

POLICY REPORT



Emergence of Regional Leader in the Western Balkans - The case of Serbia and the implications for Macedonia

Content

- ... 1. Leading reformist in the region – what is needed to become one?
- ... 1.1 Serbia's capacity for leadership.
- ... 1.2 Serbia's willingness for taking over the leadership role in the Balkans.
- ... 2. The path of Serbia towards the EU.
- ... 2.1 ICTY and its rocky relationship with Serbia.
- ... 2.2 Kosovo – where to now?
- ... 3. What is EU's 'Serbia first' strategy in the region?
- ... 4. Lessons for Macedonia.
- ... 5. Conclusion remarks.
- ... Bibliography



Abbreviations

CSO – civil society organization

EC – European Commission

EU – European Union

ICJ – International Court of Justice

ICTY – International Criminal Tribunal for the former Yugoslavia

SAA – Stabilization and Association Agreement

WB – Western Balkans

Serbia has always been an interesting case for analysis when dealing with the Western Balkans' political, economical and cultural relations. Serbia's central location in the Balkan Peninsula and its big territory (slightly bigger than Bulgaria), give her a significant importance in the geo-politics of Europe and wider. In addition the key corridor 10, which is the bloodstream of the region¹, passes throughout the whole country. These geo-political characteristics however, are not the only reason that makes Serbia important for the region and the EU itself.

Serbia has a so called "institutional memory", relatively long tradition of established bureaucracy reflected on functional administration and institutions which directly effects EU integration processes and makes cooperation feasible (as it is a highly bureaucratic process in nutshell). Comparatively Serbia's statehood dates back much earlier than most of the other Western Balkan (WB) countries.

However, the dilemma is: are the facts mentioned above enough for the country to reemerge as a regional leader and guide the region towards a successful regional and EU integration? Can Serbia put behind its past and emerge stronger and wiser? Can the nationalism that still prevails among its population be channeled and directed towards a better future for the country? Lot of questions and dilemmas at the beginning of the second decade of this century remain circling around the Balkan's biggest and many times most troubled country, which this report will tackle in its analysis.

Last but not least, one must not forget that no country can prosper without the complex interconnection with its neighbors and their mutual influencing. Serbia was oftentimes seen as the 'hawk state', acting predatory towards its smaller 'weaker' neighbors, which might hinder its coming back to the stage as the major reformer and EU protagonist. How its immediate neighbor Macedonia sees it today and what it can learn from the new proactive Serbian foreign policy will also be a theme for discussion and examination in this report.

1. Leading reformist in the region – what is needed to become one?

Before discussing the possibilities and chances of Serbia as the new regional leader, one must remember that in order for one country to be recognized as a leader in general, it has to be accepted as one first and foremost by the neighboring countries. If we understand the role of the leader primarily in economic terms, as a country that is increasingly investing resources (human and capital) in the regional cooperation, solution of the regional issues, and in the strong and fundamental transformation of the society, in that case these processes will be recognized and esteemed in the whole region.² The position of a regional leader in the reform processes in the WB, understands having a responsible manner towards the EU integration process and clearly defined goals that lead towards finding solutions of the political problems (nationally and regionally) that the other countries in the region can follow as an example. If we also define leadership as

¹ Corridor 10 is a pan-European corridor, multi-modal axis of transport infrastructure that is of great significance to the entire EU and its neighbors as it connects Salzburg - Ljubljana - Zagreb - Beograd - Niš - Skopje - Veles - Thessaloniki. It is 2360 km long in total of which 800 km run through Serbia; of that, 380 km is developed high-speed highway, 165 km is local highway and 255 km is two lane highway.

