

## **SURVEY: EU'S EASTERN BORDERS**

### **Taming the Balkans**

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#### **Could EU accession do the trick?**

FOR a gruelling decade, the world viewed the Balkans through the prism of the region's most strife-torn country, says Ivan Krastev, a Bulgarian political scientist. In the early 1990s that country was Croatia or Bosnia. By 1999 it was Kosovo, illuminated by the bombing of Belgrade. Two years later attention shifted to Macedonia, brought to the brink of civil war by ethnic tensions between Macedonians and Albanians. These successive crises promoted the image of a whole region in continuing turmoil, even though the worst was over by 1995.

This pessimistic view did at least have one redeeming quality. It allowed outsiders to hope that, when peace was restored across the region, everything else would start to come right. Economic recovery would provide the foundations on which durable and free-standing democracies could be built. But now peace has indeed been restored, and yet the good news more or less ends there. Economic recovery has been patchy, and has not yet led to irreversible and locally rooted political change in most of the region.

The International Commission on the Balkans, a non-governmental body of experts led by Giuliano Amato, a former Italian prime minister, published a report in April that gloomily reflected:

The region is as close to failure as it is to success. For the moment, the wars are over but the smell of violence still hangs heavy in the air...Economic growth in these territories is low or non-existent; unemployment is high; corruption is pervasive; and the public is pessimistic and distrustful towards its nascent democratic institutions.

The Foreign Investors' Council of Serbia sounded only slightly less bleak when it published its annual White Book on business conditions in March. On paper things might be looking better, it said, but:

The adoption of laws without implementation and enforcement achieves little...[The] momentum which Serbia's transition process had gathered in earlier years has now dissipated.

There are patches of relative optimism here and there. This year the International Monetary Fund praised as "remarkable" and "commendable" the economic performance of Albania, where real incomes have doubled since 1998. Macedonia's constitutional order has been looking more robust since voters allowed a new law on local government to pass late last year. But by and large, the coming of peace to the Balkans has merely allowed the deep problems of state weakness, and of incomplete state-building projects, to be seen more clearly.

The "open status" issues of Kosovo and Montenegro obstruct the normalisation of political life in Serbia, the western Balkans' biggest country, and thus overshadow the whole region. International talks on the future of Kosovo, which legally is still part of Serbia, are due to begin later this year and may well lead to eventual independence. The future of Montenegro may be decided by a referendum next year. The choice is between independence on the one hand and the status quo—a loose federation with Serbia—on the other.

Outsiders hoped and assumed a few years ago that peace in the Balkans would free people in the region to concentrate on economic development. Voters would push leaders to worry much more about raising living standards and much less about re-opening quixotic and violent national questions. Why have things not turned out quite that way?

Part of the problem is that, even in times of peace, the power and assets of a weak state are still up for grabs, especially if the state has been federalised and if the constitutional order has not been entrenched beyond any expectation of change. The country will be restless, communities will compete, the rule of law will be fragile, the government will be fractious, private investment will be risky. So it is across the Balkans. Whatever the final constitutional order is going to be for any of these countries, the important thing is that its finality should be obvious to everyone, and universally accepted.

## **No loose ends**

That is one argument for giving independence to Kosovo and Montenegro now. Independence for both would have an air of finality about it which a loose federation or a special jurisdiction never could. Separation would allow those new countries, and Serbia, to concentrate on the quotidian business of economic reconstruction, and of capacity-building in government, without national questions to distract them, and with nobody else to blame for their problems.

Opinion polls show that most communities in the Balkans are ready to accept the sort of order which most western governments would like to see installed there. This would mean independence for Kosovo, probably in stages, severing it from Serbia but denying it union with Albania. It would mean independence for Montenegro. And it would mean making the best of Bosnia as a hybrid state, half run by Serbs and half by Bosniaks and Croats.

Fears that independence for Kosovo might inspire fresh independence struggles among Serbs in Bosnia and Albanians in Macedonia may be exaggerated. Polls show that Bosnia is no longer what the Amato commission calls a "highly contested state". Most Serbs in Serbia, and almost half the Serbs within Bosnia, do not want to break Bosnia up and join its Serb half with Serbia. Across the region, there is a consensus view that Serbia and Montenegro will probably go their separate ways (even though most Montenegrins currently want to keep the status quo), and that this separation will be a good thing.

Most Macedonians strongly reject the idea of dividing Macedonia into Macedonian and Albanian statelets, and joining the Albanian part of it with Albania itself. Albanians are very slightly in favour of it, but most do not think it will happen. The one possible upset is over the question of joining Albania with an independent Kosovo. Kosovo Albanians are keen on the idea, Albanians in Albania just about in favour, and both think it is more likely to happen than not.

