Briefing Paper I:

EAST vs. WEST

The first briefing paper aims to provide a comprehensive overview of the geopolitical and strategic context of the project and focuses on historical context and general assessment of the involvement of individual actors.

In order to capture the West vs. East dimension of external powers’ politics in the Balkans it also maps the EU and US influence in the region and the process of integration into the EU and NATO, which will not be subjects of research in the following five thematically-oriented briefs.

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Introduction

In the past couple of years the former Yugoslav states that are not members of the EU or NATO, notably Serbia, Bosnia and Herzegovina, Macedonia, Montenegro (which joined NATO in June 2017) and Kosovo, have been confronted with a wave of rising ethnic and social tensions, authoritarian impulses and corruption scandals. These tumultuous events have led to democratic backsliding in a number of cases.

Despite these worrying developments and growing warnings from some several senior European and U.S. officials and experts, both the EU and US administration remain mostly disengaged and lack a clear policy towards the region due to several pressing challenges in other regions and own internal problems.

The Balkans has always been a zone of great-power rivalry and the diminishing European and US involvement has created a space for other players to fill the vacuum. Several external forces with historical, cultural and economic ties to the region – most importantly Russia, China, Turkey and the Gulf states (Saudi Arabia, Qatar or UAE), have demonstrated their continued determination to increase their influence at the expense of the West and democratic institutions by employing a wide spectrum of tools, including economic, political, cultural and religious leverage. Main objectives of these players are two-fold – to obstruct further integration of the Western Balkans into the Euro-Atlantic structures and to establish an accommodating political and business environment to advance national and strategic interests.

In the context of the above, the overall aim of this project is to identify and assess the influence activities of these external actors in the political, economic, cultural and religious spheres, and evaluate their impacts on local societies and political leadership. This briefing paper aims to position the debate in the geostrategic context of today. It presents an overview of the involvement of the external powers this project focuses on as well as of the EU, US and NATO since their interests in the Western Balkans are predominantly relationally organised in
opposition to each other - while the EU and the US promote the integration of the WB countries into the Euro-Atlantic structures, Russia, China, the Gulf States and Turkey (to lesser extent) mainly oppose it.

THE EU AND THE EU INTEGRATION

The European Union (EU) represents one of the key actors in the Balkan peninsula. Its active involvement dates back to the mid-1990s when Yugoslavia was falling apart and the region was in the mids of ethnic conflicts. In the first phase following the end of the conflict in Croatia and Bosnia and Herzegovina (Bosnia or BiH) in 1995 until early 2000s’ fast-track enlargement was perceived as the main element of the security of the region by many EU officials. With the time passing making the enlargement perspective more distant, the focus shifted to reforms. The EU has sought to promote and foster good neighbourly relations and stability as well as its norms and democratic principles (e.g. the rule of law or respect for human rights) as a prerequisite for the advancement to the EU membership.\(^1\) The Union’s involvement in the Western Balkans (WB) was underlined by the adoption of the Stability Pact for South Eastern Europe in 1999 and cemented by initiating the Stabilisation and Association Process (SAP) in the same year.\(^2\) Furthermore, the 2003 Thessaloniki European Council summit, during which the EU recognised the WB countries as potential candidate countries, represented a fundamental milestone in mutual relations. Different opinion polls clearly show that the EU accession process still enjoys relatively strong support from the majority of the local population.\(^3\) However, many international and local experts have brought attention to the disengagement of the Union from the region. Given the current EU’s internal divisions brought about by the migration crisis or the unprecedented challenges of Brexit, it seems that a new wave of enlargement is no longer attractive. An exception to this is the continuous support of the Visegrad countries (the Czech Republic,

\(^3\) Balkan opinion Barometer, https://www.rcc.int/seeds/results/2/balkan-opinion-barometer.
Slovakia, Poland and Hungary) which together with Austria and Italy also represent significant foreign investors and have tried to bring the enlargement back to the EU’s agenda.

With more EU officials getting alarmed by the situation in the Balkans, the enlargement process has indeed seen a slow return. One example is the creation of the so-called Berlin Process in 2014, “an initiative to boost regional cooperation among the Western Balkan countries and their European integration”. Following President Juncker’s 2017 State of the Union address confirming the open doors for the European future of the region, the European Commission adopted a strategy for 'A credible enlargement perspective for an enhanced EU engagement with the Western Balkans,' in February 2018. EU-Western Balkans summit was held in Sofia in May 2018, branded as Thessaloniki 2, and a summit organised within the Berlin process took place in London in July 2018. The European perspective of the WB was confirmed on the rhetorical level at both the summits but they, and particularly the summit in Sofia, didn’t meet expectations and created disappointment for citizens and civil society. Both main panels were dedicated to connectivity instead of enlargement (a term transferred from the Berlin Process to the Sofia Summit), therefore suggesting that the officially used term “enlargement” was officially removed from the Union’s political agenda.

Despite recent rise of EU’s interest in the WB, the weakening presence of the Union in the Balkans has created a political, ideological and financial vacuum for other regional and international powers such as Russia, Turkey, China, the Gulf States or Iran to fill and to exert own interests. The presence of these foreign powers has reinforced the East vs West division tendencies of some of the countries, allowed for greater economic ties as well as for a power play at the highest political levels. What is even more worrisome is that the weakening EU’s presence could lead to the rise of nationalism and separatist tendencies in the region, which have re-emerged with the breakup of former Yugoslavia, and which could turn into new ethnic conflicts in the volatile region. Among the expert community in the Balkans, there are strong calls for more attentive and urgent EU engagement in the Balkans suggesting that “the EU

4 The Berlin process, information and resource center, http://wb-csf.eu/.
should behave less like a bureaucratic and technocratic player and more like a geopolitical and strategic actor.”

Bosnia and Herzegovina

The EU’s engagement in Bosnia in the post-war period has firstly focused on keeping security and stability in the country. Since the 2003 Thessaloniki Summit, the EU has focused on the improvement of the political, economic and social situation within the country by providing large financial assistance through the Instrument for Pre-Accession Assistance (IPA) and by adopting a country-specific approach to tackling issues under the Copenhagen criteria and beyond. Nevertheless, due to the widespread political blockades and insufficient progress made, Bosnia - together with Kosovo - is perceived to be at the end of the line of Balkan countries when it comes to the EU integration process.

Negotiations on a Stabilisation and Association Agreement (SAA) – required before applying for membership – started in 2005, but soon stalled due to a disagreement over police reform among the political parties. However, EU allowed the SAA to be initiated on 4 December 2007 in an attempt to use this "carrot" to pacify Bosnia's growing political crisis. Following this, the Union and Bosnia signed the SAA on 16 June 2008 after the EU accepted a moot agreement as a needed reform. An Interim Agreement on Trade and Trade-related issues was signed on the same day as the SAA. The Interim Agreement was the legal framework for trade between Bosnia and the EU between 2008 and 2015, when Bosnia's SAA entered into force on 1 June 2015 - again amidst the deepening political crisis.

Against the advice from EU leaders, the Bosnian government submitted a membership application on 15 February 2016, and the country received the EU questionnaire in December 2016. Bosnian officials submitted its first reply only in February 2018, as the process was delayed by the deepening political crisis as well as by the growing disinterest among local politicians towards the enlargement. Bosnia's authorities have received EU's reply in June 2018, with

additional questions and requests for clarifications, and it is unlikely that the country will be able to send a reply before the end of its general elections, which take place in October.

