

# WORKING PAPER

Report Series on Chinese and European Actions  
In Fighting against Coronavirus Disease (COVID-19)

Project Manager: WU Baiyi  
Project Coordinator: CHEN Xin

## **Pandemic Emergency and Relations between EU and Western Balkans**

Vincenzo Maria Di Mino, Marco Siragusa

Kiadó: Kína-KKE Intézet Nonprofit Kft.

Szerkesztésért felelős személy: Chen Xin

Kiadásért felelős személy: Wu Baiyi



# **Pandemic Emergency and Relations between EU and Western Balkans**

**Vincenzo Maria Di Mino; Marco Siragusa<sup>1</sup>**

## **Abstract**

The Covid-19 pandemic has been profoundly affected the economic and political structures of European governance, questioning its foundation and relations among the countries. Within this dynamic context, two non-exclusive options come out. The first one is the “national territorialisation” of the health crisis, with a response in security and emergency terms, the closure of borders and the identification of the virus as a 'foreign' destabilising agent. The second one goes in the direction of a greater assumption of responsibility, both fiscal and political, on the part of European institutions, in terms of economic solidarity and loan facilities towards the countries most affected by the viral wave.

In this sense, the Recovery Fund could open a new phase of the European federal project. It arrived at the end of a two-month period of negotiations which focuses on the centrality of the amount of debt contracted and seeks a way out of the austerity policies of previous seasons and cautiously imposing the overcoming of national interests. The new European project could change the relations between member states but also with the external partners such as the “candidate or potential member states” of the Western Balkans (Serbia, Bosnia Herzegovina, Montenegro, North Macedonia, Kosovo and Albania).

The enlargement process, which engages these countries, is suffering a lack of credibility and a dangerous stalemate. The Recovery Fund, the Next Generation EU plan combined with the new enlargement strategy adopted in March could give a new framework for the external action of the EU. The Union must also face the increasingly active protagonism of other actors in the region, such as Turkey, Russia and especially China, which during the pandemic acquired further margins of action.

EU members know that the coming years will be decisive for the European path of the Western Balkans. How are they preparing for this? This paper wants to analyse how the member states managed the pandemic and how the actions taken posed new challenges to the EU decision-making system. The new balances and the change of direction implemented by the European institutions with respect to the economic crisis of 2008 also require reflection on relations with partners in the Western Balkans. Will the pandemic impose a change of direction also in the enlargement policy favouring a renewed and more concrete process of democratisation of the countries involved or, on the contrary, will it continue to deepen anti-democratic tendencies?

---

<sup>1</sup> Vincenzo Maria Di Mino, Independent researcher on political and social theory, Italy; Marco Siragusa, Ph.D in International Studies, University of Naples “L'Orientale”.

## **Introduction**

The Covid-19 pandemic has had profound effects both in society and in existing political geometries globally. In particular, European governance, already fragmented, has been deeply affected both in the cohesion among member states and in the initial difficulty of providing common responses to the emergency. What has characterized the decision-making process in these months has been the continuous dialectical movement between different positions of the member states, especially in the strictly medical field. European governance has certainly tried to make up for the lack of political direction, giving a medium-long term planning scope to the initiatives taken over the last few months. First of all, through a greater flexibility of economic rules and opening a new space for dialogue with other actors.

This paper will try to understand how the pandemic affected the functioning mechanism of European governance and its decision-making process. Two levels of analysis will be dealt with, complementary to each other and necessary to provide a complete picture of the new transformations taking place: the internal one, within the EU borders, and above all the one related to the relationship with partners in the Western Balkans.

The first part, therefore, will be dedicated to retracing the most critical phases of the spread of the virus and of what we define as the "national territorialisation" of the emergency. The second part will deal with the collective response and the assumption of responsibility by the European institutions to find an effective and shared solution among all member states. In order to understand how the choices adopted by individual states and EU institutions have also influenced the Union's foreign policy, it will be useful to provide an overview of the relations between the EU and WB in these decades. The third part will be dedicated to the relations "before the storm" caused by Covid-19. It will draw an overall evaluation on the results achieved by the enlargement policy and the European commitment in the last two decades, trying to bring out the limits of the accession process. A process that is still far from being completed and whose delays increasingly weigh on its real success and on the stability in the Balkans. The delays and political and economic failures are obviously to be found both in the action of the EU and of the ruling classes of the countries involved, too often allergic to fostering a real democratization process of their systems. The fourth part will instead focus on analysing the reports during the acute phase of the emergency. In the first phase, the emergence of national interests and the lack of joint action by member countries has greatly limited collaboration with Balkan partners. A situation that has fuelled a climate of distrust and even some political controversy. The assumption of responsibility by the European institutions had important repercussions also in this field, with the push for a more decisive action of economic, health and political support towards the Western-Balkans. Finally, the last part will highlight

the challenges that enlargement policy will have to face in the coming years. To the delays of previous decades and the overwhelming wave caused by the pandemic are in fact added other important challenges, such as the increasingly evident and relevant presence of other competitors such as China, Russia and Turkey. Although driven by different interests, these countries have launched an important challenge to the hegemonic role played by the Union since the early 2000s.

