

The Crisis of Expectations – Europeanisation as “*acquis démocratique*” and its limits. The case of Bosnia-Herzegovina and Serbia

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European integration efforts in Bosnia-Herzegovina and Serbia have come a long way since the dissolution of Former Yugoslavia. Paralyzed and unable to act in face of the emerging crisis in the beginning of the 1990', the European Union policy towards the Western Balkans has moved back and forth between disunity, declaration and action ever since. Although progress has been made during the previous 18 years, the EU policy for the Western Balkans still divides the member states. The disunity of the EU provokes controversial debates within the region on the positive and negative impacts of the Union's democratisation strategy towards the Western Balkans. In light of the Irish rejection of the Lisbon Treaty there is again missing consensus on questions of future enlargement. Parallel to the developments in the European Union, the attitudes towards EU accession in the societies of the Western Balkans have been fluctuating heavily due to continuing political and economic crisis in the last years. While a basic consensus on the positive impact of EU integration exists, rising critique and Euroscepticism reflect on dissatisfaction with the EU policies and setbacks in the development process. Therefore, the following article will in a first step examine the changing EU policy towards future EU enlargement. In a second step we will provide analytical insights into recent crisis in Bosnia-Herzegovina and Serbia by discussing regional scholarly debates on Europeanization and its limits. This mutual crisis will be analysed in the context of the recent developments surrounding the in-

dependence of Kosovo, discussions on signing the Stabilisation and Association (SAA) as well as questions of statehood and national identity in both countries. By this means the article attempts to draw conclusions on the potential of Europeanization and its limits as well as possible ways out of the “crisis of expectations” dilemma.

From ambiguity to ambition and back again?

A structured EU policy towards the countries of the Former Yugoslavia can only be recognized from 1999 onwards. Already in 1997 a European Council decision added preconditions for signing a SAA to the already well established Copenhagen Criteria. Together with the Regional Approach towards the Western Balkans this document marked the first attempt of the EU to bring basic stability to the region and offer a European perspective to the countries. Yet, it took until 1999 when in the spirit of a clear and comprehensive strategy for the region one European initiative followed the other. The EU and its member states did not only participate in initiating the Stability Pact for the Western Balkans, the Commission also proposed to launch the Stabilisation and Association Process (SAP) for the countries of the Former Yugoslavia (and Albania). The Zagreb Summit in 2000 finally “set the seal” on the SAP and marked the move from an ambiguous towards a more “ambitious vision of the regions development”.¹

The Zagreb Summit in November 2000 took place in the atmosphere of promise and change brought about by the end of the Kosovo war as well as by regime change in Serbia and Croatia. “At a time when democracy is about to carry the day throughout this region”, as stated in the Zagreb Declaration, the promises made were understood as marking the end of Europe’s apathy towards a whole region. In combining instruments of stabilisation and integration the EU affirmed the European perspective of the countries participating in the SAP and their status as potential candidates. The membership perspective became the strongest instrument for the EU to foster necessary reforms in the region and was reiterated at the EU-Balkans Thessaloniki Summit in June 2003. Since then, the way towards EU membership was clearly defined by the SAP. Somewhere on the way however, the enthusiasm which accompanied the declarations and commitments made in Zagreb and Thessaloniki has been lost.

In the case of Bosnia-Herzegovina the lack of perspective can be witnessed by a decreasing sentiment of security and stability in the population during the last years.² The perception of rising social problems and a political dead-end is

1. Description of SAP at the European Commission webpage: http://ec.europa.eu/enlargement/enlargement_process/accession_process/how_does_a_country_join_the_eu/sap/history_en.htm

2. Compare the UNDP Early Warning Reports for Bosnia-Herzegovina between 2002 and 2008, www.undp.ba

also reflected in attitudes towards EU accession. Although more than 70% of the citizens in Bosnia-Herzegovina support EU-accession of their country, the perception of an unwillingness of the EU to support Bosnia-Herzegovina is rising.³ The volume of conditionality the country has been confronted with since 2005, introducing 16 points of reform as preconditions of initiating a SAA and the inability of national political leaders to compromise on these reforms, constituted the main sources for despair. After a long period of the internal politicization of the question of constitutional and police reform, the SAA has finally been signed in April 2008. Yet, the internal division of the country is continuing, while the European perspective runs the risk of becoming a subject not a solution to the problem.⁴

Also in the Serbian case the pro-European perspective has witnessed a number of setbacks from 2000 onwards. Already achieving potential candidate status in Thessaloniki in June 2003 has been somehow ill-fated due to the assassination of Prime Minister Zoran Djindjic a few months earlier. With the death of the politician the government lost its clear pro-European stance. Since then, Serbia's relations with the European Union have been under essential influence with regard to the questions of Montenegro and Kosovo. Whereby the independence of Montenegro has been recognized by Serbia only three weeks after the referendum, Kosovo once again became the subject of division between Serbia and the EU. Supporting pro-European Tadic by initiating the SAA in Brussels during his presidential election campaign and by signing the SAA agreement shortly before the parliamentary elections, the EU clearly demonstrated its political preferences. How such a European-Serbian coalition may contribute to thaw the “frosty relationship”⁵ between the EU and Serbia in the light of immense ideological and social polarisation of the country, remains to be seen.

