



**WESTERN BALKANS AT THE CROSSROADS:  
DEMOCRATIC BACKSLIDING  
AND EXTERNAL ACTORS' INFLUENCE**

# **Western Balkans at the Crossroads: Democratic Backsliding and External Actors' Influence**

## **Final Report**

---

**Edited by Markéta Slavková, Anja Grabovac, Tamara Grabovac**

**August 2023**

**Western Balkans at the Crossroads:  
Democratic Backsliding and External Actors' Influence  
Final Report**

Editors: **Markéta Slavková, Anja Grabovac,  
Tamara Grabovac**  
Scientific Advisor: **Adnan Huskić**  
Authors: **Vlora Rechica, Klodiana Beshku, Višeslav Raos,  
Vladimir Vučković, Srećko Latal, Nemanja  
Stankov, Shpat Balaj, Adnan Huskić, Markéta  
Slavková, Anja Grabovac, Tamara Grabovac**  
Proofreading: **Tamara Grabovac**

**Published by the Prague Security Studies Institute (PSSI),  
August 2023, Prague**

The publication is written within the framework of the project  
**“Western Balkans at the Crossroads: Democratic Backsliding  
and External Actors' Influence”** led by the Prague Security Studies  
Institute with the support of the National Endowment for Democracy.

ISBN: 978-80-909045-0-7

© PSSI 2023

The Prague Security Studies Institute, Pohořelec 6  
118 00 Prague 1, Czech Republic

[www.pssi.cz](http://www.pssi.cz)

# Table of Contents

---

## **Forward and Project Description**

Mgr. Anja Grabovac; Dr. Markéta Slavková; Bc. Tamara Grabovac 4

## **ANALYTICAL STUDIES (Research Results)**

### **Albania**

Albania amidst the External Actors' Influence. The Open Balkan Initiative: A Russian Trojan Horse or a Faster Approach to Regional Cooperation? – Dr. Klodiana Beshku 7

### **Bosnia and Herzegovina**

Bosnia and Herzegovina: Geopolitical Strife Fuels Local, Regional Crises – Srećko Latal, M.A. 21

### **Croatia**

Croatia: A Stable Western Ally and a Playground of External Contestation – Assoc. Prof. Višeslav Raos 36

### **Kosovo**

Understanding the Key Players and Influence of External Actors in Kosovo – Bc. Shpat Balaj 47

### **Montenegro**

Democratic Vulnerabilities of Small Systems: External Actors' Influence in Montenegro – Dr. Nemanja Stankov 59

### **North Macedonia**

Vulnerable Democracies: The Effect of Foreign Influence on the Political and Social Life in North Macedonia – Vlora Rechica, M.A. 73

### **Serbia**

The West is Dear, but the East is Dearer: Policy Pressures and Actors' Preferences in Serbia – Dr. Vladimir Vučković 86

## **A Comparative Overview**

Dr. Adnan Huskić 100

**Biographies** 106

**About Prague Security Studies Institute (PSSI)** 108



# Forward and Project Description

---

This final report offers the results of Prague Security Studies Institute's latest research on democratic backsliding in the Western Balkans and Croatia (an EU member state), conducted between fall 2022 and spring 2023. The goal of this research project was to identify and analyze various influence activities and approaches used by external actors (namely Russia, China, Türkiye, and the Arab states of the Persian Gulf) in Albania, Bosnia and Herzegovina, Croatia, Kosovo, Montenegro, North Macedonia, and Serbia, including the specific tactics and mechanisms of their projection of influence. The research also explored how the local political actors contributed to the in/stability of the countries and the region more broadly, including the frequently discussed phenomenon of democratic backsliding.

In addition, the researchers sought to identify key potentially malign influences in the Western Balkans and Croatia, such as disinformation campaigns, corruption of political decision-makers, and economic and financial

activities, which have, in turn, fueled the rise of nationalism, extremist and radical tendencies in the region. Finally, a set of policy recommendations directed at the local political elites and the international community regarding how to reverse the ongoing democratic backsliding was included in the analytical studies and also presented at [the concluding conference](#).

