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# Serbia's EU Integration Process: The Momentum of 2008

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Summary: After four years of ambivalence, the relationship between the European Union and Serbia is again gaining a new opportunity to flourish. The new Serbian government is formed by parties which are strongly committed to Serbia's EU integration and hence ready to carry out reforms and fully cooperate with the International Crime Tribunal for the former Yugoslavia. This paper presents the current relationship between Brussels and Belgrade and its main obstacles. It emphasizes both internal and external problems of this relationship and their interdependency. In this regard the author argues that only by a mutual commitment of both Serbia and the EU lasting peace will be achieved in the Western Balkans and the region stabilized.

**Key words:** Serbia, European Union, EU Integration

**JEL:** F50, F53

Introduction

Compared to other Central and South East European countries (CEEC and SEEC), which since 1989 had a determined orientation toward the European Union (EU), Serbia maintained a rather unique relationship to Brussels during the previous two decades. The state of their relationship ranged from direct confrontation and rejections to strong cooperation and enthusiasm. Total slowdowns (another noun?) were even experienced on occasion. Following the outbreak of hostilities in former Yugoslavia, the Serbian president Milošević entered into a direct confrontation with the EU. The following years saw the EU introducing a number of measures, beginning with partial and full sanctions,

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<sup>&</sup>lt;sup>1</sup> Lopandić, Duško. 2007. Reforma Evropske Unije, Zapadni Balkan i Srbija – Zakasnela integracija (Reform of the European Union, Western Balkans and Serbia – Belated Integration), Beograd: Evropski centar za mir i razvoj. p. 85.

followed by a variety of "carrot and stick"-proposals<sup>2</sup> None of these actions succeeded in pacifying and stabilizing the region, Serbia in particular. As a result, their mutual relationship degraded to its lowest point in history during the years 1990 and 2000. During this period, Serbia was isolated and hence held no status in the EU integration process; moreover, the nation was exposed to EU sanctions. This policy changed after Slobodan Milošević was dismissed from power. Later than any other former Yugoslav republic, Serbia began its EU integration process in 2001. This took place following the first democratic parliamentary elections held in December 2000.

## 2. Background and Current State of Affairs

**Background**. The removal of Slobodan Milošević set free a wave of enthusiasm throughout the SEE region. In Serbia the first elected democratic Serbian demonstrated a clear commitment to EU Synchronously, a readiness to cooperate with the International Criminal Tribunal for the former Yugoslavia (ICTY) was evinced concurrent with an effort to (re)build positive relationships with neighbouring countries. The changes within Serbia created a spill over effect, especially in its fellow former Yugoslav republics. Heretofore these countries were blocked to some extent in their development. This, as well as their difficulty in the EU integration process had been due to the geographical, political and economic interdependency among the Balkan countries. The enthusiasm ultimately reached the international community. The EU, which was both satisfied and relieved by the democratic and peaceful change in Serbia, rapidly proclaimed a new perspective for all SEEC. This position was first announced in the final declaration of the Zagreb Summit of November 24, 2000, yet it did not become tangible before the Thessaloniki Agenda for the Western Balkans in June 2003.

By the time the EU had decided to make a stronger commitment in Thessaloniki the enthusiasm in Serbia had dwindled. The first democratic government, a coalition of 18 parties led by Prime Minister Zoran Đinđić, was facing major difficulties in agreeing upon and gaining wider support for an unconditional commitment to the EU integration process. This proposition included a full cooperation with the ICTY. At the same time, the EU showed little sensitivity for the battle the pro-European parties were forced to wage within the coalition. While keeping their gates still closed for Serbian citizens, the EU continued placing conditions on the country's fragile government. The crucial turning point occurred in March 2003. At this time, the assassination of Zoran Đinđić allowed EU critics to regain power in Serbia; as a consequence,

<sup>&</sup>lt;sup>2</sup> Ibid. p.73.

the commitment toward Serbia's EU integration was at least temporarily lost. While the governments led by Prime Minister Vojislav Koštunica between 2004 and 2008 did not completely cease cooperation with the EU, they also did not share the unconditional commitment held by the first Serbian democratic government. The requirements<sup>3</sup> for building closer ties with the EU were not considered a priority, but instead a focus was placed on Serbia's territorial integrity. The negligence of the cooperation with the ICTY was one of the main reasons why Serbia did not receive a positive Feasibility Study until spring 2005.5 A few months later, in October 2005 the EU officially opened the negotiations for the Stabilisation and Association Agreement (SAA). These negotiations were halted in May of 2006 due to Serbia's persistent lack of cooperation with the ICTY. This turn of events marked a new decline in the relationship between Belgrade and Brussels. While the EU visa regime for Serbian citizens was still in place, additional confrontation transpired. This friction was related to the referendum for independence in Montenegro as well as the possible independence of Kosovo. Both situations, according to the Serbian government, were backed by Brussels.