As a result, Bosnia's eventual candidate status will have to wait for 2019 or 2020. Despite this, opinion polls in recent years show a gradual decline in pro-EU sentiments in Bosnia, as well as growing pessimism about country's eventual membership in medium to long term. Nevertheless, the majority of the population remains positive about the EU perspective.\(^7\)

**Kosovo**

Since the early 1990s, the Kosovar leadership in their political discourse has continuously had in its focus Euro-Atlantic integration. Despite that, Kosovo remains one of the Western Balkan countries that is seen furthest of all from the EU membership. Kosovo has not yet applied for the EU membership and it is considered only as an aspiring country. According to the last strategy of the European Commission on the WB, Kosovo has a prospect for sustainable progress through the implementation of the SAA, and to advance in its European path "once objective circumstances allow it."\(^8\) A major problem in the relations between the EU and Kosovo is linked to the fact that five EU member countries (Spain, Greece, Slovakia, Romania, Cyprus) continue not to recognize Kosovo's independence.

In addition to the lack of unified position on Kosovo among the EU member states, the country continues facing difficulties in meeting key EU benchmarks. The annually published EU Country Reports states that Kosovo is still in an initial phase with regard to strengthening the rule of law, fight against corruption and organised crime.\(^9\) Kosovo has received more than €2.3 billion in EU assistance since 1999, and close to €1 billion in support to international presence since 1999.\(^10\) Moreover, in 2016 Kosovo signed the SAA, and is waiting for confirmation of removing of visas

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\(^7\) Ibid.

\(^8\) “Strategjia për Ballkanin Perëndimor: BE-ja përcakton nisma dhe mbështetje të reja kyçe për rajonin e nxitur nga reforma”, February 8, 2018, https://eeas.europa.eu/delegations/kosovo/39445/strategjia-p%C3%ABr-ballkanin-per%C3%ABndimor-be-ja-p%C3%ABrcaktion-nisma-dhe-mb%C3%ABshtetje-t%C3%AB-reja-ky%C3%A7e-p%C3%ABr_sq.


for the citizens wishing to travel in the Schengen zone. Kosovo remains the only country in the region toward which the EU continues maintaining a visa regime. It has been one of the key obstacles in mutual relations. Therefore, granting visa liberalisation could add to Kosovo’s positive approach towards the EU, but in the case of the opposite, it may trigger a sentiment of distrust.

The EU has also played a role of a mediator of political talks between Kosovo and Serbia. In 2008, it deployed its Rule of Law Mission, the most expensive EU mission deployed outside the Union ever. The mandate of this mission has been extended twice so far, and now it has only advisory competencies for the rule of law institutions, but it is expected to play a greater role once the Specialists Chambers, starts operating.

**Macedonia**

In 2001, Macedonia became the first country in South East Europe to sign the Stabilization and Association Agreement with the EU. Four years later, Macedonia was granted an EU candidate status. However, the country’s name dispute with Greece, coupled with the election of a populist authoritarian VMRODPMNE (that governed Macedonia from 2006-2017) compromised Macedonia’s Euro-Atlantic integration. Macedonia’s aim of EU membership continues to be at the top of Macedonia’s foreign agenda, by approximately 73 % of Macedonians support for EU accession, a fall of 7 % points from 2014. Most support for the EU is due to the belief that it would have a positive impact on Macedonia’s economic development.

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15 Ibid., 9.
16 Ibid., 19-20.
Even though the European Commission has been recommending the start of negotiations for Macedonia for several years in a row, the European Council has declined to give its consent since Greece has been wielding its veto power, requiring that Macedonia changes its name. In addition to economic stagnation and deterioration of human rights, this impasse has led to frustration with the EU and a rise of Euroscepticism, in turn creating an entry point for other foreign powers.

That the EU’s credibility is put into question is best illustrated by the fact that most ethnic Macedonians prefer Russia to the EU and US. For example, 26.2% of Macedonians believe that the EU would be the best ally to Macedonia, compared to 25% who think that it would be Russia. Further, 32% of ethnic Albanians believe the strongest ally would be the EU, the greatest percent of ethnic Macedonians (30%) are rooting for Russia.\(^\text{17}\) Probably the biggest reason behind Euroscepticism is the EU’s de facto requirement that Macedonia changes its name.\(^\text{18}\) Only 15% of ethnic Macedonians say they would support EU accession even if it requires a name change.\(^\text{19}\)

Nevertheless, the current government signed an agreement with Greece to change the country’s name to “The Republic of North Macedonia.” Furthermore, last month, the European Council announced that if Macedonia makes the necessary progress, the EU accession talks could begin in June 2019.\(^\text{20}\) The upcoming referendum on Macedonian-Greece name deal and further developments could prove to be crucial for Macedonian’s membership aspirations.

**Montenegro**

Montenegro is considered one of the frontrunners for future EU enlargement. According to the European Commission’s 2018 Enlargement Strategy, Montenegro could potentially be ready for membership in a 2025 perspective, provided that there is strong political will, that reforms are real and sustained, and that there are definite solutions to disputes with the neighbouring

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18 Damjanovski, Анализа, 4.
19 Damjanovski, Анализа, 26.
countries. Montenegrin officials and the vast majority of political parties, at least formally, seem to be committed to the European integration process. Montenegro, however, as the other countries in the Western Balkans, struggles with issues such as corruption, nepotism, lack of freedom of independent media and journalists, the weak rule of law, the inefficiency of courts etc. Very often, the state apparatus in these countries is a tool in the hands of ruling elites to stay in power while frequent abuses remain unpunished even despite EU’s presence on the ground.

EU’s engagement in Montenegro goes back to the mid-2000s when the country began the process of accession in 2005, still united with Serbia in the State Union of Serbia and Montenegro at the time. After declaring its independence in May 2006, Montenegro continued separately with the EU negotiations in September 2006. In the recent years, the EU was not sufficiently involved in overcoming the problems related to violations of law or human and civil rights, mainly due to other burning issues on the home front, such as the Brexit, issue of Crimea, and a sharp political turn in Turkey. Nevertheless, the Delegation of the EU to Montenegro quoted the results of a recent public opinion poll from January this year, according to which 80.9% of Montenegrin citizens would vote in favour of the EU in a potential referendum, while 63.7% of respondents have a positive attitude towards the EU.

Serbia

Since the democratic change in 2000, Serbia’s key foreign policy goal has been the EU integration. In 2012, Serbia received the candidate status, and the accession talks officially started in January 2014. In June 2018, the government opened two chapters, so there are now 14 of the 35 negotiating chapters opened in total, and two are temporarily closed. To give an incentive to ongoing reforms, the European Commission President Jean-Claude Juncker claimed

21 “Commission adopts a credible enlargement perspective for the Western Balkans countries,” European Commission.
that Serbia and Montenegro could enter the EU by 2025, which significantly raised the expectations of the general public and political elites. However, the adoption of the Commission’s Strategy for the Western Balkans\textsuperscript{25} and the WB Summit in Sofia which did not fulfil expectations showed that a credible enlargement perspective for the WB was no longer credible.

When looking at the citizens’ support of the EU integration, the largest support was in November 2009 (73 %) and the lowest in December 2012 and December 2015 – 41 %. According to the survey “European orientation of citizens of Serbia,” 49 % of Serbian citizens would vote in favour of joining the EU.\textsuperscript{26} The polls from March 2018 show that the level of support remained unchanged. The deterioration of the support seems to be associated with the slowing speed of Serbia’s integration into the EU. The majority believes that Serbia’s current accession speed is either halted or extremely slow\textsuperscript{27} and that Serbia will never join the EU. Only one out of ten of the respondents believes that Serbia would join the EU within 3–5 years while the least optimistic are young people (ages from 18 to 29), males and highly educated individuals.

