ambiguity', because it is an 'EU only' and 'status neutral' agreement, and it obliges Kosovo to commit to normalisation with Serbia, while the EU can suspend the entire agreement in case of Kosovo's noncompliance (European Union 2016, 5). This *sui generis* SAA is a compromise inside the EU between recognising member states which would support granting Kosovo the candidate state status, and non-recognising ones, which, by not recognising Kosovo, due to reasons having to do with domestic politics, in fact oppose granting it this status. The effect is that the EU has 'domesticated' this pillar of Kosovo's foreign policy, for SAA is the result of domestically determined positions of non-recognising member states not to recognise Kosovo. It has also 'internationalised' Kosovo's foreign policy pillar for EU accession, for this *sui generis* SAA is the result of international relations between recognising member states and non-recognising ones.

Kosovo has adapted its foreign policy along recognisers' preferences in search of their support in influencing non-recognisers to recognise its statehood, and thus open the way for candidate status. However, they are at this stage reluctant to do so partly because their citizens see EU enlargement as threatening to their economic wellbeing and security. On the other hand, Kosovo has also adapted its foreign policy along non-recognisers' preferences in search of convincing them to recognise its statehood. However, they are reluctant because they perceive doing so as a political incentive for their own minorities to secede, and therefore such an act represents a security threat.

In February 2018, the EU made a Kosovo-Serbia comprehensive normalisation agreement officially part of its accession conditionality policy for both (European Commission 2018, 7). The period until June 2019 was dominated by the land swap discourse and the 100% import tax imposed by Kosovo against Serbian imports in retaliation to Serbia's campaign against Kosovo's recognition and membership to international organisations (*BBC* 2018). Land swap was publicly discussed by Presidents Thaçi and Vučić in August 2018 (Gray and Heath 2018) and afterwards supported by the then EU Enlargement Commissioner and the then High Representative of the Union for Foreign Affairs and Security Policy, despite fears that it is against core European norms and creates a destabilising precedent (Bieber and Tzifakis 2019, 20). Though this idea is overwhelmingly rejected, EU and US pressure on Kosovo has brought down two governments

Following the resignation of the Government in July 2019, the next one came up with a policy on normalisation: reviewing implementation of existing agreements and gradually replacing the import tax with political and economic reciprocity (Government of Kosovo 2020). While a review was tacitly rejected by the EU and the US, reciprocity was enforced through a gradual reversal of the tariff and introduction of the requirement for import documents recognising the Republic of Kosovo. While the US was demanding Kosovo to drop the tax immediately, even by suspending a \$50 million assistance package (Bytyci 2020), the EU favoured a gradual approach. Another difference was that the EU (especially Germany and France) explicitly opposed land swap (Emmott 2018), while the

US did not. These differences brought down the next Government in March 2020 (Bami 2020), and the current one immediately reversed reciprocity (*European Western Balkans* 2020).

EU-US differences are also evident in the Economic Normalisation Agreement (*RFERL* 2020): it departs from the comprehensive normalisation policy, until then supported by the US. It is a letter of intent by nature, not a mutually binding agreement. Content-wise, out of eight political points six are already part of EU-mediated agreements and only two concern Kosovo-Serbia relations. It is also not conducive to normalisation because it evades its very political nature. Normalisation resumed in September 2020, with not much progress on the horizon and expert-level discussions raising concerns in Kosovo of going back to the already closed technical dialogue. In addition, Kosovo and Serbia as the main parties to this dialogue retain their diametrically opposed positions. Kosovo demands comprehensive normalisation containing mutual recognition; no territorial changes; and Serbia's liabilities for Kosovo's missing persons, victims of violence, and material casualties. Serbia finds it 'completely meaningless' (Stojanovic 2020).

Despite fears that intra-West divisions have impaired the EU's credibility and attractiveness in the WB (Bieber and Tzifakis 2019, 9), wider damages of a land swap were avoided, and a new US Administration brings better prospects for normalisation. Nevertheless, pressure on Kosovo has weakened its position as it took away a political instrument to push Serbia to change its attitude. In addition, the effect on Kosovo's foreign policy shows that the EU's influence is often not helpful in overcoming the 'externally unfinished' state paradigm. Moreover, this reinforces Serbia's conviction that the validity of EU conditions can be relativised (Bieber and Tzifakis 2019, 20) and that a norm-driven policy is not sufficient to reduce Russia's influence in the region.

