



Briefing

Political Trends & Dynamics

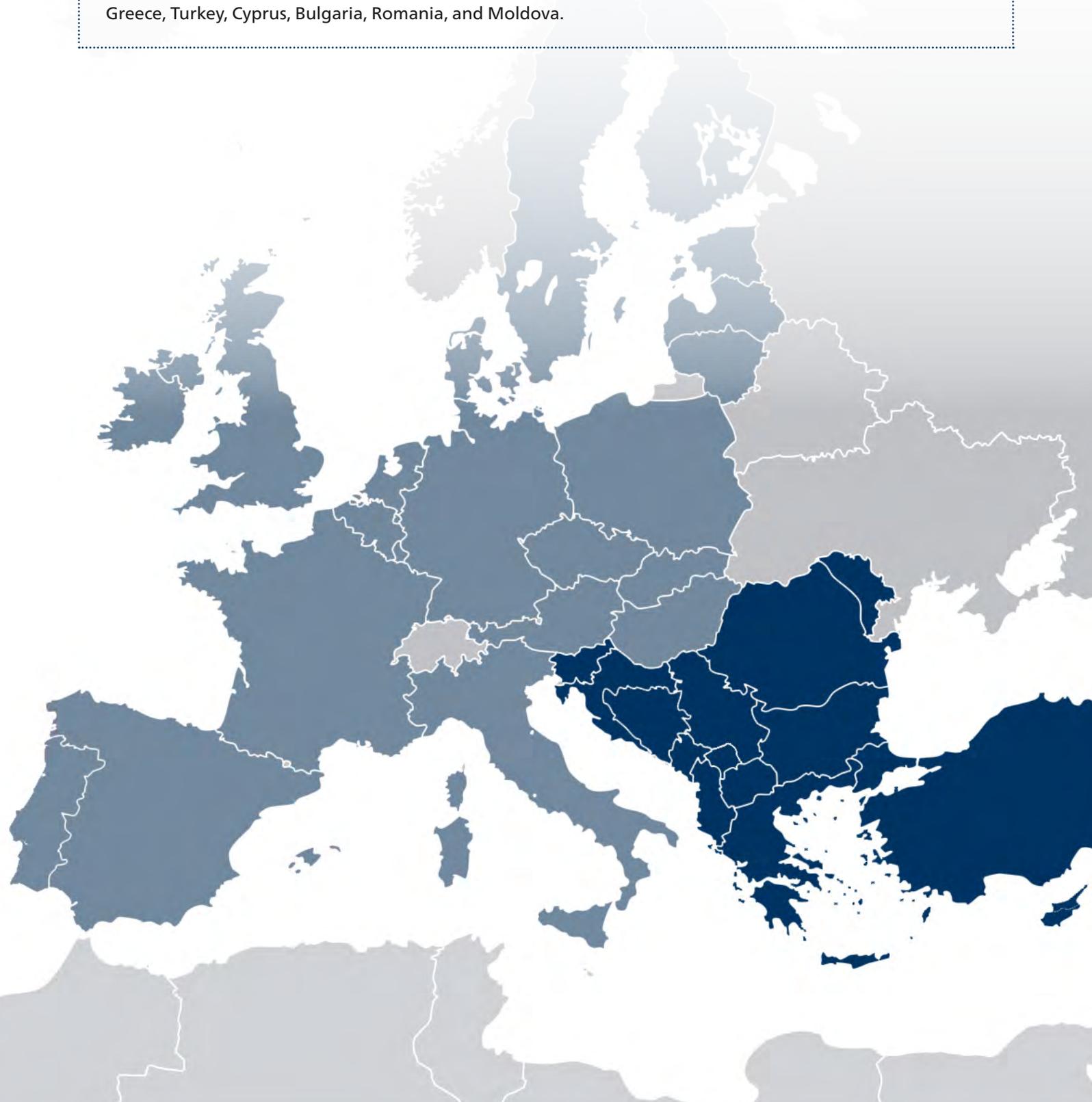
Bilateral Disputes in Southeast Europe

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Political Trends & Dynamics 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.



Editorial

Jasmin Mujanović & Alida Vračić

The Western Balkans remain the site of numerous, protracted bilateral disputes. Most of these concern competing claims to territory, identity, the status of minorities and, in some cases, name disputes (Macedonia is the most famous example of the latter but similar issues exist in parts of Bosnia). From Sarajevo to Skopje, and Kosovo to Cyprus, a significant number of polities in the region remain riven by fundamental questions concerning their political and territorial integrity.

Given the nature of these disputes, the term “intractable” has been frequently applied. Yet the last decade has seen major strides towards progress, though tenuous, pained, and imperfect, towards breakthroughs of various sorts. In 2011, we saw the initiation of the Belgrade-Pristina Dialogue; in 2014, a new round of negotiations concerning the status of Cyprus began. Most recently, in 2018, we have come to the cusp of a definitive resolution to long-standing name dispute between Skopje and Athens which has resulted in decades-long standstill in Macedonia’s Euro-Atlantic accession processes and led to a significant decline in the country’s democratic prospects.

Indeed, the EU Commission’s new strategy has made clear that Brussels will not accept any future members with outstanding bilateral disputes of this sort, having learned their lessons from the Cyprus example and, arguably, also Croatia and Slovenia’s on-going maritime disputes. In this regard, the parallel “Berlin Process” has enabled regional states to work towards the normalization of relations without jeopardizing their individual or collective EU perspectives.

But the news is not all good. The results of Macedonia’s September referendum have been unclear. While the result was overwhelmingly in favor of the name change (a 94 % vote for the “yes” side), the turnout was low, a mere 36.91 %. The latter number may be higher in reality, as Macedonia’s election rolls are widely understood to be inaccurate because the country has had no census since 2002, and has since then been decimated by large-scale emigration. But this is cold comfort for those who hoped September would bring a definitive resolution to the dispute.

The fate of the Prespa Agreement, which led to the referendum, is thus very much in question. The Macedonian parliament may move forward with constitutional amendments — or the government may fall, forcing snap elections. The result of these is likewise uncertain. The situation is little better in the rest of the region. Serbia and Kosovo have spent the summer embroiled in bizarre standoff-cum-negotiation over the possibility of a land-swap between the two. Any such a deal, rooted as it is in 19th-century geopolitics, would set a disastrous precedent for the rest of the Balkans, in particular Bosnia.

Despite this, in certain EU circles, with the pointed exception of Germany, this initiative has been greeted as a step forward in Serbia-Kosovo relations. Indeed, the U.S. too has signaled its openness to any “local agreement”. What this suggests is that large segments of the international community, on both sides of the Atlantic, are prepared to abandon existing diplomatic and political norms in the hope that “deliverable” solutions to such intractable disputes are better than a permanent gridlock. Especially in light of the growing assertiveness of new, largely authoritarian, foreign powers in the region; Russia, China, Turkey, the Gulf countries etc. And yet among the emerging proponents of such “practical” solutions it is still left unsaid how, or why, the above noted powers would be appeased or curbed by said realpolitik. As noted, precisely the opposite seems likely: an alarming regional precedent.

So where does this leave the region and its respective bilateral disputes? The contributions in this edition of the *Political Trends & Dynamics* bulletin suggest that civil society and civic-engagement remain the best remedy for progress in the region. Even if, as the Macedonian referendum suggests, such processes can lead to imperfect outcomes, the process is the point. That is, popular inclusion

and democratization of public policy — even as relates to matters of territorial integrity, and including parliamentary institutions rather than merely executive deal-making — are imperative for the long-term stability of the Balkans. Indeed, the onus is on the EU, and other international actors, to resist the urge to re-impose elite-managed dynamics on the region, in the vain pursuit of neat outcomes.

