

## EU Foreign Policy towards Balkans: An Opportunity or a Challenge?

*Faton Bislimi*<sup>1</sup>

### *Abstract*

This article provides an overview of the EU's involvement in the Balkans with special focus being placed on EU's Foreign Policy. Widely recognized as an international actor, the EU has played an imperative role in defining the future path for the Balkans. The EU policies towards the Balkans cover a range of issues, albeit the key ones fall under the EU's Common Foreign and Security Policy (CFSP) and European Security and Defence Policy (ESDP). But how successful have these EU policies towards the Balkans been, especially since the early 1990s onwards, is a key question that this paper will address. More importantly, does the Balkans region, which sits right in the backyard of the EU, provide an opportunity or a challenge for EU's foreign policy? In addressing this question, this paper will draw from the theoretical perspective of the EU as an international actor and examine the EU policy towards the Balkans based on CFSP and ESDP.

### *Introduction*

Throughout most of its history, the Balkans region of Europe has been known for conflicts, wars, unrest, harsh dictatorships, and poor development tracks. After the recent wars of the 1990s resulting from the violent break-up of Yugoslavia, things seem to have taken a brighter turn for the region. There is one key reason for this: the Balkans hope for European Union (EU) integration. Accession into the EU, however, is neither easy nor short. It is a lengthy and difficult process entailing reforms that some Balkans countries cannot easily perform. But, what the Balkans countries do to fulfill their own responsibilities in coming closer to the EU is equally important to what EU policies are towards the region.

Widely recognized as an international actor, the EU has played an imperative role in defining the future path for the Balkans. The EU policies towards the Balkans cover a range of issues, albeit the key ones fall under the EU's Common Foreign and

---

<sup>1</sup> The author is a PhD candidate in political science at Dalhousie University and a doctoral fellow at the Centre for Foreign Policy Studies and EU Centre of Excellence. He is also the Managing Director of the Kosovo Public Policy Center.

Security Policy (CFSP) and European Security and Defence Policy (ESDP). But how successful have these EU policies towards the Balkans been, especially since the early 1990s onwards, is a key question that this paper will address. More importantly, does the Balkans region, which sits right in the backyard of the EU, provide an opportunity or a challenge for EU's foreign policy? In addressing this question, this paper will draw from the theoretical perspective of the EU as an international actor and examine the EU policy towards the Balkans based on CFSP and ESDP. The paper will also look at the EU's practical involvement in the region—in terms of foreign aid, development assistance, democracy building, peace keeping, trade relations, and rule of law strengthening. Pre-accession mechanisms, such as the Stabilisation and Association Agreements (SAAs), Instrument for Pre-accession Assistance (IPA), and Trade Agreements (TAs), serve as a good basis upon which an analytical and critical evaluation of EU's policies towards the Balkans and their effects on the Balkans countries can be properly conducted.

In conclusion, the paper will put forth concluding remarks over the areas in which the EU foreign policy towards the Balkans has been more successful than not. It will also shed light as to whether the Balkans is proving to be an opportunity for successful EU involvement in international politics or a challenge for the EU's role as an international actor.

### *EU Engagement in the Balkans*

*“When dealing with the Balkans, the devil is usually not in the details but in the failure to confront the obvious”*

*Edward P. Joseph*

The emergence of the EU as an active participant in the international scene is widely recognized while its success, credibility, legitimacy, and leadership remain contested and have generated heated debates among scholars and politicians alike. The purpose of this paper is not to assess the role and degree of success of the European Union on all international political and security matters as this would entail an extensive and detailed account and analysis. Rather, this paper briefly evaluates EU's foreign policies towards the Western Balkans (WB) under the general framework of the CFSP and ESDP.

The world political and economic landscape began to drastically change with the fall of the Iron Curtain that had separated Europe into east and west for decades, the demise of the USSR as a superpower, and the acceleration of the globalization processes. The disintegration of the Soviet Union generated the emergence of several former Soviet republics as independent states. It also created a vacuum in the international political stage, one in which the previous system of bipolarity was to be replaced and balanced by several emerging influential political entities. To Western Europe, the main threat to its security previously posed by the Soviet Union had been diminished, yet security challenges remained on the horizon as the crisis within the republics of former Yugoslavia dangerously unfolded. Although the USSR had disintegrated, considerable amounts of its nuclear arsenal remained dispersed and in possession of several of its former republics, mainly in Russia, Ukraine, Belarus, and Kazakhstan (Walker, 1992; Rees, 1998). These republics had weak institutional capacity to exercise firm control over their nuclear weaponry and simultaneously faced a range of significant economic problems (Walker, 1992). Clearly, European politicians were primarily concerned about this potential threat that could have had devastating consequences for the continent.

