

European Union, ‘Enlargement Fatigue’ and the Western Balkans

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*The EU is seeking to repeat the success of its eastern enlargement in the Western Balkans. The accession of Croatia on 1 July 2013 provides a template for other Western Balkan states to emulate as they seek to transpose and implement the EU *acquis communautaire* and advance their membership prospects. But the EU’s engagement with the Western Balkans is proving uneven and unsatisfactory: the enlargement process is now on ‘life support’ and ‘flat lining’ along a trajectory of ‘frozen negotiating chapters’ and mutual mistrust toward (despite the promise made at Thessaloniki a decade ago) an increasingly uncertain destination. The main reason for this is ‘enlargement fatigue’ amongst the Member States of the European Union. This article explores the underlying causes of this phenomenon and how it is impacting on the EU’s relationship with the Western Balkans. It demonstrates that there is a symbiotic link between enlargement fatigue on the EU side of the relationship and the deficit of implementation on the candidate state side. The extended economic crisis which has so damaged EU solidarity has also had a knock-on impact on enlargement: the previously successful ‘external incentives model’ has run aground on the rocks of growing mistrust and pervasive uncertainty about the endpoint of the process.*

1 INTRODUCTION

It has become commonplace to think of the European Union (EU) as a failing political entity. The Eurozone crisis has thrown into doubt the survival of the Euro and simultaneously helped to re-configure power in the EU in potentially far-reaching ways. The sense of pessimism is pervasive and applies as much to hitherto successful policy domains as to the EMU. Chief amongst these ‘success stories’ has been the economic, political and geopolitical transformation wrought on the continent by successive enlargements of the EU. Eastern enlargement, through the so-called big bang of 2004 followed by the ‘coda’ accessions of Bulgaria and Romania brought the number of Member States to twenty-seven.

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This increased to twenty-eight when Croatia became the first country from the Western Balkans region to accede to the EU when it joined on 1 July 2013.

Croatia's accession means that the EU is now not just a direct neighbour of the Western Balkans but is physically embedded in the region. European integration constitutes the dominant force in the economic, political and geopolitical life of South Eastern Europe and membership of the EU remains the ultimate aim of every country in the Western Balkans. At the landmark EU-Western Balkans summit meeting at Thessaloniki in June 2003 it was stated that 'the EU reiterates its unequivocal support to the European perspective of the Western Balkan countries. The future of the Balkans is within the European Union'. This 'European Perspective' is thus intended to lead to membership and full incorporation in the institutional and policy regimes of the European Union.¹ Despite its economic woes, the EU still continues to act as a lodestar for the countries of the region as they recover from the traumatizing conflicts of the 1990s and seek to integrate with the varieagated architecture of the European integration process. Indeed, just as the countries of Central and Eastern Europe sought to 'return to Europe' in the 1990s, the EU's gravitational pull has been the most important factor in the reconstitution of economic, political and civic life in the Western Balkans region over the past decade. The European Commission manages the enlargement process on behalf of the EU, and it is within this policy domain (and its 'antechamber' regime, the Stabilization and Association Process {SAP}) that the EU seeks to both promote and police an intense 'Europeanization' strategy for enlargement candidate states, intended to 'democratize', 'modernize', 'pluralize' and transform the most fragile part of Europe and progressively connect it to the mainstream landscape of EU politics.

The EU's deep economic crisis and exhaustive introspection, however, has had a pronouncedly detrimental impact on the progress of enlargement-related reform in the Western Balkans. The crisis has been felt at both the national level (on the appetite for and capacity to implement EU-related reform measures) and on the EU level, where 'enlargement fatigue' has gone from constituting a mere discursive presence in the policy-making arena to playing a determinative role in enlargement politics. Indeed the contagion from the Eurozone crisis has reached so deep that Dimitar Bechev argues that we now have a crisis of the 'periphery of the periphery'. The catastrophic experiences of Greece, Portugal and Spain within the Eurozone have relegated those states to the status of traumatized periphery

¹ See European Commission, *Communication from the Commission to the Council and the European Parliament: The Western Balkans and European Integration*, COM (2003) 285 (Brussels, 21 May 2003). The Thessaloniki 'promise' was reiterated at the EU-Western Balkans ministerial meeting at Sarajevo on 2 Jun. 2010 where the EU provided 'an unequivocal commitment to the European perspective of the Western Balkans' and re-iterated that 'the future of the Western Balkans lies in the EU'.

within the existing EU constellation. The Western Balkans now constitutes an outer ring of that marginalized and discredited zone of governance failure and is viewed through similar lenses in Brussels and the 'north'.²

Enlargement cumulatively, from the original six to twenty-eight Member States, has multiplied the inherent complexities of EU governance and changed some of the crucial dynamics governing the 'search for consensus' on significant policy issues. Viewed as functionally problematic and increasingly difficult for the EU prior to 2008, the enlargement process is now on 'life support' and 'flat lining' along a trajectory of 'frozen negotiating chapters' and mutual mistrust toward (despite the promise made at Thessaloniki a decade ago) an increasingly uncertain destination. 'Progress reports' can be just as easily read as 'stagnation reports'.³ This remains the case even after Croatian accession. This article analyses the causes, scale and significance of EU 'enlargement fatigue', and the extent to which it is influencing the course of the current accession and SAP negotiations between the EU and the Western Balkan states. In its 2013 'Enlargement Strategy Paper', the European Commission pointed to the accession of Croatia, the start of accession negotiations with Montenegro and the April Agreement between Serbia and Kosovo as indicative of how the EU delivers on its commitments once the membership conditions are met and indicative of the 'transformative power and stabilizing effect of the enlargement process and the EU's soft power'.⁴ I argue that this positive assessment of developments within enlargement policy sits very uneasily with the significant evidence of enlargement fatigue and a clear lack of momentum in negotiations. The EU policy toward the Western Balkans is failing, and enlargement fatigue is largely to blame for the impasse in developments.

2 ENLARGEMENT FATIGUE: DEFINING A CONCEPT

Enlargement fatigue is not a new phenomenon even if it has become increasingly associated with the Western Balkans (and Turkey). Similar patterns and impulses can be traced back through significantly longer periods of time in EU enlargement history. From the earliest days of the European Communities, the relationship between potential 'widening' and 'deepening' of the 'club' was a matter for sometimes heated debate. In the 1960s, France twice rejected the membership bid

² D. Bechev, *The Periphery of the Periphery: The Western Balkans and the Euro Crisis*, ECFR Policy Brief (European Council on Foreign Relations, 2012), http://ecfr.eu/page/-/ECFR60_WESTERN_BALKANS_BRIEF_AW.pdf.

