Briefing

Political Trends & Dynamics in Southeast Europe
NATO in Southeast Europe

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Peace and stability initiatives represent a decades-long cornerstone of the Friedrich-Ebert-Stiftung’s work in southeastern Europe. Recent events have only reaffirmed the centrality of Southeast European stability within the broader continental security paradigm. Both democratization and socio-economic justice are intrinsic aspects of a larger progressive peace policy in the region, but so too are consistent threat assessments and efforts to prevent conflict before it erupts. Dialogue SOE aims to broaden the discourse on peace and stability in southeastern Europe and to counter the securitization of prevalent narratives by providing regular analysis that involves a comprehensive understanding of human security, including structural sources of conflict. The briefings cover fourteen countries in southeastern Europe: the seven post-Yugoslav countries and Albania, Greece, Turkey, Cyprus, Bulgaria, Romania, and Moldova.
The Euro-Atlantic institutional framework is the future of the Western Balkans. Or, at least, that has been the mantra in Brussels and Washington for the better part of the last two decades. European integration, arguably the more complex of the two undertakings, has been prominent in the international community’s engagement in the region. Both Slovenia and Croatia are now EU members, and Serbia, Montenegro, Macedonia are each official candidate countries, with Bosnia and Herzegovina’s application underway. But what of the Atlantic half of the integration process?

Indeed, NATO’s formal presence in the Balkans and Southeast Europe predates the EU’s role by decades. But given the nature of the conflicts in the Balkans in the 1990s and the organization’s comparatively disengaged role in the region post-9/11 expectations that the NATO integration process would go smoothly proved to be too optimistic. Despite strong Western endorsements for joining, internal disagreements (i.e. Bosnia) coupled with bilateral disputes (i.e. Macedonia/Greece) have made the NATO enlargement process move at uneven speeds.

Obviously, NATO is a security bloc first and foremost, but it is a military alliance with an explicit political foundation as well. Namely, to serve as a mutual defense body for the world’s leading democracies. And yet as NATO has expanded its membership over the past two decades, especially in the post-communist states of Eastern Europe, so too have its commitments to substantive democratic norms apparently ebbed. Turkey, a long-time member, is in the midst of profound democratic retrenchment; serious concerns exist about the rule of law in Hungary and Poland as well; and Bulgaria, Romania, and Greece have been roiled by political instability since 2008.

Moreover, the U.S., which until now has been the primary driver in NATO, changed course radically with its new administration in 2017. President Donald J. Trump’s references to NATO as obsolete, his administration’s waning appetite for NATO expansion, and worrisome links to Russia have sent shockwaves through southeastern Europe’s Atlantic community.

Cleavages are emerging among the European members too. Relations between Germany and Turkey, for instance continue to worsen. In the most recent incident, Ankara blocked a visit by German lawmakers to a NATO airbase in Konya after Berlin granted asylum to Turkish troops suspected by Ankara to have been part of last year’s coup attempt. The row sparked sharp reactions from all sides. German Chancellor Angela Merkel asked for NATO’s assistance, and German Foreign Minister Sigmar Gabriel reached out to Washington for support. NATO’s Secretary General, Jens Stoltenberg, has advised the Turkish and German foreign ministers to find common ground in resolving the matter but the question remains: how much clout does NATO have with its members.

In light of competing geopolitical aspirations in the region by Russia and Turkey but also the EU countries and the U.S., what role should NATO play in shoring up democratic governance in Southeast Europe? And should the organization even attempt to do as much or, instead, leave the task of democratization and political reform to Brussels? There are no clear answers to this question. Recent events in Turkey, Montenegro, and Ukraine have thrown NATO’s presence in the region into sharp relief. In short, the question is urgent precisely because the answers are muddled.

The three contributions in this edition each examine NATO’s presence in Southeast Europe through a different lens. Each points firmly to the centrality of the alliance in the region’s future. And, more broadly, each text invites policymakers in Europe – and the U.S. – to reconsider NATO’s internal priorities and functions. The world is no longer as it was at the end of 1989 or even 2001; it is more chaotic, the threats more diffuse, and the geopolitics, arguably, still more tense. This requires of NATO, and its member states, a more dynamic and expansive set of strategies to deal with these challenges. And the experience of Southeast Europe, at least, seems to suggest that more so than bombs and bullets, what is required is a commitment and emphasis on democratic institutions and norms.
NATO in Southeast Europe: A Harbinger of Democracy?

Valeri Ratchev¹ & Louisa Slavkova²

The first round of NATO enlargement lies more than 60 years back when Greece and Turkey joined the alliance in 1952. Similar to EU’s enlargement logic, which has changed over time to reflect the changing geopolitical dynamics, NATO’s mission and vision have been revalidated and revisited, following the global security shifts. What was rule of the thumb during the Cold War and reflected the bi-polarity of the world, changed significantly with the collapse of the Iron Curtain.

Greece’s accession came shortly after the Greek Civil War (1946–1949) – one of the first Cold War conflicts. Following the defeat of the Greek communist insurgents, NATO membership was meant to prevent the Communists from gaining power. Turkey’s membership was also part of the Cold War strategy of preventing the country from falling into the Soviet sphere of influence. Both accessions follow the Truman doctrine of Soviet containment and extension of military and economic support to states potentially vulnerable to Soviet threat.

