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Greater U.S. Investment in the Western Balkans Could Spur Regional Reconciliation

By Paul McCarthy and Paul Prososki / The National Interest, October 4

The American conservative magazine welcomes the recent agreement between Serbia and Kosovo to normalize economic relations, signed in Washington on September 4, not only as a significant step for mending bilateral relations between the two Balkan nations, but also as a "*the beginning of a pushback against Moscow and Beijing*". The deal, which enables a greater U.S. investment in the region, could represent an opportunity to "*provide a welcome, and more transparent, alternative to the Chinese model*". China has invested a lot in the Western Balkans in the last years, trying to make the region a crucial hub for the Belt and Road Initiative. For the authors, the agreement could also limit Russian influence in Europe's south-eastern corner, primarily based on cultural and religious ties.

Serbia: From Milosevic to Vucic, Return Ticket

By Giorgio Fruscione / ISPI, October 5

Twenty years after the overthrow of Slobodan Milosevic, Giorgio Fruscione, Research Fellow at ISPI, compares today's Serbia, marked by the leadership of the President Alekandar Vucic, to the Milosevic regime. "They are very similar in their essence", he writes, pointing out that Greater Serbia and the authoritarian rule are the common factors. Yet there are differences between the two leaders. Concerning Greater Serbia, "Milosevic tried to realize it with a ten-year-long process of Yugoslavia's dissolution", while Vucic is just silently keeping it alive. As for the building of the regime, while Milosevic "was openly authoritarian ..., Vucic exploits democracy to look like a progressive, pro-European reformer". Yet, this does not match the real scenario. "Serbia underwent a gradual erosion of the rule of law and media freedom, while no real progress has been achieved in the path toward the EU". To Fruscione, the paradox is that "this would never be possible without the backing President Aleksandar Vucic enjoys from the international community" which considers him a "stability factor".

EU and the Western Balkans, a long engagement

By Francesco Martino / Osservatorio Balcani e Caucaso Transeuropa, October 14

The relationship between the EU and the Western Balkans "has been slowed down by the increasing 'enlargement fatigue', that has gradually turned into explicit scepticism", writes Francesco Martino, a Sofia-based expert of Balkan affairs, pointing out that Brussels, however, is trying to re-energize its action in the region through a financial stimulus. It consists of a 3 billion Euro emergency package to deal with the spread of the Covid-19, plus a medium-term plan with an expected contribution of 9 billion Euro over the next seven years. Yet, to receive this money the Western Balkan countries will have to respect certain conditions. The EU Commission plans to "link the effective distribution of funds to visible results in the field of reforms. In case of doubts or dissatisfaction, the planned investments can be blocked", the author reports. In the second part of the article, he highlights the main findings of the EU Commission's report on the enlargement. Briefly, the Western Balkans have not made enough effort to improve their performances in areas like media freedom, the fight against corruption and justice.

Balkans: «Au nom de la lutte contre les migrations, on favorise la traite des êtres humains» By Jean-Arnault Dérens / Le Courrier des Balkans, October 21

Jean-Arnault Dérens interviews the sociologist Olivier Peyroux, author of the book Les fantômes de l'Europe. Les migrants face aux politiques migratoires. Peyroux explains that migrants' hard journey to Western Europe across the Balkan route has two different phases, during which they are exposed to traffickers' networks in different ways. Until Greece, trafficking "concerns sexual exploitation, but also forced labour and the forced involvement of migrants in criminal activities". After leaving Greece, things change because "societies are probably too poor to exploit migrants in the black labour market". Peyroux also argues that more and more unaccompanied minors cross the Balkan route. They are "more likely to obtain a regularization" but "the EU shows a total hypocrisy. It seems as if the category of unaccompanied minors no longer exists, from Greece onwards". Thus, criminal networks exploit children with very predictable consequences.

China's 17+1 initiative stalls amid security concerns and broken promises

By John Varano / Australian Strategy Policy Institute, October 22

The analyst John Varano sees three key trends emerging in the context of the 17+1 initiative, a cooperation and business forum between China and 17 countries from Central-Eastern Europe and the Balkans. First, "despite its major promises at numerous 17+1 summits, China has invested little in CEE countries", completing only 10% of the 40 projects submitted. Second, "CEE countries are now increasingly shifting the focus of their engagement with China from economic opportunities to potential political and security risks". Third, "tension between the US and China has prompted many countries to re-evaluate the risks of alienating their other allies". All of these factors could "spell the end of the 17+1 framework".

Western Balkans Regular Economic Report: Fall 2020

By World Bank / October 22

The World Bank published a report on economic developments in the Western Balkans. The main issue is the severe impact of the coronavirus pandemic on regional economies. The report underlines that the Western Balkans have entered into a deep recession, with regional GDP falling by 4,8%. 'The primary causes are the drop in both domestic and foreign demand, and disruptions in supply chains due to imposed containment measures, such as lockdowns". In order to overcome the crisis, governments in the region will have to commit to rebuilding fiscal sustainability, cushioning household income losses with well-targeted measures and implementing structural reforms.