The project is methodologically designed as an interdisciplinary, multi-sited study in the individual states of the Western Balkans and Croatia (an EU member state), and, thus, it provides a holistic and in-depth insight into the mechanisms of democratic backsliding in the whole region. This interdisciplinary comparative research design is anchored in political science and combined with top-down approaches to socio-anthropological research. Apart from the classic political, media, and document analyses, the research strategies also included conducting fieldwork and a series of expert interviews in the region.

## Project Goals

- Research democratic backsliding in the Western Balkans and Croatia
- Explain how external actors influence democratic processes
- Identify the key drivers of instability in the region
- Raise awareness of the issues addressed by the project among policy decision-makers and international institutions (mainly the EU, NATO, and the UN), as well as among non-governmental experts, academia, and the general public
- Provide policy recommendations to the expert community and diplomats, as well as to European and US policy decision-makers, concerning how to better support democracy and stability in the region
- Create a discussion and knowledge-sharing network on democratic backsliding in the Czech Republic, its European partners, the Western Balkans, Croatia, and the US. Discuss specific measures to counter harmful influence activities in the Western Balkans and Croatia and strengthen the process of the region's democratic transitions.

## Thematic Research Areas

- The role of the external actors: Russia, China, Turkey, and the Gulf States in the Western Balkans and Croatia
- The role of Western actors and international organizations (i.e., the EU, NATO, US, and UN)
- The role of civil society (NGOs) in contributing to countries' in/stability
- Democratic backsliding
- The rise of nationalism and radicalism
- Political and religious populism
- Genocide denial, celebrating of war criminals, hate speech
- Human rights violations connected with external actors' influence
- The impact of the war in Ukraine on the security situation in the region



## Final Report Structure and Chapter Summary

This final manuscript is designed as a manual for policymakers, NGOs, academics, and others to get quickly oriented in the studied problematics. It serves as an overview of the most pressing political and social issues in the Western Balkan region. We are fully aware that Croatia is a full EU member state. However, it is also closely intertwined with the Western Balkans region historically, economically, and politically. Croatia needed to be part of the analysis to get the complete picture of the studied topic.

The research was conducted by the PSSI's Western Balkans team, which consists of regional experts in the field of political science. Dr. Klodiana Beshku studied Albania; Bosnia and Herzegovina was examined by a senior analyst and journalist, Srećko Latal, M.A.; Croatia, by Assoc. Prof. Višeslav Raos; Kosovo by Bc. Shpat Balaj; Montenegro by Dr. Nemanja Stankov; North Macedonia by Vlora Rechica, MA; and finally Serbia by Dr. Vladimir Vučković. The research team was coordinated and supervised by the project manager, Mgr. Anja Grabovac; project coordinator, Dr. Markéta Slavková; project assistant, Bc. Tamara Grabovac, and the scientific advisor, Dr. Adnan Huskić.

The individual chapters are assorted alphabetically according to countries, and each of the chapters is further divided into sections according to the studied external actors. The final report begins with a chapter on **Albania** titled "Albania amidst the External Actors' Influence. The Open Balkan Initiative: A Russian Trojan Horse or a Faster Approach to Regional Cooperation?" by Dr. Klodiana Beshku (**Chapter 1**). Dr. Beshku analyzes Albania's position in the middle of the political "chessboard" created by the most influential external actors after the EU and the USA in the Western Balkans, namely, Russia, China, Türkiye, and the Arab states of the Persian Gulf. The analytical study also sheds light on how the alternative proposal of regional cooperation known as the Open Balkan (OB) initiative has shaped cross-country relations. The focus is on Albania's attempt to become a crucial actor at the regional level concerning its European integration path through the Berlin Process and, lately, through the Open Balkan initiative.