The EU's influence also affects political stability in the entire WB, not only in Kosovo. As domestic pressure inside EU member states has made its enlargement policy uncertain and external actors are vying for more influence in the WB, the EU has been shifting its narrative on political stability towards prioritising regional stability. This was evident when

it recognised its own 'geostrategic investment' (European Commission 2019, 1) in the WB. Moreover, given the uncertain EU perspective for the region, this changed narrative might also spur a narrative of containment and 'securitisation' of the EU's policy vis-à-vis the region.

Political influence of other actors

Turkey sees the Balkans as a geopolitical area of influence with Kosovo as its centre. Therefore, political relations between Kosovo and Turkey are determined by a range of geopolitical, economic and socio-historical factors. Turkey has supported Kosovo in its reconstruction and on bilateral and multilateral platforms and was among the first to recognise its independence. The two have concluded 44 bilateral agreements and arrangements between 2008 and 2016 alone (Rey 2018, 18–19). Overall, Turkey's influence in Kosovo is informed by the Neo-Ottoman ideology and its policy to restore a patron position over the region by promoting Turkish language, culture, and Sunni Islam, and reinterpreting and glorifying the Ottoman legacy does not seek to compete with the EU and the US (Bieber and Tzifakis 2019, 11, 18–19). However, there are grounds to worry that the personalised style of politics in both countries might undermine political norms which the EU and the US are promoting and contributing to in Kosovo. The reason is that this personalised style might contribute to strengthening political authoritarianism (Bieber and Tzifakis 2019, 18). Likewise, such personalised political influence might also undermine democratic institutions, especially in the area of the rule of law.

Russia has no political influence inside Kosovo, but rather indirect influence over it, seeking to oppose its independence and membership to international organisations. It also has a liaison office in Pristina, acting as a branch of its embassy in Belgrade. As a UN member with veto power and with its historical interest in the Balkans, it is an important player in the countries who do not recognise Kosovo (Rey 2018, 17-18). Russia's policy on Kosovo is part of its overall approach to undermine the WB's Western path. It is a function of its relations with the US and Europe, with no alternative plan to such integration (Bieber and Tzifakis 2019, 10–11).

While China also has a liaison office in Pristina, it shows much less direct political interest in Kosovo. It opposes Kosovo's independence mainly because it fears that it could be seen as a precedent for its own sensitive domestic situation (Rey 2018, 20). However, given that trade exchange between Kosovo and China is increasing, closer political relations could develop in the future.

Economic influence of the EU and the US

The EU's economic influence is the most important in Kosovo's development. Economic relations between the two are governed by the SAA, which provides for the creation of a completely free trade area between the two, covering all products and services and all economic sectors, by 2026.

The EU has consistently been Kosovo's main trading partner. Kosovo's exports to the EU during the last three years (2017-2019) reached an average of 30% of total exports, growing from around 30% in 2017 to around 36% in 2019. The cumulative value of exports during this period was €343 million, having increased from over €94 million in 2017 to over €138 million in 2019. Broken down by member states, Germany led, with over 6.3% of total exports on average, followed by the Netherlands, with over 4%, Italy, with over 3%, the United Kingdom, with over 2%, and Bulgaria, also with over 2% (Kosovo Agency of Statistics 2020, 212-219).

On the other hand, data show that Kosovo imported much more from the EU during the same period, namely over 45.5% of total imports on average, which grew from over 43% in 2017 to 50% in 2019. In terms of value, EU exports to Kosovo exceeded €3.2 billion in total, having grown from over €1.3 billion in 2017 to over €1.7 billion in 2019. Germany led on this as well, with an average of over 12% of total exports, followed by Italy, with over 6%, Greece, with around 4.5%, Slovenia, with over 3%, and Poland, with over 2.5% (Kosovo Agency of Statistics 2020, 212–219).