³ S. Blockmans, *The Prize is More Peace: The EU Should Consolidate Its Enlargement Process*, CEPS Commentary (Ctr. European Policy Stud. 8 Nov. 2012).

⁴ European Commission, *Enlargement Strategy and Main Challenges 2013-14'*, *Communication from the Commission to the European Parliament and the Council*, COM (2013) 700 final, 1 (Brussels, 16 Oct. 2013).

of the United Kingdom; De Gaulle worried not just about the geopolitical re-configuration implied by British accession to the Communities but about the finalité of the European integration process itself in the wake of an expansion of the original club of six. In 1977, Francois Mitterand explicitly expressed his reluctance towards the idea of Greek and Spanish membership, just as the EEC was consolidating its first enlargement.⁵ Doubts about the desirability of an eastern enlargement and in particular its potentially destabilizing impact on existing integration patterns and the institutional balance were frequently aired in the 1990s and early 2000s.⁶

Enlargement fatigue only properly entered the European political lexicon, however, in the wake of the dramatic failures of the French and Dutch referendums on the Constitutional Treaty in 2005.⁷ The seismic shock represented by the rejection of these twin referendums called out for scapegoats, and the recently completed ‘big bang’ enlargement – symbolized by the ubiquitous presence in ‘old’ Member States of the ‘Polish Plumber’ – seemed a good place for many to begin in explaining the public rejection of the European project. Similar arguments were proffered in Ireland after the defeat of the Lisbon treaty referendum there in 2008. But in all three cases, post-referendum opinion polling demonstrated conclusively that enlargement hardly featured in the voting calculus of citizens.⁸ Even so concerns about the EU’s ‘absorption capacity’ (defined as the EU’s ability to absorb new members whilst maintaining the momentum of the European integration process) began to feature regularly in debate about future expansion, especially after the European Council requested the Commission to re-visit the Copenhagen Criteria and re-evaluate the Union’s ‘absorption capacity’ against future commitments.⁹ The various issues connected to fatigue gained increasing prominence in media coverage of the EU, and this gradually began to seep through into real world political assessments of the merits of further expansion.

⁵ A. Szoulcha, *The EU and Enlargement Fatigue: Why Has the European Union Not Been Able to Counter Enlargement Fatigue*, 6 J. Contemporary European Research 6 (2010).

⁶ See, for example, *Eastern Europe threatens to destabilise EC*, Fin. Times (7 Nov. 1990); *Brussels Keeps the Gates to the East Shut*, Fin. Times, 16 Nov. 1995; *EU Braced for Enlargement War*, Fin. Times (14 Jul. 1997); *Dutch Raise Doubts over Candidates’ Fitness to Join EU*, Fin. Times (15 Oct. 2002); *Divisions Widen over Costs of Enlargement*, Fin. Times (11 Jun. 2002); *War of Words Erupts over Enlargement*, European Voice (23–29 Mar. 2000).

⁷ See D. Phinnemore, *Beyond 25- the Changing Face of EU Enlargement: Commitment, Conditionality and the Constitutional Treaty*, 8 J. S. Eur. & the Balkans 7–26 (2006).

⁸ See, for example, Special Eurobarometer Survey (2005) which found that only 6% of Dutch voters and only 3% of the French voters cited enlargement as a reason to reject the Constitutional Treaty. The Flash Eurobarometer survey of Irish voters in June 2008 similarly ranked enlargement near the bottom of voters’ concerns.

⁹ See M. Emerson et al., *Just What is the Absorption Capacity of the European Union*, CEPS Policy Brief 113 (Ctr. European Policy Stud. 2006).

Anna Szolucha defines the phenomenon as 'hesitance or unwillingness to grant EU membership to new states as expressed in the interplay of "wideners" and "deepeners" in the context of an upcoming or just finalized enlargement round'.¹⁰ Whether invoked within the Member States or at EU level, and pertaining to a desire either to slow down or completely halt EU enlargement, the opinion usually expresses wholly negative views of expansion and alleges a fundamentally negative correlation between the widening and deepening impulses. Scepticism and suspicion confront aspiring Member States as they seek to transpose and implement the corpus of EU legislation (now running to almost 140,000 pages) in advance of membership. Whilst divisions between 'drivers' and 'brakemen' also emerged during the eastern enlargement round, these tended to revolve around short-term cost-benefit calculations by incumbent states. We can re-define Szolucha's approach by acknowledging that there is now a qualitatively different dimension to the nature of the objections raised by those EU actors who seek to defer, discourage or obstruct enlargement to the Western Balkans. It includes normative as well as interest-based objections and, in particular, the sense that the EU has already reached its optimum absorption capacity and institutional limits. The depth and severity of the economic crisis experienced across the EU since 2008 has undoubtedly contributed to this change in perspective. Retrospective assessments of Bulgaria and Romania's governance capacity conclude that 'they were not ready' to join in 2007, that the gap between transposition and implementation of EU commitments in those states is too large, and that the EU should not have admitted them as members. The 'backsliding' on democratic reform in the Czech Republic and Hungary also add a further layer of suspicion about the extent to which accession preparations help 'lock in' EU standards in candidate states. Applied to the Western Balkans enlargement, fatigue now constitutes a reflex toward outright obstruction of further EU expansion based on retrospective doubts about the EU's 'transformative capacity' and fear of weakening the internal integration trajectory of the existing Union. This tendency toward obstruction is less likely to materialize in formal and stated positions in EU discussion but rather in an insistence on placing an ever-increasing burden of asymmetric adjustment on candidate states and much more frequent interventions by EU Member States to 'protect the integrity' of the accession process. It results in a much more overt politicization of enlargement at Member State level.

Commentators seeking to explain why the EU 'turned cold' on enlargement to the Western Balkans, emphasize the extent to which Brussels needed sufficient time and space after 2004 to properly internalize what had been an intensive and cumulatively significant process of expansion which had 'stretched the EU

¹⁰ Szolucha, *supra* n. 5, at 6.

resources and institutions' considerably.¹¹ Enlargement reluctance was in evidence long before the EU's economic crisis set in and EU policy demonstrated 'neither a vision, nor the motivating force' which had made the eastern enlargement possible.¹² Other commentators asserted that for the sake of its own institutional stability and external coherence, the EU simply could not afford the accession of any more institutionally weak ex-Communist East European States.¹³ Within the 'old' Member States, there were increasing calls to limit further enlargement, at least until the Lisbon treaty provided the institutional means to cope with additional members. Another manifestation of the phenomenon could be seen in the increased moves to 'protect' the national interest by introducing the possibility of future referendums on further accessions to the EU. Taken together, these different elements fused into an increasingly persuasive and influential argument for placing the Western Balkan states on the 'slow track to accession'.