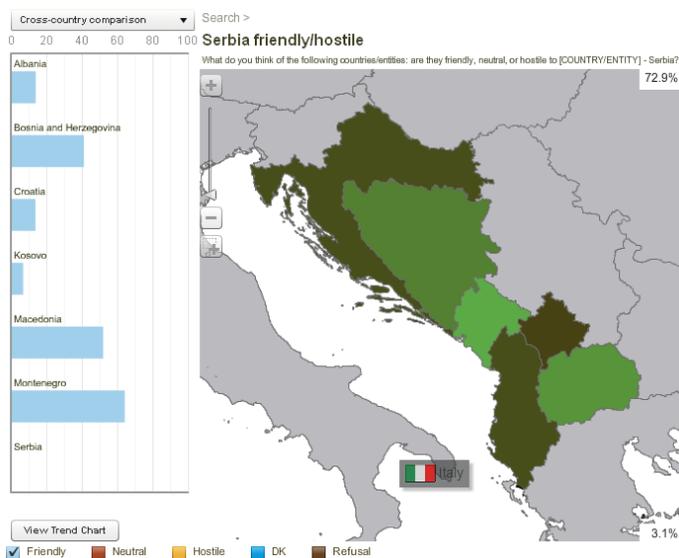
² Interview with FRAKTAL, CSO, conducted on the 17th of February 2011.

something that correlates the size of the country and the number of citizens then yes Serbia cannot be bypassed in the regional developments.³

1.1 Serbia's capacity for leadership.

It is undisputable that Serbia has the capacity to achieve the capacity for leadership with its economic power⁴, and its political wisdom if it manages to sustain it (the latest developments around Kosovo⁵, President Tadic's apology in Srebrenica for last year's anniversary of the massacre, the intensified meeting with its 90's war opponent Croatia etc do help Serbia's case for regional leader). However, the general notion is that Serbia is only at the begging of building its position in the region and in Europe as a democratic reform-leading force, since when it comes to the reforms processes themselves, the persistent fight with its nationalism, its undefined long-term strategies

towards the neighbors, it is clear that the country still has numerous issues to solve⁶.



The other matter is that Serbia is still viewed with mistrust which intensity varies throughout the neighborhood. According to the latest Gallup Balkan Monitor Survey⁷, most friendly feelings towards Serbia has Montenegro with 63.8% of the surveyed being in favor of Serbia as a friendly country. Second is Macedonia with 51.5%. Not surprisingly, Kosovars see Serbia as least friendly with only 6.4% in favor of Serbia. Croatians still seem to see Serbia as rather hostile with

only 13.3% thinking Serbia is a friendly country which is even less than Albania with its 13.5%. Bosnia and Herzegovina is somewhere in the middle with 40.7%.

However, Croatia is primarily renewing its economic relations with its once arch nemesis, reestablishing the lost connections in every sector, realizing the benefit of leaving the past behind

³ Interview with Jelena Radoman, Researcher, conducted on the 23th of February 2011.

⁴ Its purchasing power parity for 2010 was 80.49 billion dollars, compared to Croatia's 78.52 billion. Also for the last two years, during the harsh world economic crisis, Serbia was performing better than Croatia with 1.7% real growth of the GDP in 2010, while Croatia had a negative trend of -1.4%.

<https://www.cia.gov/library/publications/the-world-factbook/geos/ri.html>

<https://www.cia.gov/library/publications/the-world-factbook/geos/hr.html>

⁵ Serbia and Kosovo on Tuesday launched their first direct talks since Kosovo's declaration of independence three years ago voicing high hopes amid warm EU and US encouragement. A first round of talks, lasting some two hours and to be followed up Wednesday went well with discussions open in a friendly atmosphere, a European Union source said. "They were constructive, friendly and frank, with no shying away from issues", he said.

<http://au.news.yahoo.com/thewest/a/-/world/8975560/first-direct-serbia-kosovo-talks-open-on-high-hopes/>

⁶ Some 700,000 Serbs, of a population of 7.3m, live below the poverty line. Remittances from the Diaspora have plummeted and GDP is expected to grow by only 1.5% this year.

<http://www.economist.com/node/17363537>

⁷ Gallup Balkan Monitor, Survey Data <http://www.balkan-monitor.eu/index.php/dashboard>

and increasing its GDP and trade. As for Kosovo, Bosnia and Herzegovina, and Albania although the economic relations can be to some extent praised the political inactivity worries. Macedonia, last but not least, has always seen Serbia as its natural partner. Although nowadays, (Montenegro can be added here as well) there is a feeling of resentment that the once leaders of reforms in the EU integration process, are put behind on the account of the bigger and 'more important' neighbor. What Macedonia can learn from Serbia's past and its present strategies on foreign policy's level will be discussed in the last section of the report.