The methodology used in the paper mainly involves the analysis and comparison of data and official documents issued by European authorities. Through their study it is in fact possible to understand the commitments made at EU level and the decision-making process that led them. The official documents will be compared with other sources, both the statistical ones produced by international financial institutions and the theoretical ones, useful to frame the context and better explain the topicality.

### **Part I. The impact of Covid-19 on European governance**

The Covid-19 pandemic, in its global evolution, has not spared the European continent by making visible the voids and unresolved knots of coordination and decision-making processes. The acceleration of the health emergency, which has progressively involved individual national territories, has been matched by a slowness of decision making with regard to both health and social containment measures. The reasons for this can be easily found in the structure of coordination and organisation of the Union's common political lines. The main limitation of multilevel European governance has been the lack of a common political direction and the difficulty of building political action and consensus among the governed. If, until now, the European project has remained trapped in the rhetoric of financial rigour (Offe, 2016), the impact of the virus has tested the pillars of solidarity and cooperation, as well as coordination.

The initial stages of the spread of the virus in certain geographical areas, of which Italy was the worst affected nation, saw a partial underestimation of the overall effects of the pandemic. Thus, constant communications between the competent authorities were not followed by binding measures, giving the green light to a series of health and control responses that could be placed between increased collective restrictions and substantial freedom of movement.

The joint action in the first phase of the emergency, which was still geographically limited, was summarised in the conclusions of the European Council of 13 February, which indicated the need for technical-scientific and health coordination in the member countries. To this was added the exchange of information and essential medical devices through the Integrated Political Crisis Response (IPCR). In addition, the need to implement information

measures on movements both inside and outside the countries belonging to the EU area was stressed, through the establishment of a European archive, in order to better map and continue to monitor both the local and international situation (European Council, 2020). The IPCR coordination table became effective on 2nd March, at a time when the virus had now reached a continental dimension. In the absence of a common direction, exacerbated by media and political underestimation of the situation, several types of measures adopted to limit contagion can be noted: until the first week of March, most countries require respect for social distance and fiduciary self-isolation, keeping schools and public and private offices open and allowing outdoor events (sports competitions, concerts). On 9 March, the closure of Lombardy was followed by the extension of the lockdown throughout Italy. These events mark the point of no return.

Unlike the Italian model, France and Germany implement soft management methods based on greater flexibility of rules and traumatic non-interruption of social life in all its aspects, mainly economic (Al Jazeera, Financial Times, 2020). There is therefore, in these very early stages, the most complete fragmentation of organisational and management choices on a national basis. A fragmentation that we could define as "national territorialization" of the emergency. The objective was to lower the contagion curve but with an underestimation of both the possibility of contagion on a continental scale and the certainty of an economic crisis that would result.

A further consideration of the multiplicity of interventions includes the fracture that runs through the material constitution of the European Union, divided between the strong traction of the economies of the central-northern countries and the difficulties of the southern countries. These processes can be read through the concept of 'German Europe' formulated by U. Beck (Beck, 2013), namely the set of integration strategies pursued only with economic instruments and with the imposition 'from above' of structural choices in common policies. In this sense, the Italian government justified the total lockdown by showing the deficient state of its national public health service, which is also divided by an economic and geographical gap: on the one hand, the touted efficiency of the North, often privately managed, and on the other hand the state laxity in the South most affected by the cuts of previous governments under pressure from the hegemonic European liberalism.

The narrow national health needs have been accompanied by choices of a social nature. The search for herd immunity, for example, characterised Sweden's health policy. Thus, this choice is based on the search for a balance between collective freedoms and the objective of defending society and supported by a stable and facilitated social security system and a much lower death rate than in other European countries. On the other hand, the virus has been used

by nationalist and authoritarian right-wing forces to strengthen their political positions and to reach, culturally, the height of terror and facilitate narrow liberticide. The rhetoric of the European right-wing, in fact, immediately identified China as a negative factor (also with the help of Trump's propaganda) and migration flows as a major danger to the health of Europeans. The territorialisation of the crisis, moreover, reinforced the rhetoric of closure and the hunt for anointing, especially foreigners and non-Europeans or, in the absence of them, for the social categories more reluctant to government restrictions. In this case, the model followed by this political segment was the one undertaken by Viktor Orban in Hungary who, taking advantage of the situation, used the lockdown to remove Parliament from its functions and centralize legislative and executive power in its hands. Paradoxically, Orban tried to exploit the weakness of community management measures to change the Hungarian constitutional order, presenting himself as the nation's guardian against transnational interests. This favoured the recomposition of the political forces close to him that were moving confusedly between the untouchability of economic laissez-faire, especially in regional areas with the highest rate of productivity and welfare, and the sacredness of the people oppressed by the continental elites.