Further, the fall of communist and socialist regimes in Central and East European countries presented European leaders with an excellent opportunity to extend the promises of integration to their neighbours. Overall, anxiety, uncertainty, and cautiousness were pervasive in the academic and political circles of Western Europe concerning the appropriate external strategy towards this new frontier. Thus, the changing international political milieu necessitated that Western Europe speak with a unified voice on international security matters. It became obvious that the range of issues that needed to be addressed unexpectedly widened to include complex political, economic, and military matters, yet the instruments and mechanisms to adequately deal with the multidimensionality of these issues was lacking.

It was not until the Treaty on the European Union (the Maastricht Treaty) of 1992, which took the power of law in late 1993, that Western countries had the full legal basis upon which to jointly create or effectively implement foreign policies (Hancock & Peters, 2003). The Maastricht Treaty established the Common Foreign

and Security Policy (CFSP) as one of its three overarching pillars; the other two pillars consisted of the European Communities and Police and Judicial Cooperation (Archer, 2008). The CFSP in 1993 and then the ESDP ratified in 1999 following the Amsterdam Treaty demonstrates the ambitions of EU members to create a cohesive foreign policy in the international stage despite their sometimes conflicting interests and priorities (Ginsberg, 2007). The all-encompassing goal of the CFSP and ESDP is to protect the security of the European Union and promote security and cooperation outside its borders. The establishment of the ESDP also shows that EU moved away from relying solely on “soft power” as the CFSP previously provided; through the ESDP, the use of military power, or “hard power” was made possible to effectively implement foreign policy (Archer, 2008). While ESDP is a bold platform, the sustainability of a common and unified European foreign policy remains anything but certain in the near future (Hobsbawm, 1997). A recent example of the dichotomy between European rhetoric and political reality came to surface when Kosovo’s freely elected Parliament declared independence and succeeded *de jure* from Serbia in 2008. The newly founded Republic of Kosovo was immediately recognized by the US, and major European countries such as Germany, France, and Italy. Yet, several countries which are members of the European Union, such as Greece, Romania, Spain, Cyprus, Slovakia, have not recognized its independence due to a fear of giving their minorities a precedent, or because of their close relations with Serbia. The idea that Kosovo will set a precedent of legitimized succession for minorities in other countries was widely argued for by those countries opposed to Kosovo’s independence, and was championed by Russia, who claimed that it would reconsider its position towards South Ossetia and Abkhazia. South Ossetia and Abkhazia are two separatist regions in Georgia whose independence Russia recognized in late August of 2008. With the passage of time, it proved that Kosovo’s independence was a *sui generis* case and it did not give legitimacy or heighten the chances of international recognition for other successionist movements around the world. In short, the main difference between Kosovo and other breakaway initiatives lies in the fact that Kosovo underwent genocide during the war of 1998-1999, which was followed by the deployment of NATO forces to protect ethnic Kosovar Albanians from Serb aggression, and the establishment of the United Nation’s Interim Administration Mission in Kosovo (UNMIK) to govern Kosovo.

While ESDP has begun and currently maintains several military, police, and rule-of-law strengthening operations throughout the world, “the first actual ESDP operation was the EU Police Mission in Bosnia and Herzegovina (EUPM), launched on 1 January 2003 to take over from a similar UN operation” (Archer, 2008). EUPM seeks to ensure that the highest ethical and professional standards of police independence and impartiality are upheld while it fights widespread corruption and entrenched organized crime in this ethnically divided and weak state (European Union, 2008). In the following year, ESDP began in 2004 another military project called the EU Military operation in Bosnia and Herzegovina (EUFOR ALTHEA) which took over the duties and responsibilities of maintaining peace previously held by the United Nations. Under the Dayton Accords signed at an Ohio military base in 1995 between the Bosnian and Serb leadership, it was the United Nations International Police Task Force (UNIPTF) that cared for maintaining peace and security in the war-torn country (United Nations Peace and Security Section of the Department of Public Information, 2003). Other activities undertaken under the framework of ESDP include the EU Planning Team in Kosovo which provided for a transition of responsibilities from the UNMIK administration to Kosovar institutions, prepared for the International Civil Office (ICO) and laid the foundation for the EU rule-of-law mission in Kosovo called EULEX.

In 1989, Serbia forcefully removed the autonomous status of Kosovo and Vojvodina, and Slobodan Milosevic launched a series of actions to put loyalists in key government positions in other republics that comprised Yugoslavia. Milosevic’s power ambitions signalled to Croatians and Slovenians that the worst was yet to come. Slovenia and Croatia declared their independence in June of 1991 and sought international recognition. In response to rapidly evolving developments in its southeastern backyard, in March of 1991, the European Parliament passed a resolution which stipulated “that the constituent republics and autonomous provinces of Yugoslavia must have the right freely to determine their own future in a peaceful and democratic manner and on the basis of recognized international and internal borders” (Klemencic, 2006). It is self-evident that this resolution supported the right to self-determination and provided an unequivocal approach to solving the rising tensions in former Yugoslavia. This commitment was short-lived because “at

the same time, most European governments continued to support the Yugoslav government and insisted that Yugoslavia remain intact” (Klemencic, 2006). Sending mixed and often contradictory messages delayed meaningful action on the part of the EU, and allowed Milosevic to doubt the sincerity of these and other resolutions that followed. In an effort to bring the parties to an agreement, the European Community (EC) as well as the United States of America (USA) enacted an arms embargo on the federal government of Yugoslavia (Bromley, 2007).