In the final analysis, resolving bilateral binaries means embracing multilateralism at both the international and domestic level. That is a difficult and often messy prospect but one with a proven, even slow track record.

Perspectives on the Skopje-Athens Dialogue

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In order to gain perspective on the dialogue between Skopje and Athens and the so-called Prespa Agreement, we spoke to two colleagues from either side of the divide: Bojan Maricik, EU Affairs Adviser at the Office of the Prime Minister of the Republic of Macedonia, and Ioannis Armakolas, head of the South-East Europe Program at the Hellenic Foundation for European and Foreign Policy (ELIAMEP) and Assistant Professor at the Department of Balkan, Slavic and Oriental Studies, University of Macedonia.

FES: How contentious is the 'name' issue among citizens of both countries? How does it tie into nationalist constructions of identity and, ultimately, the formation of the Greek and Macedonian states?

Bojan: The 'name' issue is something that has haunted the Republic of Macedonia since its independence in 1991. This issue shaped the relationship between our country and Greece and directly affected the strategic goals of the Republic of Macedonia – namely, membership in NATO and EU. The 'name' issue paradigm fueled and empowered nationalist structures from both sides of the borders and the political elites of both countries used and abused this issue for domestic politics, building antagonism both at home and abroad and reshaping the identity of their own people. This issue is charged with emotions which stem from the 19th century and encompass all the sorrows of the wars of the 20th century (the Balkan Wars, the First and Second World War, the Greek Civil War). On the top of that complex history, nationalists from both sides tried to open a battle over the heritage of Alexander the Great that has escalated in the past 30 years. The Government of the Prime Minister Zoran Zaev and his Greek counterpart Prime Minister Tsipras decided to seize this politics and to build up viable friendship between the two countries.

Ioannis: One of the problems that the government has faced in reaching an agreement is the opposition of the Greek public. The issue was and remains highly emotional for Greeks, who are absolutely convinced that another nation is usurping part of their national history. According to opinion polls, the overwhelming majority of Greeks have remained against any use of the

term Macedonia by our northern neighbours. Moreover, they have over the years supported all diplomatic actions of the Greek state that escalated the dispute and attempted to gain a diplomatic advantage by pressuring FYR Macedonia. Overwhelming opposition was also expressed during the recent negotiations as well as after the conclusion and signing of the agreement, when the details of the provisions became known to the public. Therefore, the current Greek government, like any other before it, finds itself in a very difficult position in its attempt to resolve the issue by a compromise that is essentially opposed by the vast majority of the voters. The problem, however, was well-known and pundits had early on warned that the Greek public would have to be well informed and in a way prepared if any government were to attempt to resolve the festering name dispute. This advice was not taken by political elites. When the current government initiated the recent process of resolving disputes with FYR Macedonia, it did so in a way that both antagonized the opposition and kept the public uninformed and badly prepared.

A core reason why public opinion has remained intransigent for so long is the fact that an honest, reflective and self-critical debate about Greece's policies in the 1990s has never been done in the country. Politicians, pundits, and intellectuals have avoided talking openly about that period and honestly assessing their own errors. The result is a paradoxical situation where the erroneous policies of the 1990s were largely revisited and partly redressed in the actual conduct of foreign policy, but the exclusivist discourses of the 1990s have never been challenged in public debate and the wider public typically retains many of the ideas and the myths of that turbulent period.

FES: *Over the past years, Macedonia has been pushed into democratic backsliding, how much has that damaged not only the institutions but also society?*

Bojan: The captured state established by the previous regime of Nikola Gruevski damaged the system, the institutions, the rule of law but it also damaged our negotiating position with Greece. The democratic backsliding and the so called "antiquisation" of the public space across the country claiming exclusive rights on the heritage of Alexander the Great only strengthened the Greek arguments on irredentist aspirations and put us into a position to discuss ridiculous issues of territorial claims. The lack of reason and the permanent democratic backlash of the previous Government weakened our positions and made our case much more difficult to advocate for. Luckily, the strong political will and the intensive image repair by the policies and steps taken by Prime Minister Zaev and this Government restored the trust and the potential in Macedonia.

FES: *How did negotiations between Macedonia and Bulgaria, and Greece and Bulgaria get us to this point of open dialogue?*

Bojan: The two negotiation cycles with Greece and Bulgaria were difficult and unpopular. The topics covered by it touch deep into people's emotions. However, the Prime Minister Zaev and the team of key ministers working on the EU and NATO accession (MFA Nikola Dimitrov, MoD Radmila Shekerinska and DPM for EU Integration Bujar Osmani) made an enormous effort in establishing personal contact and open dialogue with the counterparts in Greece and Bulgaria, but also with partners in Berlin, Brussels, Washington, Paris, London, etc. The courageous steps of building friendships with their neighbours demanded concrete measures (for example, joint celebration of historical moments with Bulgaria, renaming the "Alexander the Great" highway to "Friendship" and the "Alexander the Great Airport" to "Skopje International Airport"). Such concrete measures provided our government with credibility that we are honest about our intentions to resolve the major bilateral disputes and open the path for EU and NATO perspectives.

FES: *What does Greece gain if the Prespa Agreement is implemented?*

Ioannis: It is true that the Greek public does not see an immediate reason why their country should compromise on the name dispute. The issue remains emotional, but the stakes are not very high for Greece. The gains are more long-term and thus the difficulty for ordinary citizens and voters to appreciate them.

In fact, Greece played its own role in keeping the region in a state of uncertainty and political limbo. Greece came out of the Cold War as a regional economic giant in comparison to its former Communist neighbours and Greek economic activity was very significant for the region and second to none in a couple of Balkan countries. Greece was also the only country in the region that was both EU and NATO member with relatively old and consolidated democratic institutions. It was thus very well placed to help its Balkan neighbours in their democratic and economic transitions and in that way ensure that the entire region could soon get out of the catastrophic Yugoslav wars and into a brighter European future. Disputes with neighbours prevented Greece from fully playing that positive role.

That part of recent history – and the missed opportunities for Greece – cannot be undone. But, in contrast to many of its EU partners, Greece has too much to lose if the region remains in limbo, if economies and democratic institutions enter a phase of permanent malaise and if the prospect of the Western Balkans joining the EU is put to indefinite hold. Greece's prosperity and security is tied to the Balkans and, thus, Greece has no time to lose; it should be "in a hurry" to resolve its problems with neighbours so that political-diplomatic conditions for their integration to the European Union are consolidated and reinforced. At the same time, Greece as a politically and economically robust partner of the Western Balkans can only benefit from the region's economic growth and democratic consolidation. The full ratification and genuine and successful implementation of the Prespa Agreement will stabilize the (future) Northern Macedonia and will initiate a period of close political and economic cooperation between the two countries. In contrast, the prospects of having indefinitely weak and unstable neighbours in the Western Balkans and of the EU becoming an introverted and conservative bloc that is not any more open to new members are both nightmare scenarios for Greece.

FES: Technically, the Referendum on the question of name change is in the same package with the question of EU and NATO integrations. Was that the best strategy?