Neither at the time of the accession nor at a later stage has democratization been an element of the two countries’ membership talks. This raises a very valid “What if?” question: what if the post-1995 criteria for democratization had applied to member states like Greece and Turkey? What would have been their impact on the state of democracy, especially in Turkey? Both countries remain an exception in the NATO family with their frozen conflict in Northern Cyprus, where most recent mediation attempts failed.³

Just like in the days of the military junta in Greece and the ‘criticism without consequences’ attitude, these days NATO members are not too prominent in their criticism of the democratic backsliding in Turkey. Even if they were, the likelihood of expelling Turkey from the alliance is close to impossible. The Obama administration was vocal in its criticism of Turkey’s purge on alleged Gülenists following the attempted coup in 2016, but none of the ‘red lines’ of the previous American administration were serious enough to carry any consequences.

Even though some European countries have a strained relation with Turkey over questions like migration, the integration of Turkish minorities in Europe, and abuse of human rights and rule of law in Turkey, none of them are likely to go as far as to want to see Turkey out of the Alliance. At the same time, Turkey is bolder by the day in its rapprochement with Russia, signaling⁴ “a turn away from the NATO military alliance.”

Moreover, there isn’t a provision in the treaty indicating the circumstances under which a suspension of membership could happen. The North Atlantic Council, the political decision-making body of NATO, decides by unanimity, which in itself blocks a possibility of such a political decision.

From almost no conditionality of accession in the early 50s, NATO went on to elaborate its Study on NATO Enlargement⁵ in 1995, which became its most powerful instrument for the transfer of democratic norms to accession candidates. In 6 chapters and 82 thematic paragraphs it lays out a long list of political and military criteria. Article 3 of the Study describes seven crucial areas among which are:

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4 https://www.bloomberg.com/news/articles/2017-07-13/turkey-is-said-to-agree-to-pay-2-5b-for-4-russian-s-400-sams
5 http://www.nato.int/cps/en/natohq/official_texts_24733.htm
• structural democratic reforms;
• good-neighborly relations as opposed to nationalistic aggression;
• reinforcement of European integration based on shared democratic values “curbing the countervailing tendency towards disintegration along ethnic and territorial lines”
• emphasis on common defense based on cooperation, consensus and consultation as opposed to the classical military strategies of the Cold War period.

The process of NATO enlargement in the 90s mirrored the vision for a new “Europe whole and free” but even more importantly was the only viable way of preventing local nationalisms in Southeast Europe from exploding. Today there is no doubt that had it not been for NATO, the region would have looked very different.

Had NATO not opened its doors for new members, the EU would have most probably been hesitant in opening accession talks with most of the countries from Southeast Europe. In the 90s, NATO and the EU were considered to be two sides of the same coin. The paradigm of the time was that the launch of transition to democracy was followed by NATO membership, EU membership, and all that makes democracy not only consolidated but also irreversible. 2017 gives many reasons to doubt the logic and its irreversibility.

However, in the 90s NATO had one of the first substantial democratization impulses in the region, beginning by reforming the communist type civil-military relations and the establishment of democratic control not only over the army, but over the entire security sector. Even though the Partnership for Peace Programme (PfP) established in 1994 was initially focused entirely on the military, it gradually became not only a mechanism for the transfer of NATO’s standards and procedures onto participating countries, but also of political practices of planning, transparency, and democratic accountability.

The 1997 Madrid NATO summit discerned two types of political elites: those willing to pay a very high political price for NATO membership and committed to deep reforms at home; and those for whom political power at home was more important than any other consideration. Most Western Balkans countries fell in the second category. Speculating about the “security or democratic reforms first” dilemma, most West Balkan countries undertook only partial reforms (mainly constitutional) and abandoned the process of consolidating democracy in a meaningful way.

Prospective NATO and EU membership proved to be a powerful political slogan, generating political support at home, especially among the young voters, but highly insufficient to motivate deep transformations on the Balkans. The integration paradigm began to gain popularity over the opinion that the region cannot be reformed because of “history” (among the former Yugoslav republics) or because of “communist heritage” (Bulgaria and Romania).

But the processes of integration were at times so formal and shallow that they didn’t sufficiently change the political, administrative and economic environment to secure continuous citizens’ support. The transition to democracy became too long, ineffective and to a large extent corrupted. Endemic emigration of young people sapped the necessary energy and capacity for reforms. The vivid civil societies of the 90s were gradually engulfed by new party machineries for abuse of power and by the predominantly criminalized economic oligarchy. The mass protests we have been witnessing in the past few years in Bulgaria, Macedonia, Romania or Serbia are not a call for a reset like at the Ukrainian Maidan; they are a call of desperation. The situation is not monolithic, however, and other countries in the region remain stable.

The US, the EU, and NATO as external actors, who have always played an important role in the region, have ceased placing it high on their agenda. At the same time factors like Russia or Turkey, but also

6  https://www.bloomberg.com/news/articles/2017-07-13/turkey-is-said-to-agree-to-pay-2-5b-for-4-russian-s-400-sams
7  https://usa.usembassy.de/etexts/ga6-890531.htm
China and Saudi Arabia, have their own vision of security and stability in the region, which is often diverging from democratic principles. We are only beginning to understand what the extent of their economic and political influence and penetration is.

There is no easy and one-fit-all solution to the current situation. If the EU is incapable of making the Western Balkans its priority, NATO has even less of a chance of being a powerful factor of transformation. It doesn’t come unreasoned that the “moderate support” by the US, the EU, or NATO and the high levels of vulnerability and susceptibility to external influence could easily make the region a battlefield of competition between the EU and NATO on the one side and Turkey and Russia on the other.