The relations between Serbia and the EU improved again in February 2007 following parliamentary elections in Serbia and the victory of president Tadić's Democratic Party (DP). Prime Minister Koštunica again led the government formed in May 2007, however the majority of the ministers (and hence votes) belonged to DP and G17+, which had a clear EU commitment. This was a primary reason why Brussels showed readiness to resume SAA negotiations, which did take place in June 2007. Conditions remained unchanged: Serbia was responsible for developing and improving the necessary legislative framework and administrative capacity to satisfy its obligations under the Agreement and to fully cooperate with the ICTY. Although by September 2007 the Serbian administration managed to finalize the SAA negotiations, the EU rejected to sign it without the ICTY's full cooperation<sup>6</sup>. This was especially limited during PM Koštunica's second term- practically suspended.

This situation changed in April 2008, shortly before the snap Parliamentary elections in Serbia. The EU decided to loosen its condition for the SAA related to Serbia's cooperation with the ICTY. Previously Serbia and the EU were nearing another slow-down in their relations, because a majority of EU

<sup>&</sup>lt;sup>3</sup> Above all the cooperation with the ICTY.

<sup>&</sup>lt;sup>4</sup> Territorial integrity meant the preservation of the State Union with Montenegro and above all the protection of Kosovo as an inseparable part of Serbia.

Shortly before the Serbian government has negotiated with three Serbian generals asking them to surrender to the ICTY.

<sup>&</sup>lt;sup>6</sup> Commission of the European Communities. 2008. Commission Staff Progress Report – Serbia 2007 Progress Report (Com 2007, 663), http://www.europa.org.yu/upload/documents/key\_documents/2007/serbia\_progress\_reports\_en.pdf . p.5. (accessed February 27, 2009).

member states recognized Kosovo's declaration of independence in February 2008. Additionally, PM Koštunica called for a reconsideration not just of the SAA between Serbia and the EU, but a general reconsideration of Serbia's EU accession without Kosovo. The dispute concerning Kosovo led to a government crisis. PM Koštunica resisted signing the SAA without getting a guarantee from Brussels that Kosovo would be considered an inseparable part of Serbia. DP and G17+ considered the SAA not only unrelated to Kosovo, but also believed that by signing the SAA, Serbia would have a better starting point to protect its interests related to the province of Kosovo. Since the government coalition could not agree, new elections were scheduled. Like many others before, these elections were again seen as an informal referendum for and against the EU.

At a time when on the one hand even strong EU supporters in Serbia had difficulties in agreeing on and supporting the EU policy towards Kosovo, and on the other hand the Serbian Radical Party and the Democratic Party of Serbia led a very anti-European campaign, Brussels realised that it had to send a supportive message to the citizens of Serbia. With this in mind the EU decided, under the leadership of Slovenia and despite the restraints from the Netherlands , to sign the SAA with Serbia in April 2008. This took place despite Serbia's unsatisfying cooperation with the ICTY. Synchronously, Brussels presented a roadmap with specific benchmarks required of Serbia in order to advance toward visa liberalisation. Both measures proved to be fruitful: the voters in Serbia clearly recognized Brussels' good intentions. As a result, those parties which were in favour of signing the SAA (the coalition "For a European Serbia" and LDP) achieved success in the elections. This success was qualified: these parties

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<sup>&</sup>lt;sup>7</sup> European Commission. 2008. *Roadmap on visa free travel opens EU doors to Serbia*, Reference: IP/08/717, May 7, 2008.

http://europa.eu/rapid/pressReleasesAction.do?reference=IP/08/717&format=HTML&aged=0&lan guage=EN&guiLanguage=en (accessed February 27, 2009). The roadmap identifies four sets of issues that need to be resolved in order to liberalize the visa regime: document security, illegal migration, public order and security as well as external relations items linked to the movement of persons. Key elements of the blocks include: improvement of document security and in particular the introduction of biometrics in travel documents, better management of migratory risks, efficient law enforcement cooperation including cooperation with Europol and enhanced measures to fight against organised crime and corruption. So far Serbia has fulfilled the first condition by introducing new passports, which are in accordance with EU standards.