Levels of state capture in the Western Balkans remain unacceptably high

By Giulia Guerrini / Emerging Europe, November 2

The journalist Giulia Guerrini reports on a recent policy brief, issued by the Southeast European Leadership for Development and Integrity (SELDI), analysing levels of state capture in the Western Balkans. *"Although none of the countries in the region is close to full state capture, they exhibit a critical impairments in democratic and economic checks and balances"*, the policy brief underlines. Quoting the research, the article

stresses that "the already consistent levels of state capture present in the region have been enhanced by the Covid-19 pandemic".

The findings of the brief show that "the main drivers behind the high levels of state capture in the Western Balkans are monopolization pressures and the ineffectiveness of anti-monopoly laws, especially in Albania, Kosovo and Serbia". Energy, pharmaceuticals and telecommunications are the sectors considered more prone to high levels of state capture.

Bosnia's Constitution is Broken - Only the U.S. Can Fix It

By Jasmin Mujanovic / Balkan Insight, November 3

"Dayton is broken", writes the political scientist Jasmin Mujanovic in an article focusing on the peace agreement, signed in 1995, which defines the current political architecture of Bosnia and Herzegovina. However, Dayton still can be fixed, for Mujanovic, and it is up to the U.S. to do it, because "Dayton is, in short, an American product". According to the author of the analysis, the EU, which has been the major international actor in Bosnia and Herzegovina in the last 15–20 years, has not achieved enough results. Democratic retreat, social unrest and renewed threats to security have marked this period. Thus, a U.S. comeback in Bosnia and Herzegovina is strongly needed. "Only the US has the capacity to provide the hard power guarantees necessary to cajole Bosnia's political chieftains to the bargaining table ... and, above all, only the U.S. can credibly tell Belgrade, Zagreb, Moscon, and Ankara: 'Stay out of this. Bosnia is not your plaything; it is not yours to be conquered or portioned. This is a sovereign state". Fixing-overcoming Dayton will be much easier with a Biden presidency, the author stresses. 'He has the regional expertise to deliver on such a project".

REGIONAL MONTHLY ANALYSIS

In Serbia, the new government is already old

On the 24th of October, the new Serbian government was announced. Led by Ana Brnabic, confirmed as Prime Minister, it is a national alliance between the only three parties that won seats in Parliament at elections on June 21: the Serbian Progressive Party (SNS), dominating the political scene for years; the Serbian Socialist Party (SPS), its traditional ally; the Serbian Patriotic Alliance (SPAS), a right-wing, populist party that had never been in Parliament before.

The government is made of 21 ministers plus 2 ministers without portfolio. With 11 women as ministers, it is the most gender-balanced cabinet ever in the region. But it will have a short life span. Just a few days before it was formed, the Serbian President and SNS leader Aleksandar Vucic announced that there will be snap parliamentary elections in April 2022. Vucic said it makes sense to couple regular presidential elections, scheduled on April 22, with the parliamentary vote. He also added that municipal elections in Belgrade, also planned for 2022, could be arranged for the same date.

Grouping the three electoral processes is an astute political game. Vucic needs to restore the legitimacy of Parliament after the main opposition parties boycotted general elections in June. They argued that the SNS, viewed as a corrupted and hegemonic party that has emptied Serbia's democracy, did not offer equal conditions to take part in the electoral process. Vucic will try to persuade the opposition to take part in the 2022 vote, assuring them that the process will be transparent and will involve European observers to supervise it.

Having a challenged parliamentary vote and then a multiparty assembly is key to the Serbian President, who is reorienting the country's foreign policy towards the West, as several analysts have recently noticed, among them <u>Jelena Milic</u>. A Parliament with a majority, an opposition and a dialectic between them, thus a normal Parliament, can help Vucic to boost his credibility among the EU countries and with the prospective US President, Joe Biden, reigniting the Europeanization process and talks with Kosovo to normalise economic and political relations.

The Serbian President needs an opposition in the Parliament, but this means that the overwhelming consensus of the SNS, which took 60,65% of the vote in June, will decrease. Merging presidential, parliamentary and municipal elections in Belgrade, is the way through which the ruling party, by making its electoral machine work at all levels, will try to maximize its consensus.

But there is still a long way to 2022 e-day. In the meantime, Vucic will put himself centre stage, even more, as the exclusion from the government of the SPS leader Ivica Dacic could suggest. Having been Prime Minister and Minister of Foreign Affairs in the SNS governments, he has been a crucial figure in the current architecture of power, thus gaining some status, although not comparable with Vucic's popularity. Anyway, for the President it might be convenient to stand alone on the stage ahead of the 2022 elections. Dacic has been appointed the Speaker of Parliament, somehow a downgrading.