The region looks with a new grain of hope to the raising optimism in the EU after the recent electoral victories of non-populist parties and leaders and the new energy coming from the renewed Franco-German leadership. The commitments of the recent Western Balkans Summit in Trieste are a slim light at the end of the tunnel of prospective integration, but it remains to be seen whether the EU has learned its lessons. It has proved its ability to learn when it comes to mastering internal crises, but when it comes to its external affairs, it still struggles to find the right combination of political commitment and policies. But this time around and with an increasingly isolationist US, the situation could prove more dangerous than we are willing to admit.
Filling in the Blanks: Prospects for NATO Enlargement in the Western Balkans

Kurt Bassuener

Montenegro’s entry into NATO in June was the first enlargement of the Alliance since Croatia and Albania entered eight years ago. All regional countries but one – EU-candidate Serbia – proclaim aspirations to join both the EU and NATO. NATO membership usually precedes entry into the EU in the progression of integration.

Since 2009, the geopolitical environment has undergone massive change. Russia invaded Ukraine in 2014 and sparked a war to keep it from further integrating into Western institutions – including both NATO and the EU. That year, Russian Foreign Minister Sergei Lavrov declared that accession of Montenegro, Bosnia and Herzegovina (BiH), and Macedonia would constitute a “provocation.”

However, Moscow is not playing the only malign role in a region with an undisputed “European perspective.” Recep Tayyip Erdoğan has personalized power in Turkey – a fashion emulated in the region. Following the still-murky attempted coup, Erdoğan made bold demands of local leaders, leading to bizarre instances in which local political oligarchs protested their own limited power to inflict judicial punishments.

In a quest for stability, NATO and EU members have accommodated the region’s drift from foundational democratic values. This has perversely put Balkan political leaders in the driver’s seat in the relationship with NATO and the EU.

The retreat from liberal democratic values in the Alliance and in its anteroom is mutually reinforcing, with leaders demonstrating that democratic values need not be respected. While the election of Donald Trump to the presidency in the US (and attendant questioning of his commitment to NATO’s Article 5 on mutual defense) has accelerated these trends, they hardly began with him.

The Western Balkan “stragglers” – BiH, Macedonia, and Kosovo – all face unique challenges in their path to membership.

In BiH, the impediment is mainly internal. The Republika Srpska entity’s leader for 11 years, President Milorad Dodik, dismisses the prospect of BiH’s NATO membership – unless Serbia was to join. His commitment to the future of the country itself is clearly in doubt. The RS opposition, currently in the BiH state government, retreated from a post-election commitment to advance BiH to obtaining a Membership Action Plan (MAP), which requires that all immovable defense property be registered. The RS Government continues to refuse to abide by a Court ruling that this property, much of which is located in the RS, is state property. Advancement toward NATO membership has long been hamstrung by this political impediment, despite BiH troops participating in NATO missions, including in Afghanistan.

However desirable, MAP and NATO membership have long since become an illusory talisman in the minds of many Bosnians. Even if BiH were a member today, Article 5 would provide no security against the most proximate security threat: renewed internal conflict. For that threat, the EU’s moribund EUFOR, operating under a UN Security Council Chapter 7 mandate, is to provide the Dayton-mandated guarantee of a “safe and secure environment.” NATO’s questionable readiness to provide backup for

4 http://www.democratizationpolicy.org/summary/erratic-ambiguity-kb-vp/
anemic EUFOR via its “Berlin plus” arrangements is the most important question related to the Alliance. It does not depend upon Dodik or other BiH politicians. Reinforcing EUFOR would be the most effective way EU/NATO members could ensure security in BiH, thereby promoting political reform and Euro-Atlantic integration.

Macedonia’s impediment to NATO membership in 2009 was external in nature – Greece’s unwillingness to accept the Republic of Macedonia by its constitutional name. Macedonia’s authoritarian drift, already underway, then accelerated, with successive Greek governments and Macedonia’s Prime Minister Nikola Gruevski entering a mutually useful friction (though far more valuable to Gruevski). A divergence of popular opinion about NATO (and EU) membership began to take hold. While membership in both the Alliance and the Union remained overwhelmingly popular among ethnic Albanians throughout, but became progressively less so among ethnic Macedonians, who were encouraged to believe that these clubs were tools of humiliation. Amplified Russian engagement opportunistically grafted itself onto this sentiment.

The new SDSM-led government led by Prime Minister Zoran Zaev has made NATO membership a priority for both Foreign Minister Nikola Dimitrov and Defense Minister (and deputy party leader) Radmila Šekerinska. EU membership was previously paramount. The government may simply seek a policy deliverable before the next elections; NATO membership is likely also a binding agent in a loose coalition reliant on three ethnic Albanian parties. But it could reflect understandable fears about the depth of VMRO penetration in the police and internal security services. Whatever the rationale(s), the external blockages remain clear and only partially within the purview of Skopje to address.

Nevertheless, the Zaev Government needs to commit itself urgently to rebuilding transethnic support for NATO (and EU) membership, as the most proximate security threats are internal, resulting from inter- as well as intraethnic division.

Kosovo, despite its fractious politics, has the least internal division regarding membership in NATO. The impediment to joining NATO and the EU is the unwillingness of Serbia to recognize its independence. Not only Russia and China to refuse to recognize Kosovo, but also four NATO members: Greece, Romania, Slovakia and Spain (for the EU’s group, just add Cyprus). Serbia has yet to face a reckoning with leading EU members for its policy on Kosovo (or Russia, for that matter).

NATO remains a potentially potent tool to both drive and secure democratic transformation. Maximizing that potential demands a broadened and strengthened transatlantic endeavor.