1.2 Serbia's willingness for taking over the leadership role in the Balkans.

Apart from the capacities to handle the challenges that lay ahead, the often raised question is does Serbia has the real political will and vision to tackle them. Few issues require strong political will and firm action if Serbia is to become a 'Balkan Tiger': one is the economic state of the country; two is the pace of the reform processes; three is the Kosovo case; four is the cooperation with the Hague Tribunal; five is the ties with Republika Srpska; six is the prevailing nationalism within the country and seven is the incoherence and lack of long-term goals of Serbia's foreign policy. One can only assume what goes in the heads of Serbian politicians when faced with dilemmas that influence not only their careers but the faith of the citizens of Serbia as well. There is unfortunately not enough research done concerning the emergence of Serbia as a regional leader in WB and what would the consequences be for the internal development of the country and for the whole region as well.

The next chapters aim to give a clearer picture to where Serbia stands today in relations to its aspirations for the future. The reoccurring point was that once Kosovo issue is somewhat settled and Mladic is arrested Serbia will be pushed upfront in the EU integration process. Apart from the domestic issues they have, such as their nationalism, slow pace of domestic reforms etc. the focus is on the foreign policy aspect more as a way i.e. tool that can speed up the progress of the country and the EU approximation and hence contribute to their position in the region.

2. The path of Serbia towards the EU.

Serbia has had a rocky path from the breaking of Yugoslavia to becoming a proper contender for EU candidacy. From the main 'troublemaker' in the nineties of the 20th century to the role model with leader tendencies at the end of the noughties of the 21st century, Serbia has gone through a tremendous development. Many agree that the biggest progress has occurred not after the 5th of October when Milosevic ruling was toppled down but after the current President Tadic and his Democratic Party came back to power in 2007 (Boris Tadic became a president in 2004 while his party was still in opposition). In just three years, as the table shows, the Stabilization and Association Agreement (SAA) has been signed and ratified, the visa liberalization was granted, and Serbia even managed to get a positive response from the EC to its application for membership and answer the EC's questionnaire in only 40 days.

Table 1. Development of EU – Serbia relations throughout the years⁸

31 January 2011 - Serbia hands over the replies of the European Commission questionnaire.
14 June 2010 - EU member states decide to start the ratification process of the SAA.
22 December 2009 - Serbia submits its application for EU membership.
19 December 2009 - Entry into force of visa liberalization for Serbian citizens travelling to the Schengen area.
7 December 2009 - Council decides to unblock the Interim Agreement on Trade and Trade-related issues.
7 July 2008 - Following 11 May parliamentary elections, formation of a new government; European integration set as a key priority.
7 May 2008 - Commission hands over to the Serbian government the Road map on Visa liberalization, set up with the aim of achieving a visa free regime for Serbian citizens wishing to travel to Schengen countries.
29 April 2008 - The Stabilization and Association Agreement (SAA) and the Interim Agreement on Trade and Trade-related issues between Serbia and the EU is signed in Luxembourg.
18 February 2008 - Council adopts the revised European partnership for Serbia.
1 January 2008 - Entry into force of the Visa Facilitation and Readmission Agreement between Serbia and the EU.
7 November 2007 - The SAA with Serbia is initialed.
13 June 2007 - SAA negotiations with Serbia resumed, following a clear commitment by the country to achieve full cooperation with the International Criminal Tribunal for the former Yugoslavia (ICTY), and concrete actions undertaken by the country that have matched this commitment.
3 May 2006 - SAA negotiations called off due to lack of progress on Serbia's co-operation with the ICTY.
October 2005 - Launch of the negotiations for a Stabilization and Association Agreement.
October 2004 - Council conclusions open up a process for a Stabilization and Association Agreement.
June 2003 - at Thessaloniki European Council, the Stabilization and Association Process (SAP) is confirmed as the EU policy for the Western Balkans. The EU perspective for these countries is confirmed.
2001 - First year of the new Community Assistance for Reconstruction, Development and Stabilization (CARDS) programme specifically designed for the SAP countries.
November 2000 - Zagreb Summit launches the Stabilization and Association Process (SAP) for five countries of South-Eastern Europe.
November 2000 - “Framework Agreement Federal Republic of Yugoslavia-EU for the provision of Assistance and Support by the EU to the Federal Republic of Yugoslavia”. Serbia benefits from Autonomous Trade Preferences from the EU.
June 2000 - Feira European Council states that all the SAP countries are “potential candidates” for EU membership.
1999 - The EU proposes the new Stabilization and Association Process (SAP) for five countries of South-Eastern Europe, including Serbia.
1997 - The EU Council of Ministers establishes political and economic conditionality for the development of bilateral relations.