In 1991, the EC signed the Brioni Accords with Yugoslav representatives to establish the European Community Monitoring Mission to oversee the withdrawal of the Yugoslav army from Slovenia (Landry, 1999). Essentially, the monitoring of the cease-fire between the Slovenian and Yugoslav army was an implicit recognition of the Slovenian army’s victory and the legitimacy of the Slovenian claims for an independent state. Negotiations between EC delegates and the representatives of Slovenia, Croatia, and Serbia continued, but without including representatives from Macedonia, Montenegro, Bosnia, Kosovo, or Vojvodina (Woodward, 1999). This is a clear example of selectively enforcing the right to self-determination, and delaying dealing with problems in the hopes that tensions will somehow subside by themselves. The politics of delay and wait manifested itself again when the EU and USA did not include Kosovo in the Dayton Accords, which ended the war in Bosnia. Not including Kosovo in these peace negotiations when they had the upper hand in dealing with Belgrade meant that the prospect of peace in the Balkans was only temporarily in sight as the war of 1998-1999 in Kosovo would later prove. While the Brioni Accords effectively ended the war between Slovenian military forces and Serb-controlled Yugoslav army and settled the question of Slovenia’s independence once and for all, the subsequent development of events in Croatia, and later Bosnia, illustrate how calamitous the lack of a comprehensive approach can be.

As months passed by, the ethnic relations in Croatia exacerbated and the number of victims continued to surge in the hundreds while the number of refugees reached thousands. Facing an escalating ethnic war, the EC intensified its efforts to bring peace, but to no avail. At this time, the EC lacked the persuasive tool of “hard power,” namely what is now the European Security and Defence Policy (ESDP). The only foreign policy tools at the EC’s disposition were in the form of economic sanctions or economic incentives for the warring parties (Woodward, 1999). Adding

to the lack of decisive action on the part of the EC to counteract the ethnic war that was taking place were also internal disagreements and preferences among EC members. While Germany, Austria, and Italy positioned themselves as supporters of Slovenian and Croatian claims, France, Spain and United Kingdom were much more reluctant to accept the notion of self-determination because they feared, particularly France and Spain, that this would create a precedent for their own minorities to follow suit.

The EC did not perceive the escalation of ethnic wars within Yugoslavia as an imminent threat to the security of the EC; rather Europe linked its security level to what would happen with the nuclear arsenal of the falling USSR and the internal unity following the outcome of the Maastricht Treaty (Woodward,1999). Despite the fact that the Balkans did not remain at the forefront of the European security concerns, its bloodshed continued to be on the EC's radar. On October 1991, EC drafted and offered a political settlement that contained compromises between the fighting parties. Serbia categorically rejected the proposal and this allowed the EC to proceed with the imposition of economic sanctions on Yugoslavia. Economic sanctions turned out to be another unsuccessful effort at brokering a cease-fire. Following Slovenia and Croatia's example, Bosnian Muslims held a referendum in which they expressed their free will to succeed from Yugoslavia and gain independence. To prevent Bosnia from entering the war, the EC presented the Lisbon Agreement to Bosnia Muslims, Croats, and Serbs. The Bosnian leadership refused to accept the provisions of the agreement, which would essentially carve out Bosnia into three regions and allocate land to the constituent parties in the amount that is proportionate to their population. With the refusal of Alija Izetbegovic to accept the agreement, a brutal war ensued until 1995 when the Dayton Agreement ended the war.

While the wars were being waged in the 1990s in Bosnia and Croatia, the political situation in Kosovo had been kept from erupting under the pacifist leadership of the Kosovo Albanian leader Ibrahim Rugova. Rugova's vision of gaining independence for Kosovo was based on a nonviolent approach that relied on appealing to the international community for recognition of Kosovo's independence based on the notion of self-determination. Similarly to other republics, Kosovo held

a referendum in early 1990s in which the overwhelming majority of Kosovo Albanians voted for independence. However, the European leadership completely ignored this expression of their political will for years despite many warning signs that even the genocide in Bosnia might very well be repeated in Kosovo. The deteriorating economic conditions in Kosovo coupled with the daily repression of the Serb government made life in Kosovo all but liveable. Many Kosovars began to doubt the feasibility and effectiveness of Rugova's vision and armed groups began to train and organize in the mountainous and deeper regions of Kosovo. These groups organized several attacks on Serb police and came out publicly on November of 1998 as the Kosovo Liberation Army (KLA). The KLA was initially operational in the Drenica region; however, its appeal to young Kosovars and the Albanian Diaspora changed the course of history. Hundreds of Kosovars joined the ranks of KLA and the Albanian émigré poured millions of dollars in donations to fund the armament of KLA. Initially listed as a terrorist organization, the KLA under the guidance of current Prime Minister Hashim Thaci, was removed from State Department's list of international terrorist organizations.