Moving from Thessaloniki to today, also the EU went through relevant internal change having a strong impact on its Enlargement agenda. Between 2003 and today the Union enlarged twice, both Enlargements being accompanied by rejections of the Union's internal plans for institutional readjustment through referendums in the Netherlands and France as well as, most recently, Ireland. Although, the European Commission's officials continue to emphasise that the EU “would stick to its commitment, made in Thessaloniki in 2003, that the whole region should eventually join the union”⁶, the question of internal challenges to

3. Vedran Dzihic, Silvia Nadjivan, Hrvoje Paic, Saskia Stachowitsch, *Europa – verflucht begehrt. Europavorstellungen in Bosnien-Herzegowina, Kroatien und Serbien*, Wien 2006, p. 40.

4. In countinuously emphasising the divisions between the two entities in Bosnia-Herzegowina by politicizing questions of cooperation with the The Hague Tribunal or fiscal policies, the compliance with EU standards has become an inherent part of such rationale.

5. *The Economist*, 22 March 2007.

6. Tim Judah, “EU and the Balkans: Hope and Anxiety”, *Transition Online* 12/23 2005, p. 1.

the EU as it functions today and the related “enlargement fatigue” have an obvious impact on the enlargement perspective the EU is giving the Balkans. The refusal of French president Sarkozy to support further EU Enlargement without a ratified Lisbon Treaty and the fact that EU citizens emphasise the need for a clear political project of Europe to ensure future enlargement⁷ demonstrates the crisis the EU is facing with regard to its Enlargement policy.

Linearity of Europeanisation and its limits – insights from the region

Consequently, a crisis in the European perspective for the Western Balkans can be asserted on both ends of the process. Whereby Europe is concerned with “enlargement fatigue”, Bosnia-Herzegovina and Serbia on the other hand are challenged by “reform fatigue” which characterizes public and structural reforms, as well as public opinion in both countries.⁸

Specificities and complexity of post-Yugoslav democratisation processes which could help to analyse these recent challenges, have however been largely neglected within the rather formal and institutional democratisation theory. Apart from some large comparative works on democratisation in the Balkans⁹ and some articles in relevant journals,¹⁰ the transformation processes in the Balkans were largely left to regional researchers in Western Europe and local researchers.¹¹ In order to draw conclusions on the recent mutual crisis concerning EU enlargement towards the Western Balkans we will therefore review the theoretical debates from the region.

Similarly, as in Central East Europe the states of the Former Yugoslavia faced a triple challenge in its regime transformation. What Offe¹² coined as “dilemma of simultaneity”, namely the concurrence of transforming the state, the regime, as well as the society had a specific character in the region. Unlike in other examples, in which the state was weakened by communist rule but had existed before, the Yugoslav dis-

7. Eurobarometer 2006: Attitudes towards European Union Enlargement.

8. Christophe Solioz, *Turning Points in Post-War Bosnia. Ownership Process and European Integration*, Baden-Baden 2007, p. 71.

9. Karen Dawisha, Bruce Parrot (Ed.), *Politics, power, and the struggle for democracy in South-East-Europe*, Cambridge 1997; Geoffrey Pridham, Tom Gallagher (Eds.), *Experimenting with Democracy. Regime Change in the Balkans*, London/New York. 2000.

10. Valerie Bunce, “Rethinking Recent Democratization. Lessons from the Postcommunist Experience”, in: *World Politics*, 55 (January 2003), 167-192; Valerie Bunce, “The National Idea: Imperial Legacies and Postcommunist Pathways in Eastern Europe”, *East European Politics and Society*, 19, 3/2005, 406-442; Srdjan Vucetic, “From Southern to Southeastern Europa. Any Lessons for Democratisation Theory?”, *Southeast European Politics*, Vol. 5, number 2-3/2004, 115-141.

11. See i.e. Florian Bieber, *Post-War Bosnia: Ethnicity, Inequality and Public Sector Governance*, Basingstoke, 2005; Mary Kaldor, Ivan Vejvoda, *Democratization in Central and Eastern Europe*, London 2002.

12. Claus Offe, *Varieties of Transition. The East European and East German Experience*, Cambridge/Oxford 1996.

solution brought above various challenges in the relationship of state and society, of state-building and nation-building.¹³ Such circumstances made it possible, that by relying on a new form of collectivism build on ethnic nationalism the rulers of the new Former Yugoslav states were able to hijack the idea of transition to democracy. Ascribing national unity and territorial sovereignty with an exclusive ethnic logic may result in undermining democracy and stateness by complicating the creation of effective and functioning institutions.¹⁴ In the Former Yugoslavia this took the form of hybrid state-systems, which, while relying on an ethnic and national exclusivity, were upheld through the replacement of individual liberties by a national-collective logic and an interwoven net of clientelism and corruption.

Regional debates on the exclusive comprehension of the nation in the post-Yugoslav transformation point to the legacies of such rationale with regard to democratisation and to the fact that the value of nationalism for state-building is conflicting with a state of democracy.¹⁵ Exclusive conceptions of nation-building processes inherit a socio-psychological “mental level” for democracy.¹⁶ This articulates itself in the understanding of citizens that the protection of the collective nation is a main task of the new regime. Individual security and rights are reduced to the collective well-being of the (ethnic) nation insured by the structures of the nation-state. At the same time the persistence of ethno-nationalism in formal and institutional arrangements results in the continuing challenge to democratisation through so called “reserved domains”.¹⁷ These domains often occupy areas of state security, territory and national self-determination (and others) in which power positions are insured through ideological discourses. This is especially in favour of political and economic elites who sustain the legacies of hybrid regimes – the legacies of clientelism and corruption – with adherence to symbolic and historic references. Thereby, the “dilemma of persistence”¹⁸ becomes the main challenge to democracy, even when hybrid state forms are overcome and formal democratic standards are established. It is the mental and habitual level of ethnic nationalism as well as the continuation of ethno-nationalist discourses – especially in reserved domains – which persists the establishment of democracy and challenge its consolidation.