The majority of citizens expect the integration into EU to benefit Serbia’s economy by attracting foreign direct investments and improving employment. Despite the growing scepticism, the civil society representatives and political elites believe that the EU enlargement policy has no alternative. The pro-EU stance has been supported by the EU 12.2 billion euros investments so far. The EU has also provided 4.5 billion euros of donations and holding the WB in the waiting room even behind closed doors could put at risk all investments. These are considerable investments compared to, for example, Russia that has invested in Serbia 1.2 billion euros. Serbia is currently far from meeting the EU conditions and accession process requirements. The pace of the EU integration will largely depend on progress made in the EU facilitated dialogue between Belgrade and Pristina.


\textsuperscript{26} conducted by the Ministry of European Integration in July 2017

NATO AND PERSPECTIVES OF MEMBERSHIP

North Atlantic Treaty Organization (NATO)’s role in the region has been crucial during the conflict in Yugoslavia as well as in its aftermath. NATO’s involvement and its effects have been subjects of ongoing debates and criticism by various actors and from different perspectives, be it for NATO’s actions on the one hand or hesitancy and lack of determined agency on the other.

In the first instance, NATO intervened in the conflict in BiH. Its rather symbolic and political involvement gradually turned more decisive, particularly in the form of air operations, as a result of heavy criticism and worsening situation on the ground. After the signature of the Dayton peace agreement, which ended the war in Bosnia in 1995, NATO was the main implementer of the peace settlement, and it began its Implementation Force mission replaced by SFOR (Stabilisation Force) one year later.

In 1999, NATO intervened in the war in Kosovo by two-and-half-month-long bombing campaign against Yugoslavia. The Operation Allied Force aimed at forcing Yugoslav armed forces’ withdrawal from Kosovo to prevent further escalation of the conflict and bloodshed. NATO launched its ‘humanitarian intervention’ without the UN authorisation blocked by China and Russia. This fact, together with Serbian civilian losses and massive destruction of Serbian industry, make the operation probably the most controversial in NATO’s history.

NATO has then continued its presence in the Balkans with the aim of fostering a sustainable peace in the region. Its activities were underpinned by launching a peacekeeping mission in Kosovo – KFOR in 1999 and putting an end to the armed conflict in South Serbia by reaching a settlement with Albanian extremist groups in 2000–2001. Croatian accession to NATO in 2009 gave an important boost to other countries of the region. Furthermore, Montenegro joined the alliance in 2017 as the only one of the countries that this project focuses on.

On the one hand, the NATO membership represents one of the main foreign policy objectives of Macedonian, Kosovo or some Bosnian leaders. On the other hand, due to the historical development and power-plays in the region, the membership aspirations have shown how the
West vs. East tendencies remain relevant for the political elites. The public also remains divided regarding the question of NATO membership. Thus, the combination of the memory of NATO’s bombing of Yugoslavia in 1999, the historically good ties between Russia and Serbs or Russian political pressure supported with claims that NATO membership could undermine security and stability in the region are just some of the examples of the complexity that is surrounded by the membership.

**Bosnia and Herzegovina**

NATO has played an active role in Bosnia and Herzegovina throughout the conflict. Its presence has caused mixed feelings among the local population. Many Bosniaks (Bosnian Muslims) and Croats have perceived NATO and especially Americans as "saviours" due to the NATO military intervention in August 1995, when NATO launched retaliatory air strikes against Bosnian Serb military positions across the country. NATO's "Deliberate Force" operation changed the balance of military powers in the war - that was from the beginning significantly in favour of Bosnian Serbs. To control and to enforce compliance with the military aspects of the Dayton peace accords in 1995, NATO led-implementation force – IFOR- was established and deployed to Bosnia. The requirement of yielding stable and secure environment by the foreign military presence continues, and so NATO replaced IFOR with SFOR. Due to the NATO airstrikes in 1999, but also because of historically good ties between Russia and Serbs, most Bosnian Serbs have been strongly opposed to Bosnia’s membership in the Alliance and would accept it only if Bosnia was to join NATO together with Serbia.

BiH joined the Partnership for Peace program of NATO in 2006 and signed an agreement on security cooperation in March 2007. In January 2018 it advanced its cooperation with NATO by entering Individual Partnership Action Plan. In April 2010, NATO agreed to launch the Membership Action Plan for BiH, under the condition that its two entities - predominately Bosniak and Croat Federation entity and Republika Srpska (RS) - transfer the registration of 63 perspective military facilities from the local level to the central government. RS officials have been strongly opposing this process, which is still not completed. However, under renewed strong pressure from the US administration, NATO is expected to activate Bosnia’s MAP even if the conditions are not all met.
Kosovo

In spring 1999, NATO launched a bombing campaign against Serbian military targets in Kosovo and Serbia. Since then, NATO troops have continued to stay in Kosovo as part of a peacekeeping force KFOR, although the number of troops has significantly decreased. Kosovo has been one of the biggest supporters of the US administration and the public support for the US is around 75%. For Kosovo, the NATO membership is a priority. However, the lack of own army is a barrier to the membership. Currently, Kosovo has a Kosovo Security Force, an organisation with around 5000 active troops, with light armament, and around 2500 reserve troops, which according to the country's constitution, does not yet have defence mandate. The Kosovo Government has made efforts for several years now to create an army, but this must go through constitutional amendments which also require two-thirds of votes of minority communities. So far, the Serb minority, which has half of the guaranteed seats for minorities in the Assembly (10 out of 20), and which is controlled by Belgrade, has blocked the process.

Nevertheless, the Kosovo President, Hashim Thaci, announced the establishment of the Kosovo Army because of as he put it, "European Union’s hesitation to speed up the integration of Kosovo and other Western Balkan countries has encouraged other influences in the region of Balkans". When in 2017 Kosovo officials said the army would be created through changes of the legislation and not constitutional amendments, by which it ignored the protests made by Serbian minority, NATO and the United States reacted strongly, saying they would not support such a process. The US Ambassador to Kosovo has said that Kosovo has a NATO membership perspective only if Kosovo's army is established through constitutional amendments. NATO Secretary General, Jens Stoltenberg, has expressed the same position.

28 KFOR’s original objectives were to deter renewed hostilities, establish a secure environment and ensure public safety and order, demilitarize the Kosovo Liberation Army.
Macedonia

The Macedonian – NATO foundation of relations dated to 1995 when Macedonia joined NATO’s Partnership for Peace. Four years later at NATO Summit, Macedonia was granted candidate status. By 2008, Macedonia had met all requirements for membership, and NATO member states seemed eager to welcome Macedonia to the alliance. For example, US President George Bush announced that “NATO will make a historic decision on the admission of three Balkan nations: Croatia, Albania, and Macedonia... These countries are ready to contribute to NATO, and their citizens deserve the security that NATO brings.” The NATO membership aspirations were, however, blocked by Greece, which vetoed Macedonia because of the persistent name dispute. Despite the country’s active progress towards the Euro-Atlantic integration, NATO insisted on finding a solution to the dispute surrounding Macedonian name. The latest developments and reaching of the agreement with Greece, which needs to be approved in a referendum in Macedonia though, have thus represented a crucial milestone and Macedonia was formally invited to start NATO accession talks in July 2018.

All the above-presented developments have affected the way that the Macedonians have perceived NATO. There has been a rising public dissatisfaction and doubts with the alliance’s stance towards the name dispute and tolerating Greece’s veto despite the evident progress that the country has made. For example, in 2011, the International Court of Justice ruled (15-1) that Greece’s veto of Macedonia’s NATO accession had violated international law. NATO, however, did not consider this ruling to be binding, thus preventing Macedonia from further progress towards accession. Regardless of this, the support for NATO remains strong as around 75% of Macedonians support the NATO accession. This level of support, however, is still significantly smaller compared to the support in early 2008, with more than 90%. The signing of an agreement between Macedonian and Greek ministers about the change of its name to “The Republic of North Macedonia” on June 17, 2018, subsequent Macedonia’s parliament ratification

of the Macedonia-Greece agreement on July 5, 2018, and the upcoming referendum might bring a historical shift in the pace of membership negotiations.