Bojan: It was the only strategy that could work. All the opinion polls show that people were more willing to support the agreement if we linked it with the EU and NATO perspective. The most honest way to pose this question was to link it with the true purpose of the agreement: opening our path to EU and NATO.

FES: Not too long ago, Macedonia was ahead of other countries in the region in terms of the EU accession processes. Now, others have come close. What will it take for Macedonia to catch up?

Bojan: The possibility of catching up with the others was our main motivation to reach the agreement in the first place and move the country forward. I am sure we will catch up if we have strong political will and intensive reforms.

FES: If the agreement is fully ratified and implemented, how can we apply the successful process to other bilateral disputes and issues in the region, such as Kosovo-Serbia, Bosnia, Cyprus, and Moldova?

Ioannis: It is neither necessary nor advisable to try to replicate the exact model to other disputes and conflicts in the wider region. Clearly, each one of them has its own historical, socio-political, and economic parameters, so a one-size-fits-all approach is unrealistic. However, there are at least three ways in which the agreement between Athens and Skopje can be hailed as good news also for other disputes and should be examined by interested policymakers.

Firstly, the Prespa Agreement has already created a positive momentum and distilled a sense of optimism that the end of the three decades-long vicious circle of violence, disputes, democratic backsliding, socio-economic degradation, and international marginalization may be on the horizon. It is not actually the agreement itself that may resolve these problems. But given that the name dispute has become an emblematic problem of the troubled post-Communist Balkans, its settlement will signal that things may finally start to move in the right direction. Change will not be easy to bring about and may

not be irreversible, but it is a sign that the indefinite state of limbo for the region can be overcome.

Secondly, it is important to note the positive influence of the process of integration to key Western institutions: primarily the long and uncertain prospect of EU accession, but also the more immediate and easier goal of entering NATO. The two countries have negotiated and tried to reach a solution to their dispute for nearly three decades, including in the context of UN mediation. But given the emotional and intractable nature of the dispute these efforts have repeatedly reached deadlocks and overall became stalled. It was only in the context of EU and NATO integration that the dispute started to seem as realistically resolvable.

It is true that that context tends initially also to empower one side, in this case Greece, which is a member state of these organizations; this does tend to strengthen an existing imbalance in the relationship of the two sides of the dispute. However, the optimistic flip side of this is that overall European integration creates new possibilities, in the long run empowers all actors involved in it and overall contributes to positive sum outcomes. In fact it does so in ways that are not easily or directly recognizable for those partners who are 'stuck' in a conflict for a long time.

The third way that the Prespa Agreement is good news for other disputes is more of a cluster of factors. These relate to the role of bold and transformative political leadership, the positive influence of progressive civil society, the enabling international environment, the 'threat' of Russian influence and the vigorous support by Western diplomacy, the empowering qualities of involving top political leadership in the nitty-gritty of negotiations. It's possibly too soon to safely talk about the importance of these and other factors; in other words, we need to see how certain factors will still play out and also engage in a more sophisticated analysis of their role. That is a discussion and analysis of far-reaching importance that has to be done soberly and after the implementation of the agreement has been put into a steady and hopefully irreversible path.

Bojan: We did this to set an example that peaceful solution of the disputes is possible in the Balkans when inspired by the European values. We hope that will serve as an inspiration for others.



POLITICAL TRENDS & DYNAMICS

OVERVIEW

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.

THE SHOW MUST GO ON

Did the (consultative) referendum in Macedonia on the 'name' agreement with Greece succeed or fail in giving the government a mandate to proceed with ratifying the agreement which would change the country's name to the Republic of North Macedonia? The answer, it would seem, depends on who you ask and their preferred version of reality.

The opponents of the name agreement – including many in the VMRO-DPMNE – claimed victory because turnout in the referendum was low, standing at 36.91% of registered voters. Given that the legally defined threshold for the success of the referendum was a turnout of 50%, they argued that the referendum had clearly failed and that a silent majority had chosen to reject the name agreement through boycott.

Supporters of the 'name' agreement – in the first instance the Macedonian government, the EU and US – also claimed victory – or at least a mandate to proceed with the ratification of the name agreement – primarily due to the fact that an impressive 91.46% of voters cast their ballots

Supporters of a "boycott" for the name-change referendum celebrate the low voter participation in front of the parliament in Skopje



in favour of the 'name' agreement (and, by extension, unblocking Macedonia's EU and NATO accession path). Yet again, arguments about the unreliability of the Macedonian electoral register were brought to the fore, which includes a huge number of those who have emigrated from the country and cannot realistically be ex-

pected to cast their ballots. In this context, many of those close to the government made the point that never in the recent history of Macedonia had 600,000 voters voted in favour of anything.

Regardless of which narrative one buys into, it is clear that there is now a strong push that the 'show must go on'. What many referred to as the 'Plan B' before the referendum – whereby even if turnout was not high enough a convincing majority in favour would suffice to give legitimacy to proceeding with ratification of the name agreement – appears to be kicking in. In a combative mood, Macedonian Prime Minister Zoran Zaev declared that the strong majority in favour of the 'name' agreement provided the necessary legitimacy for the next step in implementing the agreement – a vote in the Macedonian Parliament to change the constitution and adopt the new name of the country.

Voters cast their ballots at a polling station in Skopje



Such a vote, of course, requires a two-thirds majority – 80 of 120 MPs – in the Macedonian Parliament. The ruling coalition can muster the support of 71 by all accounts. The remaining 9 hands would need to come from the ranks of the VMRO-DPMNE. Some heavy arm-twisting, bargaining and haggling will doubtless ensue over the next few days. Zaev has clearly warned that, if the nine hands do not come forward, then an early election will be called in the hope of producing the necessary two-thirds majority.

The referendum outcome has thus put a damper on what was otherwise a very positive tale of overcoming one long-standing bilateral dispute

in the region and rising above the usual zero-sum game of politics which tends to prevail in the region. Yet in a relative sense, the story of the Greek-Macedonian dispute still has a positive feel to it, far better than the sorry state of affairs in another prominent regional dispute, that between Kosovo and Serbia.

The usually slow summer news cycle was this year replaced by much speculation, rumour, excitement and trepidation over the possibility of Belgrade and Pristina reaching some kind of agreement to settle their own dispute. At the beginning of the year, many observers thought that, if the dispute were to be resolved, this would be along the path set out in the Brussels agreement – through the establishment of an Association of Serb Municipalities and some kind of legally binding agreement regulating bilateral relations between Kosovo and Serbia.

All of this was pushed to the side by talk of a possible agreement hinged around some kind of land swap between Kosovo and Serbia. Terms like 'partition' and 'land-swap' were carefully avoided (most of the time) by the two chief protagonists in this summer drama, Kosovo President Hashim Thaci and Serbian President Aleksandar Vucic. Instead, the two men used euphemisms like 'border correction', 'border adjustment' or 'border demarcation' to disguise what they were talking about. The fact that the two leaders felt the need to obfuscate what they were really talking about was, in and of itself, telling of the extent to which the idea of changing borders is a taboo, particularly among the international actors involved with the region.

Yet credibility was given to talk of land swaps between Kosovo and Serbia by parts of this same international community. In particular, officials in Washington – John Bolton, National Security Advisor to US President Donald Trump – and Brussels – Johannes Hahn, EU Enlargement Commissioner and Federica Mogherini, the EU Foreign Policy High Representative – pointedly stated (in various ways) that they would accept creative solutions that both sides agreed to. Many former and current diplomats or experts involved with the region also made supportive noises. Among the few actors who clearly came out against border changes were German Chancellor Angela Merkel and other German diplomats.