This seems to have influenced citizens' expectations: in total 82% of them expect Kosovo's economy to accede that of the EU in ten years (38% of them by 2025 and 44% of them by 2030). This makes Kosovo the most optimistic WB country on economic integration with the EU (Regional Cooperation Council 2020, 41).

The EU also contributes significantly to Kosovo's development through its development assistance under the Instrument for Pre-Accession Assistance (IPA). Kosovo was allocated to an amount of €645.5 million from 2014 to 2020 (Rey 2018, 18).

Kosovo also trades with the US, though in much smaller volume. It benefits from the Generalized System of Preferences (GSP) programme, which allows export to the US of around 3,500 products from Kosovo (US Department of State 2019). Kosovo's exports to the US during the last three years (2017-2019) reached an average of only 0.66% of total exports, growing from 0.6% in 2017 and 2018 to 0.8% in 2019. The cumulative value of exports during this period was only €7.8 million, having grown from over €2.4 million in 2017 to over €3 million in 2019. On the other hand, Kosovo imported much more from the US during the same period, namely a cumulative value of over €117 million, having grown from €35.8 million in 2017 to over €46.2 million in 2019. This was 1.2% of total imports on average, having oscillated between 1.1% and 1.3% of it (Kosovo Agency of Statistics 2020, 212–219).

There are also private US investments in Kosovo, namely over 16 companies registered in Kosovo. They are mainly involved in sectors of construction, energy, health, information technology, and real estate (U.S. Department of State 2019). The US government has invested some \$2 billion in Kosovo since 1999, including through a \$49 million threshold programme under the Millennium Challenge Corporation (MCC), focusing on economic growth and reduction of poverty (Rey 2018, 17).

Economic influence of other actors

Kosovo's trade with Turkey is governed by a free trade agreement in force since 2019 (Official Gazette of the Republic of Kosovo 2019), and the volume of trade with it is significantly larger than with the US. Kosovo's exports to Turkey during the last three years (2017–2019) reached an average of 2.1%, having oscillated between 1.9% and 2.3%. They amounted to a cumulative value of over €23.5 million. On the other hand, imports to Kosovo from Turkey during the same period reached over 10.6% of total imports, having grown from 9.6% in 2016 to 12.3% in 2019. The value of Turkish imports during this period exceeded a cumulative value of €1 billion, having grown from over €292 million in 2017 to over €431 million in 2019 (Kosovo Agency of Statistics 2020, 212–219).

Turkey is also important in terms of foreign direct investments in Kosovo, also facilitated by the Kosovar-Turkish Chamber of Commerce, established in 2008. Since then, the value of Turkish investment in Kosovo is estimated to have reached €372 million (PSSI 2019), thus making this country the fifth largest foreign investor after Germany, Switzerland, Austria, and the UK. Around 200 Turkish companies operate in Kosovo, some of whom have gained, as part of international consortia, large public tenders, such as ones for the construction of the motorway linking Kosovo and Albania and the one from Pristina to the border with North Macedonia (worth €1.6 billion cumulatively), as well as the concession of the Pristina International Airport for 20 years (a reported investment commitment of over €100 million), and the purchase of power grid (at an amount of €26.3 million) (Rey 2018, 18–19).

Moreover, the Turkish Cooperation and Coordination Agency (TIKA) has been active in Kosovo since 2004. Its contributions include scholarships for hundreds of young Kosovans studying in Turkey (Rey 2018, 18–19). It has also been financing restoration and construction of numerous historical monuments and mosques, including the biggest mosque in Pristina, currently under construction.

Overall, Turkey's economic role in Kosovo is considered both useful for development and easier to absorb, without the usual strings attached to EU support. However, potential disadvantages concern the possibility of hampering EU reforms. This could occur by using rule of law weaknesses and violating, among others, public procurement, competition and labour norms (Bieber and Tzifakis 2019, 9, 16–17, 19). Clientelism, political connections, and overall informal approach might also contribute to this and further exacerbate inequality and lack of government transparency.

Data on Russia's economic influence in Kosovo is hard to come by. According to some of them, the value of Russian imports to Kosovo reached around €10 million in 2015 and 2017, respectively, and over €12 million in 2016. Its investments in Kosovo have reportedly decreased, amounting to €2 million in 2016 (PSSI 2019).