**Montenegro**

Montenegro is the second country after Croatia that has successfully joined NATO on 5 June 2017. Analysts agree that the smallest republic of former Yugoslavia will benefit from the alliance in military and security terms, but it will also make Montenegro’s EU accession easier. Since declaring independence in 2006, Montenegro has increased its cooperation with NATO, participating in the NATO Membership Action Plan since 2009. There were institutional confidence and strong political support for pursuing this endeavour since late 2007, making the country a reliable partner of the alliance until today. Moreover, Montenegro has been actively involved in several NATO-led missions in Afghanistan, Macedonia, and Kosovo.

The general public’s view of NATO has been divided between those who view the alliance positively and had been in favour of joining NATO and those who are rather indifferent and who were against the country’s membership. Several elements can explain the latter category’s attitude. Firstly, there has been constant political Russian pressure, second, the memory of 1999 NATO bombing remains quite vivid; and finally, joining the alliance is a clear sign that the country has made a historic shift towards the West that some did not expect. When it comes to the media coverage, NATO enjoys a generally positive image, although Russian news outlets, run by local journalists, heavily oppose both NATO membership, and disseminate Moscow’s agenda and pro-Russian sentiments. Furthermore, the Russian media in the WB headquartered in Belgrade (e.g. Sputnik agency, NewsFront online and Russia Beyond website) that appeared at the time when Montenegro was negotiating its NATO membership have also contributors from Podgorica.

37 Ibid.
39 According to the Montenegrin Ministry of Culture, 15 printed media in the Russian language have been
Serbia

Out of the Balkans countries, Serbian relations with NATO is probably the most complicated one. After the 1999 NATO bombing, many believed that this was an act of aggression against Serbs while others have praised NATO’s actions.\(^{40}\)

When it comes to the development of mutual relations, Serbia has participated in the Partnership for Peace programme since 2006, and it has officially been implementing its Individual Partnership Action Plan (IPAP) with NATO for almost two years now.\(^{41}\) The IPAP is the most comprehensive document bringing together all forms and mechanisms of Serbian cooperation with NATO and identifying national reform priorities for which Serbia needs NATO support. What has been achieved so far is, however, the highest level of political cooperation with NATO since Serbia has no aspirations to join NATO in the near future, proclaiming that it would stay militarily neutral.\(^{42}\)

Public space for discussion about cooperation between Serbia and NATO, however, remains limited. The main reason for it is the unwillingness of political leaders and officials to disclose the information about the scope and level of cooperation, which often allows for false information, misinterpretations and value-laden arguments occupying the public debate. It has been particularly the case since the adoption of the IPAP and manifested in the consequent discussion about whether or not Serbia would thereby join NATO which put no attention to the actual content and meaning of the IPAP.

\(^{40}\) The fact that NATO’s action remain in the minds of Serbs and are deemed controversial is supported by the fact that in May 2017, the Serbian Royal Academy of Scientists and Artists came together and filed a lawsuit against NATO for “using depleted uranium during the 1999 bombing of Yugoslavia”.


\(^{42}\) Ibid.
Media coverage of Serbia-NATO cooperation has often lacked complete information about its mechanisms, scope and political and social consequences. A typical example was the reporting on the number of military drills with NATO. Serbia participated in over 20 military joint drills with the US and NATO in 2017. However, the military drills with Russia were overrepresented in domestic and pro-Russian media influencing the public perception and making citizens believe that Serbia has greater military cooperation with Russia than with NATO. In this sense, it is hardly surprising that nearly half of the citizens opposed to any cooperation with NATO, while one quarter was happy with the current level of cooperation in the framework of the Partnership for Peace. Public uncertainty about what is going on in Serbian-NATO relations provides a fertile ground for misperceptions, false information and skewed interpretations.

THE UNITED STATES

The United States of America (the US) has continuously engaged in the region of the former Yugoslavia in various security, foreign policy or development aid issues. During Bill Clinton’s presidency, it took a very active role in humanitarian aid and peace negotiations in Bosnia and Herzegovina, especially towards the end of the war, and actively engaged during the conflict in Kosovo in 1999. The US, often through the USAID (United States Agency for International Development), also invested in the war-torn region and assisted in the processes of the post-war reconstruction and strengthening of peace and democracy.

Due to other geopolitical priorities, however, the US became much less involved in the region in the new millennia. According to a report by the Atlantic Council think-tank from 2017, the Western Balkans became considered a solved problem and the US started observing it from afar handing over the control to the EU. The growing presence of other foreign powers, namely Russia, China or the Gulf States, has recently led the US to return attention to the region slowly. Much more intensive engagement is, however, needed according to many officials and experts.

44 “Public Perception of Serbia’s Foreign Policy,” Belgrade Centre for Security Policy (March 2017).
in order to deal with some worrisome developments and democracy backsliding in the region. Most of the US activities recently focus on the integration of the Western Balkans into the Euro-Atlantic structures, most importantly NATO.

Besides the traditional diplomatic links and official policies, the US presence in the region is very visible in the support provided to local non-governmental organisations or media by different private or state-funded foundations and organisations (e.g. NED, IRI, NDI). The US Embassy also often plays an active role in supporting various civil society initiatives and cultural events.

Perceptions of the role of the US differ across the region, to a large extent as a result of the US involvement in the conflicts in the 1990s – while the US has a very positive image in Kosovo, many Serbs hold a negative attitude towards it. Blame-game between pro-Western and Russia-oriented media has been recently played in the public sphere in the region. The election of Trump has had a significant impact on the perception of the US. It caused concerns among those who would welcome the bigger involvement of the US in the region and raised expectations among those not sympathising with the previous course of the US policy.

**Bosnia and Herzegovina**

US administration mostly ignored the breakup of former Yugoslavia and the war in Bosnia during the tenure of the Republican President George Bush Senior, but this changed under the subsequent Democratic president Bill Clinton, who made the plight of Bosniaks (Bosnian Muslims) a central piece of his election campaign in 1992. Under Clinton’s tenure, the US administration became much more engaged in political and humanitarian aspects of Bosnia's war, but it remained reluctant to engage in this complicated conflict until 1995. Revolted by the worsening suffering of civilians in Sarajevo and Srebrenica, the US administration eventually pushed for NATO military intervention in August 1995. It eventually led to Bosnia's peace talks, which took place under American diplomatic auspices in the US air base in Dayton, Ohio.

The US administration continued playing the leading role in the military and civilian implementation of Bosnia's Dayton peace accord in the subsequent years until 2006 when American diplomats - as a part of their exit strategy - initiated a process of constitutional
changes. This reform was supposed to strengthen the Bosnian political and governance system to the point where the country was supposed to be able to care for itself. Yet the reform failed by two votes in the state parliament as local politicians hardened their positions ahead of the general elections that were scheduled later that year. Despite this failure, US administration disengaged from active participation in day-to-day local politics and handed over the responsibility for Bosnia to the EU.

Due to its military and political engagement during and immediately after Bosnia's war, many Bosnian Serbs still have mixed feelings towards American presence in the country. Today, the US remains engaged in different aspects of democratic processes in Bosnia, especially in relation to local media and NGOs, yet its authority and leverage have significantly decreased in recent years.

Kosovo

Kosovo is considered one of the most pro-American countries in the world. Several weeks ago, a survey of Gallup International found that the Kosovo citizens lead in the world with regard to supporting the US leadership's work, with 75% of respondents saying they believe Trump administration is working well (it was 49% in Montenegro or 58% in Serbia). Monuments of US presidents can be seen in Kosovo's streets, and streets are also named after important American political and historical personalities. This positive sentiment of the Kosovo citizens toward the United States can be explained with the fact the United States played a key role during last years of the 1990s when Kosovo was liberated from Serbia and also during the declaration of Kosovo's independence.