While the genie of border changes has been let out of the proverbial bottle in the case of Kosovo and Serbia, it is far from clear that an actual deal is within reach. In particular, while it seems that Serbian President Aleksandar Vucic could sell such a deal in Serbia, the numerous political rivals of Kosovo's President Hashim Thaci have come out against any such solution – if nothing else, then out of sheer opportunism. Even if they were left to their own devices, it is not clear that Vucic and Thaci could strike a deal. In late September, President Vucic told a conference of his own Serbian Progressive Party that his ideas for resolving the dispute with Kosovo had been defeated. Such dramatic statements by Vucic cannot, of course, be taken at face value to mean that there is no chance of a land swap deal yet. However, should they turn out to be true, the biggest unknown will be what next. Neither Kosovo nor Serbia can realistically live with a frozen conflict indefinitely and the international community will certainly not allow them to.

Federica Mogherini meets Hashim Thaci and Aleksandar Vucic in Brussels on September 7, 2018



Whether a deal is struck between Belgrade and Pristina or not, the tone of the talks between the two sides in this dispute stands in stark contrast to that between Greek and Macedonian officials. The announcement of the Greek-Macedonian 'name' deal came after months of positive, conciliatory messages from the leaders of both sides and was couched in terms of improving good neighborly relations. Meanwhile, the spin around a possible deal between Kosovo and Serbia was distinctly negative. In particular, Serbian President Aleksandar Vucic's rhetoric about

demarcating a border between Serbs and Albanians once and for all had the distinct echo of wanting to erect something more akin to a Chinese wall between the two nations than of laying the ground for improving relations.

Federica Mogherini meets President of Kosovo, Hashim Thaci in Brussels on September 7, 2018



ELECTIONS

The summer months are not a time for holding elections in the Balkans, but they certainly do not exclude election campaigning, which have been in full swing in **Bosnia and Herzegovina** for months. The process has seen the usual antics involving a ratcheting up of nationalist sentiments by some of the candidates. The election campaigns culminated on October 7, when voters voted for the central three-person Presidency, the state Parliament, as well as the Parliaments of the two entities and the Federation cantons, along with the President of the Republika Srpska entity. With the first results coming in during the evening of October 7 it became clear that the Presidency, whose jurisdiction lies in foreign policy, will see significant personnel and party changes. The 'simplest' change happened in the Bosniak post, where the conservative Sefik Dzaferovic (SDA – Party of Democratic Action) took up the post of his party president Bakir Izetbegovic who could no longer run for office after serving two consecutive terms. Zeljko Komsic returned after 4 years to the Presidency as the Croat member, beating incumbent Dragan Covic. The two clashed over the very foundations of the system: Komsic's campaign focused on building a civic state, thus again attracting many Bos-

niak votes, while Covic claimed that Bosnia can only survive in the spirit of consociationalism and ethnic balance. The Serbian post was won by Milorad Dodik, whose ultra-nationalist statements and policies have been causing political turmoil for years. The incumbent Mladen Ivanic, who is considered rhetorically more moderate than Milorad Dodik, could not extend his mandate despite having played on nationalist sentiments during the election campaign as well. Irregularities in the electoral process have caused considerable concern. One source of manipulation was the process of voting for Bosnians living abroad, where a suspiciously large number of people appear to have been registered. The press conference of the Central Election Committee on election night was disrupted by an individual who claimed that his mother, who has been deceased for 11 years, is still on the regular election register. Claims such as this were heard throughout the election campaign.

The result of the Slovenian elections in June of this year has made the formation of a new government quite difficult. 25 percent of the vote went to Janez Jansa's right wing SDS party, which had strong support from Victor Orban in their election campaign, but Jansa was not able to form a majority. So, after long negotiations over the summer, five center-left parties have formed a coalition which - only with the tolerating support of the Left Party - has a slight majority of 52 out of 90 votes in the parliament. The Slovenian Social Democrats SD, who came in third in the elections with 10 percent of the vote, are part of this broad coalition. Marjan Sarec, whose newly formed LMS-party came in second in the elections with 12 percent, is the new Prime Minister.

ECONOMY

Croatia saw sporadic protests by workers from the Uljanik and 3. Maj shipyards in Rijeka over unpaid salaries and demands that the government intervene to help the shipyards in question. Croatia's once thriving shipbuilding industry has become a pale shadow of what it once was. Throughout the country's EU accession process, reforming and restructuring them in order to wean shipyards off state aid was one of the biggest economic challenges facing successive governments. Now the problem is back, as two

of the remaining shipyards – Uljanik and 3. Maj – face financial problems and possible collapse. While workers demand action by the government, its hands appear tied – even if it could find a way around EU state aid rules, it seems hard to justify spending public money to rescue private companies.

Meanwhile, the IMF suspended its Stand-By Agreement with **Bosnia**, along with the disbursement of a €38 million euro loan tranche, over a proposed new Law on the Rights of War Veterans. While the authorities claimed that the new law would not involve significant new expenditures – a mere 14 million Bosnian Convertible Marks – the IMF estimates that costs could run into the hundreds of millions, destabilizing the finances of the Federation entity. So far, the law has not been adopted, causing anger among war veterans. A protest organized by Bosniak and Croat war veterans in Sarajevo in early September turned violent as protesters scuffled with police.

Some eye-catching Chinese investments into **Serbia** have been announced recently. A high-level Serbian delegation to China – which included Serbian President Aleksandar Vucic and Finance Minister Sinisa Mali – signed agreements worth \$3 billion, which include various Chinese economic investments, loans and the purchase of new military equipment by Belgrade. Perhaps the most significant of the economic deals was the one with Zijin Mining Group, which is set to become a strategic partner to the state-owned RTB Bor copper mining complex and invest a reported \$1.46 billion over the next six years. An agreement was also signed with China's Shandong Linglong Tire company to build a new factory in the town of Zrenjanin worth \$900 million. Finally, a deal was also signed with CRBC to build a large industrial park near Belgrade. Other agreements involving infrastructure projects were also signed, while Serbia also agreed to buy six military drones from China's Chengdu Aircraft Industry Group. Many local economists were critical of the deals with China. They warned that they frequently contained hidden government subsidies, or that they were not in fact Chinese investments, but Chinese loans to Serbia which would ultimately employ Chinese companies and be repaid by Serbian taxpayers.

PROTESTS

Romania saw yet more anti-corruption protests over the summer. Perhaps the most significant was the 'Diaspora Protest', organized via social media by Romanians expats from across the EU. Tens of thousands came out onto the streets of Bucharest on August 10 to protest against efforts by the Romanian government to implement legal changes which would undermine the fight against corruption. Many diaspora Romanians timed their holidays at home specifically around this protest. By the evening, an estimated 100,000 people were on the streets. However, the protest took a turn for the worse after riot police moved to disperse the protesters. Tear gas, sound grenades and water cannons were deployed, resulting in dozens of demonstrators being wounded. Over 450 people, protesters and police, required medical assistance or were wounded. President Klaus Iohannis condemned the disproportionate use of force by police. The violence spurred further protests, while Romanian prosecutors opened probes into the use of force by the country's Gendarmerie. Meanwhile, European Commission First Vice-President Frans Timmermans stated that the Commission would not hesitate to take Romania to court if the country's government persevered with policies aimed at undermining the fight against corruption.