The European turning point took place between 16 and 17 March, when the Commission and the Council took note of the seriousness of the situation, defining the obligatory nature of the lockdown measures on EU territory with measures that would last until May and beyond. In the context of general policies, the relevant element is the restriction of 'non-essential' movements within the Schengen area for 30 days and the aid to citizens extended to third countries. From the health point of view, great importance is given to medical cooperation and the stimulation of research and experimentation of medical technologies able to combat the viral phenomenon.

## **Part II. The Reaction: towards a common policy**

The Statement of 17 March (Eurogroup, 2020), in addition to the measures to coordinate government choices, addresses the problem of the common fiscal and economic policy. In this sense, the worsening of the epidemic also in countries with stable financial conditions makes it necessary for the Union to intervene *erga omnes*. In this sense, becomes of fundamental importance to define decision-making processes on a European scale that try to go in the direction of a greater assumption of responsibility by the Union's institutions.

The direction taken has been that of a common taxation system such as to prevent nationalist fragmentation and the prevalence of the choices of one part of Europe against the other. The aforementioned Statement, in fact, implements a policy of fiscal spending aimed at strengthening the key sectors and lightening the tax burden. At the heart of this strategy are

welfare measures for workers and citizens in difficulty and the allocation of funds to companies. In detail, € 37 billion have been allocated through the so-called "Corona Response Investment Initiative" on a proposal from the Commission. The initiative was aimed at the health system, the labour market and the social sectors weakened and impoverished by the crisis, with the possibility of accessing another € 28 billion structural funds for other eventualities. A further € 8 billion was allocated to companies in difficulty. This first measure was followed, on 23 March, by the extraordinary decision to suspend the European Stability Mechanism, guaranteeing the possibility for States to exceed the 3% threshold in the ratio between GDP and public debt. On 24 March, the ECB came into play with decision 240\2020 by which it made public the Pandemic Emergency Purchase Program (PEPP), the programme for the purchase of government bonds of national banks in the amount of € 750 billion until the end of 2020.

From a political point of view, the intervention of the Central Bank in defence of the entire credit and financial sector of the Union is epochal. In fact, the main institution of European governance exposes itself as a community actor and not, as in previous cases, as an actor of a part of the Eurozone countries, those most inclined to austerity. In this sense, the greatest danger is the devaluation of central bank stocks and therefore the risk of depreciation and bankruptcy of national companies. Although these measures are an expression of monetarism and 'well-tempered' liberalism, they nonetheless contribute to the definition of a new phase in the Eurozone, where what is at stake is the definition of a truly common policy, especially in the monetary and fiscal field.

On 25 March two eminent EU representatives intervened on the issue with interventions that could be defined as 'constituent'. One came from ECB President Christine Lagarde, the other from the former President of the same institution Mario Draghi. In the first case, during the European Council, Lagarde proposed to consider the creation of financing instruments, called Coronabonds, produced directly by the ECB. Draghi, in a letter initially published in the Financial Times, argued that the seriousness and exceptionality of the crisis needed a strong common response capable of overcoming prejudices and fences. The proposal is for robust credit injections by the state to protect citizens and absorb the possible shock of the private sector, i.e. the production chains on a national basis. For Draghi, labour is the sector that needs to be better protected, both by stabilising jobs through greater fiscal flexibility granted to employers and by providing economic instruments to support individuals and households in terms of indirect wages. In this way the temporary possibility of a social income disconnected from work is evoked. In order to address this situation, Draghi puts forward the possibility of a return of the State as the main economic agent, able to finance and support these progressive measures through the controlled issuance of public debt and the production of financial

instruments to support the circulating money supply.

What can be inferred from Draghi's letter is the proposal of an 'Entrepreneurial State' that supports welfare and the central sectors of economic production through public debt. A State that finances solidarity by investing in training and innovation, which produces debt that is constantly reabsorbed by the volumes of employment and wealth produced (Mazzucato, 2013). Regardless of the considerations on the becoming of politics within the health storm, there is the proposal of a strengthening of the EU from the political point of view. The intent is to endow the European institutions with greater powers, of a Keynesian nature, able to balance common financial needs with greater social solidarity, understood as redistribution and support for the weakest groups at a community level. The game of the following months will be played on the definition of a distribution system of what has been defined by the media as 'firepower' of the ECB itself. In the negotiations a 'classic' theme, which has pursued the Eurozone for over a decade, made its appearance again: the political and geographical division between the 'ants' of austerity and the 'cicadas' of constant debt issuance; the division between the 'industrious' North and the 'wasteful' South, between Europe as a private fact and Europe as a possible area of common action against inequalities.