The planned economy of socialist and communist systems characterized by full employment and a comprehensive welfare system was followed by a strong

13. Pridham, Gallagher, 2000.

14. Dusan Pavlovic, Slobodan Antonic, *Konsolidacija demokratskih ustanova u Srbiji posle 2000. godine*, Beograd 2007, p. 234.

15. Vesna Pusic, *Demokracije i diktature. Politička tranzicija u Hrvatskoj i jugoistočnoj Europi*, Zagreb 1998.

16. Zagorka Golubovic, *Stranputice demokratizacije u postsocijalizmu*, Beograd 1999.

17. Pavlovic, Antonic, 2007.

18. Katrin Henritz, “Demokratisierung zur Diktatur? Über die fehlgeleitete Demokratisierungsdiskussion am Beispiel Turkmenistans”, in: Aron Buzogány, Rolf Frankenberger (Hg.): *Osteuropa. Politik, Wirtschaft und Gesellschaft*, Baden-Baden 2007, p. 152.

social stratification after its dissolution which was worsened by the persistence of corrupt structures. Such a “captured state”¹⁹ undermines the legitimacy of democratic institutions and leaves the citizens disappointed behind, decreasing trust in democratic structures and political participation.²⁰ While socioeconomic stratification defines the common consensus of the advantages of EU accession as the only way out, the unrealistic hopes connected to EU integration are disappointed by the experience of increasing poverty, social insecurity as well as growing inequality in wealth distribution. The rationalisation of such disappointment often leads to the assumption that the society may not be welcome in the European community, or may even be better off by itself in protecting its national identity and values.²¹ This is also reflected in the fact that utilitarian considerations are less important in the formation of Euroscepticism. A more relevant source of Euroscepticism derives from exclusive nationalism and its sociocultural, political and economic implications.²² In other words, attitudes towards EU accession are to a lower degree based on concrete information about socioeconomic advantages or disadvantages of EU integration. They rather depend on impulsive and situational relations influenced by main political discussions, including the relations with the neighbouring countries after the war (i.e. Kosovo), prosecution of war criminals and the cooperation with the ICTY.²³ This shows that from the perspective of the population, the decision on EU accession is derived from economic and social considerations. However, these social and economic considerations are strongly influenced by the nationalist discourse in which “Europe” loses its symbolic strength and becomes an ambivalent objective.

Similarly, the report of the International Commission on the Balkans in 2006 highlighted a so-called “expectation gap” in the European integration of the Western Balkans. Although citizens of the region reject the status quo, another credible alternative has yet to be offered. At the same time pessimism and dissatisfaction with the direction of political and economic development are growing. The EU perspective in the region, to which all governments and people in the Balkans agree that it is the only way to achieve prosperity and stability²⁴, at the same time becomes part of the prevailing pessimism. “Europe” as a synonym for freedom, wealth and prosperity becomes indirectly linked to disappointment

19. Dusan Pavlovic, “Zarobljena drzava”, in: Srecko Mihailovic (ed.), *Pet godina tranzicije u Srbiji II*, Beograd 2006. pp. 77–92.

20. Aleksandar Stulhofer, “Percepcije korupcije i erozija drustvenog kapitala u Hrvatskoj 1995-2003”, *Politicka misao*, 41/3, 2004. pp. 156–169.

21. Ivan Siber, *Politicko ponasanje. Istrazivanje hrvatskog drustva*, Zagreb, 2007, p. 264.

22. Aleksandar Stulhofer, “Euroskepticizam u Hrvatskoj: s onu stranu racionalnosti”, in: Katarina Ott, *Pridruzanje Hrvatske Europskoj Uniji. Izazovi sudjelovanja*, Zagreb, 2006, pp. 135–155, here p. 135.

23. Dragan Bagic, Ante Salinovic, “Analiza troskova i koristi kao cimbenik potpore gradana ulasku Hrvatske u Europsku Uniju”, in Katarina Ott, *op. cit.*, 2006, pp. 155–181, here p. 176.

24. *The Balkans in Europe's Future: Report of the International Commission on the Balkans*, p. 12.

with states institutions which increases mistrust towards European structures.²⁵ In addition, “Europe” developed to be the ultimate instrument in advocating one’s own politics and dismiss arguments of others. European agendas, perspectives, values and standards not only serve as rationale for reform, but rather as instrument for distinction towards political opponents. The dichotomy between Europe on the one hand and the Balkans on the other, summarized by the term “Balkanism”²⁶, becomes an inherent concept in the internal political debates of the states of Former Yugoslavia as well as between them. Thereby, the meaning of the “Europe”-paradigm is reduced to a political phrase, an empty promise of a better future. Unfulfilled expectations and the inflationary usage of the paradigm finally may reduce “Europe” to a technocrat-bureaucrat understanding.²⁷

Subsequently, we may summarize the cited factors which have been highlighted in regional academic debates as challenges to democratic consolidation and linearity of Democratisation and Europeanisation in the region. These include nationalist discourses undermining democracy and stateness, contributing to the continuing existence of “reserved domains”; the socioeconomic polarisation of societies aggravated through the persistence of clientelist structures and corruption; as well as the loss of symbolic strength of “Europe” vis-à-vis nationalist discourses and the usage of “Europe” as a line of division in internal power politics. In the following we examine such processes in the context of the current developments in Bosnia-Herzegovina and Serbia in order to determine which challenges Europeanization as an *ad hoc acquis démocratique* is facing in the countries. We will thereby specifically look at developments and trends in the two countries during the past few years. Therefore, we will firstly provide a concise overview on the major political trends and developments in Bosnia-Herzegovina and Serbia in order to secondly, analyse them in the context of the theoretical findings presented above.