Serbian forces responded with heavy fire on Kosovar small towns indiscriminate of civilians. Seeing that yet another brutal war was about to erupt, European politicians intensified their pressure on Slobodan Milosevic and brokered a cease-fire between him and the KLA in October 1998. The Organization for Security and Cooperation (OSCE) installed the Kosovo Verification Mission to monitor the cease-fire and strengthen the peace-building process. However, this mission left Kosovo when it became clear that the Rambouillet talks between NATO and Milosevic would fail and as a result, the NATO would begin bombing Serbian military and police bases in late March of 1999.

### *EULEX – EU's Largest ESDP Mission*

The European Union was quite negligent about the situation in Kosovo, despite the geo-strategic proximity of the latter to the EU. Indeed, despite the fact that former Yugoslavia was considered a problematic area that could threaten the values of the EU, the Union had neither the necessary "political will" nor "an underlying policy or appropriate mechanisms" to successfully get involved in the escalating crisis in former Yugoslavia (Muguruza, 2003). More specifically, until 6

April 1996 Kosovo was not even mentioned in any EU or EC documents. It is in the 'Declaration of Recognition by EU Member States of the Federal Republic of Yugoslavia (FRY),' which called for a larger autonomy for Kosovo within FRY of that date that Kosovo was referred to for the first time (Muguruza, 2003). By the time the EU was finally taking some interest in the unrest in Kosovo, the crisis there would approach its peak in just two years.

The involvement of the international community in the Kosovo war and the post-war administration of Kosovo found the EU unprepared to deal with such crisis. Kosovo served a precursor to the EU's commitment for a credible European security strategy, which resulted in the European Security and Defence Policy (ESDP). The EU security and defence policy was tasked to the Western European Union (WEU), but its capability was never fully operationalized in practice (Latawski and Smith, 2003). And, if WEU security and defence policies were to have any impact, they were to meet three key conditions, as defined by Bretherton and Vogler (2006): presence, opportunity and capability. Since WEU did not have capability, EU turned to ESDP.

Despite many diplomatic efforts to stop the conflict in Kosovo, it took NATO's military intervention to bring peace to the country. Once NATO moved in, Kosovo became a UN-administered territory under UNMIK (UN Mission in Kosovo).

Let us recall that the EU was given a role within UNMIK as well, tasked with reconstruction, but that was not because of the EU's political importance but rather because of the UN's need for the EU's economic and development resources necessary for the post-war Kosovo (William, 2005; King and Mason, 2006). EULEX, however, represents the most ambitious EU mission ever and the largest of all twenty-two CSDP missions to date (Pond, 2008). As opposed to UNMIK, EULEX does not have a civil administration mandate and it cannot adopt legislation or regulations on behalf of Kosovo. The EULEX mission statement stipulates that that its main purpose is to help Kosovo institutions sustain the rule of law:

The CSDP mission will assist the Kosovo authorities, judicial authorities and law enforcement agencies in their progress towards sustainability and accountability. It will further develop and strengthen an independent and multi-ethnic justice system and a multi-ethnic police and customs service, ensuring that these institutions are free from political interference and adhering to internationally

recognised standards and European best practices. The mission, in full co-operation with the European Commission Assistance Programmes, will implement its mandate through monitoring, mentoring and advising, while retaining certain executive responsibilities (EULEX: URL). Its legal basis stems from the European Council Joint Action 2008/124/CFSP of 4 February 2008 (EULEX: URL).

In addition, the General Affairs and External Relations Council appointed an EU Special Representative (EUSR) which “advises and supports the political process and ensures the consistency of EU action in Kosovo” (Commission of the European Communities). At the beginning of its deployment, expectations for EULEX were high among the Kosovo population, particularly in the area of law enforcement in the entire geographical territory of Kosovo including the partitioned town of Mitrovica. The northern part of Mitrovica still remains under the direct control of Serbian government which has established illegal and parallel government institutions where Kosovo’s Constitution is not applicable. As of this writing, it has been over two years since EULEX was launched and corruption remains rampant in Kosovar government particularly in the judicial system. While the existence of corruption cannot be blamed upon EULEX, its success in fighting corruption and improving the rule of law is less than admirable. Just recently, EULEX raided the offices of the Minister of Transport and Telecommunications, Fatmir Limaj, who is suspected of taking bribes in road construction projects. Many have called this action as a public relations campaign on the part of EULEX to improve its image in Kosovo, an image that portrayed EULEX as inefficient and ineffective. EULEX and its pledge to strengthen the rule of law received a major blow during the latest Belgrade’s elections held in Mitrovica. These elections held by Belgrade are of significant importance for many reasons. For one, Belgrade showed that if it cannot regain the entire Kosovo, it will do whatever it can to partition it. Northern Mitrovica is de facto part of Serbia and the recent elections are an affirmation of this fact. Belgrade also showed that it can successfully challenge EULEX as it understands that the overall goal of EU in Kosovo is to primarily maintain security whereas the rule of law is of subprimary importance. Further, it also shows that the EU cannot exercise strong leadership in protecting the territorial sovereignty of Kosovo. EULEX and EU’s hesitation to confront Serbia in northern Mitrovica resonates well with their infamous lack of proactive action in

preventing a crisis that is in the brewing rather than responding to it at a later and more explosive stage.