The U.S. government has invested about $2 billion in Kosovo since 1999. U.S. investors in Kosovo are involved with projects in the construction, energy, health, IT, and real estate development sectors. Kosovo has been designated as a beneficiary country under the

Generalized System of Preferences (GSP) program, which promotes economic development by eliminating duties on approximately 3,500 products imported from Kosovo.  

The US engagement in Kosovo continues to be significant and with visible impact. Last year, the US Embassy strongly opposed an initiative to establish a special court for Kosovo in Hague raised by some 40 members of the Kosovo Assembly, which was later cancelled. In addition, Kosovo has called for the direct involvement of the United States in the political dialogue between Kosovo and Serbia, which is being mediated by the EU, and it is moving to its final stage.

Donald Trump’s election as US president caused concerns among many people in Kosovo, fearing a change of course of US policy towards Kosovo and sliding down in the US political agenda. However, US Secretary of Defense, James Mattis, offered assurances to Kosovo during his confirmation hearing: “[Kosovo is] an example of what happens when the international community, led by America, commits itself to the defence of its interests and values.” He endorsed a constitutional change with parliamentary support allowing Kosovo to establish an army. According to General Mattis, the US remains committed to Kosovo’s security.

**Macedonia**

The formal acceptance of Macedonia’s independent statehood by the US came in 1994, three years after Macedonia declared independence. In 1991, Macedonia was the only Yugoslav republic which got independent without an armed conflict, so it largely eluded American attention. The first US Ambassador to Macedonia arrived in 1994, and the countries established full diplomatic relations in 1995. Already in 1993, Macedonian authorities allowed the US to use the country’s territory for deploying troops to join the UN peacekeeping operations in war-torn

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In 2004, the US—during George W. Bush’s tenure—recognised Macedonia under its constitutional name.

Currently, the US involvement in Macedonia spreads across a wide range of political, social, economic, and security issues. For example, in the past two decades, the U.S. has invested more than $55 million in developing the capacity of Macedonia’s judicial system. Through the USAID and other means, the US government has assisted Macedonia in undergoing economic and democratic reforms necessary to integrate into the Euro-Atlantic community. In 2016, total trade between the two countries exceeded $276 million.

As the US Ambassador to Macedonia noted, right-wing journalists and media often circulate numerous “conspiracy theories and allegations of American interference in Macedonia’s domestic affairs.” Especially during Macedonia’s recent political crisis, anti-American sentiments in the media were on the rise. Supporters of then-ruling party VMRO-DPMNE saw the USAID and George Soros as the two main instigators of the crisis. Generally speaking, however, Macedonians view the US in a positive light and the majority of people believe the US is most helpful to Macedonia’s interests.

Montenegro

The US recognised Montenegro as a sovereign country right after its independence on 12 June 2006 and soon followed a formal establishment of diplomatic relations with Montenegro. Development of bilateral relations started by opening an embassy in Podgorica on 5 October the same year. In the context of the history of mutual relations between the two countries, the

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relationship between Montenegrin’s president Milo Djukanovic and the USA is worth mentioning.

At the beginning of Djukanovic’s political career, which has lasted and dominated Montenegro for more than 25 years now, he was a close partner of Slobodan Milosevic, the former Serbian president charged with war crimes by the ICTY. In 1997, after the wars in Bosnia and Croatia, Djukanovic distanced himself from Milosevic, completely changing his political and foreign policy orientation by becoming a pro-western leader with the ultimate goal of getting Montenegro in the EU and NATO. In the aftermath of the 1990s wars in former Yugoslavia, Djukanovic was a rare politician the Clinton administration communicated with. For Djukanovic, similarly, it was acceptable to maintain this relationship as Montenegro was not much affected by the 1999 NATO bombing, which directly targeted Serbia. Nowadays, the US engagement in the country has focused on Montenegro’s full integration into Euro-Atlantic institutions. In bilateral relations, the emphasis is placed on the economy (investments, business-oriented programs), on military relations (USA Navy is present on the Montenegrin coast since 2003 and joint activities through NATO), and on education (the Education USA Center, professional and educational exchange programs).

When it comes to media image and public perception of the US policy in Montenegro, a dominant ‘blame-game’ is played between pro-Western and Russia-oriented media houses, portraying the other as the enemy. This phenomenon has practically become a daily routine, and many see it as normal and appropriate. It is also noticeable that Montenegrins do not perceive foreign interference in domestic affairs as something bad, nor are such acts normally condemned by political parties, media, or intellectuals.

Serbia

Although bilateral relations between Belgrade and Washington should be examined separately from the multilateral relations carried out within NATO, the dominant perception of the US is closely associated with them. Particular emphasis in the recent history has been placed on the essential role the US played in the context of the engagement of NATO in fostering peace in Bosnia and Herzegovina, and later with the NATO bombing campaign against Yugoslavia that led to the Kumanovo agreement of June 1999.

Regarding the Euro-Atlantic integration, Serbia represents a specific case since it does not aspire to become a NATO member and is seen by the US as “unfinished business”. The US supports the EU enlargement process and fully backs the EU in mediating a normalisation of relations between Serbia and Kosovo – it opened a way for the EU to take the lead in the process by supporting the adoption of the UN General Assembly resolution on Kosovo on September 9, 2010. The US policy towards the normalisation of Serbian and Kosovar relations has not changed under the Trump Administration.

The level of foreign aid from the United States to Serbia directed through the USAID has been significant. From 2001 to 2013, total US government (USG) assistance to Serbia was $865 million, of which over $708 million (or approximately 82 %) was directed through USAID funding.62 USAID has been supporting a variety of ‘democracy and governance’, ‘good governance,’ ‘rule of law’ projects and programmes, as well as institution building, along with support to civil society and independent media. Three other issues have been essential to US interests in the region: (i) (countering and preventing violent extremism) foreign fighters; (ii) the fight against organised crime and corruption; and (iii) energy.63 Private foundations such as the Open Society Foundations, the Charles Stewart Mott Foundation, the Rockefeller Brothers Fund, and the German Marshall Fund have supported civil society organisations for some years.64

64 Ibid., 39-40.
The public in Serbia believes that the United States is one of the leading world economies, successful military power and one of the most powerful political actors in the region. However, the US influence is seen as dominantly negative across different categories of the Serbian society. The United States is traditionally perceived as the biggest enemy of Serbia. Although Serbian citizens have generally not forgiven the US for its war with Serbia in 1999 which led eventually to Kosovo’s independence, US President Donald Trump is far more popular than his predecessors, perceived as likely to adopt a more ‘pro-Serbian’ policy regarding Kosovo. However, the latest polls conducted by the Belgrade Centre for Security Policy show that almost two-thirds of the respondents believe that there will be no change in the US policy toward Serbia following the election of Donald Trump.

RUSSIA

Russia has rich historical ties to the Balkans dating back to the 18th and 19th century. It has been a traditional ally and enjoyed a high degree of influence among the nations with which it shares Slavic and Orthodox Christian identity – most importantly among Serbs but also among Montenegrins or Macedonians. Following the World War II, Yugoslavia became a part of the communist bloc, but since Tito-Stalin split in 1948 it became largely independent on the Soviet Union’s control in contrast to the rest of Eastern Europe. Throughout the rest of the socialist period, Tito insisted on keeping the country non-aligned with either Eastern or Western bloc, yet at the same time close to both of them.