Revealed crisis – Bosnia-Herzegovina

In Bosnia-Herzegovina the institutional and political crisis of the last three years has been initiated by the discussions and bargaining concerning the reform of the constitutional settings in the country. With the Dayton Peace Agreement a consociational institutional structure had been created in order to insure the ceasefire reached after more than three years of open violent conflict. The institutional levels – ranging from municipalities and cantons until two entities, the state level as well as special status for specific areas (Brcko) – acknowledged the physical and ethnically

25. Aleksandar Stulhofer, 2006

26. Maria Todorova, *Imagining the Balkans*, New York, 1997

27. Dzihic, Nadjivan, Paic, Stachowitsch, 2007

demarked lines of division between the “constituent people” of Bosnia-Herzegovina. The institutionalisation of such division, respectively the outcomes of the war, contributed to a continuance of the ethnic principles as well as the political elites promoting them. Furthermore, it created a monstrous and expensive administrative structure consuming two thirds of the national budget, blocking investments and progress in other social and economic sectors. However, in the context of the 10th anniversary of the Dayton Peace Agreement, the international community initiated talks on the reform of the constitutional arrangements. The failure to find an accord between the political leaders of the country has however revealed the magnitude of the internalisation of the ethnic principle in the power politics and societal life in the country. What has been generated since Dayton, now became the biggest “institutional and political crisis of the past ten years”²⁸ – a crisis characterizing the country since the end of the war, now revealed by the unwillingness of the political leaders to agree on a unified state.

After the initial failure of constitutional reform talks in November 2005 in Washington, the 2006 general elections raised hopes with regard to a new impetus for the reform process. At the same time, the election campaigns holding political elites and public occupied, stalled the possibility of compromise. Finally, the outcome of the 2006 elections returned old ethnic principles to the political stage in the form of the renaissance of two politicians. Haris Silajdzic, leader of the Party of Bosnia Herzegovina (SBiH) and Milorad Dodik, chairman of the Party of Independent Social Democrats (SDNS) thereby became the main political figures in the stalled reform process. With the unpromising constitutional debate being dismissed, the international community and above all the European Union now put an even stronger emphasis on the reform of the Bosnian police. The police reform as a condition for the initiation of the SAA had already been debated in the context of the constitutional reform. Yet, no agreement had been reached in 2005. Underlined and promoted by the EU, the importance of the police reform became the major subject for EU integration and overcoming political crisis in Bosnia-Herzegovina as well as a main line of division between the new political leaders.

Shortly after the radicalisation of political life in the course of the 2006 elections in Bosnia-Herzegovina, a decision of the International Court of Justice (ICJ) added fuel to the fire. In its judgement on a case filed by Bosnia-Herzegovina vs. Serbia and Montenegro in 1992, the court decided that genocide had been committed in Srebrenica in 1995 with the involvement of the armed forces and police units of the Republika Srpska. The judgement was used by the political opponents to support their arguments and block a compromise with regard to the restructuring of the police in the country. Only a day after the decision of the ICJ the Peace Implementation Council (PIC) met in order to discuss the closure of the Office of the High

28. UNDP Bosnia-Herzegovina, *Early Warning Report*, 2007, p. 17

Representative (OHR) as the highest political authority in Bosnia-Herzegovina for the Implementation of the Peace Agreement. Although the PIC decided not to close the OHR immediately it pointed out that a closure was foreseen for the near future. It furthermore underlined the importance of the EU Special Representative taking over the mandate of the OHR and the signing of the SAA as crucial to the future of Bosnia-Herzegovina. When in June 2007 High Representative and EU Special Representative Miroslav Lajcak assumed office the reform process had however come to a complete standstill.

The new Special Representative however put an even stronger emphasis on European prospects of Bosnia-Herzegovina. With the constitutional discussions off the table the pull of the EU focused mainly on a consensus with regard to the police reform. After an extreme period of depression, with food-prices and costs of living rising in the eye of the political dead-end, the winter 2007 however brought a surprise in the progress of European integration. Due to an agreement on an Action Plan on Police Reform the EU decided to support progress with the important, but rather symbolic initiation of the SAA on 4 December 2007 in Sarajevo. This prepared the grounds for the final signing of the SAA between Bosnia-Herzegovina and the EU. Yet, the agreement reached – two police reform laws – fell back on the expectations and hopes for concrete progress towards a unified Bosnian state. After months of pulling and stressing the importance of the European future of Bosnia-Herzegovina by Lajcak, Bosnia-Herzegovina took an important step in this direction. However, the deep divisions in the society, previously revealed by the Kosovo independence, again came to the fore with the arrest of Radovan Karadzic.