In **Kosovo**, protesters gathered in Pristina on several occasions during September. Angry war veterans protested over investigations into the suspected fraudulent veteran status of thousands of Kosovars, who were also claiming veteran benefits. Meanwhile, on September 29, the opposition Vetevendosje movement brought thousands out onto the streets in opposition to the possible partition of Kosovo or land swaps being discussed by the presidents of Kosovo and Serbia.

Meanwhile, in Banja Luka, the biggest city in **Bosnia's** Republika Srpska (RS) entity, civic protests over the suspicious death of David Dragicevic have continued uninterrupted for almost 200 days. Many demonstrators suspect that the RS police attempted to cover up Dragicevic's death, which was first treated as a case of accidental drowning; others believe he was murdered. Inevitably, the case and the protests have become politicized – the opposition has sought to ex-

plot public anger and attack the ruling parties in the RS over the police handling of the case, while those from within the ruling parties have insinuated that the protests are part of a foreign funded plot to undermine the RS. However, the protest organizers, led by the deceased's father, managed to stay outside of this political discussion. Two days before the elections, around 40,000 people gathered from throughout the country in the largest protest thus far. They called out the SNSD-dominated Interior Ministry of Republika Srpska and accused them of being instrumental in the actual crime and the following cover up. At the same time, a very similar protest took place in Sarajevo, in what is almost a duplicate case to the one in Banja Luka (police handling of a suspicious death of a young man). Although the number of protesters in Sarajevo was much smaller, independent observers hoped that this mobilization in the country's two biggest cities would positively influence the elections. However, the results indicate that this did not happen.

MIGRANTS

As a steady stream of migrants heads through **Albania, Montenegro** and on to **Bosnia**, hoping to enter the EU via Croatia, Montenegro's government authorized the Defense Ministry to deploy the army and help the country's police force to tighten control over the long, rugged border with Albania. The Montenegrin government insisted that the situation with migrants coming through the country was under control. It has rejected several offers by Hungarian Prime Minister Viktor Orban for assistance in erecting a fence along the border in Albania. Despite this, there has been a notable increase in the numbers of migrants coming along this new route.

The situation remains most complicated in **Bosnia**. To be sure, the situation is nowhere near as dramatic as in 2015, when the migrant crisis was at its height. However, Bosnia's fragile institutions are struggling to cope even with the estimated 5,000 migrants present in the country. Problems are most acute in the area around Bi-hac, where around 3,000 migrants find themselves boxed in, unable to cross into Croatia. As the weather deteriorates, many of them are still sleeping in the open.

SECURITY

In **Moldova**, the summer quiet was disturbed by joint military exercises conducted by Russian and separatist Transnistrian troops. The main aim of the exercises was to simulate an attack across the Dniester River, the de facto border between Moldova and its breakaway province of Transnistria. To all extents and purposes, the exercises simulated an attack on Moldova. Observers from Moldova and the OSCE were banned from overseeing the exercises. Many analysts saw the exercises as a Russian flexing of muscles in the region.

Meanwhile, the U.S. Air Force announced at the end of August that it would be investing \$40 million in upgrading and refurbishing the Campia Turzii air base in Transylvania, **Romania**. The announcement coincides with news that British Royal Air Force jets, deployed as part of NATO's Air Policing mission at another air base in south-east Romania, have intercepted increasing numbers of Russian jets over the Black Sea. The investment appears to be aimed at deterring Russian ambitions in the region and demonstrating US commitment to European allies.

Operations to arrest suspected Gulenists across the region continued over the summer. This time, six Turkish citizens working for private schools in **Moldova** thought to be connected to exiled Turkish cleric Fethullah Gulen were arrested in a joint operation conducted by Moldovan and Turkish intelligence services. The operation was carried out on September 6, with the men thought to have been taken to Turkey thereafter.

At the beginning of August, **Macedonian** police arrested seven nationals suspected of having actively participated in the conflicts in Syria and Iraq. Police stated that the arrests were a continuation of Operation Cell, the 2015–2016 police crackdown on ISIS fighters who had returned to Macedonia. They once again highlighted the potential security threat posed by jihadist fighters returning to the Balkans from the Middle East. Meanwhile, the U.S. State Department's 2017 terrorism reports, released in September 2018, found that Balkan states cooperated well with international partners on counter-terrorism but were generally hobbled by a lack of resources

and problems relating to internal cooperation between different law enforcement and counter-terrorism institutions.

ATTACKS ON JOURNALISTS

Attacks on journalists continued to occur in the region with alarming frequency, highlighting that not only media organizations, but also individual journalists, face serious threats in their daily work.

On August 26, masked assailants attacked Vladimir Kovacevic, the journalist of **Bosnian** BN TV, with metal bats in front of his home, inflicting serious injuries. Kovacevic works for a prominent television station critical of the government and had been covering the protests in Banja Luka over the police handling of the investigation into the death of David Dragicevic. During the first half of September, police arrested a suspect in the attack on Dragicevic.

Meanwhile, in the early hours of August 30, unknown assailants sprayed a round of bullets on the home of the father of **Albanian** crime reporter Klodiana Lala. The veteran reporter, who has reported on organized crime for more than a decade, posted on Facebook that she believes the attack to be related to her work.

The latest such incident occurred in **Bulgaria** on September 26, when investigative journalist Dimitar Varbanov was assaulted by the subjects of his investigation. Fortunately, no serious injuries were reported. A couple of weeks before that, on September 13, two investigative journalists – a Bulgarian and Romanian – were arrested while investigating the fraudulent use of EU funds.

DEALING WITH THE PAST

As usual, the summer calm in the Balkans was disturbed in early August by activities relating to the commemoration of Operation Storm in August 1995, during which **Croatian** troops retook the separatist Krajina region of Croatia, resulting in the expulsion of nearly all of its 200,000 Serb residents, along with numerous other war crimes committed by Croatian troops. Croatia officially celebrated the anniversary of the mili-

tary operation in the town of Knin. By contrast, expelled Croatian Serbs living in Serbia and Bosnia commemorated the tragic events of August 1995. At a commemoration organized by the Serbian government in Backa Palanka, attended by several thousand people, Serbian President Aleksandar Vucic compared Croatia's treatment of its Serb population in the 1990s to Hitler's treatment of the Jews. Not surprisingly, the remarks caused outrage and complaints from officials in Zagreb.

In **Kosovo**, the wars of the recent past have recently been causing problems of a different kind. As in other parts of the region, Kosovo is facing the challenge of weeding out individuals fraudulently claiming the status of war veterans and – by extension – veterans' benefits. The problem appears to be particularly widespread in Kosovo. In mid-September, the Kosovo Special Prosecution filed indictments against 12 members of a government-appointed veteran verification commission, who are accused of falsely verifying the veteran status of thousands of people. Shortly thereafter, a list of over 20,000 allegedly fake war veterans was leaked to the media. The list itself is particularly controversial. Former prosecutor Elez Blakaj – who drew up a list with around 19,000 names and led the investigation before resigning over threats made against him – claims that an additional 2,000 names were added to the list after his departure. Some veterans believe that this was done to discredit the investigation itself and spark anger among genuine veterans. So far, the tactic seems to have worked. On September 26, war veterans from western Kosovo protested, giving authorities 10 days to withdraw the indictments and threatening more violent protests if this did not happen.