3 'FROM THE INSIDE LOOKING OUT': CREEPING NATIONALIZATION AND POLITICIZATION OF ENLARGEMENT

The Western Balkan applicants have had to contend with an accession process which is now managed more on an inter-governmental basis from Brussels than the eastern enlargement and which has, at times, been held hostage to the particularistic bilateral demands of incumbent states. Enlargement politics has been characterized over time by a complex division of labour (internally) between the EU institutions: although the Commission plays a central bureaucratic role in the accession negotiations, this is balanced by the (territorial) input of both the Council and the (representative) functions of the European Parliament. The Commission had, however, undoubtedly been the pre-eminent actor within enlargement politics since taking on responsibility for the newly democratizing states from Central and Eastern Europe in the early 1990s.¹⁴ The economic crisis has significantly weakened the European Commission's relative power within the EU institutional system and boosted the European Council and the Member States. Enlargement has traditionally been viewed as a space where national interests would be more readily set aside than in conventional EU settings: the normative dimension of the process laid claim to a more community-oriented and solidaristic approach to decision-making. But that approach now has to contend with a much more assertive and muscular intergovernmentalism and the sometimes

¹¹ O. Anastasakis, *From Fatigue to Insignificance: Eurozone Crisis and Enlargement*, Paper presented at ELIAMEP's 9th European Seminar (Poros 21-4 Jun. 2012).

¹² *Ibid.*

¹³ See, for example, *Romania, Bulgaria and the European Union: We're off on a European Odyssey*, the Economist (28 Sep. 2006); *Post-Enlargement Stress*, the Economist (8 Nov. 2007).

¹⁴ J.O' Brennan, *The Eastern Enlargement of the European Union* (London 2006).

naked pursuit of national interests by self-regarding national actors within the Council. Enlargement is now more easily politicized in the domestic arena where political parties of populist, Euro-sceptic bent can harness otherwise incoherent discontent to 'strengthen European citizens' uneasiness about the potential consequences of further EU widening'.¹⁵ The chauvinist, particularistic and hyper-nationalist sentiments now sweeping through much of the European Union have an easy target in the Western Balkans: enlargement would result in many more immigrants who are poorer and more difficult to integrate into a Union that is already 'too full' and too economically challenged to cope with new entrants, whilst the uncertain constitutional status of Bosnia and Kosovo would potentially import into the Union an unwelcome new set of inter-ethnic disputes.

The multilateral and more or less pluralist framework of enlargement conditionality championed by the Commission now has to contend with sometimes uncompromising nationalist Member State demands. The weakened influence of the Commission has carried through from the larger integration process to the enlargement domain and encouraged some Member States to insert bilateral conditions where previously this approach would have been deemed inappropriate behaviour. The Council, rather than the Commission, is increasingly setting the 'benchmarks' for delineating progress in accession talks, thus largely determining the pace at which negotiations proceed.¹⁶ Creeping nationalization constitutes both a cause and an effect of enlargement fatigue. This more latent intergovernmentalist and politicized mode of enlargement decision-making was already evident as Slovenia made maritime territorial demands of Croatia. It can also be evinced in the continuing Greek objections to FYROM's name, the French posture toward Turkey on the Armenian genocide, Hungarian and Romanian demarches against Serbia and the Cypriot refusal to allow the EU open up further chapters with Turkey after 2006. In 2009, when Albania submitted its membership application, Germany indicated that it would wait for the formal approval of the Bundestag before asking the Commission to formulate an opinion on Albania's application. In December 2011, the Council delayed its response to Serbia's membership application until March 2012, requesting Serbia to further substantiate and fulfil the conditions set for it.¹⁷ In 2013, once again the Bundestag insisted on the opportunity to make further assessments of Serbia's cooperation with Kosovo before negotiations with Belgrade could be formally instituted in January 2014. All these examples indicate the extent to which the enlargement

¹⁵ R. Balfour & C. Stratulat, *The Enlargement of the European Union*, EPC Discussion Paper (10 Dec. 2012). See also C. Hillion, *The Creeping Nationalization of the EU Enlargement Policy*, SIEPS paper 6 (Swedish Inst. European Policy Stud. 2010).

¹⁶ *Ibid.*

¹⁷ *Ibid.*

process has been removed from its own internal rational and normative decision-making space and subjected to overt and dangerous politicization.

4 THE SHADOW OF ACCESSIONS PAST AND THE EROSION OF THE 'CONVERGENCE NARRATIVE'

Enlargement fatigue moved from the shadows to the mainstream of expansion debates after the 2007 accessions of Bulgaria and Romania. The most common charge presented is that neither country had been adequately prepared for membership on accession to the Union, and that membership has done little to change the fundamental problems of governance and state capacity. The EU leverage has produced significantly less reform than in other jurisdictions and the impulse toward reform has, in some spheres, actually gone into reverse; this despite six years of post-accession 'supervision' via the so-called Cooperation and Verification Mechanism (CVM). The CVM represents a novel instrument in enlargement governance, and has extended EU oversight of reform measures well beyond the accession date.¹⁸ But the reality is that after accession the motivation to observe democratic rules and continue processes of reform has weakened considerably and so has the nature of the external monitoring from Brussels.¹⁹

Western Balkan states suffer from geographical proximity to Bulgaria and Romania and an intellectual understanding of the Balkans as a unified region which is assumed to have a distinct 'cultural mentality', one that demonstrates an uncommon attachment to corruption and rent-seeking behaviour amongst highly clientelistic networks of local power.²⁰ Formal democratic institutions have continued to function but in a context where real power is alleged to be wielded by informal oligarchic networks, some with strong links to organized crime.²¹ In the aftermath of the collapse of communism and the power vacuum it generated, Bulgaria and Romania became associated with discernible patterns of state capture as 'criminal groups managed to suborn political, social, and judicial processes, hampering much-needed reforms, and depriving citizens of an impartial rule of law'. Smuggling and cross-border crime 'were not a part of the hidden agenda of the governments, but were organized and conducted by individuals and groups

¹⁸ See A.B. Spendzharova & M.A Vachudova, *Catching Up? Consolidating Liberal Democracy in Bulgaria and Romania after Accession*, 35 *W. European Pol.* 39–58 (2012).