The majority of the blame for corruptive practices lies within the Kosovo government itself and the political culture at large. While it is easy to blame corruption on the legacy of foreign rule in Kosovo, the only solution is for all members of Kosovar society to take responsibility and fight corrupt practices.

### *EU Enlargement in the Balkans*

Since its inception in 1951 in the form of the European Coal and Steel Community (ECSC) by the six original members, France, West Germany, Italy, Luxembourg, Belgium and the Netherlands, the original intent of preventing intra-European wars through economic inter-dependency, multi-lateral cooperation, and through the diffusion of institutional political discrepancies has been sustained and kept well alive. The original intent of ECSC was to make war impossible between the Europe's two powerful historical rivals, Germany and France, and then gradually extend this model to other parts of Europe.

The Schuman Declaration of 1950, and subsequent treaties that meaningfully transformed the nature, role, and the future of Europe, have the notion of enlargement as an inherent and integral part of it. Without enlargement and multi-layered internal integration, the very purpose of the European Union loses its noble appeal and moral force that has served as a catalyst pushing European countries to persevere through the toughest economic times such as that during the "eurosclerosis" in the 1970s and 1980s. "Eurosclerosis" is a term that sought to describe and explain the sluggish performance of European economies. During this time, the economy in Europe experienced slow growth and chronic high unemployment, and many attributed this to government overregulation of the labor markets, particularly to excessive employment protections and abundant unemployment benefits, that made it costly for employers to hire and fire employees (Boeri and Garibaldi, 2009). According to this theory, this inflexibility of regulations made increasingly difficult for anxious employers to adjust their hiring and firing practices to markets demands, which in turn, led to a stagnant economy and unemployment (Burgess, 1992).

## *The Strategy of Conditionality*

Following the establishment of the European Union by the ratification of the Maastricht Treaty in February of 1992, which went into effect in November of 1993, it became necessary for the EU to lay down the general paradigms a country must embody in order to be eligible to join the EU. Further, the end of the Cold War also brought to attention the prospect of new enlargements to Central and Eastern Europe. With the aim of having a broad framework that would judge the eligibility of new entrants, the European Council agreed to overarching benchmark provisions in 1993 in Copenhagen, Denmark. The admissions conditions, known as the Copenhagen Criteria, specified the vast array of conditions that each country must have met before they can become members of the EU. Despite the fact that several changes have been made to the criteria throughout the years, the essence of them remains very much the same. In general, a country is eligible for EU admission if it has representative democratic institutions, a market-based and competitive economy, upholds the rule of law, protects minorities and their rights, respects inalienable human rights, and has the ability to meet the obligations and adhere to the overall intent of the EU (Nilsson, 2000).

Following the liberation of Eastern Europe from the dictatorship of communism, Western Europe did immediately admit these countries into their institutions. Rather, it employed the strategy of conditionality that dictated that countries aspiring to join would have to meet certain conditions. Thus, admission of new countries into the EU was conditioned with satisfying the Copenhagen Criteria.

This strategy of conditionality entailed that Western Balkans countries make a transition from communism and socialism to a democratic system of governance and a competitive economy based on free enterprise (Anastasakis, 2008). The enlargement process has proved to be increasingly multi-layered and complicated in the Balkans countries because they share a history of deep-rooted ethnic antagonism, authoritarian regimes, widespread corruption, and unsustainable economies. Following the cycle of wars in former Yugoslavia and a “lack of prevention and exit strategy” on the part the European Union, it became obvious that the Western Balkans region entailed a unique and innovative approach (Elbasani, 2008).

Unlike the EU’s approach towards East and Central European countries which centered on the association aspect, the policy of integrating Western Balkans

emphasized stabilization and regional cooperation amongst warring countries (Elbasani,2008). Through the Regional Approach, adopted in 1996, the European Union reiterated that the basis of membership for Western Balkans were firmly grounded on conditionality, while it vowed to offer financial assistance and trade preferences for countries that made gradual progress on meeting the Copenhagen Criteria (Elbasani, 2008).

Using these foreign policy mechanisms to better influence the political and economic developments in the Balkans did not prove as successful as it was hoped, and it brought to surface the need to create a more comprehensive and individualized framework through which the Western Balkans countries would make further progress on their road to EU membership. To better deal with the entrenched historical turbulence of the Western Balkans, the European Union launched the Stabilization and Association Process (SAP) in 1999.