Despite its clear stance on the issue of Kosovo and traditional support of Serbs, Russia did not play that significant role during the violent break-up of Yugoslavia as a result of its internal problems and general retreat from the world affairs in the 1990s. Russia’s presence in the Balkans has become more visible only after the early 2000’s under Putin and has been rising ever since. To increase its importance, Russia often capitalizes on its position within the international bodies, namely the UN Security Council or the Peace Implementation Council (PIC) in BiH, the body made of countries and international organizations involved in the implementation of

65 “Serbia’s cooperation with China, the European Union, Russia and the United States of America,” 7.
Bosnia’s peace deal, which oversees the work of the Office of the High Representative (OHR) of BiH.

Russia’s seat at the UN Security Council combined with its strategic relationship with Serbia makes Russia an important player with regard to Kosovo. Moscow’s non-recognition of Kosovo’s independence gives the Russians significant leverage in Serbia. Serbia thus, for example, did not join the EU sanctions against Russia for its annexation of Crimea and intervention in the Ukraine conflict.

Russia started following more aggressive policies as it grew frustrated over American positions in the Balkans after the US supported Kosovo’s 2008 declaration of independence, and especially after the international mediation about the status of Kosovo was moved from the UN to the EU level in 2011, thus circumventing Russian participation. Russia strengthened its global and regional positions even further after President Vladimir Putin came to power in 2012.

In November 2014, Russia abstained from voting for the regular annual extension of the mandate of the EU-led peacekeeping mission in Bosnia and Herzegovina, "Althea," in the UN Security Council, which was seen by the West as Russia’s first serious signal suggesting that this country could play a stronger and much more negative role in the region. In subsequent years Russia played "hot and cold" game with the West, sometimes softening and then hardening its positions in Bosnia. These often inconsistent positions changed mostly depending on the current state of play with the West, proving that Russian main strategic focus was on the global political scene.

Similar dynamics have been visible in Russia’s relation with Macedonia and Montenegro. Russia was among the first states to recognise both countries’ independence (in 1992 and 2006 resp.) and enjoyed a high degree of influence there drawing on notions of shared Orthodox faith and Slavic origin.

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66 Interview with Russian diplomats, 2016.
In Macedonia, Moscow’s influence further increased after Greece’s 2008 veto of Macedonia’s bid to join NATO, which encouraged some Macedonians to start looking for allies elsewhere. Yet unlike the previous administration, the current government led by Zoran Zaev from 2017 makes little effort to ingratiate itself with Russia. Most recently, for example, Macedonia expelled a Russian diplomat over the Skripal case.67

Good relations with Montenegro have also become considerably harmed due to a change of Montenegro’s foreign policy over the past 4-5 years. Worsening started when Montenegro joined the EU sanctions against Russia in 2014 and continued when a group of Serb nationalists and two Russian citizens intended to assassinate Djukanovic during a coup attempt at the 2016 election to prevent Montenegro from joining NATO. Montenegrin authorities have formally charged two Russian nationals, allegedly Russian agents, and several other participants who currently stand on trial. Russia, however, denies any responsibility. Finally, it all culminated when Montenegro became NATO’s newest member in 2017.68

Many experts and officials perceive the attempted coup in Montenegro as a part of wider Russia’s efforts to divert the Balkan countries from the path towards the Euro-Atlantic integration, which raise concerns among the Western officials especially in the case of Serbia. According to some, however, the Kremlin is tacitly encouraging Serbian aspirations to join the EU as it believes that Serbia as an EU member might advance Moscow’s interests within the Union. Belgrade plays down ties to Russia arguing that Serbia’s strategic orientation is the EU membership and the cooperation with Russia is only another of its foreign policy pillars. Fears of Moscow’s growing influence in the region have, nonetheless, urged European and American renewed interest in the Western Balkans.

Although an alliance with Russia is not a viable alternative to the EU accession, Belgrade reaches out to its traditional partner for support over Kosovo, energy supplies, loans and arms sales. In

2012, Moscow offered Belgrade a $300 million bailout amid tension with the IMF and extended its hand to Serbia’s banking, defence and railway sectors. Russian-Serbian humanitarian centre in Nis was open in the same year to facilitate Serbia’s purchase of Russian military equipment. Recently, Russia has provided Serbia with fighter jets, tanks, and combat vehicles.

Russia’s economic presence in the region is most visible in the energy sector as it owns energy monopoly in Serbia, the Republika Srpska entity of BiH or Macedonia where it controls the TransBalkan Pipeline—the single gas route to the country. Besides the energy dependency, however, Russia has a limited footprint in Macedonia in the financial and economic sector.

In contrast to Serbia, Macedonia or BiH, Moscow’s economic influence in Montenegro does not rely on Russian energy resources, and the country is not even integrated with the Russian pipeline transmission network and the energy sector. According to the data from the Central Bank of Montenegro for 2017, Russia contributed with 54,7 million euros, investing mainly in real-estate and tourism.

Between Kosovo and the Russian Federation, there is almost no cooperation of any kind, with the latter continuing not to recognise Kosovo’s independence and refusing Kosovo passports. According to statistics of 2016, the Russian investments in Kosovo amounted to around 2 million euros, a very small amount compared to the investments from Western countries.

Russia has been active also in the cultural and media sphere, very often through the Orthodox Church, where there is more at stake than merely religious outreach. In Macedonia, for example, Russia has recently established over 30 Russo-Macedonian cultural associations, has funded

the construction of Orthodox churches,⁷³ and has increased the number of its embassy personnel by 25%.⁷⁴

In the latest years, Balkan countries have become flooded with fake news and disinformation originating in Russia or being inspired by it. Direct Russian support to media spreading disinformation and anti-Western narratives is very hard to establish, and they are often of domestic provenience. Actively involved are, however, local language branches of Russia’s Sputnik or Russia Today, which have a mission to create a positive image of modern Russia.⁷⁵ Pro-Russian media outlets are essentially filling the void that was created by the shrinkage of EU and US assistance to independent media in the region. During a recent political crisis in Macedonia, pro-Russian media exploited “regional stereotypes, ethnic tensions, and unresolved legacies of conflicts” to foment disenchantment with the West.⁷⁶

Russia’s potential to exploit inter-ethnic tensions in the region, especially in Kosovo, BiH and Macedonia, is a source of serious concerns. In BiH, Russia portrays itself as a protector of Bosnian Serbs and their interests, supports various Serbian cultural and religious organisations, builds close links to leading Serbian politicians, and often supports them when following openly nationalistic policies. In apparent retaliation to circumvention of Russian participation in the mediation of dialogue between Belgrade and Pristina, Russia supported Bosnian Serb leader Milorad Dodik when he threatened to hold a referendum against state judiciary in 2011, from which he eventually withdrew under strong Western pressure.

In 2016, Russia supported another Dodik’s controversial referendum initiative - the one on the Day of the Republika Srpska - which led to the RS holding this referendum despite strong opposition from the West and even Serbia. This development showed that through Dodik - who met Putin at least eight times in recent years - Russia has significant influence in Bosnia.

⁷³ “Assessing Russia’s Economic Footprint in Macedonia,” 12.
However, so far Russia appeared careful to block Dodik from pushing for full independence of the RS. Some European diplomats and local experts admit that Russia could be much bigger "spoiler" than it is today and that it could easily, quickly and seriously destabilise Bosnia, if it wanted to do so.

In Kosovo, except blockades at the international level, Russia's role has proven to be significant in the context of northern majority-Serb municipalities. Links between Serbian political parties and the United Russia party of President Putin have continued to intensify, and the planned establishment of the Association of Serb majority municipalities can become a new ground for stronger Russian engagement and encourage local Serb separatism in Kosovo.  

The perception of Russia, although far from being uncontested within the national communities, differs to a large extent along historical, cultural and religious ties to individual nations. Russia is traditionally highly popular among many Serbs, Montenegrins or Macedonians by whom it is viewed as a powerful country and an important balancing power to the West while it is generally very unpopular among Kosovo Albanians and less so among Bosnian Croats or Bosniaks.