<sup>&</sup>lt;sup>8</sup> A third factor for the decision of the voters in Serbia, which can be considered purely economical, was that just after the SAA was signed, the Italian car producer FIAT announced that it will invest in the Serbian car industry Zastava in Kragujevac. The FIAT management stated that this decision would not be possible without the signed SAA.

<sup>&</sup>lt;sup>9</sup> For a European Serbia: 38,4% (102 of 250 seats), Serbian Radical Party (SRP) 29,4% (78), Democratic Party of Serbia (DPS) 11,6% (30), coalition of Socialist Party of Serbia (SPS)/Pensioners Party of Serbia (PPS)/United Serbia (US) 7,6% (20), Liberal-Democratic Party (LDP) 5,2% (13), Hungarian Coalition 1,8% (4), Bosnian List for European Sandžak 0,9% (2). Official report of the Serbian Republic Electoral Commission, http://www.rik.parlament.sr.gov.yu (accessed August 22, 2008).

failed to receive sufficient votes to form a government of their own. Consequently the leading parties of the coalition, DP and G17+, were compelled to negotiate with the coalition led by SPS. Finally in July 2008 a new government was formed, and according to the Coalition agreement, all parties are united in their commitment to Serbia's EU integration.<sup>10</sup>

Current State of Affairs. Although positive conditions exist for the new pro-European government in Serbia to bring the nation much closer to the EU, it will have to face a number of serious obstacles in the next four years. The last eight years have seen Serbia miss many opportunities to take the fast-track to Brussels: a result of problems internal to Serbia as well as the dynamic conditions within the EU. The interrelatedness of these issues have compounded the problem: as circumstances within Serbia worsened, the less the EU was capable of aiding Serbia in extricating itself from those circumstances. This paper will first analyse the current state of affairs of Serbia's EU integration process, and then discuss the main internal and external problems Serbia is currently facing in this process.

Technical issues. As mentioned above, Serbia has technically met all requirements for signing the SAA. The ratification by all EU member states however is currently postponed until Serbia's full cooperation with the ICTY has been gained. This cooperation is likely to eventually lead to the arrest and transfer of two remaining fugitives, Ratko Mladić and Goran Hadžić, to The Hague. Serbia has in June and July 2008 made important steps by arresting and extraditing Bosnian Serb Stojan Župljanin and former Bosnian Serb leader Radovan Karadžić, who were two of the four last war crime suspects. The arrest of Karadžić in particular might result in the ratification of the SAA by some EU member states, despite the fact that Mladić and Hadžić are still in flight. Some will perceive this action as a clear demonstration of the new Serbian government's political will to cooperate with the ICTY.

In regard to Serbia's political criteria and reforms, the last EU Progress Report on the nation from November 2007<sup>11</sup> has confirmed that progress has occured. This progress took place despite sharp political divisions. Nevertheless, during the former government the reform process in regard to the civilian oversight of the military improved, while Serbia has played a positive role in improving regional cooperation. Judicial reform, on the other hand, is lagging

<sup>&</sup>lt;sup>10</sup> The majority of votes within the government belong to DP/G17, but SPS-President Ivica Dačić is named as Minister of Internal Affairs, a position that plays an important role in fulfilling Serbia's obligations towards the ICTY. While the SPS still has not clearly disavow itself from Slobodan Milošević and his regime, its party leaders however support the SAA and Serbia's EU integration, including the cooperation with the ICTY.

<sup>&</sup>lt;sup>11</sup> Commission of the European Communities. 2007. *Commission Staff Progress Report – Serbia 2007 Progress Report* (Com 2007, 663), http://www.europa.org.yu/upload/documents/key\_documents/2007/serbia\_progress\_reports\_en.pdf . p. 6-19. (accessed February 27, 2009)

behind and a new legal framework is pending, while corruption still is widespread.