⁸ EU Enlargement http://ec.europa.eu/enlargement/potential-candidates/serbia/relation/index_en.htm

Lot of civil society actors in Serbia agree with the notion that Serbia's performance can only be praised in the last few years. Although the public according to them does not yet sees their country as a leader in the region. There are talks more on what is left to be done inside the country regarding the reform processes. The imperative is to get the reforms done and to fulfill the obligations under the SAA. This is the right way to take a stance in the region, as a leader of the reform process not in size or position. The conscientious behavior and acts of the country aiming to achieve that will certainly help a lot.⁹

However there is also an impression that the Serbian people are relieved that their country is back on the positive track. It is no surprise that President Tadic took the role not only as a president of the country but also as a visionary political leader (there are no legal constraints against being a leader of a party and a president of the country in Serbia) that is well respected and listened in the EU and the USA. He is seen as a dynamic force in the region that not many of the other politicians in the region can keep up with.¹⁰ This helps Serbia substantially while trying to push through the difficult reforms that are set on its path to the EU, as well as with the dealing with its troubled past.

This leads to the two main issues that may help Serbia sky-rocket in the EU integration process or put a considerable strain on its grand ambitions. One is its cooperation with the International Criminal Tribunal for the former Yugoslavia (ICTY) and the other one is the case of Kosovo.

2.1 ICTY and its rocky relationship with Serbia.

Radko Mladic and Goran Hadzic are the two remaining fugitives searched for war crimes committed during the wars in ex-Yugoslavia in the 90s. Serbia has had lot of problems with fulfilling its obligations towards the Tribunal when it came to finding or arresting Serbs accused of war crimes and crimes against humanity. Serbian authorities have always had issues with fully complying with ICTY's demands throughout the years. Therefore it is understandable that the EU integration process was rather slow and ineffective. After the arrest of Radovan Karadzic two years ago in Belgrade, it seemed as the new administration is keener in dealing with these issues and proving to the EU and the Tribunal that it is ready to cooperate.

However, some EU countries are still skeptic about the level of commitment displayed by Serbia. The Netherlands has taken the EU's hardest line on Serbia, as it was their peacekeepers that failed to prevent the massacre in Srebrenica conducted by Mladic's forces. After hard negotiations last year, the Dutch government gave in and the Commission was able to do the eligibility assessment of the country in the process of EU approximation. Nevertheless "the EU law guarantees the Netherlands a veto over further enlargement steps. At "each stage" in the entry process, Serbia will

⁹ Interview with Jelena Babic, Executive Bureau, Union of European Federalists Serbia, conducted on the 15th of February 2011.

¹⁰ Interview with Dr. Stevo Pendarovski, lecturer at the American College in Skopje, Macedonia, held on the 2nd of February 2011.

need to win a unanimous endorsement by the EU's 27 governments of its "full cooperation" with United Nations war-crimes prosecutors..."¹¹

The newest developments however do go in favor of Serbia. The state prosecution for war crimes announced that the property of Mladic...will be confiscated as part of the financial investigation against the accused of war crimes in Srebrenica. The state prosecutor for war crimes Vladimir Vukicevic announced that the main prosecutor from the ICTY Serge Brammertz described the cooperation of Serbia with the Tribunal as good. This might help Serbia to get its much wanted EU candidate status in 2011, even though the fugitives themselves have not been arrested yet¹². Whether this will be enough for the Dutch to be convinced that Serbia is doing everything in its power to arrest Mladic it remains to be seen. Nonetheless it is in Serbia's interests to contribute to the maintaining of the peace and stability in the region with the closure of these issues.

2.2 Kosovo – where to now?

There is no dispute that the status of Kosovo will remain the point of friction between Serbia and the EU. '...Serbia will need to either recognize or at least come to some form of agreement with Kosovo before it can join the EU. That this issue is of core importance, not only when it comes to the question of eventual Serbian membership in the EU but during the accession negotiations as well...' ¹³ This is of course easier to be said than done in the realm of complicated and nationalistic Balkan real-politick.