For BiH, clarity that the country’s territorial integrity and peace will be protected would dramatically reduce the leverage of ethnic tension entrepreneurs. In Macedonia’s case, this would have the same effect, while also reassuring Macedonian citizens and neighbors alike that challenges to national sovereignty are intolerable. Kosovo has a NATO deterrent force with an internal security and border defense mandate. Offering Serbia bilateral territorial integrity and security guarantees in parallel (in the borders recognized by a majority of NATO and EU members), without membership, could complete this regional security arrangement, allowing for meeting the real structures of candidacy and membership for all in the region. Ideally, the whole Alliance would commit to these bilateral guarantees. If this does not prove possible, bilateral guarantees by one or more powerful Alliance members could also be efficient.

The significance of NATO in the region cannot be divorced from its role as an exponent of liberal democratic values and rule of law. For too long, the Alliance – and the EU – have approached the Western Balkans with a transactional calculus: membership will deliver prosperity, drive foreign investment, etc. These benefits are real and deserve attention. But the basis of these gains must be human security and

freedom, guaranteed by democracy and rule of law. These values have been underplayed, and their credibility challenged by autocratic tendencies in some member states. Canadian, French, and German leaders have made statements which seem to indicate an overdue recalibration. This has yet to have a direct impact in the Western Balkans.

The way forward is two-fold. The supply side of security – and leverage for entrenching liberal democracy – must come from within the Alliance (and EU). But the demand side must also be apparent. The best bet for advocates of liberal democracy in BiH, Macedonia, and Kosovo, is to fundamentally demonstrate the depth and breadth of this commitment to officials, legislators, and general populations in the West.
THE AIM OF THIS SECTION IS TO BROADEN THE DISCOURSE ON PEACE AND STABILITY IN SOUTHEAST EUROPE AND TO PROVIDE ANALYSIS THAT INVOLVES A COMPREHENSIVE UNDERSTANDING OF HUMAN SECURITY, INCLUDING STRUCTURAL SOURCES OF CONFLICT. THE BRIEFINGS COVER FOURTEEN COUNTRIES IN SOUTHEASTERN EUROPE: THE SEVEN POST-YUGOSLAV COUNTRIES AND ALBANIA, GREECE, TURKEY, CYPRUS, BULGARIA, ROMANIA, AND MOLDOVA.

POLITICAL TRENDS & DYNAMICS

OVERVIEW
July saw the holding of the Trieste Summit between the EU and the countries of the Western Balkans. The Summit, held on July 12th, was the fourth summit under the auspices of the Berlin Process, and intergovernmental cooperation initiative launched at a similar summit in Berlin in 2014, intended to bolster ties between the Western Balkans and the EU, keep the enlargement process moving forward while encouraging regional cooperation, particularly in the areas of infrastructure and economic development. Hosted by Italy, the Summit was attended by leaders of Albania, Bosnia-Herzegovina, Kosovo, Macedonia, Montenegro, and Serbia, as well as officials from EU member states Croatia, Slovenia, Austria, France, and Germany. Observers agreed that the Summit had delivered by far the most tangible results so far.

To begin with, the summit served to reaffirm the EU's commitment to the eventual accession of the Western Balkans states to the EU, at a time when the EU's commitment to further enlargement is widely questioned, both in candidate countries but also inside the EU. The presence of German Chancellor Angela Merkel and French President Emmanuel Macron added further weight to the Summit. Merkel in particular stressed the importance of moving the Western Balkans candidate countries 'slowly but surely' towards EU membership.

While the Summit reaffirmed the EU’s commitment to eventual enlargement, participants from the EU side also made it clear that the process would not be rapid or instantaneous, and that the onus would be on candidate countries to reform themselves and align with the EU before they could accede to the Union. Indeed, Enlargement Commissioner Johannes Hahn made it clear that there was no fixed accession date for the Balkan candidate countries – rather, this is something that will be determined by the pace of their own reforms. To what extent this message was heard and understood by Balkan leaders remains to be seen. Just a day later, Serbian President Aleksandar Vucic was demanding the very thing Hahn had claimed did not exist – a fixed date by which Serbia’s accession to the EU would be completed.

In terms of the specifics agreed at the Summit, leaders from the region and EU representatives signed the Transport Community Treaty. The proclaimed goal of the Treaty is to create a fully integrated transport network within the region which would also be integrated with EU transport networks and aligned with EU operating standards and policies. In this way, the region would, among other things, be able to attract investments more easily. In addition to this, leaders of the regional signed up to a multi-annual Action Plan for a Regional Economic Area, aimed at easing trade, investment, and mobility within the region. Agreement was also reached on the creation of the Western Balkan Enterprise Development and Innovation Facility, through which the EU would seek to support the development of companies in the region. The Commission agreed to fund the Facility with a fresh 48 million euros.
Leaders from the Western Balkans candidate countries openly expressed their fears that the Berlin Process – and in particular ideas such as the Regional Economic Area – were being offered as an alternative to EU accession. In order to allay such fears, the final statement from the Summit underlined that the Regional Economic Area in particular ‘is neither an alternative nor a parallel process to the European integration: it will reinforce the capacity of Western Balkans economies to meet the EU accession economic criteria, and to implement EU acquis on a regional scale before joining the EU’.

In the end, the only damper on the Trieste Summit was provided by Bosnia-Herzegovina, the only country not to have signed up to the Transport Community Treaty. Officials from Bosnia’s Republika Srpska entity demanded that Bosnia should be represented in the Secretariat of the Transport Community on a rotating basis by the three relevant ministries in charge of transport at the entity and central levels of Bosnia’s administration. These demands were rejected by the EU, which insists on negotiating with a single address, namely the central Bosnian authorities. Despite this, the door was left open to Bosnia to sign up to the Transport Community Treaty at a later date.