On 9 April, the Eurogroup, with a statement by President of Eurogroup Centeno, announced four recovery programmes: the initial allocation of € 100 billion for the SURE, the European integration fund financed by all member states; the ESM, to facilitate access to credit for small and medium-sized enterprises in difficulty; the allocation of € 240 billion, equal to 2% of the common budget, through the ESM; and the proposal to set up a Recovery Fund to finance growth through the issue of Community debt, as in the proposal of the 'Coronabonds'. The following month, in fact, was marked by the debate on the size of the European measures and their possible violation of national economic sovereignty. In the midst of negotiations on the form of the Recovery Fund, on 18 May the SURE became a concrete programme, with the disbursement of € 540 billion to support social security systems through a kind of 'European integration fund'. The plan was defined by Commission President Von Der Leyen herself as 'the backbone of the European economy'. This programme, in fact, provides for the allocation of funds for measures to support increases in public expenditure linked to the extension of measures such as the reduction of working time or support for the self-employed. The SURE, in this sense, represents the first opening towards a welfare system directly supported by community loans through programmes linked to the support of the world of work. The other substantial turning point came on 21 July, at the conclusion of the frantic negotiations that saw Angela Merkel and Emmanuel Macron among the main protagonists regarding the concrete definition of the Recovery Fund.



The plan issued provides for the disbursement of € 750 billion funds, divided as follows: 390 billion in the form of grants and 360 in the form of loans. It also defines the long-term European budget for the period 2021-2027 for an amount of € 1074 billion. With this project of wide-ranging financing and loans, the institutions want to launch a new plan for Europe. At the moment, the cornerstones of the transformation are: technological innovation, increased investment in a 'Green New Deal' considered a central part of the dynamics of recovery, and controlled common debt issuance through greater flexibility of financial instruments. In the context of previous debates, the 'Recovery Fund' system has managed to mediate, provisionally, between the liquidity pressures of the southern countries and the rigour of the northern countries by imposing precise conditionality and programmes for the allocation of funds. The Fund also encourages a greater European spatial connection through the construction of infrastructure capable of boosting continental logistics. Defined by the Commission itself as a 'turning point', the implementation of EU funding mechanisms certainly marks a step forward in the construction of Europe as a common political entity. The aim pursued by the political forces involved is to try to integrate the different cultural, political and economic thrusts through flexible planning elements. Moreover, all these thrusts can go in the direction of greater democratization of central institutions and greater autonomy of territorial spaces, within the framework of a common and shared political and organizational direction.

### **Part III. The relations with the Western Balkans: before the storm**

Until now we have seen how the member states and the European institutions have dealt with the pandemic and the consequences of their actions on the Union's resilience. These choices had repercussions not only in domestic but also in foreign policies. What is interesting to understand here is how the relationship between the EU and its partners in the Balkan region, the so-called Western Balkans (Serbia, Bosnia-Herzegovina, Kosovo, Montenegro, North Macedonia and Albania), changes with the crisis caused by the virus.

The Union's enlargement policy towards WB, confirmed in the Thessaloniki Summit in 2003, has as one of its objectives to influence reforms capable of harmonising the systems of the countries involved with the Union's system of values and laws. In order to function, this strategy needs credibility and certainty. It is precisely these two elements that have characterised the relationship between the EU and WB. Or rather, their weakness. The European protagonism of the last two decades has in fact shown evident limits in solving all the main issues that undermine the development path of the Western Balkans. This is demonstrated by the unresolved Kosovo issue, the institutional deadlock and the economic crisis that have gripped Bosnia-Herzegovina since the Dayton Agreements of 1995, or the inability to support

a real and concrete process of democratisation of national institutions.

It is possible to find a common thread in the enlargement policy. The European institutions have in fact placed regional stability at the centre of their agenda, understood as the absence of armed conflict. However, this stability has been pursued to the detriment of other factors. First of all, the quality of democratic institutions, which is constantly being questioned by political players who do not disdain the application of anti-democratic practices. A trend that has been definitive "*stabilitocracy*" (BiEPAG, 2017). The most obvious example is that of the current President of the Republic of Serbia, Aleksandar Vučić. At the head of the country since 2012, Vučić represents an autocrat who manages all aspects of life through his Progressive Party of Serbia (SNS). Almost total control of the media, marginalisation of oppositions, patronage networks and high levels of corruption are the hallmarks of the Serbian system. Partly similar the situation in Montenegro led, until the elections of 30 August 2020, by Milo Djukanović the real *deus ex machina* of Montenegrin politics. In power since 1990 Djukanović has proved to be a champion of transformation and corruption. During his long career he was able to support and abandon Slobodan Milošević, to declare himself anti-NATO and later to lead the country towards EU and Atlantic Alliance membership, achieved in 2017. The situation in Albania is also particularly worrying. The country is still lagging behind in terms of press freedom, corruption and the fight against organised crime. This is only partially different with regard to Northern Macedonia, which is perhaps the most successful case of European interventionism. After thirty years, in June 2018, the country finally resolved the name issue by reaching an agreement with Greece which, with its veto, blocked the start of the accession process.

Drawing a quick assessment of the transition to the European model, it can be said that despite the efforts made, Europe has shown too much uncertainty and confusion. To the democratic deficits of countries, tolerated by European policy, must be added an approach to enlargement that has often proved contradictory, as demonstrated by the events of late 2019. In October, after the change of name of Macedonia and the implementation of judicial reform in Albania, the European Council rejected, with the veto of the French President Emmanuel Macron, the start of negotiations for the accession of the two countries. At the heart of the decision, strongly criticised by the overwhelming majority of member countries and EU institutions, was the will to impose a new methodology of enlargement policy. A failure to respect the pacts showed a total lack of credibility on the part of the Union. Added to this was the uncertainty due to the lack of a certain date for the conclusion of negotiations. To date, there is no 'deadline', necessary to avoid making the whole process an endless road and no way out.