In December 2009 the International Court of Justice (ICJ) began the hearings upon Serbia's appeal that Kosovo's independence is not legal according to international law. As many expected the decision of the court was ambivalent and stated that the declaration of independence did not breach international law. "...the first practical consequence...was the understanding that the Kosovo question had never actually moved to the legal terrain, but had always remained in the political sphere."¹⁴ Serbia then took the issue upon the UN Assembly drafting a resolution that would ask for renewal of the negotiations for the status of Kosovo. The EU used this opportunity quite wisely and instead of blocking or threatening Serbia it came out with a joint solution - a much softer text agreed with EU officials after weeks of intense lobbying. "The amended text passed by the General Assembly drops condemnation of Kosovo's independence declaration, acknowledges the ICJ opinion and welcomes EU readiness "to facilitate a process of dialogue between the parties."¹⁵

However Serbia does not need, nor does the EU force Serbia to recognize Kosovo as an independent country. Mostly everyone agrees that starting the so-called 'facilitated dialogue' with the assistance

¹¹ Bloomberg, *Serbia Takes Step on Path Toward EU Entrance, Faces War-Crimes Hurdles*,

<http://www.bloomberg.com/news/2010-10-25/serbia-takes-step-on-path-toward-eu-entrance-faces-war-crimes-hurdles.html>

¹² Macedonian Information Agency, 24.02.2011 <http://miaweb.mia.com.mk/default.aspx?vld=81493989&lId=1&pmlId=>

¹³ Soeren Keil, *The Future of Serbia is in defining its Interests*, TransConflict, <http://www.transconflict.com/2011/01/the-future-of-serbia-is-in-defining-its-interests-191/>

¹⁴ Veton Suroi, *The ICJ Advisory Opinion on Kosovo: the begging of a new road*, ISS Opinion, September 2010

¹⁵ Reuters, *Serbia Back Compromise U.N. Resolution on Kosovo*, September 9th 2010

<http://www.reuters.com/article/2010/09/09/us-serbia-kosovo-un-idUSTRE6885I120100909>

of the EU would strengthen the position of the country in the region as ready to put the past behind and become promoter of peace and prosperity.

Nonetheless, there is no clarity yet in the position of the Serbian government over the long-term policy on Kosovo. Serbia is not part of the solution so far; it is oftentimes without serious willingness to be constructive in the finding of alternatives and answers to the problems. It is not always sincere in its efforts to transform itself as a society regarding its dark past and to improve its neighborly relations.¹⁶ This leaves the EU, divided as it is on the matters of Kosovo's independence¹⁷, to try and facilitate the dialogue, hoping that the 'carrot' – in this case accelerated EU integration for both parties – will be enough to keep Serbia appeased.

Therefore what lies ahead of Serbia is what can be described as "...a combination of two major issues...The current Serbian elite can pave the way for a smooth and slow development of Serb-Kosovan relations and therefore prepare for the moment of ultimate truth when the choice is indeed Kosovo or EU. This however does not mean that Serbia will ever have to recognize Kosovo. Finding agreements below recognition can indeed be an alternative that might be easier to sell to the electorate."¹⁸

3. What is EU's 'Serbia first' strategy in the region?

The EU recognized the positive change in Serbia and its foreign policy, and did not wait for the country to push itself towards the reformation path. During the Spanish presidency (first half of 2010) Serbia got huge support by Spain and broader group of other member states in its efforts to get closer to a candidacy membership. There is a notion that the EU is pushing forward the so called 'Serbia first' strategy in the region.¹⁹ The argument is that if Serbia is kept on the reform path and given its 'natural' leadership position in the region it will have a positive spill over effect on the whole region. "The faster Serbia can be advanced along the EU integration path...the more robust its democracy will become and the easier it will be for both Serbia and its neighbors to lay the ghosts of the past to rest."²⁰

The officials from Serbia tend to agree with this new sentiment throughout the EU. Jelena Minic, the Deputy General of the Regional Cooperation Council (RCC), claims that it is not unrealistic to expect a candidate status in 2011. There will be a pressure for Serbia to define its position in the region and settle at least partly the following issues: "...administration efficiency, the Hague Tribunal,

¹⁶ Interview with FRAKTAL, CSO, conducted on the 17th of February 2011.