**ELECTIONS**

During the course of June, two neighbors – Albania and Kosovo – held Parliamentary elections. While one produced a very clear-cut outcome, the other produced deadlock.

**Albania** held regularly scheduled Parliamentary elections on June 25th. Having secured the participation of the main opposition Democratic Party (DP), which had for months threatened to boycott the process over unfair electoral conditions, Edi Rama, Albania’s Prime Minister and leader of the Socialist Party (SP), scored a major victory on Election Day itself. His party won 48.3% of the vote, giving it an absolute majority of 74 seats in the 140-seat Parliament (an increase of 9 seats). The DP came a distant second with 28.9% of votes and 43 seats, while Socialist Movement for Integration (LSI) was in third place with 14.3% of votes and 19 seats. In many respects, Rama won a double victory in this election – not only did his party come out on top, ensuring that he will be re-elected Prime Minister, but he also achieved his other stated goal: an absolute majority that will allow him to rule without the LSI. He may yet choose to bring them into government in order to expand his majority, but if he does his own hand will be much strengthened in relation to the LSI, which has in the past been in the position of kingmaker. Meanwhile, the opposition DP is in turmoil and it remains to be seen whether its leader Lulzim Basha can retain his position.

Meanwhile, in Kosovo, early Parliamentary elections were held on June 11th, sparked by the disintegration of the ruling coalition. Intended to provide clarity on who Kosovars wanted to be governed by, the election delivered anything but clarity, as ethnic Albanian voters split their votes almost evenly between three rival political camps. The coalition of parties with their roots in the former Kosovo Liberation Army – led by the Democratic Party of Kosovo (PDK), the Alliance for the Future of Kosovo (AAK), and NISMA secured 33.7% of the votes, or 39 of 120 seats in the new Parliament. Outperforming expectations, the Vetevendosje (Self-determination) movement came second with 27.5% of the vote, doubling its seats to 32. The movement, despite its campaign focus on socio-economic issues, is often criticized as overtly nationalist. In third place was the formerly ruling Democratic League of Kosovo (LDK) with its coalition partners, having won 25.5% of votes and 29 seats. Among Serb voters in Kosovo, the Belgrade-backed Serb List won 9 of the 10 seats reserved for Kosovo Serbs (a total of 20 seats in the Kosovo Parliament is reserved for minorities).
Exactly who will form the next government still remains very much unclear. As the pre-election candidate for Prime Minister of the PDK-led coalition, AAK leader Ramush Haradinaj is likely to be offered the first chance to form the government. Yet the LDK has vowed that it will not enter any coalition that includes the PDK, while it seems even less likely that Vetevendosje would support such a government. Haradinaj, or another candidate from the PDK-led coalition, could yet secure a majority thanks to the 20 minority MPs and by winning over a few individual MPs from other parties in the new Parliament. Yet such a coalition would have the narrowest of majorities and, most likely, a short life expectancy.

GOVERNMENTS RISE AND FALL

While in some Balkan countries new governments were voted in following elections, in others existing governments and majorities regrouped.

After a protracted post-election stand-off in Macedonia between the formerly ruling VMRO-DPMNE and the Social Democratic Union of Macedonia (SDSM), which included a violent storming of the country’s Parliament by VMRO-DPMNE supporters in an attempt to prevent the SDSM from assuming power, a new government led by the SDSM and backed by two ethnic Albanian parties – the Democratic Union for Integration (DUI) and the Alliance for Albanians – was sworn in on May 31st. The new Prime Minister is SDSM leader Zoran Zaev, whose party has 17 ministers in the new government, while the remaining ministerial positions have been filled by the two ethnic Albanian parties. The new government has a narrow majority of 62 seats in the 120-seat Macedonian Parliament, but is expected to be stable.

As soon as it was appointed, the new government began emitting positive vibrations, helping shine a positive light on a European country which for many years had largely been a source of negative news. While PM Zoran Zaev visited Bulgaria soon after his appointment in an attempt to restore good relations between the two countries, Macedonia’s new Foreign Minister Nikola Dimitrov received a warm welcome in Athens. Improving relations with both Sofia and Athens will be key to achieving the new government’s goal of unblocking Macedonia’s EU and NATO accession hopes. Crucial to this will be resolving Macedonia’s ‘name dispute’ with Greece, but for the first time in a long time there seem to be signs of goodwill to do this on both sides. In the last week of June EU Enlargement Commissioner Johannes Hahn visited Skopje, as did a group of EU experts, to discuss reforms which the new government will urgently implement in order to secure the Commission’s recommendation for opening accession negotiations. The new government will of course face hurdles, not least of which are (the SDSM claims) near-empty state coffers. Meanwhile, the opposition VMRO-DPMNE seems determined to slow down the new government as much as possible by filibustering in Parliament; in order to maximize its ability to do so, it has formed ten separate Parliamentary caucuses from its MPs. Yet the VMRO-DPMNE’s fortunes are sinking and the extent to which it will be able to maintain coherence in opposing the new government is questionable. On June 29th, Macedonia’s Special Prosecution pressed charges in 17 different cases, most involving senior VMRO-DPMNE officials and their allies. Former PM and current VMRO-DPMNE leader Nikola Gruevski was indicted in five different cases, including election fraud. If convicted on all five counts, he could spend up to 27 years in prison.