**Chapter 2** covers **Bosnia and Herzegovina**. The research was conducted, and the study titled "Bosnia and Herzegovina: Geopolitical Strife Fuels Local, Regional Crises" was written by Srećko Latal, MA. The study examines the complex web of foreign influences in Bosnia and Herzegovina (BiH) and their implications for the country's stability and future prospects. It analyzes the roles and

strategies of key external actors, including Russia, Türkiye, China, the Gulf States, the European Union (EU), and the United States (US). The study highlights how these foreign influences interact with BiH's internal dynamics, particularly the ethnopolitical divisions among Bosniaks, Bosnian Croats, and Bosnian Serbs. Latal argues that local politicians, politically affiliated media, and intellectuals are primarily responsible for Bosnia and Herzegovina's crisis. Nationalist and populist rhetoric and policies have weakened the country's administrative apparatus, public services, and governance. Divergent ethnopolitical agendas and widespread corruption have impeded key reforms and BiH's path to the European Union.

**Croatia**, the only EU member in the comparative study, was covered by Assoc. Prof. Višeslav Raos, in **Chapter 3**. As the study title suggests, "Croatia: A Stable Western Ally and a Playground of External Contestation," the country remains a committed EU member state and an ally of the United States in the Balkan peninsula. Nevertheless, since joining the Union ten years ago, illiberal tendencies, such as the weakening of key independent institutions responsible for ensuring independent executive and judicial powers, nepotism, and high levels of corruption, have undermined the country's development. Similarly to the rest of the analyzed countries, the political system and the strong position of the main political party, namely HDZ, is the source of the current weak state of democracy as it allows for external influence to penetrate the country's internal affairs. Despite the weak rule of law and dubious practices of some political elites, and yet, unlike the other analyzed countries, Croatia has successfully joined the EU. Regardless, the illiberal conditions have proven to be fertile ground for foreign powers to exert their influence in the country.

**Chapter 4** examines selected foreign influences in **Kosovo**. Bc. Shpat Balaj, in his study titled "Understanding the Key Players and Influence of External Actors in Kosovo," examines the external influences of Russia, China, Türkiye, and the Arab states of the Persian Gulf, as well as the influences of the EU and the US. Balaj argues that Western countries continue to support state-building and democratization efforts through different mechanisms, such as the European Union Rule of Law Mission in Kosovo (EULEX). Kosovo showed interest in EU and NATO memberships and generally welcomed Western influence. However, the biggest political challenge to the country is posed by countries that do not recognize Kosovo's independence, such as Serbia, China, and Russia. Other



countries, such as Türkiye and the Gulf States, have a footprint of influence, mainly regarding ideology, identity, and religious-related issues. Türkiye's influence extends beyond ideological dimensions due to their persistent support for Kosovo's statehood and good cooperation with the country's institutions. However, Türkiye's contentious posture in international relations in recent years has also highlighted the negative repercussions in Kosovo.

**Montenegro** is addressed in **Chapter 5**, written by Dr. Nemanja Stankov. The study "Democratic Vulnerabilities of Small Systems: External Actors' Influence in Montenegro" examines the external influence of Russia, China, Türkiye, and the Arab states of the Persian Gulf on democratic processes in Montenegro. Stankov argues that while Russia and China have significantly contributed to democratic backsliding in Montenegro, the EU's conditionality policy has been a primary driver of democratization in the country. Furthermore, exacerbating this situation is the unresolved statehood issue in Montenegro. Coupled with internal societal and political divisions, it has created an environment where external actors can influence the country's politics and shape its democratic outcomes. The study sheds light on the mechanisms through which external actors can interfere in Montenegrin politics and influence political processes and foreign policy alignments. It emphasizes the need for proactive measures to mitigate malign external influence and strengthen democratic development. The author further proposes several policy recommendations, such as increasing the presence of EU staff in Montenegro, enhancing cooperation between the EU and the USA, and reaffirming commitment to EU accession.