¹⁹ J. Rupnik & J. Zielonka, *Introduction: The State of Democracy 20 Years on: Domestic and External Factors*, 27 *E. European Pol. & Soc.* (2013).

²⁰ See T.A. Börzel, *When Europeanisation Hits Limited Statehood: The Western Balkans as a Testcase for THE Transformative Power of Europe*, KFG Working Paper 30 (September 2011), http://userpage.fu-berlin.de/kfgeu/kfgwp/wpseries/WorkingPaperKFG_30.pdf.

²¹ Rupnik & Zielonka, *supra* n. 18.

within or closely connected to the ruling class'.²² These networks succeeded in instrumentalizing local and national political actors with the result that organized crime 'seeped into every aspect of public life', bearing significant influence over political stability, rule of law, legality, and social and economic development.²³ Stephen Holmes argues that the disappearance of the Communist Party machinery left behind various 'orphans' or 'highly developed fragments of a highly developed state'. These corporate organizations survived as 'subsidiaries spun off from their parent organization', including state security and secret service affiliates.²⁴ These groupings are now closely associated in Bulgaria and Romania with an 'informal politics' and oligarchical power where actors without any democratic legitimacy secure 'unjust, disproportional, or even illegal advantages on behalf of particularistic interests'.²⁵

Venelin I. Ganev goes so far as to describe the post 2007 period in Bulgaria and Romania as one of 'post-accession hooliganism'. He points to the prediction made by leading scholar Alina Mungiu-Pippidi that 'the day after accession, when conditionality has faded, the influence of the EU will vanish like a short-term anaesthetic'.²⁶ The breath and scale of corruption increased markedly after Bulgaria joined the European Union in 2007, as 'corrupt decision-makers rerouted flows of resources toward businesses owned by their own families'. The most outrageous case Ganev cites is that of Vesselin Georgiev, who was in charge of distributing European funding for the upgrade of Bulgaria's transportation infrastructure after accession. In 2007 and 2008, he channelled hundreds of millions of euros into bank accounts owned by his brother.²⁷ This blatant extraction of rents from the Bulgarian state forced the EU to withdraw more than EUR 200 million in grants and supports in 2008. Ganev asserts that virtually the entire Bulgarian political class was 'privately complicit in the embezzlement of the European funds'. Rather than structural and cohesion funds being spent according to rational and efficiency-enhancing universal criteria, Bulgarian politicians have openly boasted of their capacity to divert resources to their own supporters in arbitrary fashion. For Ganev, European officials emerge as 'little more than suckers' who supply Bulgarian political factions with resources they use to magnify their

²² E. Giatzdis, *The Challenge of Organized Crime in the Balkans and the Political and Economic Implications*, 23 *J. Communist Stud. & Transition Pol.* 337 (2007).

²³ D. Irrera, *The Balkanization of Politics: Crime and Corruption in Albania*, EUI-RSCAS Working Papers 18 (2006).

²⁴ S. Holmes, *Goodbye Future?* Eurozine, <http://www.eurozine.com/articles/2012-11-21-holmes-en.html> (2012).

²⁵ Rupnik & Zielonka, *supra* n. 18, at 13.

²⁶ V.I. Ganev, *Post-accession Hooliganism: Democratic Governance in Bulgaria and Romania after 2007*, 27 *E. European Pol. & Soc.* 26 (2013).

²⁷ *Ibid.*

local influence.²⁸ The mass protests which took place in Bulgaria in 2013 were in large part a reflection of frustration at the failure to improve Bulgaria's governance and regulatory capacity and at the vice-like grip on state offices allegedly held by shadowy oligarchical networks (although the February protests were undoubtedly also about the persistence of rising electricity prices and chronic poverty).²⁹

In Romania, the democratic process has been tested to the limit by attempts to impeach President Başescu (in 2007 and 2012) and to curb the power and independence of the Romanian Constitutional Court.³⁰ From 1997 until 2006, Romania received EU grants of approximately EUR 12 billion, a large part of which was devoted to strengthening administrative and institutional capacity but in actuality completely failed to reign in corrupt practices.³¹ Ristei Gufiu's conclusions is that the decision to grant Romania EU membership on the promise of change rather than on actual results in curbing corruption' curtailed the impact of EU conditionality.³² This confirms Tom Gallagher's contention that the EU was premature in judging Romania ready for membership and should have devoted much more time to assessing preparation. Despite the huge asymmetric power wielded by the EU, it failed to press home its advantage and failed to successfully mobilize 'counter-elites committed to delivering effective reform'.³³ Since accession in 2007, there has been no effective deployment of EU leverage. Domestic momentum towards reform which seemed strong from 2005 to 2007 has diminished as major political players have continually opposed reform.³⁴ The treatment of reform-minded minister Monica Macovei is indicative of the change. In February 2007, she was censured by the Romanian Senate, and in April she was dismissed by Prime Minister Popescu-Tăriceanu.³⁵

Recent developments in Hungary, in particular the systematic weakening of the courts and attacks on the freedom of the press, under Victor Orbán's Fidesz government, similarly challenge some of the fundamental norms of democratic governance in the EU. One of the most taken for granted 'truths' about the enlargement process has been that EU conditionality would drive state-building and prove decisive in the consolidation of liberal democratic norms and institutions in acceding Member States; there would be no post-accession 'backsliding' toward arbitrary and illiberal rule. Bulgaria, Hungary and Romania all

²⁸ *Ibid.*

²⁹ See J.O' Brennan, *Bulgarians Confront the Oligarchs*, Open Democracy 26 (2013).

³⁰ Rupnik & Zielonka, *supra* n. 18, at 7.

³¹ M.R. Gugi, *EU Enlargement and Anti-corruption: Lessons Learned from Romania*, 34 J. European Integration, 443 (2012).

³² *Ibid.*, p. 444.

³³ T. Gallagher, *Romania and the European Union: How the Weak Vanquished the Strong*, 110, 128 (Manchester U. Press 2009).

³⁴ Spendzharova & Vachudova, *supra* n. 17, at 55.