If the commission and its polls are right, therefore, the public mood in the Balkans may be ready for some big steps forward. The acquiescence of the Serbian government in Belgrade will be the key to a peaceful break-up of the country and its approval by the United Nations. If the government in Belgrade objects, then China and Russia will probably take its side in the UN Security Council, blocking progress and perhaps provoking fresh unrest in Kosovo. The question is how to win Serbia over. Probably the only answer is by giving it a faster track towards EU membership.

The next question is whether the EU is ready for that. If that strategic bargain can be struck, then it will become harder to deny the remaining countries of the Balkans a fast track too. Otherwise, what will be left there? A sink of countries seemingly unable to generate the hope and confidence needed to trust their own governments, let alone the neighbouring ones, and obliging the rest of the world to keep them in order and in funds. On a per-head basis, the world has put 25 times as much money and 50 times as many troops into Kosovo as it has put into post-conflict Afghanistan. The aid the EU has given to the Balkans in recent years dwarfs the amounts given to other countries on its borders (see table 3).

<b>Nearest and dearest</b>	
Development aid received per person, 1995-2002	
Region	€
Balkans	246
South and east Mediterranean	23
European CIS	9
Central Asian CIS	4

Source: "European Neighbourhood Policy: Strategy or Placebo?" by Michael Emerson, Centre for European Policy Studies, 2004

## Croatia's credentials

The road to EU membership is currently being explored by Croatia, which finished its territorial war and its ethnic cleansing in 1995. The completion of those projects, followed by the death in 1999 of the country's veteran leader, Franjo Tudjman, allowed a line of sorts to be drawn between wartime Croatia and its post-war continuation. Croatia re-cast itself as a more or less liberal democracy where nationalism had been tamed, a country still a little rough round the edges but ready and willing in principle to form part of a peaceful and orderly Europe, a place where "moderate nationalists could provide a soft landing for exhausted or failed nationalist projects", in the words of Jacques Rupnik, a French political scientist.

But Croatia exaggerated the depth of its transformation for foreign consumption, and perhaps ended up believing some of its own publicity. It thought, wrongly, that other European countries were so keen to put the ghosts of the Balkan wars behind them that they would forgive Croatia's failure to co-operate fully with the United Nations war-crimes tribunal in The Hague. The tribunal's most wanted fugitives include Ante Gotovina, a Croat general charged with ethnic cleansing during Croatia's war with the Serbs. Carla del Ponte, the tribunal's chief prosecutor, said the Croats could do much more to help find him; the Croats said they had no idea where he was.

That was enough to derail Croatia's hopes of opening talks with the EU in mid-March. The EU postponed them the day before they were due to start, mainly at the urging of Britain, and over the objections of Austria and Hungary. The right outcome would be a reform of Croatia's intelligence services and special police to sack or demote those responsible for shielding Mr Gotovina. Even if that does not produce the man himself, it would at least show that the elected government had gained full authority over the state security services, which in March was still far from clear.

Croatia can scarcely afford to drag its feet. The job of reforming its public administration and its economy looks like at least five years' hard work. The state controls too much and delivers too little. Public spending accounts for fully half of GDP. Public debt rose from 30% of GDP in 1995 to 55% in 2003. External debt doubled from 41% of GDP in 1997 to 82% in 2003. Key health indicators are far below EU averages. Half the beneficiaries of social

assistance are able-bodied but unemployed. Only 60% of adults have had more than eight years of schooling.

Working in Croatia's favour are two main factors. By the standards of EU candidates it is relatively rich, with a GDP per head of \$7,700 last year, more than twice the level in Bulgaria or Romania. And it has a beautiful Adriatic coastline, making it a favourite holiday destination for millions of Europeans, a sentimental factor not to be underestimated. It can be hopeful of EU entry by, say, 2010 if only it can solve the Gotovina problem (and, of course, if the EU is still in business then).

But the graduation of Croatia from the badlands of the Balkans to the safe haven of the EU will only increase the sense of isolation and abandonment across its hinterland. The International Commission on the Balkans proposes a general solution that is admirable in its detail and its directness. It says that Kosovo should be launched on a phased transition towards full independence and sovereignty, for the first few years of which the international community would reserve powers over human rights and minorities. Once that was agreed, and Montenegro had decided whether to stay with Serbia or go it alone, the EU should convene a Balkan conference in 2006 and give each country its road map to membership.

Macedonia would be invited to start EU accession talks by the end of that year. Serbia and Montenegro, as one or two countries, would also be invited to start negotiations or, failing that, would be offered a "Europe Agreement" similar to those given to central European countries before they began negotiations. Albania would be offered the same sort of deal, and invited to join NATO. The powers of the Office of the High Representative in Bosnia would be transferred to the European Commission in Brussels, and vested in an EU accession negotiator there. The hope would be that all these processes could be completed, and the EU enlarged into the Balkans, by 2014. Europe's present mood does not favour that outcome, but it is hard to think of one that might work better.

The solution proposed by the Amato commission mixes practicality with romance, optimism and desperation. Probably all those things are needed in equal measure if the Balkans are ever to be helped to help themselves.