Kosovo's trade exchange with China is larger in volume than with the US. Its exports to China during the last three years (2017–2019) reached an average of only around 0.7%, having declined from 1.5% in 2017 to 0.2% in 2019. They amounted to a cumulative value of €7.7 million, having dropped from €5.6 million in 2015 to under €0.7 million in 2019. On the other hand, China's imports to Kosovo during the same period reached over 6.8%. Chinese imports during this period exceeded a cumulative value of €900 million, having grown from over €275 million in 2017 to over €340 million in 2019 (Kosovo Agency of Statistics 2020, 212–219).

China has so far not shown interest in developing closer economic cooperation with Kosovo, possibly for political reasons having to do with its refusal to recognise its statehood. It has, for example, sought to sign economic and technical cooperation agreements with all WB countries except Kosovo (Bieber and Tzifakis 2019, 9), and it has also excluded Kosovo from the 17+ group of Central and Eastern European countries linked to the Belt and Road initiative.

Security influence

As in other aspects of influence, the EU and the US are the most important external actors in terms of security cooperation in Kosovo. This is mainly because Kosovo's national security is closely linked to regional and Euro-Atlantic security (Rey 2018, 17), but also because of the wider, political framework of state-building. These two actors are top contributors in the Kosovo Force (KFOR), the NATO-led military mission in charge of supporting peace in the country by maintaining a safe and secure environment and freedom of movement for all (NATO 2020). Deployed since 1999, KFOR currently consists of 3,347 troops coming from 27 countries, 2,105 of them from 17 EU member states. The US currently contributes 627 troops, while Turkey, 306 troops, is also among the biggest contributors. Kosovo is the only WB country where troops of neighbouring countries, which are NATO member states, are deployed: 42 from North Macedonia, 26 from Albania and 2 from Montenegro (KFOR 2020).

A political aspect of security influence in Kosovo is its aim to become a NATO member. To this end, in December 2018 the Kosovo Security Force (KSF) was formally transformed into a small professional army consisting of 5,000 active troops and 3,000 reserve ones. It has a ten-year transition period to build capacities before it could take over military functions. Kosovo's aim to join NATO is supported, politically and through capacity-building, by the US, main EU member states, Turkey and other NATO allies.

KSF also receives capacity-building support through strategic partnerships with Iowa National Guard in the US and the Turkish Armed Forces (Rey 2018, 18–19). In addition, the EU Rule of Law Mission (EULEX), one of its largest Common Security and Defence Policy (CSDP) missions, also operates in Kosovo since 2008. Its mandate is to support Kosovan justice and law enforcement institutions through monitoring, mentoring and technical support. EULEX is mainly staffed by EU member states, with contribution from the US as well, for the first time in a CSDP mission (Rey 2018, 17).

Russia and China do not have formal direct security influence or role in Kosovo.

Conclusion

This policy brief attempted to analyse and assess the strategic role and influence of foreign actors in Kosovo, focusing on political, economic and security influence. It shows that Western powers, the EU and the US, are the most important ones in all these aspects. With the exception of Turkey, influence of other powers is much less significant than in other Western Balkans countries. This is also the case with powers that are seeking to compete with the EU and other Western actors for geopolitical influence in the entire region, with a view to disturbing and even completely interrupting its Euro-Atlantic integration. The main message this brief sought to bring forward is that Kosovo is not comparable with other countries in the region in terms of external actors' influence. This is because at this critical stage its external state-building takes place in a regional context of an uncertain political and economic transition, marred by more integration and competition simultaneously.

Looking at the political challenges that Kosovo faces in the endeavour to consolidate its external state-building, geopolitical competition in the region might disturb the already fragile political stability. As far as economic aspects of external actors' strategic influence are concerned, it seems that political barriers in the region and beyond still prevent it to benefit from a potentially more positive impact of external actors' influence, including those coming from non-Western countries. Likewise, looking at security aspects of external actors' strategic influence in Kosovo, one can observe that the lack of a region-wide security architecture could expose individual countries to a wider range of security threats.