**Chapter 6**, "Vulnerable Democracies: The Effect of Foreign Influence on the Political and Social Life in **North Macedonia**" by Vlora Rechica, MA, addresses the selected external actors' influences and democratic backsliding in North Macedonia. Rechica states that challenges and complexities have marked North Macedonia's path toward European integration and that the European integration process in the country has witnessed both periods of progress and setbacks. Despite gaining candidate status in 2005, the country faced significant challenges in opening accession negotiations with the European Union (EU) until 2022, making it the longest-standing EU candidate in the Western Balkans. The name dispute with Greece was a

major hurdle that hindered North Macedonia's path to EU and NATO membership for many years. The Greek veto at the 2008 NATO summit and the failure of EU member states to agree on the start of accession negotiations highlighted the potential risks of inconsistent strategic choices for fragile democracies like North Macedonia. The "French Proposal" in 2022 aimed to resolve the Macedonian-Bulgarian dispute, but it was met with skepticism and perceived as an infringement on North Macedonia's internal affairs. The lack of progress in EU accession and the politicization of the process by certain member states have contributed to a decline in public support for EU integration.

The final analytical **Chapter 7** is dedicated to **Serbia**. In his study "The West is Dear, but the East is Dearer: Policy Pressures and Actors' Preferences in Serbia," written by Dr. Vladimir Vučković explores the influence of Russia, China, Türkiye, and the Arab states of the Persian Gulf on the process of (in)stability, including democratic backsliding in Serbia from 2008 to 2022. The author concludes that unlike the other external actors (China, Türkiye, and the UAE), Russia remains the only state that contributes to the destabilization of Serbia, as its influence is deeply present in all spheres of society. Russia remains a veto power that favors the unstable Western Balkans – a region that is not integrated into the European and Euro-Atlantic communities for strategic reasons. All of the above-mentioned external actors tend to contribute to the process of democratic backsliding in Serbia as they harm the process of democratic consolidation. However, the critical setback in the context of the quality of democracy in Serbia is not external but internal. It originates from the rise of power of the country's president, Aleksandar Vučić, who combines autocratic governance tools with a declarative commitment to the EU accession process, consequently legitimizing the democratic backsliding and erosion of democratic safeguards in the country.

At the end of this report, we also offer a **comparative overview** written by the project's scientific advisor, Dr. Adnan Huskić, which summarizes some of the key strategies of the studied external actors in the region. This concluding overview is structured according to the studied external actors and provides a comparative summary of their influence in the selected region.

## Albania

*(EU candidate status granted in 2014)*

# Albania amidst the External Actors' Influence. The Open Balkan Initiative: A Russian Trojan Horse or a Faster Approach to Regional Cooperation?

---

**Dr. Klodiana Beshku**

*Lecturer and researcher, the Department of Political Sciences, University of Tirana, Albania*

## Executive Summary

---

This analytical study analyzes Albania's position in the middle of the political "chessboard" created by the most influential external actors after the EU and the USA in the Western Balkans, namely, Russia, China, Türkiye, and the Arab states of the Persian Gulf. Firstly, this analysis examines Albania's position among these various actors by categorizing them as either benign or malign toward the country. It explores Albania's multifaceted attitudes within the context of regional dynamics in the Western Balkans.

Second, the study sheds light on how the Open Balkan (OB) initiative has shaped these regional relations. Third, it focuses on Albania's attempt to become a crucial actor at the regional level concerning its European integration path through the Berlin Process and, lately, through the Open Balkan initiative. Finally, the last part links the external actors - mainly Russia - to infiltrations through the Open Balkan initiative, interference, and the pursuit of specific interests within the country.

## Introduction

---

Like other Western Balkan countries, Albania represents, geopolitically, an essential bridge between the East and West of the Western Balkans. This position makes it attractive to external actors prone to developing their spheres of influence in this region. On the one hand, due to ethnic tensions, unresolved border disputes, pervasive organized crime, and corruption, the Western Balkans have often reemerged as one of the EU's most pressing security challenges. On the other hand, this tendency changed after the beginning of the aggression against Ukraine, not because these issues disappeared but because the area suddenly shifted from *"a region to be secured"* into *"a region to securitize."* If we define securitization as *"an extreme form of politicization"* (Buzan, Waever & de Wilde 1998, 23), or framing and heightening particular issues as security threats, shaping how countries perceive and respond to

threats and how they interact with other countries, explains how the Western Balkans region boldly returned to all the external actors' political agenda. Due to the growth of non-European influences in the region, the presence of various actors raises concerns about the potential for significant malign influences.

