

# The Balkans in 2007: The Europeanist Mirage?

Panorama

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Med. 2008

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If one had to choose just one *leitmotiv* for news coming from the Balkans in 2007, it would be that of the “return” of the great powers to the region to vie amongst themselves for areas of influence. Although these great powers have at no time been absent from the Balkans since 1990, 2007 saw their rivalry laid bare. However, the outcome of this competition will only be seen over the course of 2008.

The effect of this has been seen in two significant processes: the process of negotiation for joining the European Union (EU), topped off by Romania and Bulgaria joining the club; and the disputes between Russia and the US with regard to burning geostrategic issues, particularly the status of Kosovo. Brussels has also had an important role to play in these tensions, as could hardly be otherwise. Apparently, it was working to ease tensions: however, in reality, a specific hard core of members were backing Washington. These trends affected Balkan countries in transition from an Eastern-block governmental system. In Greece, a country whose social and political system is firmly anchored in the western liberal tradition, political debate and social crises have centred on the internal situation and the country's new relationship with its neighbour Turkey.

## The Kosovo Problem Enters a New Phase

2007 marked the deadline for the solution to the dispute over Kosovo on the basis of the plan devised by Finnish diplomat Martti Ahtisaari over the course of the previous year and backed by the United Nations. In February 2007, Ahtisaari presented to po-

litical leaders in Belgrade and Pristina a draft of a Security Council resolution for “supervised independence.” However, this plan satisfied neither the Serbians nor the more radical Albanian nationalist, especially the highly-active “*Vetëvendosje!*” (Self-determination) movement, which organised violent protests against it.

The plan, inspired by the model employed in the Åland islands (which had for a long time been the subject of territorial dispute between Sweden and Finland), was based around granting Kosovo supervised sovereignty which would not – formally – be described as “independence,” even though it made no reference to any kind of Serbian sovereignty over the territory. However, Kosovo would enjoy the prerogatives and symbols of an independent state, such as a constitution, flag, national anthem and access to bodies hosting sovereign nations. An international envoy would be appointed with the power to veto legislation and to dismiss civil servants and political leaders. The 100,000 Serbians and members of other communities remaining in Kosovo would, according to the plan, have wide-ranging autonomy and proportional representation in the government, parliament, police and civil service. Also included was the possibility of Kosovo having an almost token army of 2,500 personnel.

Russia announced that it would veto the resolution because it implicitly violated the concept of national sovereignty at international level. Furthermore, Moscow announced that it would not provide Security Council support for any resolution that did not secure support from both Kosovo Albanians and the Serbians. The situation reached a dead end on 20th July, when it became definitively clear that the plan would not achieve the required consensus in the Security Council. Nevertheless, Brussels already had the intention of taking charge of Kosovo's sovereignty well before the Ahtisaari Plan, and so there

were already US and EU civil servants in Pristina by October 2007, “preparing the unilateral declaration of Kosovo’s independence, leasing premises and recruiting staff to this end.” This was the so-called EULEX Mission, made up of experts, police and advisers to oversee the running of Kosovo’s institutions, in gradual replacement of the United Nations administration. Additionally, EULEX ought to provide Kosovo with a decent judiciary.

This moment saw the start of a process towards what appeared to be an imminent declaration of Kosovo’s independence under the aegis of the EU, although this would come after Serbia’s presidential elections in February 2008. In the meanwhile, there was a perceptible return by Russia to the Balkans, from which it had been marginalised ever since the NATO air campaign against the former Yugoslavia in Spring 1999. The great Slavic power was clearly reinvigorated thanks to sustained economic growth and significant investment from around the world (above all from the West) after the state had regained control of energy source, which had been in the hands of oligarchs since the Yeltsin era. Moscow once again felt its voice heard in the Balkans, as had been the norm since the 18th century.

In reaction to this power, President George W. Bush provided clear pressure in support of Kosovo’s independence, particularly in June 2007, during his tour of Eastern Europe and the Balkans. In Poland and the Czech Republic, he sought confirmation of Warsaw’s and Prague’s permission for the installation of an anti-missile shield allegedly designed to stop (improbable) attacks by strategic rockets fired from North Korea or Iran. In Italy and Albania – where there is unquestioning admiration for everything from the States – President Bush stated that he would accept any unilateral declaration of independence by Pristina. This manoeuvre was partly a response to Putin’s offer to install the missile shield warning system in Russia’s base in Gabala (Azerbaijan), which had caught him by surprise. However, it also formed part of a policy very deliberately aimed at undoing any hint of sustained closeness between Brussels and Moscow.

## **The Second Wave of Balkan States Joins the EU**

It is difficult to assess the results obtained by Romania and Bulgaria as members of EU. As it was to be ex-

pected, macroeconomic figures are still not especially conclusive, particularly if one bears in mind that, during the second half of the year, the growing impact of Wall Street’s subprime financial crisis on European financial markets was felt. Recent official figures indicate that in both Romania and Bulgaria, the economy had overheated due to an excessive increase in consumer spending on imported goods. According to Valentin Lazea, Head Economist at Romania’s Central Bank, the foreign trade deficit stood at 14% of GDP, compared with 10% a year earlier and 8% two years previously. From August on, inflation exceeded 6%, partly due to the drought, which affected the cost of basic foodstuffs. The problem of an overheated economy also affected Bulgaria, and to an even greater extent, given that, for example, the country’s inflation rate in 2007 was 12.5% (7.3% in 2006) and its foreign debt doubled between 2004 and 2007. As far as GDP per capita is concerned, Romania’s 38% of the EU average and Bulgaria’s 37% were some of the lowest figures of all the 27 member states.