In regard to economic reforms, more efforts are needed to enable Serbia to cope with the competitive pressures and market forces within the Union. This reform must take place in the relatively near future, however the broad economic policy essentials have remained intact. Serbia's economy continued its expansion at a swift pace while foreign capital inflows remained significant.<sup>12</sup> Although inflation increased in 2008 compared to past years, this can be considered a consequence of the internal political instability and the uncertainty before and after Kosovo's declaration of independence. Providing that the political situation remains stable, it can be expected that the inflation will again decline and that expenditures will again be directed more toward investment during the coming year. This phenomenon is expected to be mirrored in Serbia's foreign trade and investment; these declined during the first half of 2008 and are now expected to resume growing once the new government begins operating. Progress Reports have largely reflected the advancement of Serbia's economic integration with the EU. 13 Difficulties regarding unemployment persist. These high figures reflect the need for further privatisation and the full establishment of a competitive and dynamic private sector. The inflexibility of the labour market combined with high social security contributions represent an obstacle for job creation: not dissimilar to bureaucratic requirements and complex legislation.<sup>14</sup>

Generally, Serbia has shown that it has the administrative capacity to progress toward the EU. To this end, Serbia has been working on a draft of a (the?) "National Programme for the EU Integration of Serbia" (NPI)<sup>15</sup> which is based on a consensus of all ministers and ministries. The Serbian government adopted the program in June 2008.<sup>16</sup> This draft is expected to be discussed in public before its adoption by the new Serbian government and parliament by the end of summer 2008.<sup>17</sup> It has been written in accord with the Copenhagen criteria and contains a detailed plan for fulfilling all EU membership criteria. Economic and political conditions are addressed, as is the adoption of laws; the program also addresses the most specific EU standards in trade, agriculture, environmental protection and infrastructure. The aim of Serbia's NPI, a

<sup>&</sup>lt;sup>12</sup> Ibid. p. 19-26.

<sup>&</sup>lt;sup>13</sup> Ibid. p. 25.

<sup>&</sup>lt;sup>14</sup> Ibid., p. 20.

<sup>&</sup>lt;sup>15</sup> Government of Serbia. 2008. National Programme for the EU-Integration of Serbia (NPI), http://web.uzzpro.gov.rs/kzpeu/dokumenti/npi/npi\_radna\_verzija\_maj2008.pdf. (accessed February 27, 2009)

<sup>&</sup>lt;sup>16</sup> Penezić, Slobodan. 2008. "Stručnjaci obavili posao, političari na potezu (Experts Carried Out Their Part, Politicians Have the Next Move)." *Danas*, June 7/8, 5.

<sup>&</sup>lt;sup>17</sup> Danas. 2008. "Srbija spremna do kraja 2012. (Serbia Ready until the End of 2012)," June 6 June, 5.

document which has so far only been prepared by countries after acquiring candidate status, is to demonstrate that Serbia's advanced administrative capacities are far more advanced than the country's formal status with the EU. The NPI is expected to provide evidence that Serbia is well prepared to begin integration negotiations and thereby confirming the country's intention to acquire candidate status. Serbia seeks to gain this status by the end of 2008, beginning negotiations on membership in 2009, with the main goal to join the EU in 2012. <sup>18</sup>

<u>Internal and Regional Problems.</u> Serbia's commitment to progress its EU integration process does not depend solely on its determination to do so. Serbia is facing security problems which are related to the fact that lasting peace has not been achieved. <sup>19</sup> Threats of internal as well as external conflicts (Serbia-Kosovo) linger, and will persist until the Kosovo issue remains unresolved to the satisfaction of Serbia. The EU is limited in its capacity to aid in acquiring a resolution as a result of the divergent perspectives on the issue among its member nations. The EU has consequently avoided the matter; until it is addressed, Serbia will be exposed to these security risks.

Serbia is also confronted with regional political risks that endanger the EU integration process. These political risks are related to the fact that both Serbia and its neighbours must still settle as states. Macedonia, Montenegro, Bosnia and Herzegovina, Albania, and Kosovo are still lacking a consolidated society and state; At the same time all are being confronted with deep ethnical, social and economic divisions. Here again the EU has so far been unable to cope with the crucial problems.<sup>20</sup>

Serbia also is facing serious economic risks, especially in regard to the labour market and macroeconomic stability. Here again, the EU's ability to aid in stabilizing the economy is restricted, since investments and economic development depend mostly on political stability.