³⁵ Ganev, *supra* n. 26, at 37.

challenge this apparent logic and in doing so throw into doubt one of the fundamental nostrums underpinning enlargement policy. Their non-compliance with EU norms and evident nonchalance about potential sanctioning by Brussels also presents serious challenges to the credibility of EU 'integration through law', as Gerda Falkner puts it.³⁶

5 THE SHADOW OF THE PRESENT: ENLARGEMENT AND THE CRISIS OF THE EU ECONOMY

Since 2008, the European Union has been buffeted by successive waves of financial and economic turmoil. The crisis has revealed the deep inter-connectedness of European banking and financial structures, both those within the Eurozone and outside, and within the EU and outside. The contagion from the sovereign debt crises has enmeshed external states as much as EU incumbents and in the process helped to undermine further the case for EU enlargement. The crisis has not only imposed severe economic contraction and social hardship but also broken the established consensus on enlargement as both a normative goal and a demonstrable success story for the European Union. The Western Balkans is already highly integrated into the EU economy. Indeed during the decade prior to 2009, the region experienced a considerable rise in living standards as it recovered from the catastrophic conflicts of the 1990s and rode the broader European economic boom. Much of this advance, however, was consumption-based as credit expanded annually by as much as 25%; inward investment was concentrated in the real estate and tourism sectors in particular. Credit increased significantly as EU-based banks channelled funds through local subsidiaries. Although the region's more open economies such as Croatia were first to experience difficulty, by 2010 the whole of the Western Balkans was experiencing profound problems of economic management. The EU austerity policies led to deleveraging and compounded domestic stagnation in the 'periphery of the periphery'.³⁷ This is in a context where the historic legacy of underdevelopment, deindustrialization and poverty already provided unique challenges for economic development and for the EU accession process.

The Western Balkans region demonstrates particularly strong interdependence with Greece and, as Ritsa Panagiotou demonstrates, the impact of the Greek crisis can be seen in multiple dimensions.³⁸ The Western Balkan countries 'have been

³⁶ Falkner, *The JCMS Annual Review Lecture: Is the EU Losing its Credibility?* 51 J. Com. Mkt. Stud. 13–30 (2013).

³⁷ Bechev, *supra* n. 2.

³⁸ R. Panagiotou, *The Greek Crisis as a Crisis of EU Enlargement: How Will the Western Balkans Be Affected?* 13 J. S.E. European & Blacksea Stud. 89–108 (2013).

sucked into the vortex of Greece's unravelling economy' with 'far-reaching social and geopolitical implications' which impact the entire region. After five consecutive years of recession, Greek GDP had collapsed by more than 20% and official unemployment reached 27% in 2013 with youth unemployment running at almost twice that figure. Panagiotou points out that, even prior to the 2011 Greek meltdown, the Western Balkans had been weakened by contagion from the global economic crisis. Between 2008 and 2011, all countries in the region experienced contracting GDP, falling industrial output, rising unemployment, declining (but volatile) rates of Foreign Direct Investment (FDI), growing current account and trade deficits and a significant decline in diaspora remittances.³⁹ Albania, Montenegro and Serbia are burdened with high levels of public debt; sizeable budget deficits and large current account deficits also bedevil the region's economies.⁴⁰ The number of IMF programmes in the region had declined from twelve during the period 1994 to 1997 to only three in 2007; by 2008 only Albania was still dependent on IMF aid, and that programme finished at the end of 2008. The crisis, however, has brought the IMF back to the region in no uncertain style. Serbia, FYROM and BiH were all forced to ask for assistance in their turn.⁴¹ Unemployment has continued to rise, averaging 21% across the Western Balkans, but much higher in BiH, Serbia, FYROM and Kosovo.⁴² The social impact of this tidal wave of crisis has been deep-seated and profound.

The contagion from the Greek imbroglio has impacted in three particular areas: trade, banking and remittances. Almost 4,000 Greek companies invested in the region, helping create about 200,000 jobs. By 2008 Greek FDI accounted for 34% of total investments in Albania, about 17% in FYROM and 15% in Serbia.⁴³ Greek investments were made in a wide variety of areas including banking and financial services, telecommunications, food and beverage, banking, and pharmaceuticals. Greek FDI began to decline somewhat before 2011: Greek investment in Serbia, for example, in 2009 amounted to EUR 46 million, well below the total of EUR 336 million for 2007. Overall, even by 2010, Greek dis-investment had cost the region around EUR 1.6 billion.⁴⁴ A second effect of the Greek crisis has been to drastically reduce the amount of remittances flowing back to the countries of the Western Balkans from their diaspora communities. The Greek unemployment catastrophe has placed migrant workers in great jeopardy and Albanian, Bulgarian and other Balkan workers have been ready

³⁹ *Ibid.*, p. 91.

⁴⁰ Bechev, *supra* n. 2, at 4.

⁴¹ *Ibid.*, pp. 91–92.

⁴² European Commission, *supra* n. 4.

⁴³ Panagiotou, *supra* n. 37, at 93.

⁴⁴ *Ibid.*, p. 93, citing paper by Bitzens and Vlachos (2011).

casualties of the economic collapse. Clearly a large number of such migrant workers have returned to their home countries causing further increases in unemployment rates, placing unwelcome new pressure on fragile social systems already struggling to cope after the fall in domestic demand. A decline in remittances also has a 'negative effect on the countries' foreign currency holdings, medium-term budgetary planning and the financing of their current account deficit'.⁴⁵ The Albanian economy has been, for most of its post-Communist history, the singularly most dependent in the region on remittances by its diaspora communities. Prior to the crisis it was estimated that some 600,000 Albanians lived and worked in Greece and in 2009 remittances originating from Greece amounted to about EUR 650 million or about 8% of GDP. The collapse in the Greek construction sector in which a large number of Albanians were employed has thus had a particularly striking impact at both the micro level (on family budgets) and the macro level (Albanian government revenues). A final area in which the Greek crisis has produced negative effects on the Western Balkans is in the area of banking and financial services. Prior to the crisis, the Greek banking sector was the leading EU player in the Western Balkans with a market share of around 30% in Bulgaria and FYROM, 25% in Albania and 15% in Serbia. Together with Italian banks, they control little under half of the sector in the Western Balkans.⁴⁶ The seven major Greek banks including National Bank of Greece, EFG Eurobank, Pireaus and Alpha Bank established a network of around twenty subsidiaries in the region and employ approximately 23,500 people. Greek banks which benefitted from a EUR 28 million bailout in 2009 were instructed to use the money to support exclusively domestic lending thus leaving the subsidiary regional branches without a vital lifeline as credit dried up.⁴⁷

It should also be acknowledged that the weakening of Greece within the EU has led to the loss of the most effective advocate on behalf of Western Balkan accessions. The Thessaloniki promise in 2003 demonstrated the extent to which Greece had become the 'ambassador for the Western Balkans within the EU'. Indeed Pangiantou suggests that Greece made Western Balkan accession to the EU the 'cornerstone of its foreign policy' around this time. Its 'Agenda 2014' aimed at achieving accession of all the Western Balkan states by 2014 (the anniversary as it happens of the outbreak of the First World War in Sarajevo) as part of a plan to promote peace, prosperity, security and democratic consolidation in the region. Now hugely indebted and traumatized by the turmoil created by austerity, 'Greece's days as a regional champion are well and truly over'.⁴⁸ Greece 'no longer

⁴⁵ *Ibid.*, p. 93.