In this regard, Albania has been characterized *"as both an external security provider and an internal security receiver"* (Jano 2023, 63) due to its NATO membership and its coveted geopolitical position in the region by third powers. Thus, this study centers on analyzing the involvement of external factors by describing each actor's role and then analyzing Albania's positioning as a pole of regional cooperation in the region by closely examining the Open Balkan initiative from the perspective of Albanian experts.

## Methodology

---

In terms of methodology, this study is based on primary and secondary sources, including semi-structured interviews with different experts whose opinions helped to build background knowledge for this contribution. Firstly, the study deals with the positioning of Albania towards the external actors, i.e., Russia, China, Türkiye, and the Arab states of the Persian Gulf. Then, it focuses on these relations' practical implications and future perspectives. This perspective is of crucial importance as the process of European integration might be undermined by the malign strategies of various regional actors.

In the first part, the study utilizes the existing primary literature, reports, and data elaboration produced by various NGOs or public institutions, while the second part is based on 15 interviews that were conducted online or in person to collect data on the Open Balkan initiative and possible Russian influence. The targeted group to

conduct the interviews were Albanian experts, politicians, journalists, and activists following developments related to this matter. Interviewees identify their perceptions of the OB initiative. Responses may often be affected by different variables, such as if and how the interviewer has influenced the interviewee, their level of trust, the interviewee's position in public administration, or their political affiliation. This case study used one-to-one and semi-structured interviews to minimize this limitation.

Some limitations exist when it comes to primary sources of literature on the Open Balkan initiative and regarding a more expanded analysis of the role of key actors, such as the EU and the USA, but given the length of the study, such limitations may receive detailed consideration in a second phase of a possible study expansion in the future.

## The Moves on the Western Balkans Playboard: Albania and the External Actors

---

Albania has always had precise geopolitical positioning and foreign policy alignment in the regional and international arenas. It has been a committed agent in its path toward EU membership. This Western inclination is a well-known fact within the EU diplomatic channels. Albania's continuous commitment to *"full alignment with the EU's common foreign and security policy"* (European Commission 2022, 3) is consistently emphasized with a touch of pride by Albanian state representatives on numerous occasions. Albania is a longtime US ally that joined NATO in April 2009. Visa liberalization with the EU was formally completed in December 2010, and EU candidate status was granted in June 2014. It unanimously adopted a comprehensive justice reform in 2016, obtained non-permanent membership of the UN Security Council in 2021, and started accession negotiations with the EU in June 2022. Despite this straightforward configuration in the European and global arenas, external influences from third parties have not escaped Albania but have proven to be present in different ways.

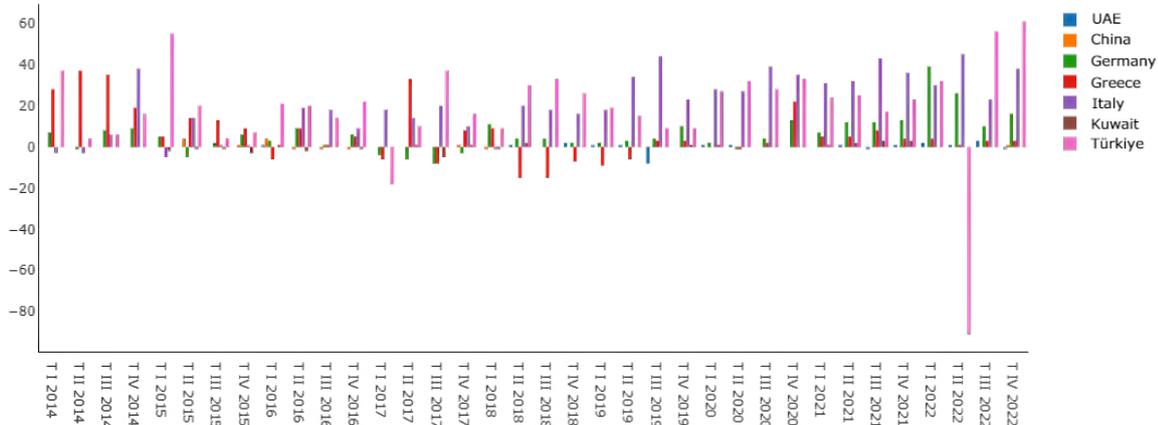
Russia has not shown great interest in Albania since Western dominance has undoubtedly prevailed. On the other hand, Türkiye has always considered Albania geopolitically significant. Meanwhile, China and the Arab states of the Persian Gulf (also referred to as the Gulf States) have only regarded it as geo-economically attractive, probably due to *"those countries' prospect for EU membership, promising the Gulf countries long-run economic and diplomatic returns in their relations with the EU"* (Mandaci, Rusi Karacalarli 2018). While third parties kept advancing in the region, the EU, due to its poly-crisis period (2008-2016), kept laying the groundwork for the gradual establishment of these actors in the region. All in parallel with a certain tolerance by the EU to the rise of illiberal regimes in the Western Balkan countries as long as the situation served the region's stability (Bieber, Kmezić 2017). The European fatigue, intensified by a form of US disengagement from the region during the Trump era (2017–2021), led to the rise of Türkiye, China, Russia, and the Gulf States' presence in the region, Albania, and the creation of some new regional initiatives such as the Open Balkan.