Regional cooperation is a fundamental aspect of Serbia's EU integration. This cooperation has been greatly endangered by Kosovo's declaration of independence as well as the recognition of this declaration by Serbia's neighbours. Serbia has already undermined decisions made at regional summits and meetings when Kosovo was represented as an independent state. It can be said that the current declining or at least stalled regional cooperation within the

<sup>19</sup> Gligorov, Vladimir. 2008. "Ljubljanska Agenda for a New Stage in the Stabilization and Association Process." Paper presented at conference in Belgrade May 30/31.

<sup>&</sup>lt;sup>18</sup> Penezić, Slobodan. 2008.

<sup>&</sup>lt;sup>20</sup> Latest examples for this lack of capacity within the EU are Macedonia's unsuccessful NATO-access due to the issue of its name, but also the ongoing missing consensus in Bosnia and Herzegovina. Finally, the capacities of the EU to help consolidating the state and society in Kosovo seem to be the smallest.

SEEC is the first and most important collateral damage of Kosovo's independence. In this case the EU again has no ability to act as a facilitator but can only hope that the Serbian government will change its policy toward Kosovo. This change however will take at the very least one or two years, and certainly not before Serbian citizens achieve a better standard of living. Nor will the policy shift take place before Serbia's EU integration process makes significant headway: at least to the point of achieving candidate status and full visa liberation. It is likely that the Serbian political elites and citizens will be inclined to accept Kosovo's independence only after obtaining EU advantages or gaining an EU perspective.

External Problems. In addition to the internal problems aggravating Serbia's EU integration process, there have been a number of external circumstances exaserbating the situation as well. The EU is no longer the institution that it was in 1989, nor is it the same as in the 1990s or even at the beginning of this century. Although the EU has grown in size and strength, it has also to some extent become weaker in regard to its absorption capacity. After ten new states joined the EU in 2004, followed by Romania and Bulgaria in 2007, the EU began to show its first signs of fatigue. While this expansion transformed Brussels into a geostrategical and economical global player, it produced problems on another level. Although these new problems (fear of immigration. increasing unemployment) are not only a result of the enlargement, but are also a consequence of a global recession: the elites and citizens of the EU member states, in particular those of the old member states, began to call for an expansion freeze until the EU reconsolidates. This issue was first discussed after the referendum in France and the Netherlands, where the majority of the population refused the Treaty of Nice; it is again at the top of Brussels agenda since a majority in Ireland refused the Lisbon Reform treaty in June 2008. Although no official decision has been made in Brussels following the Irish referendum in regard to the future of EU enlargement, several high-ranking politicians (French president Nicolas Sárkozy being the first) have announced that the next EU enlargement will not take place before the Lisbon treaty is not ratified by all member states. This makes uncertain the date of the next enlargement and hence a strong and clear EU commitment towards the Western Balkans remains uncertain as well. Taking this into account, the former German foreign minister Joschka Fischer fears that after the Irish referendum the process of enlargement could not merely be delayed, but even halted altogether. His sentiments are based on the fact that the EU can no longer accept new member states on the basis of the Treaty of Nice. This would reflect on the Western Balkans as well.<sup>21</sup> Apart from the (whether temporarily or permanently) stalled Lisbon treaty due to the referendum in Ireland, France introduced in July 2008 a constitution reform that foresees a referendum for every new EU member; this makes the EU future of the Western Balkans even more uncertain.

Considering all these internal and external factors present in the current state of affairs, it is apparent that Serbia has lost many opportunities over the last 15 years. Today there are much more obstacles for an EU membership than a decade ago, or even in 2000 when Serbia had its first chance at becoming a member state. Despite these factors, and despite the diverse risks now facing Serbia that could possibly prolong its EU integration process even further, the Parliamentary election results in May are a reason for hope. The pro-European parties did not get more than 50% of the votes, however they nevertheless made significant gains. The EU orientation of the Serbian citizens had never before been so widespread. In this regard there is a kind of momentum in Serbia that could enable the nation to not merely catch up with Croatia and Macedonia, but also to act as a stabilizer in the region. It is for this reason that this momentum should be used both in Belgrade and Brussels. At the same time however, the EU is currently facing developments, which some may even characterize as crises, that currently have the potential to hinder Serbia's prospects for gaining EU membership. In its direst form, this situation could wipe away the gains made in Serbia. The following part of this article will discuss how both Serbia and the EU can avoid the mistakes made between 2000 and 2008<sup>22</sup> and how to minimize the potential dangers in regard to Serbia's EU perspective.