Analysis of the Macedonian Referendum: The Majority Clearly Says “Yes”

Eva Ellereit

Head of the FES Macedonia Office Short Commentaries

The referendum in Macedonia has neither failed nor was it successful. Those who voted, voted for the agreement with Greece – and therefore membership in NATO and the EU. Opponents of the agreement boycotted the referendum.

In Sunday’s consultative referendum, the Macedonian population was asked three interconnected questions: “Are you for an EU and NATO membership by accepting the agreement between the Republic of Macedonia and the Republic of Greece?” with 91.61 % of votes cast for and 5.64 % against. The voter turnout of 36.87 % was clearly under the symbolic quorum of 50 %, which essentially means that the agreement’s opponents boycotted it. The quorum assumes that 1.8 million voters registered inside the country and outside it could have cast their votes. This number, however, is outdated and distorted, suggesting that indeed 50 % of Macedonians eligible to vote and residing in the country voted on the referendum with a “yes”.

Now Parliament must vote on the constitutional amendments by the end of the year. Will MPs let the future of Macedonia be captured by populist nationalists, or will they follow the mandate the population of the country gave them? The Chairperson of the largest opposition party, VMRO-DPMNE, Hristijan Mickoski thanked the boycott movement *#bojkotiram* after polling stations closed. The movement (*#bojkotiram*), has for months publicly called upon the population to boycott the referendum, which is democratically problematic and strategically unwise.

The referendum was supposed to inform the parliament of the population’s opinion regarding the change of the country’s name and the goal of EU and NATO accession. The underlying calculation of the social-democratic government of Prime Minister Zoran Zaev focused above all on one thing: to give the opposition, which for months opposed the reform course, an opportunity to save face by voting for the constitutional amendments in parliament. VMRO declared the compromise with Greece treasonous while saying that they could negotiate a better agreement. The referendum would give MPs the chance to follow the “voice of the people”, despite personal refusals of the agreement.

Now populist and nationalist forces are cheering on a Pyrrhic victory – a missed threshold in a consultative referendum based on outdated voter lists, which deters the efforts of the government and civil society to lead the country into the European Union. It is also a slap in the face 670,000 people who did vote and ignores that their votes must count, even if many citizens have not used their right to vote.

The conservative party leadership in Macedonia in this way also is telling numerous high-ranking international visitors, amongst whom are important representatives of their own party family such as Angela Merkel, Sebastian Kurz, and Johannes Hahn, that there is no interest in seizing this historic opportunity. President Gjorge Ivanov boycotted the referendum and used divisive rhetoric against the name change and against the inclusive ‘supra-ethnic’ politics of the government.

Now the task is to appeal towards reformist forces within VMRO-DPMNE, as the current focus on Macedonia points towards the EU’s own interest in democratic change in the Balkans. As opposed to the longtime support for regional “stabilocrats”, the current Macedonian government is a partner who actively supports this reform process. Zaev and the Macedonian social democrats symbolize the only reliable ticket for the future in the Western Balkans: programmatic politics based on values and not ethnicity and nationalist struggles; courageous decisions beyond self-interest and a credible will for difficult reforms.

The latter in particular must be supported through clear and quick signals in central policy areas. Especially reforms in the judiciary and intelligence services are in the focus of the European Union. The

people, however, will feel these changes only later. The government is thus well-advised to focus also on the political and long-term economic stability; issues which citizens will notice on an every-day basis. High air pollution in Skopje, reconstruction of the streets, trash disposal and under-financed and segregated educational institutions are all areas where the people are expecting improvements. However, without solving the name issue and the required constitutional amendments, these reforms will not be possible.

The clear “yes” of democratic forces in Macedonia should be recognized by EU member states as a request for support, as the European Council must decide in June if there will be a date for the start of Macedonia’s accession negotiations. This decision symbolizes whether progressive politics in the Western Balkans should be rewarded with a bridge towards the EU, or whether the EU will miss the opportunity to create a lasting connection. Other forces are at the ready as they recognize the strategic relevance of the region.

Civil society in Macedonia: Hope for a More Democratic Future

Ivana Jordanovska

Democratization Policy Council

When citizens of Macedonia took to the streets in massive numbers in 2015, a change in the air was almost palpable. What began the year before with the large, pan-ethnic student protests, gained additional momentum after the opposition revealed widespread illegal wiretapping conducted by the government. Every leading activist who ever protested against a government policy was right there, shoulder to shoulder in solidarity. But, more importantly, citizens who were never members of a political party or active in civil society organizations came out to express their revolt and say “Enough is enough.”

The current government was right to deduce that their legitimacy for the reforms they were pushing wasn’t just stemming from the votes they won in the elections, but from this newly-formed broad interest group which seemed to break all the pre-established rules of how the ethnically-divided, partisan political scene in Macedonia functions. Their interest? Exercising democracy.

A crucial, structural change happened in Macedonia, which made “politics as usual” very difficult, if not impossible for the Social Democratic Union (SDSM) and their coalition partners. Many “old dogs” of the party found themselves at a loss for how to navigate with a public eager to monitor their every move, from travel expenses to public procurement calls.

Having been in opposition for nearly 12 years, the Social Democrats struggled to fill in all the politically-appointed positions. So, they turned to the civil society activists who made the significant change in society happen. Many progressive individuals, some educated abroad, were invited to join the government in a variety of roles. Perhaps for the first time in the history of the country, party cadres and civil society activists worked together on what is believed to be the right direction for the country.

The biggest challenge for the government was unblocking the road to EU accession by resolving the name dispute with Greece. In 2017, when the new government took over, the name issue negotiations seemed forgotten, stuck and a far cry from reality. The man put in charge, Nikola Dimitrov was a former career diplomat at the Ministry of Foreign Affairs who left his post as an ambassador due to insurmountable differences with the previous government. Having spent years abroad, he came back to the country to tackle “the problem of his generation.”

And very soon, the government, together with the civil society, took on a task for something rarely seen in Balkan politics: reasonable and responsible policy-making.

I'll never forget a discussion organized by the Prime Minister's Office with representatives of think-tanks and CSOs at the end of 2017. In one room, the leading policy strategists, thinkers and researchers gathered to give informed input on the most pressing issues in the country. Some had spent considerable time protesting on the streets, and were the most vocal opponents of the Gruevski government. Some were former Members of Parliament, judges and professors. Some spent the better half of the discussion live texting with the opposition. But, everyone invited showed up, which spoke of the urgency and magnitude of the issue ahead of us.

We spent the first half going through the list of ongoing reforms in the field of rule of law, security services reform, and media freedom. Many points were raised, with almost everyone at the table stressing the importance of the area that they mostly worked on. As soon as we moved to the second half of the discussion which was dedicated to the name issue, an almost overwhelming gravity took over the room. Even the attempts of the individuals close to the opposition to deflect with missed opportunities to resolve the issue in the '90s didn't affect the overall consensus in the room. Difficult steps had to be taken, and no amount of wishful thinking could change that.

Regardless of whether one agreed with the government policies or not, these CSO representatives agreed that there was no viable alternative to the path proposed by the government. This was evident throughout the process of negotiating with Greece and remained so even after the referendum. Think tanks and analysts published their own views of the name issue agreement, pointed out strengths and weaknesses of the agreement, developed scenarios and presented them. Heated debate TV shows took place almost every week, and increasingly so in the run-up to the referendum.