¹⁷ There is a division inside the EU as well over what do to with Kosovo. Although the EU has its own mission on the terrain, the EULEX, still 5 of its member states including Spain and Greece do not recognize Kosovo as an independent state.

¹⁸ Soeren Keil, Transconflict.

¹⁹ Judy Batt, *Serbia – Tying the EU in Knots*, Policy Brief, FRIDE European Think Tank for Global Action, No. 45, April 2010.

²⁰ *Ibid.*, page 2.

Kosovo, relations with neighbors..."²¹ but the overall impression is that the EU is ready to grant the status to Serbia.

The civil society sector tends to take more somber view to Serbia's role in the region as well as the notion of its emergence as a local leader. According to some of the CSOs, the European Union insists on the principal of regional cooperation in each of the SAAs for the WB countries and it is in its own interest to see this cooperation flourish. This is not so much of a tactic that the EU employs but more of a regional approach towards an area that was hit by conflicts of all scales but still holds many similarities. These modalities can only be the engine of the development of WB and lead to greater regional integration.²² Furthermore, the issues such as full cooperation with the Hague Tribunal, the impossibility to follow through certain trade and preferential agreements, as well as the nationalistic agenda still threatens to hinder the EU approximation process. Even today many argue that Serbia's advancement is without an honest political will and readiness for crucial changes in the society and politics as well. Whether Serbia can come out as a leader in this whole process it remains to be seen.

One can also argue that the momentum for Serbia is now because of the political elite in power. It has charismatic and open leaders (it is the same case in Croatia at the moment) which are 'above' the society and lead by example²³. These types of leaders manage to shape the needs and demands of its people in a way that it will not endanger the future of the country or its prosperity. This does not mean that the Serbian people are any less nationalistic or anti-NATO and EU as they were a decade ago but that their leaders know how to appease to the national feelings without losing the insight that the region and their country does not have another choice bar the EU integration.²⁴

4. Lessons for Macedonia.

Macedonia cannot fight the facts, mentioned previously, concerning the size and importance of its neighbor. Furthermore one must remember that the EU is first and foremost a peace project, and the idea is to expand this project to the WB as well, so the former enemies can grow into strong allies. Macedonia needs to be actively engaged in this, as it will solve its security dilemma (that all its neighbors want a piece of it). This means that Macedonia will sit at the table with them and from that point on for every issue they will have to talk instead of fight. Serbia seems to be carefully accepting this approach, having a vision that once a member of the EU its position and arguments will be valued much higher and its possibility to influence the agenda setting in the region would be far bigger than it is at the moment. Moreover there is a somewhat 'invisible' hierarchy of importance of the countries from the WB – when it comes to Macedonia it has a higher importance for the EU regarding fear of new ethnical conflicts; Serbia on the other hand has a bigger

²¹ EurActiv.rs, *Jelena Minic: Candidate Status Realistic in 2011*, published 12 January 2011, Interviewed by Maja Poznatov and Smiljana Vukojcic

²² Interview with Jelena Babic, Executive Bureau, Union of European Federalists Serbia, conducted on the 15th of February 2011.

²³ "Leading by Example" defines what leadership traits separates those who are leading from those who follow; and significantly expands this classic, time-honored advice by illustrating how leaders cannot intentionally or unintentionally escape leading by example.

²⁴ Interview with Dr. Stevo Pendarovski, lecturer at the American College in Skopje, Macedonia, held on the 2nd of February 2011.

importance for the EU because of its big market and huge agricultural sector.²⁵ Thus, the necessity for the country to develop strategies that will help her achieve its goals and reclaim its place among the key reformers in the region is urgent.

However, there is an impression that Macedonia does not have any strategy whatsoever about the region and its place in it. There is barely anything going on when it comes to cooperating with its neighbors on economic level. No minister of Economy, Energy or Investments from the region has visited Macedonia recently as well. There is also no strategy for expanding the business and trade with Kosovo and Albania as major trading partners of Macedonia, or at least not one publicly available. Instead the country is trapped in its tries to rectify the past and all the injustices done to the Macedonian people by various countries.²⁶ Even the planned joint government session between the Governments of Serbia and Macedonia, which the Serbian President announced himself in December 2010 has not been scheduled yet. According to "Utrinski Vesnik" the Macedonian Ministry of Foreign Affairs said that the session will be held in the first half of 2011 but the two governments have not agreed on the date yet.²⁷ However the announcements of early elections²⁸ will certainly put on hold this and any other plans for increased activities on regional plan.