From hope to crisis and back again – Challenges of Serbian transformation

After the fall of Milosevic in 2000 Serbia has been included into the SAP-process of the EU designed for the countries of the Western Balkans. But the legacy of more than 10 years of Milosevic's regime continued to influence the political and economic life in Serbia. Persistence of ethno-nationalism, corruption, self-interested elites, problems and irregularities within the process of privatization, dominance of politics over economy, the crisis in Kosovo, etc. remained main factors which can be used to describe the situation in Serbia after the end of Milosevic's regime. The pragmatic prime minister Zoran Djindjic, who took over as head of government after Milosevic and became a major political player in Serbia along with Kostunica, started to reform Serbian political and economic structures. Together with Djindjic hope came back to Serbia – hope in a better future within Europe and better living conditions. Djindjic was involved in a power struggle with Kostunica, who represented the national-conservative part of Serbia and never stopped accusing Djindjic for betrayal of the Serbian nation by cooperating with the West. After the assassination of Djindjic in 2003 the

deep divide of the Serbian society between the national-conservative block led by Kostunica and the Radical Party leader Tomislav Nikolic on the one side and the democratic and pro-European Block led by Boris Tadic, G17 and the Liberals of Cedo Jovanovic on the other side became even deeper. The ideological cleavage between two Serbias together with rhetorical and strongest political conflicts between these two blocks around the issue of Kosovo and the question of EU-integration could be seen as a major generator of the political crisis in Serbia in the last few years.

The elections in 2003 gave a result with the anti-European Radicals winning the majority of seats within the Serbian parliament but not being able to form a government. While the ruling coalition between Tadic's DS and Kostunica's DSS was not able to coin a common strategy towards the EU and continued playing a deconstructive role regarding Kosovo, the country remained deeply divided, the political agenda heavily burdened by the unresolved national question and the people of Serbia frustrated due to decreasing economic and social standards. At the same time and as the result of the French and Dutch rejection of the EU's Constitutional Treaty the EU claimed for itself a "pause for reflection" while many EU leaders seemed ready to call a halt to already planned future enlargements of the EU. This message reached Serbia in a very sensitive moment: the country still being politically divided with the Radical Party becoming increasingly stronger; Montenegro deciding to go its own way as an independent state; the Kosovo status negotiations commencing with Kostunica and Nikolic continuing to use Kosovo for mass mobilisation and – in a populist manner – to accuse the West and the EU of a new betrayal of the Serbs. Resulting from the overpoliticisation of the Kosovo issue and due to a lack of preparedness for cooperation and from nationalist policy, Serbia was not able to attract already granted financial or technical support from the EU. Access to international financial markets was impeded as well. All these factors seriously limited the ability of Serbia to fundamentally overcome the legacy of Milosevics' regime and to transform the society into a modern democratic and market oriented system.

In the last two years Kosovo and the question of cooperation with the EU remained on the top of the political agenda in Serbia. The division of the country became even deeper and due to a expected proclamation of the independency of Kosovo by authorities in Pristina very emotional. The situation was even more complicated than in the years before. While all political parties including Tadic's DS strongly opposed Kosovo's independence and criticized the West and the EU for supporting Pristina, Tadic was forced to a balancing act between the hard position in the Kosovo question and the continuous support for the EU-integration of Serbia. During the election campaign for the general elections held on 21 May 2008 the EU – racing against time and with no internal consensus on this issue

– decided to make a decisive step forward by ratifying the SAA on 25 April and thus creating incentives for Serbian voters to vote for the pro-European block and stop the rising Radicals from gaining the power in Serbia. Despite the nationalist rhetoric and signs of a new period of instability, Serbia's pro-European alliance secured a surprisingly strong win, being able to form a new coalition government without Kostunica but this time with Milosevic's former “Socialist Party”, led by nationalistic oriented Ivica Dacic. The formation of the coalition between Socialist and Democrats marks a new deal between parts of the former regime and pro-European forces and the beginning of a new pragmatism in Serbian politics. But despite the new pragmatic and EU-oriented course of Prime Minister Cvetkovic and the arrest of Radovan Karadzic, the time of deep divisions is still not over and nationalist forces remain strong.

Challenges for democratic consolidation and Europeanisation of Bosnia-Herzegovina and Serbia revisited

In the context of our theoretical findings and against the above-described political background in Bosnia and Serbia the following section of the paper aims to analyse the persistence of ethno-nationalism in politics and society contributing to the continuing existence of “reserved domains”, the socioeconomic polarisation of societies as well as the loss of strength of the EU's conditionality principle.

The centrality of national identity to Bosnian and Serbian politics has been briefly discussed in the last paragraph. The national question in ethnically inhomogeneous countries like Bosnia and Serbia is even more virulent than in ethnically homogeneous societies like Slovenia or Croatia after the collapse of Krajina. Even today, 13 years after Dayton and 9 years after the war in Kosovo, and despite all the efforts of the EU to overcome the obstacles of nationalism in state and society in both countries, the factor of ethnicity and nationality still plays a decisive part in the politics in the region.

Bosnia and Herzegovina in the years since Dayton is the best possible example to demonstrate the overwhelming influence of ethno-nationalistic patterns of thought in the process of democratisation and political and economic stabilisation of a post-war society. Bosnia reached a crossroad of the process of the Europeanization by signing the SAA this year, but internal political conflicts between the ethno-nationalist parties and their leaders like Dodik and Silajdzic continue to hinder Bosnia's progress towards the EU reproducing a deep political and economic crisis of the Bosnian society. This crisis is generally marked by a deep apathy, mutual accusations of political elites and widespread use of ethno-nationalist arguments to realize particular political and economic interests of ruling elites. Bosnia's crucial problems on the way to a functional state necessary for the progress on the way towards the EU are related to “ethnic collectivism” which

more than 13 years after Dayton can still be identified as an intrinsic part of Bosnia's present. In the Bosnian case democracy rather tends to become part of the problem than part of the solution. This is primarily the case because democracy addresses and empowers the rights, interests, and aims of the dominant ethnic group and makes it much more difficult for the ethnic and other minorities to realize their rights.²⁹ As long as Dayton continues to be the reference point for democratization and Europeanization of the country by prioritizing the rights of dominant ethnic group, rather than of the individual citizens, it will be impossible to move beyond the present situation and towards the EU.