It is too early to make predictions, but it is reasonable to think that the most challenging scenario for Vucic and the SNS will be the city of Belgrade in 2022. In Serbia's political map, the capital city matters a lot. Having the majority in the city council raises chances of controlling the country. Since 2013, one year after it rose to power at national level, the SNS holds the town (the current mayor is Zoran Radojicic). It is still strong, but a sign of concern for Vucic and the SNS is that the boycott campaign for parliamentary elections reached its peak precisely in Belgrade. Only 35% of Belgradians voted, compared to a nationwide turnout of 50% less. What's more, the creation of a new local party advocating a stronger commitment to environment and social rights (see the other Strategic Balkans analysis) could make the SNS goal to keep Belgrade, harder than expected.

Angered by hybrid regimes, disappointed by the EU: grassroots movements in the Western Balkans

Works for Belgrade's waterfront, a major urban project promoted by the Serbian government, will still last for years. Yet the way in which the Belgrade landscape will change is already palpable. Some skyscrapers have already been completed. Other big buildings are steadily emerging from the ground. Belgrade on Water, as the project is called, will turn a large area on the right bank of Sava River, empty for years, into a city within a city. For the Serbian President Aleksandar Vucic, the pharaonic project gives the town a modern look and attracts an unprecedented flow of investments.

Vucic's view is strongly opposed by the civic movement Ne Davimo Beograd (Let's Not Drown Belgrade). Its activists claim that the waterfront is a horrible scar on Belgrade's historic skyline, a nonsense project that satisfies the President's own vanity and fills the pockets of the oligarchs close to his Serbian Progressive Party (SNS). Ne Davimo Beograd (NDB) denounces that investments flowed into the capital of Serbia are largely opaque.

Over the last years, NDB has organized many protests against the waterfront, supported by quite a large number of citizens. Gradually, the movement has shifted from a reactive mood to a proactive approach, proposing to fix social and environmental problems in the town, like housing or heavy pollution. The next step, somehow natural, has been eyeing municipal elections in 2022.

NDB plans to run for the city council, but does not look for electoral deals with liberal-minded and progressive opposition parties so far. Yet, it is open to cooperation. The goal is to take power in Belgrade, thus activating a potential domino effect that can bring down the SNS power at national level. The movement is made up of young and progressive activists who back the EU perspective for Serbia but are disappointed by Brussels, blamed the EU for not having stopped the SNS state capture. "*The EU's attitude toward the state of democracy and rule of law in Serbia is a pure disappointment. We should focus on our job and not look at what the EU will or will not do*", one of the leaders of the movement, Radomir Lazovic, told <u>Balkan Insight</u> in a recent interview.

Before the 2008–2009 global crisis, social movements in the Western Balkans used to organize targeted campaigns to foster certain rights and values (LGBT+ rights, reconciliation, environment, etc.). Western foundations and NGOs backed them, with the aim of forming pro-EU and liberal-minded future leadership. After the global crisis, new movements have emerged. They are more spontaneous, with a much more visible grassroots approach and a very horizontal organization. They first tend to

gather around a specific topic, but then their platform gets larger, embracing issues like the rule of law, social rights, the fight against corruption and media freedom. Plenums in Bosnia and Herzegovina are one of the most remarkable experiences among the new wave of social movements. After violent unrests in 2014, caused by predatory tendencies of the political élite and big business, students, activists and workers organized assemblies (Plenums) to screen the country's post-war stalemate and formulate proposals to shake up the scenario.

Plenums avoided contacts with political parties and refused from the start to form a new party. This is a trend observed also in other grassroots movements. Activists do not want to play a role in a political scenario perceived as corrupted, if not failed. This stance preserves the purity of the movement, but it could also expose it to the "salami tactics" applied by governments to dissipate its energy and strength.

The experience of Ne Davimo Beograd (NDB) indicates that grassroots movements could now enter into a new phase, marked by the choice of competing in the political arena, while keeping one foot on the streets. The icebreaker has been Zagreb je naš (Zagreb is Ours), a social movement advocating a more sustainable and social-oriented Zagreb that has formed a green–left party ahead of Croatia's parliamentary elections on July 5. It gained 7 seats in the Sabor, the Croatian Parliament. The experience of Zagreb is Ours has been carefully observed and widely recognized as a success story by other movements in the former Yugoslav area.

Regardless of the path they will follow, it is wise for the EU to listen to these movements' demands. They are an important radar to assess problems in the Western Balkans as well as to understand youth's ambitions and hopes for a better future in a region where, unfortunately, more and more talented people are leaving due to a dramatic lack of opportunities. What's more, paying growing attention to the grassroots movements could help the EU to change the narrative, shared by many activists, that sees Brussels legitimizing authoritarian regimes in exchange for regional stability, an approach trade that political scientists call "stabilocracy".

Matteo Tacconi

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