The question that is raised at the moment is why when even Kosovo and Serbia are doing trade, it is unattainable for Macedonia to do the same with the neighbors it has unresolved issues with²⁹. The economic prospects of the country seem too much tangled in the real-politick which inevitably hinders its economic development. Furthermore, no matter how we look at the situation, Serbia, with its current leadership is going to pass Macedonia and leave it behind in the EU integration processes. This is not only due to Serbia's good performance but also because of the slowed down reform processes in Macedonia as well. There is not much space for optimism as once more there is no strategy on how to use this momentum and play the right cards so Macedonia can be upfront in the race of becoming regional power.

In that case what can Macedonia learn from the effective Serbian policy of reconciliation that President Tadic promotes in the relations with Bosnia and Herzegovina and Croatia? Nothing much, according to the Serbian experts. They argue that it is difficult to make a parallel between the Macedonian-Greek dispute (which hinders all Macedonian prospects for entering EU and NATO) and what Tadic did/does, since those problems are on different levels with different patterns and factors that influence them. One of the 'lessons' from of the reconciliation policy that Tadic promotes however, is the importance of education and the enlightening of the domestic public opinion about the most important foreign policy moves of the country, especially in relation to

²⁵ Interview with Ph.D. Denko Maleski, at the Faculty of Law, conducted on the 4th of February 2011.

²⁶ Interview with Dr. Stevo Pendarovski, lecturer at the American College in Skopje, Macedonia, held on the 2nd of February 2011.

²⁷ Utrinski Vesnik, *Makedonsko-Srpskata Vladina Sednica se Izgubi vo Datumite*, 05.02. 2011

<http://utrinski.com.mk/?ItemID=F6420BAD9BC29E4686E35A80B26C3622>

²⁸ Deutsche Welle <http://www.dw-world.de/dw/article/0,,14857112,00.html>

²⁹ Apart for the well known dispute over the name with Greece, Macedonia also has disputes with Bulgaria over the origin of the Macedonian language and with Serbia over the autonomy of the Macedonian Orthodox Church which is disputed by the Serbian Orthodox Church.

those countries with which it has complicated relationship or open, unresolved questions from the past.³⁰

The most needed thing at the moment in Macedonia however, is visionary leaders that will look beyond the next election cycle, which argumentatively is very near. However, without a true dialogue among all the political options about the future of the country and its position first and foremost in the region and then in the EU, Macedonia will have hard time to get back on the track of being successful story of this troubled region.

5. Conclusion remarks.

The aim of this report was to open a discussion about the possibilities of having a regional leader in the Western Balkans that will push forward the other neighboring countries in the EU integration process, either through positive spill-over effect from their own reform process or through increased regional cooperation and integration. Serbia seemed as a natural candidate for this position not necessarily because of a preferential treatment by the EU but because its predispositions are there: big territory plus central position equals high importance economically and politically. Those are facts that none of the other countries in the Western Balkans can or should argue.

- ✚ In that light, the report showed that despite the fact that Serbia has the capacity to achieve the status of a regional leader; the country does not perceive itself as being there yet. Apart from the great advancement in the EU approximation process in the last two-three years and the optimism shared by the politicians that the EU will grant the candidate status in 2011, there are lot of remaining issues left to be solved before Serbia develops into a true regional leader. *The cooperation with the Hague Tribunal, the Kosovo case, its own internal problems with the reform processes and the still present nationalism are issues that upon solving will sky-rocket Serbia in the EU integration process.* The other-way scenario reminds too much of what happened in the 90s of the last century, therefore is being left out of the discussion.
- ✚ The EU would certainly like to push Serbia and use the momentum to create a stabilizing regional force that will have the positive impact on all of its neighbors. Although it may seem as unfair to the other countries such as Montenegro or Macedonia, which started with the EU integration much sooner, the logic behind it is simple: big as the country is, it represents an important market for the EU and the region itself. *What the other countries could do is therefore simple: join forces on all levels, especially on economics level and push the*

³⁰ Interview with Jelena Radoman, Researcher, conducted on the 23th of February 2011.

reform processes, thus showing the EU that the region is not known only for the unresolved problems and quarrels.