In 2018, the Kosovar Centre for Security Studies, through a poll carried out with citizens, concluded that around 85 % of respondents consider Russia as very hostile toward Kosovo. According to this organisation, in the eyes of the Kosovar public, Russia is seen as strongly linked to Serbia.

Serbian public attitude towards Russia, in contrast, has been and remains uniformly positive. Public polls show that more than three-quarters of respondents think that Russia is an important political actor and successful military power, which is largely in line with Moscow’s military-focused portrayal in pro-Kremlin media such as Sputnik and Russia Today promoted even by the

domestic pro-governmental media. The respondents believe that an alliance with Russia would bring security and political stability but are more sceptical about the economic benefits from cooperation with Russia.

CHINA

Historically, Chinese interactions with Balkans countries were limited to maintaining ties with the isolated communist regimes in Albania and Yugoslavia. China’s presence in the Western Balkans is, therefore, a relatively recent phenomenon, but one growing steadily during the past decade. The 2008 global financial crisis marked the beginning of the relative decline in EU’s normative influence and the parallel rise of an emerging “China Model”. Balkan countries have embraced some Chinese infrastructural projects that run contrary to the European Union’s model of competitive tenders regulated by precise E.U. legislation. Instead, these investments resemble the Chinese model of state-owned enterprises being allocated projects based on political bargaining. This way of making business also makes China a political and normative threat to the European Union’s position in the Balkans, weakening these countries’ political resolve to follow the European Union’s lead. This realignment further accelerated with the creation of the “16+1” initiative in 2012, and especially with the PRC’s activist foreign policy under CCP General Secretary Xi Jinping since 2013, epitomised in the Belt And Road Initiative (BRI).

China supported Serbia in the Kosovo conflict, and its position further cemented with the 1999 US bombing of the Chinese embassy in Belgrade. This basic positioning carries on through today; among the five post-Yugoslav states who are not members of the EU, Kosovo is the only one not diplomatically recognised by the PRC. As such, Kosovo is also not a member of the 16+1 grouping.

The remaining four countries have all been actively courted by China and became members of both the 16+1 and BRI initiatives. Unlike the other post-Communist 16+1 member states, Serbia,
BiH, Montenegro and Macedonia are not EU members, and therefore not bound by the strict EU regulatory framework for procurement transparency. This should, in theory, make it easier for the implementation of the BRI infrastructure development model, which relies heavily on contracts awarded directly to Chinese firms without open bidding, stipulated by the EU for its member states.

Infrastructure development has indeed been, in contrast with other 16+1 member states, a big component of China’s relationship with West Balkan countries. The sub-region is located on one of China’s strategic connectivity corridors, the China-Europe Land-Sea Express (中欧海陆快线), meant to facilitate the transportation of Chinese goods from the port of Piraeus (purchased by Chinese COSCO in 2016) by rail to Budapest, Hungary, and on to the EU.

This and other Chinese infrastructure development projects in the region have, however, been marred with delays, doubts about economic expediency and fears of debt traps, and - like in the case of two China-financed highways in Macedonia - outright corruption at a ministerial level. Such incidents recently led the EU Commissioner for Enlargement, Johannes Hahn, to express concern that China’s activities in Western Balkans might affect the region’s prospect for EU accession.  

TURKEY

After some 500 years of Ottoman rule over the Balkans which only ended in 1912-3, Turkey has kept close ties with the region. As an EU candidate country and a long-lasting member of NATO, Turkey played an important role in the stabilisation of the region after the wars that accompanied the breakup of Yugoslavia in the 1990s. At times, however, its role had been perceived as biased due to favouring the Bosnian Muslims at the beginning of the war in Bosnia and Herzegovina (BiH) and supporting Kosovo Albanians through its engagement in the NATO bombing of Serbia in 1999. Turkey has also played an active role in the integration initiatives

such as the Southeast European Cooperative Initiative, Stability Pact, South-East European Cooperation Process, and NATO-led South East Europe Initiative.

In the early 2000s, modern Turkey started following a new, multidimensional and pro-active foreign policy. As of 2002, under the rule of the Justice and Development Party, the AKP, Turkish "soft power" approach to the Balkans was introduced. It was largely invented and orchestrated by Ahmet Davutoglu, who was at the time Turkish Foreign Minister and finally Prime Minister. However, the leading power behind this idea was Turkish Premier and now President Recep Tayyip Erdogan, under whose reign Turkey strengthened its regional security, political and economic position; and aimed at positioning Turkey as a mediator in the region.

One of the most important accomplishments in this regard were Turkish efforts regarding BiH and Serbia. Since 2009, Turkey took the initiative to improve bilateral relations with Serbia, which were damaged by the Turkish recognition of Kosovo independence in 2008, and mediate between Serbia and BiH. In October 2009 President Abdullah Gül visited Belgrade and this was the first official visit by a Turkish head of state in 23 years. Following several meetings between Turkish and Serbian officials in March 2010, the Serbian parliament passed a resolution apologizing for failing to prevent the Srebrenica massacre of 1995. The efforts culminated on April 24, 2010, when the presidents of Turkey, BiH, and Serbia signed the Istanbul Declaration on Peace and Stability in the Balkans, guaranteeing the territorial integrity and sovereignty of Bosnia. Even though Belgrade temporarily pulled out of Ankara-sponsored trilateral talks in 2013 because Turkey’s then Prime Minister Erdogan stated, during his visit to Prizren, that ‘Turkey is Kosovo, Kosovo is Turkey’, relationships were gradually improved.

Besides traditional diplomacy Turkish soft power approach in the Balkans has been built on numerous institutions which the Turkish government established for this purpose. Among these are Turkish Aid Agency, TIKA, Yunus Emre Institutes, universities and Turkish state-backed media outlets broadcasting in regional languages, as well as Turkish companies which have become more and more present across the region.
Guided by the “soft power” strategy and supported by ample funds, TIKA has renovated hundreds of historical monuments in the region, financed local projects and organised large events designed to reinforce and revive bonds with Turkey. On the media front, Turkey’s state-led news agency, Anadolu Agency, AA, has opened a Balkan branch in Sarajevo, which is publishing in Bosnian, Albanian and Macedonian and promotes Turkey in the Balkans.

Turkey's soft power in the region was also reinforced by the popularity of Turkish culture, especially TV shows, promoting contemporary “Turkish model” of lifestyle – a mix of Islam, democracy, free market, and modernity, among certain sectors of the population. Moreover, due to visa-free travel, an increasing number of people from the Western Balkan countries visit Turkey, learn Turkish, and aspire to study and work in Turkey as well.

Furthermore, the Turkish Presidency of Religious Affairs, the Diyanet, is another instrument of Turkey’s soft power. It offers religious education, theological guidance, direct financial assistance and even mediates in disputes between regional governments and local Muslim communities.

As for the economic influence, Turkey, in general, maintains a strong position in the Balkans both in foreign direct investment (FDI) and trade. It has invested, among others, in tourism, infrastructure, agriculture and food processing.