Civil society organizations kept on reminding the government of the danger of not conducting a census and revising the voters' list before holding a referendum. The lack of a census since 2002 was a critical issue for the previous government as well, and it will remain so until a census is finally organized.

The warnings of the civil society came true on the day of the referendum when it became clear that, with the number of citizens living abroad, it was almost impossible to reach a turnout of 900.000 votes, the necessary threshold for validating the referendum. Since it was an advisory referendum, there was no legal obligation stemming from it. The government's decision to still try to gather the necessary two-thirds majority in Parliament to pass the name deal is not illegal, but it will cost them significant political capital.

Whether or not the opposition decides to vote for the name deal in Parliament or go for early parliamentary elections remains to be seen. The response from civil society representatives to yet another round of early elections is not favorable at all.

It will be up to the political parties to show leadership and maturity to unblock the country's EU accession path. But, there is no doubt of the importance of civil society's role in providing guidance and necessary oversight of the government since May 2017. Be it by providing individuals and much needed expertise in different appointed positions, or holding the government responsible for implementing reasonable policies, there is no doubt of the impact and importance that civil society has right now in Macedonia.

The weight of the civil society in Macedonia didn't come without a struggle and is definitely not guaranteed to continue and flourish. It is a fragile development in the right direction for the country and it will depend upon the political elites, as well as the civil society itself, how far it will progress. But there is no doubt that it is a must for Macedonia's successful transformation to an inclusive democracy, dismantled of the ethnic and party divisions that still persist.

We are not there yet, but we're on the right track.

Ivana Jordanovska was until recently an advisor in the Office of Prime Minister Zaev. She is now a Fulbright Fellow at NYU and has joined the Democratization Policy Council as a senior associate.

Cyprus: So Close, So Far

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The Cyprus conflict is older to the ones facing the post-communist societies and could therefore offer useful insights for mediations particularly in the Western Balkans.

Why do the negotiations in Cyprus keep failing at the last minute?

Part of the problem has to do with the history of ethnic nationalism in the island,¹ the passage of time and the long separation of the two communities, as well as the multiple dimensions/challenges a Cyprus settlement will have to address simultaneously. A comprehensive Cyprus settlement should answer the security fears of both communities (can they trust each other and an increasingly difficult Turkey?) as well as identify solutions to the key questions of power-sharing between Greek and Turkish Cypriots, refugee return, immigration policy, property rights etc. Just property compensations will cost tens of billions of Euros² depending on the formula agreed in future mediations.

The dominant explanation so far is one that blames one or the other side (or both) for the lack of progress. While those interpretations are not necessarily untrue, an alternative reading of the situation focuses on institutions and the problematic formulas employed so far in the Cyprus mediations. Examples include some very core issues in post-1974 mediations such as: bizonality, presidentialism, the exclusive two-leader mediation and the use of referendums in the ratification process. The near consensus in the discipline points to key problems with all of the above suggesting instead multi-zone federalism³, parliamentary institutions⁴, multi-actor mediation formulas⁵ and the cautious use even avoidance of referendums in complex issues⁶. Admittedly, not all aspects of mediation could be thrown away but reflection is needed among all sides as Cypriots cannot succeed by adopting almost everything contrary to international practice. Another illustrative example is the property issue where sides have so far wasted time and diplomatic capital (failing) to reach a consensus on the criteria for restitution and compensation; a better alternative would have been to establish a prior consultation with all owners and current users in the form of a non-binding census⁷. Despite its recent call for innovative solutions to global challenges⁸, the UN has yet to engage with new approaches that will directly involve affected populations in conflicts.

What is the perception of Cyprus on the recent/ongoing efforts for settlement of disputes in the Balkans (GR-MK and BG-MK agreements, negotiations for land swap between Kosovo and Serbia)?

It is very interesting that Cyprus had tried many of those solutions before. For instance, proposed land swaps among Greece, Turkey and Cyprus was a key aspect of the mediations before 1974. The idea back then was for Cyprus to proceed with enosis/union with Greece but offer Turkey a military base in Cyprus or/and the Greek island of Kastelorizo⁹. Unsurprisingly, sides soon reached a conclusion that their understanding(s) of land swap were not compatible. The discussion on land swaps/enosis harmed mediation efforts aiming to restore power-sharing in the island after its collapse in 1963 which in retrospect was the most realistic solution.

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- 1 <https://onlinelibrary.wiley.com/doi/abs/10.1111/j.1528-3585.2007.00279.x>
 - 2 <https://www.irishtimes.com/news/greek-cypriot-refugees-see-european-rights-court-ruling-as-ethnic-cleansers-charter-1.643896>
 - 3 <https://books.google.co.uk/books?id=FLxTAgAAQBAJ&pg=PA114&lpg=PA114&dq=mcgarry+cyprus+federalism+multizonal&source=bl&ots=5tHQqhXzx0&sig=FDYO4WN6LKodFc6twrpiF59RCkk&hl=en&sa=X&ved=2ahUKewj0vKLwlvudAhUJC8AKHRbbAfkQ6AEwAnoECAQQAQ#v=onepage&q=mcgarry%20cyprus%20federalism%20multizonal&f=false>
 - 4 <https://link.springer.com/article/10.1007%2Fs12286-015-0241-1>
 - 5 <https://www.usip.org/publications/2017/05/inclusive-peace-processes-are-key-ending-violent-conflict>
 - 6 <https://www.tandfonline.com/doi/abs/10.1080/13537113.2012.654085?src=recsys&journalCode=fnep20>
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 - 9 <https://books.google.co.uk/books?id=Hc5fAQAQBAJ&pg=PA28&dq=kastelorizo+cyprus+enosis&hl=en&sa=X&ved=0ahUKewizx8Re mev dAhVDC8AKHV-tCMkQ6AEILTAB#v=onepage&q=kastelorizo%20cyprus%20enosis&f=false>

The use of referendums to resolve complex issues is another shared dimension given the failed 2004 referendum in Cyprus. The government in Skopje has taken a similar challenge in the Sept. 30th, 2018 referendum after reaching an agreement on the Macedonian naming dispute with Greece. But as the experience in Cyprus as well as Colombia and the UK suggest, referendums do not have the best record in solving complex issues¹⁰. Despite PM Zaev's advantage, Albanian Macedonians, comprising about a quarter of the population, did not overwhelmingly turn to vote for the compromise. This latter example suggests that referendums cannot offer the expected outcomes even in the most favorable conditions.

What lessons can be learned from the failures in Cyprus for the Western Balkans?

Although no final settlement has been reached in Cyprus, the two communities have made important early steps in the past decade in terms of developing bi-communal projects and cooperation across a wide range of humanitarian, cultural, environmental, crisis management and other issues. These include, for instance, the Committee for Missing Persons, which is responsible for exhuming remains of the missing from the 1963–1974 violence, the Committee on Cultural Heritage for the restoration of ancient monuments including mosques, churches and monasteries; as well as the committees on gender, education and crisis/crime management. Such model of informal proto-consociational power-sharing could be particularly relevant for other 'frozen conflicts' around the world. Some scholars believe that Cyprus is peaceful because of its de facto partition¹¹. This is wrong. It is the early vision of reunited federal Cyprus and confidence-building measures that kept the two communities from resuming conflict. Perhaps a lesson from the Balkans is safeguarding and expanding their own power-sharing institutions rather than focusing on territorial transfers that create absolute winners or losers. We, Cypriots should also need to learn our lessons from recent achievements in the Balkans pointing to the fact that societies are not hostages of their own history; there are particular lessons in the areas of power-sharing, peace-keeping and IDP return; on the latter, it would be very useful for our conflict, if Bosnian municipal leaders organizing the process of return visit and share their experiences with Cypriot IDPs.