#### **Part IV. Pandemic relationships**

Starting from these considerations, shared by many member states, the European institutions have been forced to review their strategy. A rethink that took place at the very beginning of the pandemic crisis. In February, the EU Council adopted a new methodology in enlargement policy with the objective of "reinvigorate the accession process by making it more predictable, more credible, more dynamic" (Council of the European Union, 2020). The new methodology is based on four pillars. The first is "credibility" both on the part of the candidate countries, which must implement the planned reforms, and on the part of the EU, which must keep its promises. The second is a "stronger political steer" that foresees regular summits with a greater involvement of member countries. The third relates to the identification of key issues, such as the rule of law, public administration reform and economic performance. These chapters will be opened first and closed last during the negotiations. Finally, the fourth pillar is "predictability" in the sense of certainty of benefits, greater inclusion in European programmes and clear sanctions in case of non-compliance.

The adoption of this new strategy, which should give a new impetus to enlargement policy in Europe's intentions, was followed in March by the go-ahead for negotiations for Albania and North Macedonia. Serbia and Montenegro, which had already started negotiations, could instead choose to continue with the old model or adopt the new one. Despite the EU's important openings, the crisis management by Balkan leaders was in some ways closer to that of authoritarian rather than democratic regimes. In Serbia, for example, the declaration of a state of emergency was used to disqualify the parliament, centralise powers in the hands of the President and his staff and implement further repression against non-aligned journalists. In Bosnia-Erzegovina, pandemic management has deepened the failure to respect basic rights of migrants. As stated by the Minister of Security of Bosnia-Herzegovina Fahrudin Radončić, during a meeting with the Minister of Foreign Affairs of Hungary on 16 April, "illegal migration is a security problem and not a humanitarian one". An approach that has favoured emergency management in repressive and authoritarian terms (Siragusa, 2020). In Kosovo, the failure to declare a state of emergency was used as an excuse to open a crisis of government and defy Prime Minister Albin Kurti. In fact, the fall of the government, just two months after its birth, was linked to internal differences within the executive on dialogue with Serbia and pressure from the United States on this issue.

In such a delicate context there have been moments of tension between the EU and some WB countries. Emblematic of what happened in the first phase of the emergency with the EU's decision to limit the export of health equipment outside the Union (European Commission, 2020). A choice that had provoked the harsh reaction of Serbian President Vučić, who had gone

so far as to speak of European solidarity as "a fairy tale on paper" now non-existent. Tough words, pronounced by the leader of the most important WB country. But these words had the desired effect, helping to show all the limits of emergency management and forcing the European institutions to change their strategy again. Europe understood that not only the health of its citizens but also that of its neighbours was at stake. Leaving its partners alone in the toughest challenge of recent decades would have been the definite end of any integration process. To restore mutual trust and reaffirm European support, in April the Commission approved a € 3.3 billion financial support package for the WB. Of this € 389 million is intended to meet the "social and economic recovery needs" plus a € 455 million "economic reactivation" package, € 750 millions of macro-financial assistance and € 1.7 billion from the European Investment Bank (European Commission, 2020).

This commitment was confirmed at the subsequent Zagreb Summit on 6 May. Presented by the Croatian Presidency as "a milestone in enlargement policy", the meeting aimed to give new impetus to the European perspective of the WB. Unfortunately, however, the summit proved to be yet another missed opportunity. The final declaration is a symbol of the inconclusiveness of European policy: an unnecessarily rhetorical document that bypasses all the thornier issues. In six pages the word "enlargement" is never used as if it had been removed from the political agenda. The declaration repeats vague objectives such as support for the European perspective, cooperation, rule of law, democracy, human rights without ever going into the specifics of existing limits and how to overcome them.

A new impetus to EU-WB relations could come from the new European programmes adopted in June by the Council to tackle the crisis. The Recovery Fund dedicates an entire section, number 6, to relations with the "Neighbourhood and Rest of the World". This provides for the merging of all existing programmes into a single "neighbourhood instrument" aimed at international cooperation. The budget of this instrument will be € 70.8 billion euros for the period of 2021-2027 (European Council, 2020). Overall, the chapter provides for a financial commitment of some € 98 billion euros. This is a considerable amount, but there are some pitfalls. An analysis of the annual commitments shows that the initial figure of € 15.3 billion for 2021 has fallen from € 12.8 billion in 2027, a decrease of about 16% (European Council, 2020). The EU already admits that in the coming years its commitment to its external partners, at least economically speaking, will be steadily reduced, limiting its capacity to face possible new challenges. To this it must be added an additional effort of € 14.5 billion foreseen in the IPA III programme for 2021-2027.