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Corruption in both countries also remained a matter of great concern for Brussels, which has repeatedly drawn Bucharest’s and Sofia’s attention to the issue. In fact, Romania has since 2004 been carrying out an anti-corruption campaign (“*Nu da șpagă*” or “Don’t leave a tip”), coordinated by Transparency International and supported by the EU. In Transparency International’s 2007 Corruption Perception Index, Romania was in 69th place and Bulgaria 64th, out of a total of 179 countries, with Somalia and Myanmar at the bottom to the list. By way of comparison, Albania was in 105th spot, Montenegro, Macedonia and

Bosnia and Herzegovina shared 84th position and Serbia was at number 79; Spain held the 25th position, whilst the least corrupt countries were Denmark, Finland and New Zealand.

The fight against corruption gave rise to a spectacular but confused crisis in government that shook Romania until May 2007. President Traian Băsescu of the Democratic Party (who had beaten his predecessor, the Social Democrat Traian Nastase in 2004), faced fierce opposition from the majority parties in the parliament and from Prime Minister and former ally Călin Popescu-Tăriceanu, of the National Liberal Party. In the increasingly bitter confrontation, which broke out from the campaign that the President attempted to launch against political corruption, the Social Democrat Party started in January actions to suspend Băsescu from office, with the argument that his actions were unconstitutional. In April, the Constitutional Court cleared the President, but a few days later a majority of MPs nevertheless voted for his suspension. In the subsequent referendum of 20th April, the President received a direct mandate from the people, with a sufficiently large majority to renew confidence in him and return him to office, thereby putting an end to the crisis. Whatever the facts of the matter, the spectacle was hardly consistent with the stability and political mores to be expected of a member of the EU, which only increased the Brussels' doubts.

Nevertheless, generally speaking and despite the logical uncertainty about the economic results obtained by Romania and Bulgaria in their first year as members of the EU, the outlook of the authorities in Bucharest and Sofia was optimistic. In May 2007, Romania's National Forecast announced that the country aimed to reach half the average standard of living of EU member states within seven years, i.e. by 2013. The study opined that Romania's and Bulgaria's accession to the EU could be compared with that of Spain and Portugal in 1986 and calculated that Romania could make up in seven years the difference with regard to the EU average covered by Portugal in 22.

Aside from these opinions, it should be noted that there are other figures regarding Romania and Bulgaria to which sufficient attention has not been paid. Two are worthy of especial note: firstly, the transformation of the labour market against the backdrop of globalisation and the EU's economic area, and secondly, the effects of political integration on interregional conflicts.

The former manifested itself in the mass emigration of the workforce, especially that of Romania, throughout 2007. In the course of a few months, around half a million workers had emigrated to Italy and a similar number to Spain: more than 300,000 immigrants entered the latter country between January and September. This increased influx could not fail to have a social impact on the host countries. Italy even caused an international crisis at the beginning of November when the Italian government signed a decree ordering the mass expulsion of Romanians after the murder of an Italian woman by a Romanian criminal. The crisis was solved after the intervention of the EU authorities and a visit by the Romanian Prime Minister to the Italian capital on 7 November.

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However, underlying the entire issue, it was possible glimpse political repercussions that could lead to a new, community-wide phenomenon. In autumn 2006, multimillionaire "Gigi" Becali, dubbed "the Romanian Berlusconi," commenced a project to create an Independent Romanian Party (PIR) with branches in those EU countries with the greatest number of Romanian immigrants, to win their votes in the municipal elections of their respective host countries. The PIR did not contest Spain's most recent municipal elections, but this is nevertheless a matter worthy of academic study, given the potential political and cultural implications in both the home and host countries, and the trans-cultural cross-pollination involved: the implanting of a "Balkan" way of carrying out politics in countries with a different tradition and within a community macro-context.

On the other hand, Bulgaria's and Romania's membership in the EU does not seem to have led to the

feared revival of interregional conflicts. For example, the disputes and tensions between Hungary and Romania with regard to Transylvania were not exacerbated by the fact that both countries were partners and neighbours with actual or imminent obligations regarding mobility and minority rights. The case was similar with Bulgaria, although here what was most significant was the incorporation of a Turkish minority within the EU, for the very first time.

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### By Way of Conclusion

Romania and Bulgaria were not the only Balkan countries to suffer from political instability in 2007. Veteran EU member Greece called general elections for 16th September, from which the conservative New Democracy party emerged victorious with 41.83% of the vote, severely affecting its traditional adversary, PASOK, which entered into a crisis. However, whoever the winner of the elections was, they knew that they had to carry out important reforms. The terrible forest fires of the summer, the worst in the country's

history, provided a dramatic backdrop to the undeniable need for modernising structural reforms. Nevertheless, the implementation of neoliberal-oriented changes led to protests, which turned into the general strike of 17th December against likely cuts in social security benefits.

Social disputes such as those appearing in Greece at the end of 2007, together with the debate on the integration of Romania and Bulgaria into the EU and the progress of Croatia's candidacy, would appear to reveal a panorama of social and economic modernisation in the Balkans. These countries are increasingly leaving behind their obsessive nationalist and inter-ethnic conflicts which, in any case, it was assured, would resolve themselves when the entire area was completely committed to the process of European integration. In any case, the great question in December 2007 was how a number of countries in the region, beginning with Serbia, and the new power that was Russia, would respond to the more than probable unilateral declaration of independence by the ethnic Albanian authorities of Kosovo, supported by Washington and Brussels.

### References

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