### *The Liberalization of Trade*

Being the policy of the EU towards Western Balkans countries, the SAP strives to better prepare these countries for eventual EU membership by assisting them in their endeavours to fulfill the Copenhagen Criteria. Although this agenda has a vast array of conditions, SAP primarily intends to encourage increased cooperation amongst Western Balkans countries and enable them to transition their economies from centrally planned into free-market economies with competitive enterprises. This framework is regional in nature as it focuses on the Western Balkans, however, the success of individual countries towards EU membership is not the same. The fact that Croatia and Former Yugoslav Republic of Macedonia are *candidate countries* whereas Albania, Bosnia and Herzegovina, Montenegro, Serbia, and the Republic of Kosovo remain *potential candidates*, emphasizes the discrepancies of SAP's success, although the countries themselves bear significant responsibility for adopting these reforms.

A key element of the SAP is the encouragement of regional cooperation amongst countries. An example of this is the Central European Free Trade Agreement (CEFTA) that all Western Balkans countries have signed. CEFTA seeks to establish a free-trade area by liberalizing and simplifying trade regulations and

polices. The overall goal of CEFTA is to make trade easier in the region, which in turn will encourage much-needed economic progress and competitiveness. The liberalization of mercantilist policies in the region and the subsequent integration of their economies within the region is a powerful instrument to make war “unthinkable” and “impossible” also in the Balkans. Despite the criticism concerning the success of the SAP as reflected in the categorization of Western Balkans countries in candidate and potential ones, these countries have been afforded a greater opportunity and an idiosyncratic approach to converge or approximate their government institutions and economic practices closer to EU’s democratic principles and single market. This has been formalized by the signing of Stabilization and Association Agreements and Trade Agreements (TAs) between the EU and several WB countries. Trade agreements that allow WB countries greater access to the much larger European markets can have positive impacts on their economies. For example, since the signing of TAs, exports from WB countries have increased substantially, particularly from Croatia and Serbia (Commission of the European Communities, 2003)

While numerous trade and cultural agreements have been signed between these countries and have been hailed by EU officials as indications of progress, most of this cooperation has been “largely engineered from the outside” namely by European Union institutions, NATO, and the OSCE (Solioz & Stubbs, 2009). Regional cooperation, as a key component of SAP, is a means to integration, but not necessarily an end in itself (Solioz & Stubbs, 2009). Thus, cooperation in WB is not a virtue borne and nourished from within; rather it is an imposition in the form of obligations laid upon these countries that they must fulfill in order for them to clear the path towards membership.

The conflict between ethnic Albanians, who demanded equal rights and fair treatment, and the government forces in Macedonia in 2001 is a strong reminder that stability and regional cooperation in the Balkans first hinges on *intra-cooperation* between different ethnicities within the geographical boundaries of each Western Balkans country. For example, any mistreatment and discrimination of the ethnic Albanians in Macedonia, Serbia, or Montenegro, puts a strain on their relations with the Republic of Kosovo and Albania which cannot stay indifferent because of their shared history, culture, and language with them. Although the EU’s

role in brokering a deal in Macedonia resulting in the Ohrid Agreement commands praise, the EU must take a more proactive and perhaps pre-emptive role in diffusing rising conflicts.

### *EU's Instrument for Pre-Accession Assistance (IPA)*

In 2006, EU adopted the Instrument for Pre-Accession Assistance (IPA) which went into effect in 2007, and replaced previous pre-accession instruments (CARDS, ISPA, etc.), thus bringing all pre-accession instruments under one encompassing structure. The IPA offers targeted assistance and funding for both candidate countries and potential candidate countries. The IPA structure consists of five groupings:

1. *Assistance for transition and institution building;*
2. *Cross-border cooperation (with EU Member States and other countries eligible for IPA);*
3. *Regional development (transport, environment, regional and economic development);*
4. *Human resources (strengthening human capital and combating exclusion);*
5. *Rural development.*

Source: (European Union, 2009).

Candidate countries (Croatia, Turkey, and the Former Yugoslav Republic of Macedonia) are eligible to receive technical and financial assistance for all five groupings whereas potential candidate countries (Albania, Republic of Kosovo, Bosnia and Herzegovina, Montenegro, and Serbia) may receive assistance for only the first two groupings. The overarching goal of the IPA is to enable these countries to make political, economic, and legal reforms so that they are better equipped to join and face the challenges of being in the EU. Altogether, these reforms seek to build democratic state institutions, develop and empower civil society, advance the rule of law, protect human rights and minorities, transition to a competitive and market-based economy, and align their laws with the body of EU's laws, commonly known as *acquis communautaire* (European Union, 2009). While the success of the IPA as a

whole and the success of specific projects that it has enacted remain to be thoroughly evaluated, the establishment itself of the IPA by the EU symbolizes an innovative approach in that it serves as a single edifice that aims to deliver a coherent, consistent, and outcome-driven approach.