Meanwhile, a rather bizarre crisis unfolded in Romania. A power struggle within the ruling Social Democratic Party (PSD) between party head Liviu Dragnea and Prime Minister Sorin Grindeanu culminated in the PSD impeaching and bringing down its own government on June 21st. A new government was sworn in a week later, on June 29th. Grindeanu was replaced in the Prime Minister’s post by former Economy Minister Mihai Tudose, but many of the ministers from the former government were kept in the new government. While less tension is expected between PSD leader Dragnea and the new government, investor confidence in Romania has been dented, raising fear of new fiscal reforms that impact the companies’ business strategies.

In neighboring Serbia, the election of a new government took place following former Prime Minister Aleksandar Vucic’s elevation to the office of President of Serbia. Having won the Pres-
idential elections held on April 2nd, Vucic was inaugurated President on May 31st. The inauguration itself was marred by incidents in which anti-Vucic demonstrators and independent journalists were attacked by Vucic’s own supporters and party members. A lavish ceremony to honor Vucic’s elevation to the Presidency was thrown by the new President on June 23rd, attended by numerous foreign officials and local dignitaries. Earlier in the month, Vucic had ended months of speculation over who would succeed him in the post of PM by choosing Ana Brnabic, the previous Minister of State Administration and Local Government, as his successor. Brnabic will not only be Serbia’s first female Prime Minister, but also the country’s first openly LGBT leader, a fact which grabbed international attention, distracting from increasing international media attention on the authoritarian nature of Vucic’s rule in Serbia. The new government headed by Brnabic was formally voted in on June 29th. Most ministers retained their existing jobs, but, in what was clearly intended as a signal of the new government’s pro-European orientation, two new ministries – Environment and European Integration – were added. Despite the fact that the office of the President has few powers under the constitution, according to which Brnabic is the most powerful politician in the country, nobody in Serbia was in any doubt that real (and absolute) power in Serbia would remain in the hands of Aleksandar Vucic.

Finally, in Croatia the government led by the Croatian Democratic Union (HDZ) narrowly avoided collapse and early elections. Having ousted its former coalition partner, the Bridge of Independent Lists (MOST) from the government in April what was a shock move, HDZ leader and Prime Minister Andrej Plenkovic appeared to be on a futile search for new coalition partners. With most observers expecting the government to eventually collapse and early Parliamentary elections to be called at the end of the summer, at the eleventh hour Plenkovic secured the support of the small, liberal opposition Croatian People’s Party (HNS), which has now entered the government, voted in at the beginning of June. However, the decision by the HNS, a traditional coalition partner of the opposition Social Democratic Party (SDP), to enter government with the HDZ has caused a major, potentially fatal, split in the party, with four of its nine MPs – many of them senior party figures – deciding to leave the party rather than support the government. The move also caused upheaval on the far right wing of the HDZ, with Croatian Foreign Minister and Deputy Prime Minister Ivo Stier resigning from the government.

REMEMBERING SREBRENICA

On July 11th, over 20,000 mourners gathered in Srebrenica to commemorate the genocide of Bosniak men by the Bosnian Serb Army in July 1995, during the final stages of the war in Bosnia and Herzegovina. Over 8,000 Bosniak men and boys were killed by Bosnian Serb forces after they overran the former UN-protected ‘safe area’. Many Bosnian Serb and Serbian officials are still reluctant to use the term genocide, despite several international and local court verdicts. As part of this year’s commemoration, a further 71 victims were laid to rest at the cemetery in Potocari. Around the world, people paid tribute to the victims. In Chicago, Bosnian-born artist Aida Sehovic laid out thousands of coffee cups on a central square as an artistic tribute to those who had been killed. Meanwhile, two weeks earlier, an Appeals Court in the Netherlands found the country liable for the deaths of around 300 Bosniaks at the time, killed after Dutch UN peacekeepers failed to protect them.

DEALING WITH THE PAST

Aside from being a time for holidays, the summer months of July and August have increasingly become a time when the Balkan region is particularly haunted by the ghosts of its past, both recent and distant. While in early July the world remembers Srebrenica, in early August Croatia and Serbia will both, in their own ways, mark the anniversary of Operation Storm. In the early days of August 1995, Croatian troops attacked the separatist Serb Krajina region, reconquering it in the space of a few days, which resulted in the expulsion of over 150,000 Croatian Serbs from the area. While Croatia celebrates Operation Storm as a triumph which led to the reintegration of this break-away region into Croatia, Serbia and most Croatian Serbs see the operation as a calamity. As in the past, tensions between the two states are likely to peak in August.
Yet it is not just the recent past which comes to the fore in July and August. Tensions in Croatia briefly spiked at the end of June and beginning of July when the obscure Croatian Academic Community of the Homeland and Diaspora (HAZUD) announced its plans to install a plaque dedicated to Jure Francetic, the notorious commander of the Ustasha Black Legion from World War Two, in his home town of Otocac. In the end, Croatian police prevented them from doing so. All of this happened around the same time as commemorations were held to commemorate the Jadovno Concentration Camp near Gospic where thousands of Serbs, Jews, and Roma were killed, which was established by the Ustasha regime as a forerunner of the more infamous Jasenovac Concentration Camp. Meanwhile, to bitter opposition among many on the political left, Zagreb Mayor Milan Bandic announced in late June that Marshal Tito Square in Zagreb would be renamed the Square of the Republic of Croatia, in order to appease a new right-wing party that is part of his city-level coalition. Meanwhile, in Serbia the rehabilitation by a court of the former Chetnik commander Nikola Kalabic also provoked controversy, with accusations that there was a quiet reinterpretation of history under way to absolve the Chetnik movement from crimes committed during the Second World War.