⁴⁶ Bechev, *supra* n. 2.

⁴⁷ *Ibid.*, 2.

⁴⁸ Pangiatou, *supra* n. 37, at 100.

has the clout, the prestige or the capacity to play the role of the champion of Balkan enlargement, or to be a bridge between Brussels and the Balkans'.⁴⁹ When the Greek Foreign Affairs Ministry published its priority list for the 2014, Greek Presidency of the EU Council enlargement was notably absent.⁵⁰

6 'ACCESSION-FATIGUE' AND THE EU'S TRANSFORMATIONAL POWER

If 'enlargement fatigue' constitutes the most significant challenge within the European Union, it has its concomitant malady within the Western Balkans in 'accession fatigue', or what others refer to as 'adjustment fatigue' or 'evaluation fatigue'. In reality, there is a symbiotic relationship between the two phenomena: the weakening 'EU anchor' has precipitated a weakened resolution in key actors in candidate states. The European Union's impact on candidate and associated states seems to have reduced significantly; the reform process in many countries has either stalled or gone into reverse.

There is ample evidence from earlier enlargement rounds demonstrating that the transformative power of the EU lies in the credible commitments made to candidate states accompanied by a muscular conditionality designed to 'democratize', 'Europeanize' and 'modernize' external states in advance of their accessions. The EU incentives are meant to reward progress and publicize shortcomings, creating significant leverage for Brussels within domestic reform processes.⁵¹ The 'Europeanization East' literature asserts that EU-driven Europeanization is a product of the so-called external incentives structure whereby candidate state actors' cost-benefit calculations lead them to comply with EU demands for adaptation and reform.⁵² This approach has identified several factors upon which the EU's domestic impact hinges. The two most prominent are the costs of adaptation or compliance as a function of the misfit between EU requirements and domestic conditions, on the one hand, and the nature and intensity of the external push of the EU to comply with its requirements, mostly based on the consistent application of conditionality, on the other. Misfit and

⁴⁹ *Ibid.*

⁵⁰ Hellenic Republic Ministry of Foreign Affairs, *Foreign Ministry Announcement Regarding the Priorities of the Greek EU Presidency in the First Half of 2014*, EURactiv, 7 Aug. 2013, <http://www.mfa.gr/en/current-affairs/top-story/foreign-ministry-announcement-regarding-the-priorities-of-the-greek-eu-presidency-in-the-first-half-of-2014-3.html>.

⁵¹ Spendzharova & Vachudova, *supra* n. 18, at 39.

⁵² U. Sedelmeir, *Europeanization in New Member and Candidate States*, 6 Living Reviews European Governance (2011); F. Schimmelfennig & U. Sedelmeir, *Europeanization in Central and Eastern Europe* (Cornell U. Press, 2005); A. Dimitrova & B. Steneunberg, *Living in Parallel Universes? Implementing European Movable Cultural Heritage Policy in Bulgaria*, 51 J. Com. Mkt, Stud. (2013); M.A. Vachudova, *Corruption and Compliance in the EU's Post-Communist Members and Candidates*, 47 J. Com. Mkt, Stud. 43–62 (2009).

external push combine in the pressure for adaptation the EU exerts on a target country. Its impact is mediated by domestic factors such as veto players, political culture, norm entrepreneurs and formal or informal institutions and practices.⁵³ Change in public policy can be frequently very costly. Introducing political and economic reforms does not only require significant resources, staff, expertise and information but it also creates potential or actual political costs for governments, which risk losing public support, or political power altogether, over imposing EU-related expensive and unpopular changes.⁵⁴ As long as rewards were 'big enough and tangible enough to compensate political incumbents for perceived losses of power or popularity', the EU's transposition and implementation programme could be adopted.⁵⁵ For Vachudova, the cases of Croatia and Serbia confirm the findings of the 'Enlargement Europeanization' that countries even comply with costly conditions related to issues of statehood, if EU rewards are sizeable and credible enough. In the end, both governments agreed to cooperate with the ICTY, although only reluctantly and not always to the full satisfaction of the EU.⁵⁶

When dealing with the Western Balkan states, the EU has applied lessons learned from the 2004/2007 enlargements. The most important ones are that leverage works well only before accession, and that a longer period for exercising conditionality is needed in certain areas.⁵⁷ Milada Ana Vachudova takes a positive view in arguing that political parties and governments in at least some of the candidate states in the Western Balkans are responding to these incentives by changing party agendas and implementing policies, even in the face of tougher EU requirements and sometimes costly adaptation costs. The leverage of the EU was crucial for the democratization of the nationalist Croatian Democratic Union (HDZ), which made EU membership the primary goal after 2003 and ousted hard liners from top positions in the party leadership, indicating a decisive break with the era of Franjo Tuđman.⁵⁸ Serbia's coalition government, led by the Progressive and Socialist parties has made major policy changes in order to move forward in the EU pre-accession process. Alexander Vučić took on the fight against corruption with 'unexpected vigour' and had, among others, the most powerful oligarch in Serbia jailed and indicted on corruption charges.⁵⁹ The Serbian case

⁵³ Borzel, *supra* n. 20; T.A. Borzel & T. Risse, *Conceptualising the Domestic Impact of Europe*, in *The Politics of Europeanization* 55–78 (K. Featherstone & C. Radaelli ed., Oxford U. Press 2003).

⁵⁴ Borzel, *supra* n. 20, at 9.

⁵⁵ G. Noutcheva & S. Aydin-Duzgit, *Lost in Europeanization: the Western Balkans and Turkey*, 35 *W. European Pol.* 59–78 (2012).

⁵⁶ Borzel, *supra* n. 20, at 12.

⁵⁷ M.A. Vachudova, *EU Leverage and National Interests in the Balkans: The Puzzle of Enlargement Ten Years on*, 52 *J. Com. Mkt. Stud.* (2013).

⁵⁸ Borzel, *supra* n. 20, at 7.