Prior to the founding of the IPA, pre-accession aid was compartmentalized into different instruments such as Phare, ISPA, SAPARD, the Turkish pre-accession instrument, and CARDS. The success of these instruments influences largely the level of preparedness of these countries to join the European family. A key issue in the enlargement debate has been that new countries, particularly the less developed countries such as those from the former Eastern bloc, may disrupt the already delicate economic cohesiveness of the EU (Wood and Yesilada, 2007). Thus, the effectiveness of pre-accession aid in preparing countries to join the EU is essential to maintaining a European Union that is evocative of a unified and well-integrated entity with miniscule economic and political disparities. It is clear that it is precisely this concern of minimizing economic and democratic disparities between the well-established, economically sustainable democracies and the newcomers, which generally tend to have weaker democracies and less competitive economies that mobilised European leader to rally behind the IPA as a comprehensive, well-harmonised strategy to better prepare countries to join the EU.

### *Visas*

Except for Croatia, citizens of all Western Balkans countries were still required to be in possession of visas when crossing borders into the European Union until recently. Obtaining visas to enter the EU was (it remains for Kosovo citizens) a lengthy process fraught with procedures, requirement, and regulations that made it for most virtually extremely difficult to travel to Western Europe. In early 2008, the EU launched a dialogue with Serbia, Macedonia, Montenegro, Albania, and Bosnia to lift the visa requirement and it has focused on four key aspects: document security, illegal migration, public order and security, and foreign relations (Analytica, 2009). Until early October, Albania, Bosnia and Herzegovina, and the Republic of Kosovo were the only countries that had yet to implement the requirements of the visa liberalization. Just recently, the European Parliament made a landmark decision

that now allows the citizens of Albanian and Bosnia and Herzegovina to travel visa-free to the European Schengen countries (Banks, 2010).

From an EU perspective, the visa liberalization process is considered a significant success of these countries in their path to full EU membership. Although this is a historic event for both Albanian and Bosnia, the liberalisation of visas is only one of numerous sweeping reforms that they must accomplish before they can join the EU. The liberalization of visas for both these countries proves to their governments and citizens that they are capable of implementing the obligatory changes and that their efforts can succeed.

Presently, popular sentiment in Kosovo is sceptical and somewhat disillusioned with the decision of EU to lift visa requirements for all WB countries but for Kosovo. If Kosovo fails to meet the conditions of visa liberalizations for years to come, this isolation of their citizens could have unpredictable and long lasting repercussions. For one, it may change the public opinion on the viability of EU membership and may create a sense of failure despite their continuous efforts towards reforming public administration, liberalizing economic policies, and strengthening democratic institutions. However, reliable statistics showing significant decreases in corruption levels at the national and local levels of government may help demonstrate the effectiveness of such efforts.

### *Concluding Remarks*

The future of the EU is interlinked with the future of the Balkans. A stable, prosperous, and peaceful Balkans is essential for a stable and prosperous EU as an international actor of relevance. The eventual admission of all Western Balkans countries into EU will be a tremendous success for EU as a whole, particularly for its foreign policy mechanism. Since the end of the Cold War, the EU has gradually increased its involvement in the Western Balkans and has enjoyed considerable success (SAPs, TA's, etc.) in empowering these countries to make reforms and eventually join the EU. However, the EU must move away from the policy of delay and wait and reaffirm a leadership role when dealing with issues in the Western Balkans. A leadership role is essential to bringing more credibility to EU's foreign policy.

The partial recognition of the independence of Kosovo by the EU hinders the EU's enlargement process as much as it hinders the Balkans' chances of moving forward without looking into its bloody past. Serbia's refusal to recognize Kosovo's independence and the *de facto* partitioned Northern part of Kosovo not only puts a huge strain in the reconciliatory process between the two countries, but seriously undermines the stability and security prospects of the entire Balkans.

Therefore, at present, the Balkans seems to present a challenge as much as an opportunity for the future of EU in general and the future of EU's foreign policy in particular.

### **References**

- Analytica. (2009). "Ending 'Ghettoisation' of the Balkans: Visa Liberalisation Prospects." Retrieved October 21, 2010, from Analytica Thinking Laboratory: <http://www.analyticamk.org/files/ReportNo23.pdf>
- Anastasakis, O. (2008). "The EU's Political Conditionality in the Western Balkans: towards a More Pragmatic Approach." *Southeast European and Black Sea Studies*, 8(4): 365-377.
- Archer, C. (2008). *The European Union*. New York: Routledge.
- Banks, M. (2010). "MEPs Vote for Visa-Free Travel for Albanian and Bosnia- Herzegovina." Retrieved on October 21, 2010, from The Parliament: Policy, Politics, and People: <http://www.theparliament.com/latest-news/article/newsarticle/meps-vote-for-visa-free-travel-for-albania-and-bosnia-herzegovina/>
- Boeri, T., & Garibaldi, P. (2009). "Beyond Eurosclerosis." *Economic Policy* 24(59):409-461.
- Bretherton, C. and Vogler, J. (2006). *The European Union as a Global Actor* (2nd edition), London: Routledge.
- Bromley, M. (2007). "United Nations Arms Embargoes, their Impact on Arms Flows and Target Behavior, Case Study: Former Yugoslavia, 1991-1996." Retrieved October 21, 2010, from Stockholm International Peace Research Institute: <http://books.sipri.org/files/misc/UNAE/SIPRI07UNAEYug.pdf>
- Burgess, S. (1992). "A Search Model with Job Changing Costs: "Eurosclerosis" and Unemployment." *Oxford Economic Papers*, 44(1):75-88.
- Commission of the European Communities. (2003). "*Report from the Commission: the Stabilisation and Association Process for South East Europe-Second Annual Report, Annex 1.*" Brussels: Commission of the European Communities.
- Elbasani, A. (2008). "EU Enlargement in the Western Balkans: Strategies of Borrowing and Inventing." *Journal of Southern Europe and the Balkans*, 10(3):293-307.