- ✚ The overall conclusion would be that today's Serbia needs to first, define its long-term goals in foreign policy and second, assess the situation and the future of the country within the Western Balkans and Europe in general. The analyzed questions in this report, which are pressing and urgent, will require smart and well-vision answers. This also counts for its neighbors, especially for Macedonia which can learn a lot from the development of Serbia throughout the years.
- ✚ The fall from grace with the international community, the unresolved issues with the neighbors, the slow pace of the reforms at home, leave Macedonia fragile and prone to negative developments. Therefore as in the case of Serbia *it needs to find its visionary political elites that will define the place of the country in the region and push stronger with the reforms. It can use many of its neighbor's tactics to put politics aside when it comes to economic cooperation and to replace the satisfaction of the instant, shallow demands of the population with education and proper information about the most important foreign policy moves of the country.* Will the new elections and their outcome help or hinder this, it remains to be seen.

Bibliography

Bloomberg, Serbia Takes Step on Path Toward EU Entrance, Faces War-Crimes Hurdles, <http://www.bloomberg.com/news/2010-10-25/serbia-takes-step-on-path-toward-eu-entrance-faces-war-crimes-hurdles.html>

CIA – The world factbook <https://www.cia.gov/library/publications/the-world-factbook/geos/ri.html>; <https://www.cia.gov/library/publications/the-world-factbook/geos/hr.html>

Deutsche Welle <http://www.dw-world.de/dw/article/0,,14857112,00.html>

EU Enlargement web-page http://ec.europa.eu/enlargement/potential-candidates/serbia/relation/index_en.htm

EurActiv.rs, Jelena Minic: Candidate Status Realistic in 2011, published 12 January 2011, Interviewed by Maja Poznatov and Smiljana Vukojcic

Gallup Balkan Monitor, Survey Data <http://www.balkan-monitor.eu/index.php/dashboard>

Internet source: <http://au.news.yahoo.com/thewest/a/-/world/8975560/first-direct-serbia-kosovo-talks-open-on-high-hopes/>

Interview with Dr. Stevo Pendarovski, lecturer at the American College in Skopje, Macedonia, held on the 2nd of February 2011.

Interview with FRAKTAL, CSO, conducted on the 17th of February 2011

Interview with Jelena Radoman, Researcher, conducted on the 23th of February 2011.

Interview with Jelena Babic, Executive Bureau, Union of European Federalists Serbia, conducted on the 15th of February 2011.

Interview with PhD. Denko Maleski, at the Faculty of Law, conducted on the 4th of February 2011.

Judy Batt, Serbia – Tying the EU in Knots, Policy Brief, FRIDE European Think Tank for Global Action, No. 45, April 2010.

Macedonian Information Agency, 24.02.2011
<http://miaweb.mia.com.mk/default.aspx?vId=81493989&IId=1&pmId=>

Reuters, Serbia Back Compromise U.N. Resolution on Kosovo, September 9th 2010
<http://www.reuters.com/article/2010/09/09/us-serbia-kosovo-un-idUSTRE6885I|20100909>

Soeren Keil, The Future of Serbia is in defining its Interests, TransConflict,
<http://www.transconflict.com/2011/01/the-future-of-serbia-is-in-defining-its-interests-191/>

The economist on-line: <http://www.economist.com/node/17363537>

Utrinski Vesnik, Makedonsko-Srpskata Vladina Sednica se Izgubi vo Datumite, 05.02. 2011
<http://utrinski.com.mk/?ItemID=F6420BAD9BC29E4686E35A80B26C3622>

Veton Suroi, The ICJ Advisory Opinion on Kosovo: the begging of a new road, ISS Opinion, September 2010



POLICY REPORT

EU Approximation and Integration Advocacy Programme

“Emergence of Regional Leader in the Western Balkans - The case of Serbia and the implications for Macedonia”

Sonja Zuber, *Research and Management Coordinator*

sristeska@analyticamk.org

Contact

Address:

Dame Gruev

No: 7-8/3

1000 Skopje, Macedonia

Tel: 00389 (0)2 3121 948

Fax: 00389 (0)2 3121 948

E-mail: info@analyticamk.org