The resources made available by the EU for the coming years are part of an economic environment deeply affected by the virus. The pandemic has in fact brought to light all the

endemic problems of the WB economies that the integration process has not been able to overcome. According to a World Bank study published in spring 2020, all WB will see a considerable drop in GDP and an increase in the unemployment rate. The reduction in GDP will be between -1.4% in North Macedonia and -5.6% in Serbia (World Bank, 2020). Among the main causes of the fall in GDP are the reduction in tourism-related revenues, one of the most important sectors for all countries in the region, and the decrease in exports caused by the closure of borders. In turn, the limitation to trade has led to a considerable drop in industrial production which could have negative effects in terms of employment in the medium term.

### **Part V. The challenges to enlargement**

The slowness and uncertainty of the enlargement process has been skilfully exploited by other actors interested in carving out more and more scope for action in the region. In these two decades, the EU has undoubtedly been the most important political and economic partner in the Balkans (Uvalić, 2019). In recent years, however, this leading role has been increasingly questioned. There are mainly three players that challenge European hegemony in the Balkans: Russia, Turkey and China.

Moscow can boast a close historical and cultural link with Serbia, of which it is the most important ally in the fight against international recognition of Kosovo. The relations between the Kremlin and the Montenegrin opposition, now in government, are also not indifferent. Russia is also the main gas supplier in the region, which makes its presence necessary for the energy supply of the individual countries. Finally, for Moscow the Balkans represent a strategic area to block NATO's eastern enlargement (Stronski, Himes, 2019).

If Russian interests have more political and economic nature, the Turkey action is only partially different. The neo-Ottoman policy of President Recep Tayyip Erdogan considers the Balkans a strategic area to enlarge its influence (Bechev, 2019). The country has often relied on its common religious affiliation, especially in Bosnia, Albania and Kosovo, the only European countries with a Muslim majority. Through the state agency TIKA (Turkish Cooperation and Coordination Agency) Ankara has financed the reconstruction of religious buildings, mosques and cultural centres. Beyond the religious aspect, Turkey has also started to invest in major infrastructure projects such as the Belgrade-Sarajevo highway.

The penetrating presence of China, on the other hand, is quite different. Beijing has become one of the region's largest partners. The Western Balkans have in fact been included in the One Belt One Road Initiative. This initiative has favoured significant investments in the infrastructure network of the individual countries with the financing of highway and railway projects able to favour the connectivity of the region. The ultimate objective is to speed up the

transport of goods to Central Europe. An element characterising the Chinese strategy is the total lack of interest in the partners' internal policy issues. The Chinese presence was particularly visible during the pandemic. To the European decision to block exports of medical equipment to non-member countries, Beijing responded immediately by sending aircraft loaded with equipment to Serbia and other countries in the region. This strategy was dubbed "mask diplomacy" (Vuksanovic, 2020). It is no coincidence that in his controversy with Europe, President Vučić had argued that "only China can help us". It is a clear message that the ties between the two countries are now structured and difficult to break. Chinese initiative in the region has had a clear impact on the relationship between WB and the EU. In order to limit the Chinese advance and relaunch European leadership, in 2014 German Chancellor Angela Merkel launched the so-called 'Berlin Process'. This initiative involves the six WB countries and some member states (Austria, Croatia, France, Germany, Italy and Slovenia). One of the priorities of the initiative was to stimulate the region's infrastructure development, so-called "connectivity" in terms of not only physical but also digital connections.

There is still a constant saying within the old continent that "we will only get out of the crisis if we all work together". But the reality is much more complicated and different than the good intentions shown on television and in the newspapers. As we have seen in the first part, the EU has to deal with strong contrasts within the EU. And a quarrelsome family is unlikely to welcome new members. The most optimistic analysts and politicians see enlargement to Serbia and Montenegro by 2025 as possible. But it is not credible. While Albania and North Macedonia, whose start of negotiations has been confirmed but not yet put into practice, will have to wait no less than ten years. This period of time is too long and risks further increasing citizens' scepticism about the whole accession process. According to the Balkan Barometer 2020, only 28% of WB citizens are convinced that their country will be able to join the EU in 2025, 36% are convinced that accession can take place by 2030, while 26% think that, in the end, their country will never become a member state. This figure rises to 46% in Serbia and 33% in Bosnia and Herzegovina (Balkan Barometer, 2020). Another interesting figure is the overall currency of the European membership. 59% of WB citizens consider it a "good thing" and only 11% consider it a "bad thing" (Balkan Barometer, 2019). This data shows a worrying regression when compared to 2008, the year of the outbreak of the global economic crisis. At that time, the positive assessment towards European membership was about 67% with peaks of 89% in Kosovo (Gallup, 2009). In just over a decade, positive opinions fell by 32% in Serbia, from 58% in 2008 to 26% in 2020, and by 14% in Kosovo. Only in Bosnia-Herzegovina (+8%) and Albania (+4%) has there been an increase in positive opinions. One challenge is the spread of so-called Euroscepticism among citizens, the consequences of which could be decisive for

the progress of the path. In fact, those anti-European parties and leaders, very often linked to nationalist and sovereigntist circles, could benefit from this.