- EU Rule of Law Mission, EULEX Kosovo. "What is EULEX?" Retrieved on May 20 from EULEX: <<http://www.eulex-kosovo.eu/?id=2>>
- European Union. (2008, September 25). "European Union Missions in Bosnia and Herzegovina." Retrieved May 31, 2010, from Europa: [http://europa.eu/legislation\\_summaries/foreign\\_and\\_security\\_policy/cfsp\\_and\\_esdp\\_implementation/ps0008\\_en.htm](http://europa.eu/legislation_summaries/foreign_and_security_policy/cfsp_and_esdp_implementation/ps0008_en.htm)
- European Union. (2009, February 7). "Instrument for Pre-Accession Assistance (IPA)." Retrieved May 31, 2010, from European Union: [http://ec.europa.eu/regional\\_policy/funds/ipa/index\\_en.htm](http://ec.europa.eu/regional_policy/funds/ipa/index_en.htm)
- Ginsberg, R. H. (2007). *Demystifying the European Union: the Enduring Logic of Regional Integration*. Lanham: Rowman & Littlefield Publishers, Inc.
- Hancock, M. D., & Peters, B. G. (2003). The European Union. In M. D. Hancock, D. P. Conradt, B. G.
- Hobsbawm, E. J. (1997). An Afterward: European Union at the End of the Century. In J. Klausen, & L. A. Tilly, *European Integration in Social and Historical Perspective* (pp. 267-275). Lanham: Rowman & Littlefield Publisher, Inc.
- King, L. & Mason, Wh. (2006). *Peace at Any Price How the World Failed Kosovo*, Ithaca: Cornell University Press
- Klemencic, M. (2006). *The International Community's Response to the Yugoslav Crisis: 1989-1995*. Washington, DC: Woodrow Wilson International Center for Scholars: East European Studies.
- Latawski, P. and Smith, M.A. (2003). *The Kosovo crisis and the evolution of post-Cold War European Security*, Manchester: Manchester University Press.
- Landry, L.-C. R. (1999). The European Community Monitor Mission (ECMM) in former Yugoslavia: Lessons Learned for OAU Civilian Missions. *The African Centre for the Constructive Resolution of Disputes: Occasional Paper*. Uhmalinga Rocks, South Africa: The African Centre for the Constructive Resolution of Disputes: Occasional Paper.
- Muguruza, C. C. (2003). "The European Union and Humanitarian Intervention in Kosovo: A Test for the Common Foreign Policy" in Bieber, Florian and Zidas Daskalovski (Eds.) *Understanding the War in Kosovo*, London: Frank Cass Publishers.
- Nilsson, L. (2000). "Trade Integration and the EU Economic Membership Criteria." *European Journal of Political Economy*, 16(4): 807-821(21).
- Pond, E. (2008). "The EU Test in Kosovo," *The Washington Quarterly*, 31(4): 97-112.
- Rees, G. W. (1998). *The Western European Union at the Crossroads*. Colorado: Westview Press.

- Solioz, C., & Stubbs, P. (2009). "Emergent Regional Cooperation in South East Europe: towards 'Open Regionalism'?" *Southeast European and Black Sea Studies*, 9(1&2): 1-16.
- United National Peace and Security Section of the Department of Public Information. (2003). *Mandate*. Retrieved May 31, 2010, from United Nations Mission in Bosnia and Herzegovina:  
<http://www.un.org/en/peacekeeping/missions/past/unmibh/mandate.html>
- Walker, W. (1992). "Nuclear Weapons and the Former Soviet Republics. *International Affairs*" (*Royal Institute of International Affairs 1944-*), 68(2): 255-277.
- William, G.H. (2005). *Engineering Peace The Military Role in Post conflict Reconstruction*, Washington D.C.: United States Institute of Peace Press.
- Wood, D.M., & Yesilada, B.A. (2007). *The Emerging European Union* (4<sup>th</sup> edition), United States.: Pearson Education, Inc.
- Woodward, B. S. ((Nov.-Dec., 1999)). A European "New Deal" for the Balkans. *Foreign Affairs*, 78(6): 95-105.