⁵⁹ Vachudova, *supra* n. 55.

demonstrates how the EU has created significantly more junctures where it can apply leverage well before accession. Thus one might argue that the enlargement process now revolves around finely judged ‘windows for leverage’. These are points where political pressure is maximized, where the EU can ally with (or ‘use’) local civil society networks and media organizations to compel transposition and implementation of EU standards. Progress is garnered through specific rewards, usually towards the next stage of the process. Milestones include: negotiating the SAA agreement; having the SAA agreement come into force; negotiating a visa liberalization agreement; official recognition as a candidate country; the award of an official date for the start of accession negotiations; and then progressing through the negotiations in stages with the opening and closing of individual chapters and the utilization of opening and closing benchmarks which help to delineate expectations and progress.⁶⁰ And while one can certainly adduce evidence of candidate states complying ‘in the moment’ with specific EU demands in order to achieve a breakthrough in negotiations, one has to ask whether this kind of compliance leads to the desired longer term internalization of EU norms? In the Western Balkans, many instances of compliance look increasingly like those posted by Bulgaria and Romania in the mid 2000s. And equally one can clearly demonstrate links between the use of more and more benchmarks in the accession process with national politics within incumbent EU Member States: politicization and nationalization seem to be driving the EU policy of accession preparations as much as a Brussels-driven push for deep implementation of *acquis communautaire*.

The problem here is that absent a substantive belief on the part of domestic policy-makers and interest groups that they will reap longer term benefits, the EU’s capacity to influence change reduces significantly. The EU’s promise of membership simply has to be a credible one if accession-driven reforms are to succeed and EU norms substantively internalized. In the Western Balkans, the EU has undermined its own credibility by increasingly subordinating the conditionality demands to political expediency, thus turning those demands into ‘moving targets’.⁶¹ In some instances, this has meant raising the threshold for compliance, in others it has led to a lowering of the bar. The impact of this unevenness has been to damage the wider credibility of EU policy. Credibility is frequently cited as one of the four (key) C-words by European Commission officials along with consistency, commitment and courage. Yet it is arguable that the EU is lacking all these elements in its current engagement with the Western Balkan states.

⁶⁰ *Ibid.*

⁶¹ See, for example, B. Stahl, *Perverted Conditionality: The Stabilization and Association Agreement between the European Union and Serbia*, 16 *European For. Affairs Rev.* 4, 465–487 (2011).

The EU's most significant credibility problem in the Western Balkans stems from the fact that the Thessaloniki promise of membership is no longer sufficient to counter the currents of enlargement fatigue which pervade the process on the EU side. An excess of enlargement fatigue has led to an excess of 'accession fatigue': transposition and implementation of EU laws in the Western Balkans has slowed to a standstill. Enlargement is one of the EU policy spheres where there is the most significant divergence between transposition and implementation of EU rules. As Börzel and Risse put it: it does not matter how many measures are 'uploaded' at EU level, if Member States fail to implement them at national level; mere 'downloading' of rules does not guarantee substantive and successful implementation.⁶² This is especially the case where compliance with EU rules carries significant financial costs for the Member State (or candidate state) in question. Noutcheva and Aydin-Duzgit emphasize the 'key role of agency in transforming the EU stimuli into domestic impact' in candidate states. If EU incentives are aligned closely with those of domestic elites there is a stronger chance that rule of law will orient towards the desired point of adaptation. When, however, there is a mis-alignment, compliance with EU demands is likely to be patchy, inadequate or completely absent.⁶³ Where previously in the CEE case an accession perspective gave rise to what Vachudova calls a 'lock-in' effect on candidate state policy, the dynamics of adaptation and reform have been very different in the Western Balkans.⁶⁴

This negative symbiosis has produced an ugly child which has been dubbed 'Potemkin implementation': local elites engage in 'smoke and mirrors' policy-making which gives the appearance of EU-trajectory reform but falls well short on implementation.⁶⁵ Rhetorical statements of intent are not followed through in any substantive way and the gap between transposition and implementation of EU laws is substantial. Political elites in candidate states 'pay lip service' to EU membership, conditionality and reforms but in reality they are concerned with protecting their own narrow political interests. Faced with demands for reform domestic actors create 'two parallel sets of structures of formal and informal rules. This frequently produces a dynamic of only "symbolic compliance with external requirements" while in practice a different informal rule set actually prevails. The gap between formal transposition and actual implementation is such that what remains is simply "law on the books", as very

⁶² T.A. Borzel & T. Risse, *From Europeanization to Diffusion: Introduction*, 35 *W. European Pol.* 1–19 (2012).

⁶³ Noutcheva & Aydin-Duzgit, *supra* n. 53, at 62.

⁶⁴ M.A. Vachudova, *Europe Undivided* (Oxford U. Press 2005).

⁶⁵ Blockmans, *supra* n. 3; W. Jacoby, *Priest and Penitent: The EU as a Force in the Domestic Politics of Eastern Europe*, 8 *E. Eur. Const. Rev.* 62–67 (1999).

different policy objectives are pursued through informal practices'.⁶⁶ The problem of weak administrative capacity also plays a role here. Thus the dominant impulses within the Western Balkans in 2014 remain clientelism and rent-seeking rather than EU-motivated reforms being transposed and implemented.⁶⁷ The failure to improve rule-of-law performance has emerged as the single most important deficiency identified by the European Commission in its annual progress reports. In accounting for the evident problem in replicating the success of eastern enlargement in the Western Balkans, Tanja A. Börzel identifies problems linked to limited statehood which 'have seriously curbed the transformative power of the EU in the Western Balkans – despite their membership perspective'. Here the 'weight of the past' weighs heavily: secessionist movements, unsettled borders, ethnic tensions, deficient state capacity and/or strong clientelistic networks have severely mitigated the transformative power of the EU and held back the accession ambitions of the region.⁶⁸ The Western Balkans have engaged in significant formal domestic change – even the weakest and most contested states have legally adopted EU norms and rules, including in areas where costs are high. The issue is effective implementation and enforcement.⁶⁹

The economic crisis has also fundamentally challenged some of the key assumptions about 'EU normative power', and this in turn has changed the dynamics of the previously successful 'external incentives' model. The Mediterranean and eastern enlargements provided the templates for this EU 'success' as a modern form of inside/outside 'soft power'. Now the economic crisis has thrown that model into severe doubt as Greece, Portugal and Spain have moved onto the 'EU's life support' system. Even Ireland, for long the star pupil of the EU's so-called cohesion countries needed a dramatic rescue by a troika consisting of the IMF, the ECB and European Commission as its economy collapsed in 2009–2010. The Greek imbroglio has further reinforced the image of the Balkans as the 'soft underbelly of Europe', a region where multiple and varied 'local difficulties' have a habit of mutating into trans-European problems. The bursting of the Greek EU bubble dealt a serious blow to the enlargement narrative as one of sustained convergence, EU-driven modernization and increasing prosperity. As Dimitar Bechev puts it: 'Greece was one of the region's models; a quintessentially Balkan country that had made the grade from rags to riches, from underdevelopment and marginality to prosperity under the star-studded EU

⁶⁶ Dimitrova & Steunenberg, *supra* n. 50, at 247.