Ethnic collectivism and the primacy of nationalist politics over the economy and over the process of Europeanisation hinders – similar to the Bosnian case – the political and economic revitalization of Serbia and the faster development towards membership within the EU. High support for the radical party (see presidential and parliamentary elections in the beginning of 2008) and widespread support of war criminals (see the reactions around the arrest of Radovan Karadzic in July 2008) are only two examples for the persistence of ethno-nationalism in Serbian politics. Another example is the continuous usage of nationalist rhetoric on Kosovo even by the pro-European government in order to win wider public support as demonstrated in the course of debates about the newly (in September 2008) adopted resolution of the Serbian Parliament on SAA. As long as the Serbian political elites continue using the Kosovo issue to manipulate Serbian public opinion and keep up tensions, the democratic development of Serbia will suffer.

The influence of exclusive ethno-nationalist discourses for securing power-positions and impeding political progress is foremost observable in domains of national security and police forces. Such areas which we previously defined as “reserved domains”³⁰ are since the dissolution of Yugoslavia strongly characterized by the influence of ethno-nationalist forces. In the violent break-up of Yugoslavia armed forces had become the instrumentalised long arm of nationalist elites. After the end of the conflict in Bosnia-Herzegovina as well as the democratic revolution in Serbia, the security sector remained strongly shaped by the legacies of war and nationalism. These sectors continued to stand for the exclusive logic of the regime and the war opponents and secured the persistence of ethno-nationalist influence on issues of territory, national sovereignty and self-determination. Examples for the importance of the security sector for the maintenance of nationalist structures and discourses can be found in both countries.

In Serbia the security sector was at the heart of the Milosevic's power network, securing him support in the wars in Croatia, Bosnia-Herzegovina and Kosovo.

29. see Nerzuk Cura, *Obnova bosanskih utopija*, Sarajevo, 2007; Ugo Vlasisaljevic, *Etnopolitika i gradjanstvo*, Sarajevo, 2007.

30. Pavlovic, Antonic, 2007.

The security forces also played an important role in the October 2000 demonstrations, since only due to the non-involvement of the military and the police it was possible to turn them into a democratic, non-violent revolution.³¹ Yet, after the democratic change the assassination of Zoran Djindjic demonstrated that it proved to be particularly difficult to break with the criminal structures of the military and special forces. The reluctance of the executive to break with the violent and nationalist past is observable with regard to the arrest and extradition of war criminals to the International Criminal Tribunal for the Former Yugoslavia (ICTY) in The Hague. When it then finally came to the arrest of Radovan Karadzic with which a main step towards full cooperation with the court was taken, the minister of interior and president of the Serbian Socialist Party, Ivica Dacic, did not miss to emphasize that his ministry nor his party had anything to do with conducting the arrest of Karadzic.

In Bosnia-Herzegovina the extensive debates characterizing the long way towards an agreement on the police reform serves as an important example for “reserved domains” in the country. The executive authority in Bosnia-Herzegovina determined on the entity level factually divided the country. The discussions on overcoming the undemocratic and ineffective *status quo* blocked the life in Bosnia-Herzegovina even more. The talks on the police reform were characterized by the ethno-nationalist discourses of the political elites of the entities. The Republika Srpska and its police were continuously described by the leading politicians from the Federation as perpetrators and product of genocide, utterly denying the legality of the existence to the Republika Srpska. At the same time, Banja Luka repeatedly emphasized its attempt to hold a referendum on the secession of the Republika Srpska, denying the legitimacy of the Bosnian state itself. “[A]fter a year of painful and painstaking negotiations and near complete institutional and political gridlock”³² only a minimum consensus has been reached in December 2007.

So-called reserved domains are a result and expression of the continuance of hybrid state institutions formed during the Milosevic regime³³ or created in the aftermath of the war in Bosnia-Herzegovina. They are characterized by a high level of corruption and clientelism to the inside, and the continued reliance on ethno-nationalist discourses to the outside resulting in a so-called “captured state”³⁴. Political parties as well as the judicial sector are in both countries perceived as the most corrupt institutions and areas.³⁵

31. Slobodan Antonic, *Zarobljena zemlja. Srbija za vlade Slobodana Milosevica*, Beograd, 2002.

32. UNDP Bosnia-Herzegovina, *Early Warning Report*, 2007, p. 18.

33. Pavlovic, Antonic, 2007.

34. Dusan Pavlovic, 2006.

35. *Report on the Transparency International Global Corruption Barometer 2007*.