From Bitter Foes to Partners and Allies: Remembering the Greek-Bulgarian Reconciliation

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State disputes and conflicts have been a rather prevalent feature of modern Balkan history. The process of national emancipation and dissolution of the Ottoman Empire in South-eastern Europe was accompanied by the establishment of small nation-states that, more often than not, would construct a history narrative and follow an agenda of territorial expansion that would put them into direct conflict with some or most of their neighbors. Greek-Bulgarian relations belong to that category. Greece gained its independence in the 1820s and Bulgaria almost 50 years later. Soon after its liberation, Greece's political elite was consumed by the vision of liberating all "enslaved Greek brethren" in the Ottoman Empire and restoring the Byzantine Empire. It was a vision that became known as the "Grand Idea" ("*Μεγάλη Ιδέα*") and would dominate Greek foreign policy and society at large from the 1840s until 1922 and the military debacle in Minor Asia. Further north to the newly established Kingdom of Greece the Bulgarian national movement would succeed by the 1870s in creating the necessary conditions (like for example establishing its own independent religious institution inside the Ottoman Empire, the so-called *Bulgarian Exarchate*) for mobilizing enough popular support to openly challenge the Ottoman Empire. In 1877 the Treaty of San Stefano would foresee the establishment of an independent Bulgarian state stretching from the Aegean coast to the Danube and including most of Ottoman Macedonia; the Treaty of San Stefano would never be implemented however, as it was overturned by the Berlin Congress of

10 <https://theconversation.com/who-gets-to-use-the-name-macedonia-a-decades-old-row-still-to-be-resolved-90708>

11 https://www.jstor.org/stable/2539381?seq=1#page_scan_tab_contents

1878, that allowed for a much smaller Bulgarian state to be established. The failed Treaty of San Stefano left its “imprint” on the political elites and national narratives in the region. On the one hand, it generated among the Bulgarians feelings of a “terrible injustice”, guiding Bulgarian efforts of restoring the borders of “San Stefano Bulgaria” for the next 70 years. On the other, it would confirm Greek fears of an “assertive Bulgarian nationalism” that, with the support of Tsarist Russia, was threatening Greek claims in Ottoman Macedonia. Old historical stereotypes, relating to the thousand-year old conflict between the Byzantine Empire and medieval Bulgaria were resurrected. By the last quarter of the 19th Century, each nation would see the other as a “hateful enemy” – in Greek society the Bulgarians would be seen as an even greater threat and a more dangerous opponent than the demising Ottoman Empire. Ottoman Macedonia would become the “apple of discord” between the two countries leading to successive confrontations: from the end of the 19th Century until 1912 a war by proxies would be waged in Ottoman Macedonia, in 1913 and again in 1917–1918 Greece and Bulgaria would fight each at the Macedonian Front, in 1925 there will be a brief Greek-Bulgarian war, while in 1941–1944 Bulgaria would occupy parts of Greek Macedonia.

The end of the Second World War and the new geopolitical division that emerged in Europe reinforced Greek-Bulgarian hostility, as with Greece becoming part of the Western camp and Bulgaria joining the Socialist Bloc a new ideological opposition was added to the existing historical and territorial differences. Following the signing of a Peace Treaty in 1947, Greek-Bulgarian relations would be gradually normalized in the 1950s and 1960s: a border dispute would be resolved in 1953, full diplomatic relations would be reestablished in 1954, while issues relating to commerce, transportation and communications would be settled only in 1964 when the two countries signed 12 agreements. At large, Greek-Bulgarian relations would follow the general trend of East-West relations – any moves of détente in superpower relations, like for example following Stalin’s death in 1953, had a beneficial effect upon bilateral relations. At the same time, by the beginning of the 1960s, regional politics would also affect Greek-Bulgarian relations, a factor that would become even more seminal after 1974. Thus, the signing of the 12 agreements of 1964 took place as Greek-Turkish relations were rapidly deteriorating under the effect of inter-communal violence in the island of Cyprus. And although by the middle of the 1960s Athens and Sofia had normalized certain aspects of their bilateral relations, there could be little doubt that the Iron Curtain separated the two countries: trade relations and more significantly contacts between the two societies remained limited and not “encouraged” by the authorities, while the ideological opposition (“Capitalist Greece vs Communist Bulgaria”), was too obvious, only to be strengthened under the anti-Communist fervor of the military Junta that ruled Greece between 1967 and 1974.

The Turkish invasion of Cyprus in 1974 would lead to the collapse of the Greek Junta, opening the way for the return of a democracy in Greece. In addition, it would have a major effect upon Greek foreign and defense policy. Although Greece remained part of the Western camp, it reformulated its defense strategy – naming indirectly Turkey as the prime threat for its national security – while it also sought an improvement of its bilateral relations with the Eastern Bloc. Athens’ new diplomatic activism found a welcoming response in Sofia: in the 1970s a notable Greek-Bulgarian rapprochement would take place under the guidance and the good personal chemistry of Konstantinos Karamanlis (Prime Minister of Greece between 1974 and 1980) and Todor Zhivkov (head of Bulgaria until November 1989). Official meetings multiplied, new agreements were signed allowing for the development of trade, and media coverage of the “other” improved, while it became easier to visit the other country, particularly for Greeks wishing to travel to Bulgaria. In effect Karamanlis and Zhivkov “led” their societies, creating space for the two peoples to get to know each other better and, thus, to break down deep-rooted stereotypes. The Greek-Bulgarian rapprochement continued and deepened in the 1980s. In Athens, a new, self-declared Socialist government came to power that put new emphasis on Greece’s relations with the Eastern Bloc. At the same time, and even more importantly, regional politics were pushing Athens and Sofia closer together. Greek-Turkish relations remained hostile and confrontational, while Bulgarian-Turkish relations deteriorated after 1984. Furthermore, both Athens and Sofia felt concerned about Belgrade’s policy after 1978 and its claims regarding the position and treatment of Macedonian minorities in neighboring countries. In September 1986 Greece and Bulgaria signed a *Declaration of Friendship, Good Neighborhood and Cooperation*, a unique document between two countries that belonged to opposing political-military blocs.

The new geopolitical conditions that were generated in Europe by the end of bipolarism and the collapse of the Eastern Bloc and the Communist system of government generated considerable instability in the Balkans, exemplified best by the violent disintegration of the S.F.R. of Yugoslavia. Facing totally different challenges and “agreeing to disagree” over the independence of the Former Yugoslav Republic of Macedonia”, Athens and Sofia not only maintained their cordial rapprochement but developed their bilateral relations even further. Led by the private sector and society at large, Greek-Bulgarian relations flourished in new directions: economic and trade ties intensified, while a growing number of people (like businessmen, immigrants, tourists and students) moved in both directions, bringing the two societies closer together. No Greek or Bulgarian government has ever challenged since 1990 the close state of relations between the two countries: on the contrary both Athens and Sofia view their relationship as a “success story” and a factor of stability in a turbulent and unstable region – and Bulgaria’s entry into NATO and EU strengthened even further that relationship. The Greek-Bulgarian reconciliation, unique until now in the Balkan region, shows us that even the most burdened conflicts can be overcome if there is a political will and persistence to do so.

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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).

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