SECURITY

In a boost for regional security, on June 5th Montenegro became the 29th member of NATO. The process of its accession came to an end after seven years, with the small Balkan country the first new member to join the Alliance since 2008, when Croatia and Albania joined. Moscow briefly threatened Montenegro with unspecified retaliatory measures, which appear to boil down to discouraging Russian tourists from visiting the Montenegrin coast. While such Russian rhetoric will likely quiet down, the country’s accession to NATO should, paradoxically, help to reduce tensions within Montenegro which the accession process itself had created. Namely, one of the most furious disputes between government and opposition in Montenegro has, over the last few years, revolved around whether the country should join NATO or not. With the country now officially part of NATO, some calm should be restored to the domestic political scene, as this question now becomes a moot point.

Montenegro’s NATO accession has also caused ripples in the region. The new Macedonian government has vowed to relaunch its country’s own efforts to join NATO. Meanwhile, while public opinion in Serbia remains staunchly opposed to NATO membership, an increasing number of voices are beginning to argue that its proclaimed neutrality becomes ever more untenable with each neighboring country that joins the Alliance. Doubtless, Russia too will not rest, ramping up its efforts to prevent Serbia and Bosnia in particular from ever following in Montenegro’s footsteps. In a reminder of the threats being faced by the region, around the same time that Montenegro joined NATO, ISIS sent its latest threat to the region via the Bosnian version of its Rumiyah magazine, warning that it would take vengeance on Serbs and Croats in the region for taking part in wars against Bosnia’s Muslims in the early 1990s, while also warning Muslim ‘traitors’ across the region that they would also be exterminated. Meanwhile, a report published by Europol on June 15th warned that the Balkans remain an important route for those travelling to and from the conflicts in the Middle East. In particular, it estimates that more than 800 fighters from the region have travelled to Syria in order to join in the country’s conflict, fighting either for ISIS or other Islamist groups. Some of these,
the report warns, have travelled back to the region, bringing with them both dangerous skills and dangerous ideas. Evidence that the Islamist threat is not abstract or empty came at the end of June, although from a rather unexpected corner of the Balkans – Romania – where authorities arrested a 39-year-old Romanian citizen thought to have had links with the group which carried out the Paris terrorist attacks in 2015 as well as spying on a military base in Romania (which also included US personnel) in order to help plan attacks on the base.

**BILATERAL DEVELOPMENTS**

At the end of June, the Permanent Court of Arbitration in the Hague ruled on the long-standing border dispute between Croatia and Slovenia. In a decision that was hardly unexpected, the Court awarded most of the territorial waters in the Piran Bay to Slovenia, granting the country a corridor to access international waters via Croatia’s territorial waters. Yet while Slovenia welcomed the Court’s ruling, Croatia maintained that the ruling was irrelevant from its point of view – in July 2015, the Croatian Parliament supported a government conclusion to withdraw from the arbitration process, following media revelations that unauthorized communication between one of the Court judges and a Slovene representative at the Court had taken place. Despite this, the arbitration process continued. Far from settling their dispute, the two EU member states will now have to resolve their dispute over the arbitration process which was meant to settle the original dispute!

On a more positive note, the presidents of Serbia and Kosovo – Aleksandar Vucic and Hashim Thaci respectively – met with the EU’s Foreign Policy chief Federica Mogherini in Brussels. The two men talked separately to Mogherini, after which they held a joint meeting to discuss the future of negotiations between Belgrade and Pristina. In what appears to be a prelude to relaunching the stalled negotiations on normalizing relations between the two sides, the two leaders pledge to open a ‘new phase’ in their dialogue.

Less encouraging was the news from Cyprus over the last few months. Two years ago, reunification talks between the governments of the island’s divided north and south were launched, amid high hopes that more than 40 years of division on the island could just be overturned this time around. Unfortunately, despite significant progress made over the last two years, the talks lost momentum and fizzled out. By the early morning hours of July 7th, all that was left was for UN Secretary General António Guterres was to formally declare that the talks had collapsed.
Due to rapid, surprising, and still developing events on both sides of the Atlantic Ocean, the past year had been a particularly turbulent one for the transatlantic partners comprising NATO. While the 2016 Warsaw Summit had already been overshadowed by the outcome of the Brexit referendum and subsequent concerns over future UK security commitments, the violent military coup attempt one week later in Turkey, and the resulting dramatic impact on Turkish politics further strained relations between Ankara and its Western allies. In November, the election of Donald Trump as US President, who had called NATO obsolete and European allies free-riders, welcomed Brexit, and kept allies in the dark about his commitment to Article 5 of the Washington Treaty, made 2016 complete as an *annus horribilis* for the transatlantic alliance. Given these challenges, where will NATO go from here?

**To Make Europe Strong – Keep the Americans and the Brits In**

Germany’s so called *Munich Consensus* on Berlin’s increased role in international security and conflict prevention as well as management efforts since 2014 and the European Union’s Global Strategy issued in 2016 all reflected perceptions of a US (intention of) withdrawal from Europe and its southeastern periphery. As this trend coincided with the emergence of substantial security threats in the neighborhood – ranging from a newly assertive Russia and rapid as well as widespread state erosion in the southern and eastern Mediterranean, it was indeed accompanied by increased defense spending, (limited) initiatives for more cooperation in counterterrorism and homeland security, border management and out-of-area stabilization efforts. This trend was not really stopped by Brexit, although its implications clearly could constitute a setback for intelligence and counterterrorism cooperation.

Quite the contrary, the vote triggered a political revival of the German-French Tandem and the narrative of a Core Europe in a policy field where neither enlargement (*EU-NATO Cooperation*) nor integration (*Common Security and Defence Policy*) had made much progress despite UK membership. Some would even say because of it. Hence, Brexit, but also the US election, added to a deepening sense of uncertainty among Western European citizens and elites over the resilience of the transatlantic ties and gave new momentum to the idea that the EU needs strategic autonomy to address both pressing security challenges effectively and shape global developments according to the long-term interests of its constituencies.