#### 3. Alternatives to the Current State of Affairs

<u>Serbia's policies</u>. In general, there is thus far no doubt that the new government is committed to Serbia's EU integration<sup>23</sup>, having a realistic perspective to acquire candidate status within its first year. In this regard it will be necessary for the new constituted parliament to ratify the SAA and the NPI as Serbia's road map to the EU. This however means that the new government will need to be resolute in finalizing the cooperation with the ICTY. This issue will be the first and perhaps only, and certainly the most important, stumbling block for the new coalition because SPS will have to show its readiness to support the arrest and extradition of the last two fugitives to The Hague. The arrest of Radovan

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<sup>&</sup>lt;sup>21</sup> Fischer, Joschka. 2008. "Eselsohren als Leitsymbol für die Fortführung der europäischen Integration?" *Der Standard*, June 23.

<sup>&</sup>lt;sup>22</sup> Especially until 2003, when Serbia had a strongly EU-committed government led by Zoran Đinđić.

<sup>&</sup>lt;sup>23</sup> Cvetković, Mirko. 2008 Report of the new Serbian Prime Minister on July 8, 2008. http://www.srbija.sr.gov.yu/vlada/ (accessed August 22, 2008)

Karadžić in July 2008 however confirms that SPS accepts the cooperation with the ITCY as an international obligation that Serbia must fulfill. Equally important as the ratification of the SAA and the cooperation with the ICTY is the fact that Serbia must continue executing reforms throughout the entire system.

As long as the new Serbian government carries out its obligations in observing international conditions related to its EU integration process, there is no need to modify its current policies. Adjustments or changes in regard to Kosovo will however likely need performed in the coming years. While this policy is not directly related to the EU integration, it doubtlessly has an impact on the process. Currently, Serbia's new government is not merely committed to the nation's EU integration, but also determined to have Kosovo considered as an inseparable part of Serbia and rejecting Kosovo's ever being recognized as an independent state.<sup>24</sup> Since all coalition partners share this perspective, a change of this view would mean a break-up of the coalition. As a result it is highly unlikely that this policy toward Kosovo will change within the next few years. Considering these facts, it cannot be expected that the region will see political and economic stabilization and utter peace in the near future. This may diminish the likelihood of the region (apart from Croatia) becoming closer to obtaining EU status.

The crucial remaining question is determining under which conditions Serbia would change its policies toward Kosovo in the long-term. This question involves many contingencies, as there are too many actors with too many unclear positions. First, there is the Serbian political elite, of which a majority is (at least officially) resolute in rejecting the independence of Kosovo. Second, there is the Serbian population which also is not in favour of an independent Kosovo. It is however not possible to foresee how the Serbian population would react in the event of some Serbian political elites and parties (if any were to do so, they would most likely be LDP and G17+) decide to recognize Kosovo's independence as a precondition for Serbia's EU membership. In a worst case scenario, the citizens of Serbia would turn again to the SRS and DPS, which would likely cause Serbia to drift from the EU. In a best case scenario, the citizens of Serbia would accept and support the decision of the elites, believing that the EU access is more important than Kosovo. This best case scenario however can not be expected before the citizens of Serbia experience the advantages of being part of an EU candidate state. Paramount among these advantages would be the opportunity to travel without visas, to gain access to student exchange programmes, and to obtain better trade conditions with the EU and as a consequence to experience a higher standard of living. There is a third actor: the EU, which expresses an unclear position toward Kosovo as well.

<sup>24</sup> Ibid

While so far 21 EU countries have recognized Kosovo's independence, there are six which have not. It is currently unknown whether the EU will force Serbia to recognize Kosovo's independence once it applies for candidacy to become a full member state. Further, it is unknown whether Brussels could set such a condition, since it is highly unlikely that a consensus could currently be achieved in this matter. Brussels' unclear position toward Serbia's recognition of Kosovo's independence creates an additional variable in predicting whether the elites and citizens of Serbia would today opt for EU or for Kosovo.

<u>EU policies</u>. After having discussed the Serbian policies towards the EU, this section of the paper will discuss alternatives to three EU policies which have been discussed above: first, the EU access policy for the Western Balkans, second, the EU visa policy, and finally the EU Kosovo policy.