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Conclusion

The dissolution of Yugoslavia and the fall of communism 30 years ago have left a perpetual void in the region, which opened doors for various external actors to fill in according to their interests and aspirations in the countries. The inconsistency in the Enlargement policy of the European Union (EU) towards the countries of the Western Balkans (WB), have been a silent invitation for other non-Western actors to increase their presence in different spheres (economy, trade, culture, education, media). As Subotić claims in the case of Serbia, which could be applied to the entire WB region, ‘the longer its accession process lasted, the more its democracy levels deteriorated’.

This study sought to identify the extent and scope of the influence of the external actors such as Russia, Turkey, China, USA, and, of course, the EU in Albania, Bosnia & Herzegovina, Montenegro, Kosovo¹⁴, North Macedonia, and Serbia. The authors have offered a comprehensive analysis on the different contributions in politics and society by these actors, but also on the historical and cultural background underpinning these relations.

What is common for all the countries being examined, is that since the 1990s and the change of the ideological system in the countries of the Balkan Peninsula (like in the entire European continent), their utmost strategic priority is to join the EU and NATO as full-fledged members. The traditional presence of the USA as a strategic partner has managed to strengthen the commitment to adopt the Western values and principles of a representative democratic state. However, it was only Slovenia and Croatia who managed to get there, and for the rest of the countries in the region, this goal became a never-ending story. One of the most striking reasons for this is the EU’s ‘hot and cold’ approach towards them. Obviously, the trade and investment figures in the countries prove that the EU is the greatest economic factor in the region, but that might just not be enough.

¹⁴ This designation is in line with UN Security Council Resolution 1244/99 and the International Court of Justice Opinion on the Kosovo declaration of independence.

There is a cultural and historical tie in the region with Russia and Turkey. Both are exercising their influence in a broader context, playing on the religious, historical and cultural affiliations in the respective countries. As Karastanovic points out, 'Russia is making powerful appeals to a common Slavic identity and Orthodox religion' in Montenegro, but also traditionally in Serbia and to a certain extent North Macedonia. On the other hand, Shasha stresses that 'Turkey sees the Balkans as a geopolitical area of influence, with Kosovo as its centre', but also in Albania, Bosnia and Herzegovina, Montenegro, North Macedonia and to a slightly lesser extent Serbia, where there are significantly large Muslim communities. For instance, 'the historical and cultural ties with Turkey are irreplaceable and Ankara's economic footprint in North Macedonia is undeniable' (Nechev, Nikolovski). However, Čutahija makes an important remark that 'the complex political system of BiH has an upside—it restricts foreign influence of some actors (Russia and Turkey) to a point. At the same time, the internal divisions and alignment of external actors along them enable external factors to meddle in internal affairs and incite internal conflicts.'

When it comes to China, it's safe to conclude that its increasing interest in the region is predominantly economic, mostly attempting to have more access to the European market through the Belt and Road and 17+1 initiatives. However, there is potential for the economic influence to turn into a political one, as the Chinese appetite to impose itself as a neo-imperialistic force is growing. One significant step further in the region has been taken in Serbia, which 'is increasingly using China as a pillar to overshadow Russia' (Subotić). This development is to be followed closely in the aftermath of the inauguration of the Joe Biden administration in the US, which could set off a dynamic that will most definitely be felt in the Western Balkans region.

The new adopted methodology made clear that 'the accession process has become more complex and more political than ever before. Devotion to it by EU member states can steer the Western Balkan countries along the way, however, the negative side of this methodology could be its politisation by EU member states' (Nechev, Nikolovski). The

risk of all the stalemate taking place in the Enlargement 'hallway' is that 'in case the EU perspective becomes intangible or compromised, the playfield will become much less predictable' (Cela).

So far, the identified threats are further decreased through the public support for EU accession and demands for alternative solutions. There yet remains a latent risk for political, economic and security destabilisation of the entire region, and fragile, thus fertile, ground for the other actors to enhance their influencing operations. Apparently, the hands-off approach is not showing results. The EU needs to communicate better its intentions in the region and offer consistency and dynamism in the Enlargement policy, as it remains its most powerful tool against the external influences in the Western Balkans.



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