Whether this will require or allow for the formal establishment of a “European Army” remains to be disputed. However, recent efforts by Germany to push for deeper military integration with smaller European allies under the cover of NATO’s Framework Nation Concept were met with scrutiny by transatlantic partners anticipating unnecessary duplication, loosening influence, or even creeping German hegemony in Europe. At the same time Germany finds itself at the center of a fierce transatlantic debate over national defense spending and criticism of its ongoing reluctance to take responsibility in military crisis management efforts. While external observers and many in Berlin’s foreign policy circles nearly unanimously agree that Germany will take a leading role in Europe’s security architecture and policy, there is still a lot of debate going on inside the country about the political and financial costs of such a role.

Independent of how this discussion will be continued after the upcoming elections in Germany, Berlin has a vested interest in securing US and UK capabilities for European defense and security initiatives, keeping them engaged in global governance structures and including them into a new strategic debate over the EU’s neighborhood policy in the east and an ever more troubled south.
Troubled Waters on the Southern Flank

The 2015 migration crisis gave new momentum to EU-NATO cooperation in maritime and border security affairs. Despite Ankara’s traditional reluctance towards more institutionalized EU-NATO cooperation, Turkey, together with Germany and Greece, actively facilitated the support of NATO’s Standing Maritime Group 2 (SNMG 2) to EU’s Frontex agency as well as the deployment of Greece and Turkish border security forces in the Aegean Sea since February 2016. Notwithstanding these successes, the current multitude of disputes between Turkey and several EU members puts not only this mission at risk. It also slows down other initiatives for more EU-NATO cooperation, among others in the domain of counterterrorism, and strengthens nationalist reflexes in member states that make consensus building, e.g. in the Cyprus talks, extremely difficult.

Bilateral tensions between Germany and Turkey reached a critical point in June 2017, when a month-long argument over parliamentary visiting rights led to the withdrawal of German soldiers from the Turkish airbase Incirlik, where they had been deployed as a national contribution to the Counter-ISIS-coalition. The idea of a parliamentary army (“Parlamentsarmee”), which is inherent to the German understanding of civilian control over the military, implies that members of the parliament should be in a position to monitor military missions abroad – including by on-site visits to respective bases in host countries. Are German troops and planes moving on to Jordan’s Azraq base a canary in a coalmine for NATO’s fragmentation, especially in times where alliance cohesion is highly critical and the appearance of rifts in the transatlantic alliance should be avoided at all costs? No, as NATO has developed and institutionalized tools for managing intra-bloc conflicts that ad-hoc security arrangements lack. Yes, as these instruments apparently failed to prevent a scenario, where bilateral tensions put actual NATO missions at risk.

Throughout the history of the alliance, NATO members were repeatedly at loggerheads with each other, experienced internal upheaval and transformation, or simply disagreed over the nature of threats and appropriate answers. It is unrealistic to think that between 29 sovereign states, frictions would never occur or could be kept a secret. Because of this reality and as external pressures and outright aggression against NATO continues, it is critical that the organization maintains its often-overlooked function as a mediating platform between members in times of intra-alliance conflicts. In the Incirlik row, a spillover of the crisis into NATO’s AWACS mission in Konya, heavily relying on German capabilities, could only be prevented last minute and temporarily by NATO mediation. Less than two months after a respective agreement, new obstructions to German visits to Konya scheduled for July 17th call Ankara’s reliability even as a host for fellow NATO troops into question. The massive restructuring and generational change in the Turkish army after the 2016 coup attempt, as well as unresolved conflicts between Turkey and other NATO members over asylum applications of former state and army officials constitute a major challenge for safeguarding NATO’s collective security interests on its Southeastern border.

Further conflicts loom large and pose a fundamental risk for NATO’s defense planning and operations, traditionally built on sustainable political consensus and shared capabilities. Hence, especially the Secretary General, but also other member states like the United States, UK or France should intervene immediately to prevent further escalation. In the mid- and long-term, however, the alliance must invest more in military and civilian exchange initiatives and public diplomacy with regard to Turkey and other non-EU members to counter potential and existing anti-Western sentiments. Only if the organization maintains its central role as an indispensable hub for mil-to-mil and intra-bloc relations in the foreign policy outlook of its members, allies will be willing and able to address current and future external challenges effectively.
The Friedrich-Ebert-Stiftung in Southeast Europe

After more than two decades of engagement in southeastern Europe, the FES appreciates that the challenges and problems still facing this region can best be resolved through a shared regional framework. Our commitment to advancing our core interests in democratic consolidation, social and economic justice and peace through regional cooperation, has since 2015 been strengthened by establishing an infrastructure to coordinate the FES’ regional work out of Sarajevo, Bosnia and Herzegovina: the Regional Dialogue Southeast Europe (Dialogue SOE).

Dialogue SOE provides analysis of shared challenges in the region and develops suitable regional programs and activities in close cooperation with the twelve FES country offices across Southeast Europe. Furthermore, we integrate our regional work into joint initiatives with our colleagues in Berlin and Brussels. We aim to inform and be informed by the efforts of both local and international organizations in order to further our work in southeastern Europe as effectively as possible.

Our regional initiatives are advanced through three broad working lines:
• Social Democratic Politics and Values
• Social and Economic Justice
• Progressive Peace Policy

Our website provides information about individual projects within each of these working lines, past events, and future initiatives: http://www.fes-southeasteurope.org

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