EU access policy for the Western Balkans. As discussed above, the EU has never provided Serbia a clear perspective in regard to an EU membership. Moreover, by maintaining the visa regime, Brussels has sent, to an extent, a contradictory message. This of course has various reasons, which have been elaborated above. It cannot be neglected that Serbia, especially after March 2003, has not done nearly enough in order to claim the right for a clear EU perspective. On the other hand, the EU decision in April 2008 to sign the SAA with Serbia, despite the fact that the cooperation with the ICTY was not satisfactory, demonstrated the potential positive impact of providing even a vague perspective. However, it is obvious that the EU enthusiasm in Serbia would, or at least could, diminish if the EU decides to postpone their perspective of the Western Balkans due to the Irish referendum. This would once again make the EU integration of Serbia uncertain. Such a position from the EU is of course a result of an uncertainty within the EU itself and a consequence of the viewpoint that- for a majority of EU citizens - the EU enlargement is expanding too quickly. In this regard many EU citizens fear immigration and an economic risk for their own countries and their own standard of living. While it is quite understandable that politicians from EU countries must consider these fears of their citizens and to attempt to calm them, it is perhaps not the optimal solution to do so by interrupting (or merely announcing an interruption of) the EU integration of the Western Balkans. This is especially the case because in a longterm perspective these fears will possibly disappear in the event that the Western Balkans become integrated into the EU. In this case the region would become pacified; this pacification would diminish the danger of immigration and economic instability for both the Western Balkans and the EU.

<u>EU visa policy</u>. Closely related to the EU access policy is the EU visa policy. To some extent, the advantages of lifting the visa regime are greater for the EU- at least in the long-term. An unrestricted EU would immeasurably increase the support for the EU among the majority of the Serbian population. This would make inevitable the acceptance of a Serbian integration into the EU.

The likelihood of a massive stream of Serbian citizens to EU countries is very remote. The current EU policy regarding visa applications for a number of citizens such as pupils, students, scientists, artist etc. have experienced little success. On one hand these categories represent only a small minority of the population; on the other hand, even these categories of citizens must fulfill a number of conditions in addition to performing the usual procedures. As described above, the EU in May 2008 created explicit conditions for the full visa liberalization of Serbian citizens. Although these conditions still leave room for interpretation and there is still no guarantee that fulfilment of these conditions will definitely lead to the abolition of the visa requirements, there is at least a more defined direction.

EU policy towards Kosovo. The current EU policy on Kosovo does not foresee a unique position; hence, the first step might be to define an alternative to this policy and make a clear statement regarding this issue. It is still unclear whether the SAA and any future EU contracts consider Serbia with or without Kosovo as its integral part; it is also uncertain whether the EU will qualify Serbia's EU membership with the recognition of Kosovo's independence. Further alternatives to the EU Kosovo policy would depend on this decision. Because it is unlikely that the EU can obtain a single, unified standpoint toward the Kosovo issue, there remains two possible scenarios. If the EU decides to recognize Kosovo and negotiate with Serbia apart from Kosovo, it could lead to a government crisis and a decline of EU support in Serbia. In order to prevent this, the EU would have to- before announcing that Kosovo is officially no longer considered a part of Serbia- offer a very concrete membership perspective to Serbia and its citizens. Even then it could not be guaranteed that such a decision would not lead to a government crisis in Serbia and new elections. Alternatively, the EU could continue negotiating with Serbia including Kosovo under the UNSCR 1244. In this case, the Serbian government would be more likely to remain stable and support of the EU within Serbia would strengthen, facilitating an eventual acceptance of Kosovo as an independent state.

### Conclusion

During the past nearly twenty years, Serbia has been invariably late: late in recognizing the spirit of change in 1989, late in reacting to Milošević's devastating policies, late in seeing the reality in Kosovo, late in accepting the cooperation with The Hague as a conditional sine qua non, late in defining the EU integration as the highest priority and hence late in conducting absolutely necessary reforms. At the same time the EU was constantly more than just a neutral observer, becoming already a part of the problem during the first genesis