### **Conclusion**

The pandemic unleashed by the coronavirus has swept the whole world with very serious repercussions in economic, political and social terms. In Europe, the pandemic has forced the EU institutions and individual Member States to reflect seriously on the overall structure of the Union. The approach adopted to tackle the 2008 economic crisis, based on strict austerity policies and questioning the principles of solidarity and cohesion, had left some fundamental issues unresolved. The EU thus saw itself suddenly catapulted into a sort of "maturity test", squeezed between the need to find new solutions or run the risk of ending its existence.

One of the most important unresolved issues, in addition to the that linked to economic recovery, has been that of relations between the Union and its Balkan neighbours. As we have seen, enlargement policy has suffered in these decades from serious delays and uncertainties. Limits for which the EU has been largely responsible, although the political elites of the countries involved have also played a decisive role in making the accession process an endless obstacle course. The pandemic has therefore posed new and more demanding challenges. From an economic point of view, it has further aggravated the already fragile regional economies. With this umpteenth crisis, the need for a change of direction in economic relations, capable of reducing asymmetries as much as possible and rebalancing power relations, became evident. In short, the member states and their economic agents should stop considering the region as a 'land of conquest' or an area to be 'saved' through economic aid often useful only for maintaining the status quo. In this sense, the economic commitment undertaken by the EU institutions to tackle the health crisis is fundamental, and even more so that provided by the Recovery Fund for the Neighbourhood Policy. Resources which, however, as we have seen, will steadily decline over the years. With the use of the funds the authorities have tried to fill the gaps left by the pandemic, without the real will to accelerate the political and economic transformation in a more democratic sense. For the Balkan partners, the Recovery Fund seems to be a defence tool. An approach that is unable to produce the desired change of direction that would support a more sustainable and inclusive development process. Doubts about the present and future nature of these measures remain intact.

While on the economic level the Union seems to want to proceed according to instruments and methods applied so far with little success, on the political level the situation is not so different. Support for semi-authoritarian regimes does not seem to be questioned today by the European institutions, which are more interested in maintaining stability than in encouraging a

real democratisation process in the countries involved. In addition, a lack of a strategic vision able to find a solution to the main issues characterizing the area. This incapacity could be overcome by making the accession process more concrete, with tangible and immediate benefits, with certain and valid rewards. If the EU wants to maintain its hegemonic role in the region it cannot do it without working with other actors. Excluding, for example, economic cooperation with China means challenging Beijing on a ground where it has greater scope for action than the Union. The same applies to relations with Russia and Turkey, which are now essential players in the resolution of political issues such as the relationship between Serbia and Kosovo or the inter-ethnic balance in Bosnia-Herzegovina.

Europe also shows worrying limits on these issues. If post-pandemic relations between the EU and WB go in the direction of full integration or if, on the contrary, they decree the definitive demise of enlargement policy, it is still too early to say. Certainly, Europe is coming out of this challenging season with more questions than concrete solutions.



## References

Balkans in Europe Policy Advisory Group (BiEPAG), (2017). The Crisis of Democracy in the Western Balkans. Authoritarianism and EU Stabilitocracy. Available at: <https://www.balkanfund.org/biepag-publications/the-crisis-of-democracy-in-the-western-balkans-authoritarianism-and-eu-stabilitocracy>

Balkans in Europe Policy Advisory Group (BiEPAG). (2020). The Western Balkans in Times of the Global Pandemic, Policy Brief.

Bechev, D. (2019). Turkey's Policy in the Balkans: More than Neo-Ottomanism. Istituto per gli Studi di Politica Internazionale (ISPI). Available at: <https://www.ispionline.it/it/pubblicazione/turkeys-policy-balkans-more-neo-ottomanism-22835>

Beck, U. (2013). German Europe. Cambridge, Polity press.

Brändle, M. et al. (2020). Democracy and The State Of Emergency Responses To The Corona Crisis In The Western Balkans, Croatia And Slovenia. Report One, (2020), Friedrich-Ebert-Stiftung, Belgrade. Available at: <http://library.fes.de/pdf-files/bueros/belgrad/16119.pdf>

Council of the European Union (2020). Council Conclusions on COVID-19 (13 February 2020). Available at: <https://data.consilium.europa.eu/doc/document/ST-6038-2020-INIT/en/pdf>

Council of the European Union (2020). Enlargement and Stabilisation and Association Process. The Republic of North Macedonia and The Republic of Albania. Council conclusions, Brussels

Draghi, M. (2020, Marc 25). Draghi: we face a war against coronavirus and must mobilise accordingly. Financial Times. Available at: <https://www.ft.com/content/c6d2de3a-6ec5-11ea-89df-41bea055720b>

DW (2020, April 14). Coronavirus: What are the lockdown measures across Europe? Available at: <https://www.dw.com/en/coronavirus-what-are-the-lockdown-measures-across-europe/a-52905137>

Eurogroup (2020). Statement on COVID-19 economic policy response. Available at: <https://www.consilium.europa.eu/en/press/press-releases/2020/03/16/statement-on-covid-19-economic-policy-response/>