In 2009 Turkey and Serbia signed a free trade agreement. From that moment on, trade with Serbia is soaring. Serbian-Turkish trade exchange has tripled in the period 2009-2017: from $338.9 million in 2009, it rose to more than $1 billion in 2017.\(^3\) Turkey is also among the leading countries with direct investments in Kosovo. Turkish investments in Kosovo are estimated to be around 372 million euros since 2008 when the Kosovar Turkish Chamber of Commerce started to operate.\(^4\)

Besides direct investments, several companies with big capital in Kosovo have concessioned by Turkish consortiums. For instance, Bechtel-Enka, an American-Turkish consortium has

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constructed the motorway that connects Kosovo with Albania, with the price of around one billion euros (this amounting to almost Kosovo's annual budget). While currently, it is constructing the Prishtina-Skopje motorway, a project valued at over 600 million euros. Another Turkish company, Limak, in cooperation with the French Airport De Lyon, in 2010 took in concession for 20 years Prishtina's International Airport. In 2012, the Turkish consortium Limak-Calik privatised Kosovo's electricity distribution and supply network for only 26.3 million euros.\footnote{85 Ibid.}

Turkey was also the 8\textsuperscript{th} most significant trade partner to Macedonia for the first half of 2017 and 2016.\footnote{86 “Бектеши: Трговската размена со Турција бележи раст, добредојдени се инвестиции во стратешките сектори,” Makfax, February 7, 2018, https://makfax.com.mk/daily-news/бектеши-трговската-размена-со-турциј/.} The total amount of Turkish investment in Macedonia is 1.2 billion euros, and it amounts to 35\% of all direct investments.\footnote{87 Ibid.} Some of the largest investors are TAV Airports Holding and Halk Bank, but there are more than 100 Turkish companies in Macedonia.\footnote{88 “Унапредување на економската соработка меѓу Македонија и Турција,” MRT, February 11, 2018, http://www.mrt.com.mk/node/46731.} In 2010, TAV signed a concession contract to operate the two airports in Macedonia (in Skopje and Ohrid). Earlier this year, Macedonia's Prime Minister Zaev said that TAV is investing around 45 million euro in an infrastructure project in the country.\footnote{89 Radomir Ralev, “Macedonia to invest over 270 mln euro in road infrastructure in 2018,” SeeNews, January 24, 2018, https://seenews.com/news/macedonia-to-invest-over-270-mln-euro-in-road-infrastructure-in-2018-599363.} Both the former administration led by Nikola Gruevski and the current administration have organised numerous summits aimed at strengthening the economic cooperation between Turkey and Macedonia.

Boosting economic cooperation is also potential that officials on both sides use as an argument for intensifying bilateral relations between Turkey and Montenegro. According to the Central Bank of Montenegro data for 2017, Turkey is the ninth largest investor with 21.5 million euros. For instance, the largest shopping mall in Podgorica, Mall of Montenegro, is a public-private partnership between Podgorica Municipality and Turkish company Gintaş. Then the Tosyali Holding took over the Ironworks in Niksic, while the Global ports holding entered the Port of Bar.
Also, the Turkish Ziraat Bank has come to Montenegro, as one of 80 branches around the world, which may be a sign of new investments.90

Last but not least, Erdogan has established close links with several Balkan leaders. One of his closest links is with the Bosniak member of the presidency and the leader of the main Bosniak Party of Democratic Action (SDA), Bakir Izetbegovic. The AKP and Erdogan himself threw their full political and even financial support behind Izetbegovic’s 2014 bid to become the new leader of the SDA, and then again in the same year when he ran for the Bosniak position on Bosnia’s presidency. Izetbegovic and SDA returned the favour supporting Erdogan in the controversial 2017 referendum and snap elections in June 2018. Erdogan has also established very close links with Serbian President Aleksandar Vucic. The most telling sign in this regard was the presence of BiH, Kosovar, Serbian and Macedonian presidents during the Erdogan’s presidential inauguration ceremony in July 2018.

Thanks to the Turkish “soft power” activity and investments, the popularity of Erdogan and Turkey has been growing in the Balkans. On the other hand, ever since the failed coup in 2016 and subsequent repression against Erdogan’s political opponents and critics in Turkey and abroad, there has also been growing criticism against his politics in the region, especially among independent media and experts.

Erdogan’s repressive activities and requests that Western Balkan countries close all Gulen institutions led to mixed results. The pressure in this regards has worked in the city of Novi Pazar, Serbia, where the local government announced that it would not provide any support to Gulen’s ‘terrorist organisation’. On the other hand, relations between Kosovo and Turkey, namely the Turkish influence in Kosovo, became a hot topic of debate in April 2018, following the deportation by Kosovo authorities of six Turkish nationals residing in Kosovo. The Turkish citizens who were believed to be close to cleric Fethullah Gulen were arrested and then deported to Turkey without prior notice, an operation that is said to have been carried out in violation of legislation in effect in Kosovo. Turkish President Recep Tayip Erdogan applauded this

joint operation of Turkish Intelligence Agency, and Kosovo authorities, but not so Kosovo Prime Minister Ramush Haradinaj, which later made Erdogan harshly criticise the Kosovar Prime Minister.91

Prime Minister Ramush Haradinaj, had stated that he was not aware of the operation carried out by Kosovo’s Intelligence Agency and he dismissed the Interior Minister and the Agency’s Director. This prompted angry reactions on the part of the Turkish President.

Also, Macedonian authorities were reluctant to fulfil wishes of the Turkish president in this regard: the first private high school in Macedonia, Yahya Kemal College, is a Turkish school associated with Gulan’s Hizmet movement. The college has six branches in four cities in Macedonia. The Turkish government has tried to put pressure on Macedonia to shut down these schools, but the Macedonian government has refused to fulfil this request. In May, the Turkish Ambassador to Macedonia gave the keynote at the opening of Maarif—a Turkish state-run education foundation—and insisted that parents who don’t want their children to become “terrorists” should send their children to Maarif and not Yahya Kemal.92 The Macedonian Ministry of Foreign Affairs to publicly rebuked this remark.93

Views on how will Turkey’s influence play out in the Western Balkans differ. One side views Turkey as a friendly country that brings in cultural and economic values and perspectives, while the other views Turkey as an assertive power spreading its neo-Ottoman legacy.

THE GULF STATES AND IRAN

The presence and influence of the Gulf States and Iran in the Western Balkans have been historically very limited. The role of the Gulf States and Iran most visibly increased during and after Bosnia’s 1992-5 war and the war in Kosovo in 1999, during which Bosniak and Kosovar leadership was forced to seek and accept help from any willing Muslim country. At that time the Gulf Countries, especially Saudi Arabia, provided financial assistance for the purchase of weapons while Iran - during and after the war in BiH - held training camps for Bosniak police and military personnel. These influences decreased significantly after the terrorist attacks on 9/11 and the subsequent global clampdown on Islamic NGOs and other groups.

A visible legacy of the presence of foreign Islamic fighters, NGOs and preachers from the Gulf States in the region in the 1990s is a presence of fundamental interpretation of Islam, Salafism, which is foreign to the Islamic tradition present in the Balkans. Even though the number of Salafis is relatively low, they have attracted from the 1990s a lot of public attention, especially after 9/11 and in the context of the emergence of Islamic State and other jihadi groups that managed to recruit a several hundred Salafis from BiH, Serbia, Macedonia and Kosovo to their ranks.

In recent years, following the weakening of US and EU presence in the Western Balkans, the involvement of the Gulf countries and Iran increased somewhat as the regional politicians moved to rebuild connections. The involvement and influence of Iran remain marginal, among other things because of Western sanctions against Iran as well as religious differences between Shia Islam, which is practised in Iran and traditional Sunni Islam present in the region. On the other hand, some of the Gulf countries - especially Saudi Arabia, UAE, Kuwait and Qatar - have increased their presence in the region more significantly, mostly through private investments. Furthermore, it has risen through a considerable influx of tourists from these countries who started coming to the Balkans in greater numbers and started even purchasing real-estate properties, as their traditional vacation spots in Egypt, Syria, Lebanon and Turkey became insecure because of conflicts or political tensions.
Private investments and influx of tourists are visible especially in BiH, where increased presence of people from Gulf countries have drawn mixed feelings among Bosnians, some of whom welcomed the new business opportunities, while others complained because of major cultural differences as well as concerns that these newcomers could significantly change the ethnic, cultural and political map of the country.