and development of the crisis in former Yugoslavia; therefore the EU should also be a part of the final solution for this region.<sup>25</sup> While the strict EU policy toward Serbia until 2000 was to some extent understandable (although not quite effective), there is no rational explanation for Brussels's' lack of sensitivity for Serbia after 2000. During the government of Zoran Đinđić, no concrete EU stance was given. During this time, the very strict visa regime remained despite the fact that it had been introduced as part of sanctions against the regime of Slobodan Milošević. Being in a post-authoritarian and post-war/conflict atmosphere, with many reservations toward the so-called West throughout the population, and confronted with internal and dividing discussions on Serbia's EU orientation, the first government desperately needed much more support from Brussels than it has received. With the assassination of Prime Minister Đinđić, any possible momentum during the first democratic government was unquestionably lost. This could have been used to strengthen Serbia's EU orientation. The two following governments led by PM Koštunica resulted in another decline in Serbia's EU integration. Brussels itself acted passive in accordance with a "wait and see"-policy, being at the same time insensitive to the situation in Serbia. There was also a lack of noticing on Brussels' part that the demanding attitude (which in countries with an established consensus on the EU integration policy might be used as leverage) combined with the populism of Serbian nationalist politicians led to an increased anti-EU atmosphere throughout the nation. The creation of this negative attitude was certainly not the intention of the EU, but was nevertheless the result of the EU policy toward Serbia. Therefore the EU policy towrds Serbia in this period could be described as .,too little, too late, too cheap."

The new Serbian government formed in July 2008 has ushered in a new *momentum* in Belgrade. Simultaneously, the Slovenian EU Presidency during the first half of 2008 attempted to create in Brussels a greater awareness of the Western Balkans. In this regard it is more than evident that this chance must be used both by Belgrade and Brussels: while the EU must recognize the current positive circumstances in Serbia and be proactive and open, Serbia must be determined in fulfilling its obligations, especially the obligation to the ICTY. Resultantly, both Belgrade and Brussels must send a political signal by defining the EU membership of Serbia (Western Balkans) as unquestionable and as a priority.<sup>26</sup>

The EU integration of Serbia does not depend only on internal policies and economic reforms on one side and the internal developments within the EU itself on the other. It depends also on the solution of complex regional problems, most of all the Kosovo matter. In order to prevent this issue from occurring

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<sup>&</sup>lt;sup>25</sup> Lopandić, Duško. 2007, p.85.

<sup>&</sup>lt;sup>26</sup> Serbia should even define it as it highest priority.

again and becoming a burden for the relations of Brussels and Belgrade, the EU should focus more on the integration and stabilization, instead of insisting on the recognition of Kosovo by both Serbia and the remaining EU member states that did not recognize Kosovo's independence so far. In this regard it is also somewhat counterproductive to pressure neighbouring countries to recognize Kosovo, as it only creates friction.<sup>27</sup> On the contrary, preconditions for Serbia related to Kosovo should be precluded from negotiations during the next period. Instead, the focus should be directed toward unconditional integration, except those conditions upon which all parties agree: cooperation with the ICTY and internal reforms. In the case of Serbia not meeting these conditions, the EU should not return to a "wait and see" policy, but instead be proactive and lead structured negotiations that would contribute to a transformation of the public will toward the EU. This action would advance the integration process in the event of it becoming stalled. The formula should not be "recognition of Kosovo first, followed by EU integration", but instead "EU integration trustbuilding/peace achievement" after which the status of Kosovo will likely become less relevant.

Many mishaps have occurred in Serbia during the past two decades. Serbia, its political elites and citizens, are naturally the first ones to be held responsible. The nation was, and still is, paying a high price for these mishapsthe belated EU integration being only one part of this price. Serbia must play catch-up in many aspects, and it will be essential to gain the EU's assistance. This country is experiencing a double handicap: it is not merely late in executing necessary reforms; it has also experienced the longest authoritarian rule in the region in addition to suffering defeat after defeat.<sup>28</sup> For these latter reasons Serbian society maintains a potential for harbouring anti-Western/EU resentments. In this regard, Serbia needs support not primarily in order to become an EU member, but most of all to modernize itself and hence to integrate into the European society and the world economy. Not of least importance, Serbia still has a detrimental capacity to destabilize the region. For this reason, the EU integration of Serbia, which would permanently pacify the country, is not merely a matter of Serbian interests but an interest of the entire EU.

<sup>28</sup> The lost of Kosovo being just the last one.

<sup>&</sup>lt;sup>27</sup> This became obvious in Ocotber 2008, when Montenegro and Macedonia recognized Kosovo, provoking a harsh diplomatic reaction by Serbia.

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