European Commission. (2020). EU response to the coronavirus pandemic in the Western Balkans, Brussels

European Commission (2020). Proposal for a COUNCIL REGULATION on the establishment of a European instrument for temporary support to mitigate unemployment risks in an emergency (SURE) following the COVID-19 outbreak. 2020/0057, Brussels

European Commission. (2020). Western Balkans' leaders meeting: EU reinforces support to address COVID-19 crisis and outlines proposal for post-pandemic recovery, Press Release, Brussels

European Council. (2020). Special meeting of the European Council (17, 18, 19, 20 and 21 July 2020) – Conclusions, Brussels

European Commission (2020). Regulation (EU) 2020/402. Available at: <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32020R0402&from=EN>

EU-Western Balkans Zagreb Summit, Final Declaration, 6 May 2020, <https://www.consilium.europa.eu/media/43776/zagreb-declaration-en-06052020.pdf>

Fruscione, G. (2020). Ahead of Elections, Serbia's Democracy Is a Dead Man Walking. Istituto per gli Studi di Politica Internazionale (ISPI). Available at: <https://www.ispionline.it/en/publication/ahead-elections-serbias-democracy-dead-man-walking-26584>

Fruscione, G. et al. (2020). The Balkans: Old, New Instabilities. A European Region Looking For Its Place In The World. Istituto per gli Studi di Politica Internazionale (ISPI). Available at: [https://www.ispionline.it/sites/default/files/pubblicazioni/isp\\_i\\_report\\_balcani\\_2020\\_0.pdf](https://www.ispionline.it/sites/default/files/pubblicazioni/isp_i_report_balcani_2020_0.pdf)

Gallup Balkan Monitor (2009). Focus On: Perceptions of the EU in the Western Balkans. Available at: [http://wbc-inco.net/object/document/7242/attach/Gallup\\_Balkan\\_Monitor-Focus\\_On\\_EU\\_Perceptions.pdf](http://wbc-inco.net/object/document/7242/attach/Gallup_Balkan_Monitor-Focus_On_EU_Perceptions.pdf)

Mazzucato, M. (2013). The Entrepreneurial State: Debunking Public vs. Private Sector Myths. London, Anthem Press

Milne, R. (2020, March 25). Sweden bucks global trend with experimental virus strategy. Financial Times. Available at: <https://www.ft.com/content/31de03b8-6dbc-11ea-89df-41bea055720b>

Offe, C. (2015). Europe Entrapped. Cambridge, Polity press

Paccès, A., Weimer, M. (2020). From Diversity to Coordination: A European Approach to COVID-19. European Journal of Risk Regulation, 11(2), pp. 283-296. doi:10.1017/err.2020.36

Politico (2020, April 14). What should the EU do about Hungary?. Politico. Available at: <https://www.politico.eu/article/what-should-the-eu-do-about-hungary-coronavirus-viktor-orban/>

Regional Cooperation Council (2020). Balkan Barometer 2020: Public Opinion Survey. Available at: <https://www.rcc.int/pubs/95/balkan-barometer-2020-public-opinion-survey>

Siragusa, M. (2020). Balkan Route: For Migrants Covid-19 Is a Double Emergency. Istituto per gli Studi di Politica Internazionale (ISPI). Available at: <https://www.ispionline.it/it/pubblicazione/balkan-route-migrants-covid-19-double-emergency-25883>

Spagnolo, C. (2020, April 22). A Marshall plan for Europe - or a Draghi plan?. Social Europe. Available at: <https://www.socialeurope.eu/a-marshall-plan-for-europe-or-a-draghi-plan>

Stronski, P., Himes, A. (2019). Russia's Game in the Balkans, Carnegie Endowment For International Peace. Available at: [https://carnegieendowment.org/files/Stronski\\_Himes\\_Balkans\\_formatted.pdf](https://carnegieendowment.org/files/Stronski_Himes_Balkans_formatted.pdf)

Strupczewski J., Canepa, F. (2020, March 25). Exclusive: ECB's Lagarde asked euro zone ministers to consider one-off 'coronabonds' issue – officials. Reuters. Available at: <https://www.reuters.com/article/us-health-coronavirus-ecb-coronabonds-ex/exclusive-ecbs-lagarde-asked-euro-zone-ministers-to-consider-one-off-coronabonds-issue-officials-idUSKBN21C1DP>

Uvalić, M. (2019). Economic Integration of the Western Balkans into the European Union: The Role of EU Policies. In: Džankić J., Keil S., Kmezić M. (eds) The Europeanisation of the Western Balkans. New Perspectives on South-East Europe. Palgrave Macmillan, Cham. [https://doi.org/10.1007/978-3-319-91412-1\\_10](https://doi.org/10.1007/978-3-319-91412-1_10)

Vuksanovic, V. (2020). China and “Mask Diplomacy” in the Balkans. Istituto per gli Studi di Politica Internazionale (ISPI). Available at: <https://www.ispionline.it/en/pubblicazione/china-and-mask-diplomacy-balkans-25898>