The ability of the European perspective to counter symbolic ethno-nationalist discourses and the persistence of “reserved domains” is reduced by the fact that mistrust in national institutions and the political elite also generates mistrust towards institutions of the EU.³⁶ In addition, pressure from the EU to tackle issues and reform may also quickly become subject to existing symbolic discourses. This is especially the case in Bosnia-Herzegovina, where Miroslav Lajcak as the High Representative of the International Community and the Special Representative of the EU has authority over government decisions. Here again, the talks on the police reform serve as an important example. When in October 2007 the crisis in Bosnia-Herzegovina became increasingly obvious the OHR issued a decision changing the rule book of the Council of Ministers and the Parliamentary Assembly in order to prevent institutional gridlock of the country. This action of Lajcak provoked sharp reaction from the political leadership of the Republika Srpska as well as street demonstrations against his decision.³⁷ Since these events took place during the prelude of the declaration of independence of Kosovo they were largely influenced by ethno-nationalist discourses in the region against the dictate of the EU. This again points to the regional context which European integration efforts have to consider when tackling challenges to democratisation in both countries.

Symbolic discourses also challenge the potential of the EU to promote democratic consolidation through economic cooperation and prosperity. Although the support for accession to the EU remains extremely high (at 70% in both countries), attitudes towards accession are also to a high degree influenced by symbolic discourses and regional political developments.³⁸ At the same time the factual experience of the socioeconomic development shapes attitudes and hopes with regard to European integration.

In both the Serbian and Bosnian case the prospect of Europeanization promised to have an extremely positive impact on the economy of the countries under consideration. In order to tap its full potential for democratisation, the expectations and hopes linked to European integration will however have to counter experience of transition made until now. When it comes to the question of the economic development both Serbia and Bosnia suffered largely from the wars of the 1990s. Looking at Serbia's performance during the era of Milosevic in economic terms, the country deeply suffered from economic downturn during the 1990s: mismanagement of the economy, an extended period of economic sanctions, and the damage to the country's infrastructure and industry caused by the Kosovo War in 1999 left the economy at the beginning of Serbia's “democratic transition” in 2000 only half the size it had been in 1990. Bosnia-Herzegovina on the other side is the country

36. Aleksandar Stuhlhofer, 2006.

37. UNDP Bosnia-Herzegovina, *Early Warning Report*, 2007, p. 64.

38. Bagic, Salinovic 2006.

most seriously hit by the war between 1992 and 1995. More than three years of interethnic strife destroyed the economy and infrastructure in Bosnia, causing unemployment to soar and production to plummet by 80 per cent, as well as causing the death of over 100,000 and displacing half the population.³⁹ Economic activity was nearly paralyzed. The extreme economic crisis immediately after the end of the war, along with the precarious political situation brought international attention and enormous international help, which in the years after Dayton created an “aid driven economy” and produced a “dependency syndrome” at the local level.

Although macro-economic factors indicate a steady improvement of the economic *status quo* in the last few years only a minority of the population had the opportunity to profit from these developments. Unable to survive by themselves most of the population in Bosnia was relying on humanitarian aid, remittances from the diaspora and shadow economy. The war also altered most of the social protection mechanisms, social transfers were reduced to a minimum. Being affected by a broad range of post-war problems people of Bosnia faced higher poverty risks and increasing inequality.⁴⁰ According to data from the World Bank the annual GDP growth in Bosnia-Herzegovina rates up to 6,89%, with export growing steadily until 39% in 2006. Yet, 20% of the population in Bosnia-Herzegovina live under the national poverty line and more than 30% are affected by unemployment. In addition, “[...] low incomes, based on a poor economy and a poorly qualified workforce, an inadequate policy framework for improving the country’s competitiveness, and a lack of appropriate government (social) programmes mechanisms are all factors indicative of the fragility of the social security system.”⁴¹ These figures are reflected in rising pessimism among the population which in the end of 2007 was peaking at 80% and only decreasing modestly in the beginning of 2008.

A similar picture is painted in Serbia, in which macro-economic factors point to the stabilisation of the economy, inequality rates however seem to be rising. The legacies of Milosevic’s regime in the shape of an economy dominated by criminal and clientelist structures and the rapid decline in living standards contributed to high inequality and poverty rates. The IMF recorded a relatively low inflation (7,4 per cent in September 2007) whereby the economic growth in Serbia, due to a high rate of foreign investment was expected to reach 6,7%.⁴² However, due to the election campaign in 2007/2008 and high foreign debt the figures had to be turned

39. M. Bisogno, M., A. Chong, “Poverty and Inequality in Bosnia and Herzegovina After the Civil War”, *World Development*, Vol. 30, No. 1., 2002, pp. 61–75., here p. 62.

40. B. Brozek, *Siromastvo i ekonomija*, Sarajevo, 2005.

41. UNDP Bosnia-Herzegovina, *Early Warning Report*, 2007, p. 40.

42. Freedom House, *Nations in Transit 2008*, p. 515.

down to 4% of economic growth.⁴³ With the unemployment rate reaching up the 19%, wages decreasing and 39% of grey economy, the majority of the population did not profit from the economic growth in the previous years.⁴⁴

The crisis of expectations and possible ways to overcome it

To sum up, the above-described developments and trends in Serbia and Bosnia-Herzegovina and the internal crisis of the EU stress the need to look closer at the particularities of the Western Balkans' situation and seek for new ways to overcome the mutual "crisis of expectations".