⁶⁷ Bechev, *supra* n. 2.

⁶⁸ Börzel, *supra* n. 20.

⁶⁹ *Ibid.*

flag . . . Now, however, Greece is a warning about the perils of Europeanization without deeper transformation'.⁷⁰

7 CONCLUSION

Despite the fact that more than three quarters of the EU Member States are now former 'enlargement' countries and that expansion is frequently depicted as the key tool in the Union's foreign policy armoury, enlargement is no longer narrated as a success story for the European Union. Rather it is more often presented as 'a bridge too far' for a European project beset by crisis and incapable of repeating previous geopolitical triumphs. In short the environment in which enlargement is being negotiated has become much more brutal for all applicant states. Enlargement fatigue has been the dominant feature of EU relations with the Western Balkan states in the decade since the Thessaloniki summit in 2003 and explains why the accession process has been 'running on empty' in recent years. Enlargement fatigue is both a reflex response to a rather inchoate set of EU problems and simultaneously helps to structure a culture of partial or non-compliance with EU laws on the part of Western Balkan aspirant states. Fears of instability in the Western Balkans have made the EU especially keen to apply its leverage there, while setbacks in governance have underscored the importance of using more extensive and credible conditionality well in advance of accession. This has created a complicated dynamic: on the one hand, EU leaders have insisted more sharply on compliance on critical issues such as solving territorial problems and fighting corruption; on the other hand, EU leaders have also looked for ways to keep politically divided states such as Bosnia and FYROM from falling out of the process altogether.⁷¹

Europeanization has remained largely shallow in the Western Balkans, giving rise to formalistic, short-term and technocratic reforms rather than sustainable and transformative domestic change. This tendency can in some measure be explained by problems of limited or incomplete statehood: the more limited the statehood of a country is, the more likely we are to find a decoupling between formal institutional changes and informal institutions and behavioural practices.⁷² The Western Balkans remains a region of great fragility, defined by inter-ethnic contestation for territory and power, mutually antagonistic nationalisms, incomplete state formation, deep and pervasive patterns of corruption and endemic economic mismanagement. The EU officials still speak of 'Europe' as the wonder drug which will cure any and all Balkan pathologies. But the financial and

⁷⁰ Bechev, *supra* n. 2.

⁷¹ Vachudova, *supra* n. 19.

⁷² Borzel, *supra* n. 20, at 12.

economic crisis has altered this 'logic' considerably: Rather than acting as an agent of stability and practical reform, the EU is now an arc of instability and Western Balkan states, like others on the periphery of Europe, have got caught in the crossfire.⁷³ The extended economic crisis which has so damaged EU solidarity has had a knock-on impact on enlargement: the previously successful 'external incentives model' has run aground on the rocks of growing mistrust and pervasive uncertainty about the endpoint of the process. Prior to the crisis, it was often stated that EU integration constituted the key *ex ante* condition for stabilization of the region. There are few who now hold to that position.

The award of the Nobel Peace Prize in October 2012, in the midst of the worst economic and political crisis since the creation of the EU was, however, also a reminder of what the EU can achieve in its neighbourhood, and also an acknowledgment of the historical success of enlargement in mitigating conflict.⁷⁴ The Enlargement process has not ground to a complete halt. In particular the potentially landmark deal signed by Kosovo and Serbia on 19 April 2013 provides a template for neutralizing the worst elements of inter-ethnic and inter-state conflict in the Western Balkans.⁷⁵ The agreement is designed to bolster local self-government through an association of Serb-majority municipalities whilst providing new arrangements for policing and the judiciary.⁷⁶ Here the EU's foreign policy team has enjoyed a much needed triumph in 2013 by brokering a deal between Belgrade and Pristina that, if it works, will also boost perceptions that the EU acts competently in trying to solve outstanding issues related to sovereignty and territory in the region.⁷⁷ The Agreement points in the direction of future dividends for the EU deriving from a comprehensive enlargement to the Western Balkans. These include the potential re-calibration of a range of challenging cross-border policy externalities, achieving an enduring settlement of inherited border disputes, and keeping the Eastern Partnership model on track by demonstrating the gains to be made by associated countries in honouring their EU commitments.

The EU 'bet' here is that on the back of Croatia's accession to the EU on 1 July 2013 the enlargement logjam in the Western Balkans will finally be broken. Croatian accession provides all actors within the region with grounds for optimism but unlike previous accession rounds the EU has provided no concrete timetable for achieving the Thessaloniki promise of membership. Rather the process remains

⁷³ Bechev, *supra* n. 2.

⁷⁴ R.G. Whitman & A.E. Juncos, *Stasis in Status: Relations with the Wider Europe*, 51 J. Com. Mkt, Stud. Annual Rev. 155–167 (2013).

⁷⁵ See W. Koeth, *The Serbia-Kosovo Agreement on Kosovo's Regional Representation and the 'Feasibility Study': A Breakthrough in EU-Kosovo Relations*, 18 European For. Affairs Rev. 1, 127–154 (2013).

⁷⁶ S. Lehne, *Serbia-Kosovo Deal Should Boost the EU's Western Balkans Policy*, Carnegie Eur. (23 Apr. 2013).

⁷⁷ Vachudova, *supra* n. 20.

open and indeterminate. The European Commission remains the 'best friend' of the candidate and potential candidate states in Brussels, but the Commission has been decisively weakened within the institutional architecture by the economic crisis and increasingly acts as the mere 'agent' of the Council, where 'creeping nationalization' has resulted in an unprecedented politicization of the enlargement process. The Commission continues to insist that a rational, technocratic, and ultimately fair rewards-based process is continuing to deliver results (if indeed somewhat 'under-the-radar'). The Western Balkans will continue to gravitate toward the *sui generis* EU model, if only because Brussels remains 'the only game in town'. But the Thessaloniki commitments need to be reinforced by a comprehensive new EU strategy for the region. Such a strategy should contain the proper balance of incentives, stimuli and capacity-building tools and simultaneously help boost the EU's flagging credibility whilst tackling enlargement fatigue.