People in Serbia and Bosnia want to join "Europe" and be an equal part of the Union, but they still feel isolated and not understood by "Europe". It is evident that both countries are confronted with a number of internal problems which must be solved in order to move forward towards a modern European statehood. The pro-European forces pushing for reforms in both countries need at the present moment a strongest possible support by the EU. Confronted with raising *Eurocepticism* advocated by nationalist politicians and groups they also have to promote the positive aspects of Europe and remove fears and rejections of Europe, which are partly caused by ethnocentrism and partly by perceived passive EU politics in the years after the Thessaloniki summit. The visa regime for example figures as a symbol of "cold" and "technocratic" EU holding the people in the Balkans arrested in their countries and rising their level of frustration. While the prospective of European integration remains the strongest incentive for internal reforms, political developments and enlargement fatigue within the Union raises serious doubts that the EU is able to provide a substantial and credible commitment to the countries of the Western Balkans and the pro-European forces there.⁴⁵ On the side of the EU support for enlargement is decreasing: at the moment only Croatia would enjoy the support of the majority of the EU population for its accession, while only a minority of the citizens of the member states support the EU membership of Bosnia and Herzegovina and Serbia. If the EU's commitment remains doubtful, the pro-European forces risk losing the support of the population for the reforms.⁴⁶

Both Bosnia and Serbia have a long way to go before they would be able to join the EU as equal partners. Both countries desperately need a strongest possible

43. "IMF Predict Economic Growth for Serbia", 29.04.2008.

44. Pavlovic, 2006.

45. Tina Freyburg, Solveig Richter, *National Identity Matters. The limited impact of EU Political Conditionality in the Western Balkans*, Working Papers, NCCR Democracy 21, June 2008.

46. Vesella Tcherneva, "Koloniale Zwickmühle. Warum der Aufbruch der Balkan-Länder Richtung EU ins Stocken geraten ist", *Internationale Politik* 07/2008, pp. 18–24.

support of the EU on this way. At the same time the EU is falling back behind the Thessaloniki agenda. What should be done to move out of this mutual crisis?

The previous EU policy towards the Western Balkans and the political conditionality of the EU as the main vehicle for political changes in the region needs careful recalibration. Giving up the project of Western Balkans' enlargement would seriously endanger both the reforms in the countries as well as the credibility of the EU in the region. It would lead to a further strengthening of nationalist and populist forces in Serbia and Bosnia-Herzegovina. The first and essential step that is needed today should be the strongest possible reinforcement of the membership prospective. In order to counter ethno-nationalist discourses in the countries, the EU must stick to its promises given at the Thessaloniki Summit and offensively and carefully at the same time as well as without any imperial reflexes and arrogance work on a true democratization of the Balkans paying attention to the specific background conditions of Serbia and Bosnia as described above.

Looking back at the last almost 20 years of crisis, wars, and troublesome state- and nation-building processes in the Western Balkans, it is highest time for the EU to move beyond the classical democratization approach from above in order to promote reform of institutions captured by the influence of “reserved domains”. Searching for improvements of the EU policy towards Balkans, it should be taken into account that foreign and predominantly top-down oriented models are only conditionally applicable to improve the situation in the Western Balkans. There is a need for creative subtle solutions able to raise the readiness of the local political stakeholders to cooperate and designed to move beyond the “State Building” as a top-down and western dominated strategy towards a “Member State Building” (as proposed by the International Commission on the Balkans) as in a true sense of the word partnership oriented strategy tailored for enhancing the sense for “ownership” of Bosnia and Serbia.

The “Member State Building” could be a new concept marked by a new style and a new substance of Europeanization. What should be the integral parts of this “new concept”?

Such a strategy of “member state building” should on one hand include a rather fast implementation of the obligations from the SAA by the local authorities supported by the EU-officials and structures. On the other hand the promotion of Bosnia and Serbia into official candidate countries for the membership in the Union would definitely be a symbol of a true commitment and willingness of the EU to integrate the countries of the Western Balkans into Europe and thus help both countries to improve not only their political but also their economic and social performance.

Furthermore, the “member state building” should be as soon as possible accomplished by concrete and practical measures like the changing of visa regime.

At the same time there is a need for a better communication strategy of the EU in order to promote its basic principles and manage high expectations towards it by providing a realistic picture of its possibilities and limits. In order to “sale” the EU better than before, the work of various EU representatives needs to be streamlined and new ways of communicative partnership with local authorities should be promoted. Last but not least, such a new communication strategy should not only be directed towards the Western Balkans, but also towards the population of the member states who is largely sceptical about the Western Balkans’ inclusion into the larger EU framework.

Also the natural need for regional cooperation must strongly come to the fore of the EU’s conditionality policy. Only strong regional ties (for example between Kosovo and Serbia or Serbia and Bosnia), based on mutual political and economical cooperation and understanding, would push the Western Balkans forward and make its development self-sustainable. To achieve it each state must demonstrate a true commitment to improving good neighbourly relations and increasing political, economic and cultural cooperation with its neighbours in order to progress. The old nationalist reflexes, mythologizing the past and blaming each other for own misery, belongs to the past. By applying strict but in the end generous criteria to the financial assistance to the region regional cooperation could be promoted in a much efficient way.

At the end, the pace of Europeanization as an *ad hoc acquis démocratique* and “member state building” strategy will be set by the countries in the region, through the determination they show to fulfil their part of the bargain. Thus no matter how consistent the EU approach and the strategy may be, the reform process will ultimately fail if the countries of the Western Balkans and their elected representatives continue to ignore the need for substantial and deep change of parameters from ethno-nationalist and particular thinking and acting to the people-oriented and civic understanding of state, politics and economy. In the same way as the EU is a kind of response to the historical experience of a deeply divided Europe and can never be a substitute to facing the past, in the same way the membership within the EU for Bosnia and Serbia and the whole Western Balkans’ region cannot be a vademecum or a magic formula for solving all the problems of the countries.