### Türkiye, Albania's eldest brother

Türkiye is Albania's third-biggest ally, after the EU and the US, and was proclaimed a strategic ally in 2013, shortly after the current administration led by Edi Rama took power (Beshku, 2015). Türkiye is also one of Albania's most important economic partners. The Bank of Albania's investment data for third countries in Albania from 2019 to the second trimester of 2022 (Bank of Albania 2022) supports this claim. As can be easily seen, Türkiye dominates foreign investments in Albania, followed by the United Arab Emirates and Kuwait, while significant Chinese and Russian investments are nearly nonexistent.

## Direct investment liabilities in Albania by country<sup>1</sup>

**Graphic 1.**  
**National Bank of Albania (2022) Data on Foreign Investments for the period 2019–2022**



According to the Europeanization theories, unlike the European Union, which governs externally by relying on conditionality and incentives (Schimmelfennig & Sedelmeier, 2020), non-European countries come to the WB without conditionality but offer beneficial allegiances, at least seemingly. This approach seems to be the case for Türkiye concerning Albania. There have been massive Turkish investments, especially after the earthquakes that destroyed part of Albania in September and November 2019. The Turkish president, Recep Tayyip Erdoğan, has repeatedly asked, in return for support with the eradication of all the schools and institutions linked to the Gülen movement, an organization backing exiled Turkish cleric Fethullah Gülen, who is accused of being part of a terrorist group for his alleged role in the failed 2016 *coup d'état* (Al Jazeera, 2016).

In January 2022, Erdoğan addressed the Albanian parliament, stating that: “a precondition to our support and brotherhood is your commitment to the fight against FETÖ” (Fethullahist Terrorist Organization), known as the Gülenist organization, while reminding of the massive investments in Albania (Taylor, Halla 2022). During this visit, he inaugurated the Ethem Bey Mosque, restored by

the Turkish Cooperation and Coordination Agency (TIKA).<sup>2</sup> Moreover, the Turkish government’s apartment complexes built in Laç cost around 42 million euros (Daily Sabah, 2022). However, Türkiye’s investments in Albania remained relatively low throughout 2022 (see Graphic 1). Presumably, to address this decrease in assets, the closure of a school and a kindergarten linked to the FETÖ organization followed. Moreover, a week before, a Turkish citizen, Emre Olsur, an opponent of the Turkish government, had been immediately deported to Türkiye from Tirana in September 2022 without following the international rules for deportation (Taylor, 2022).

A major investment that speaks volumes about the latest Turkish-Albanian relations has been the Hospital of Fier. The construction of this hospital, baptized as the “Türkiye-Albania Fier Friendship Hospital,” began in January 2021 (Guler, 2021), after Albanian Prime Minister Rama’s visit to Türkiye the same month, which came after a promise made by President Erdoğan, the construction of the Hospital of Fier commenced. Remarkably, the hospital was completed in less than three months. As a result, the Turkish government has built a fully equipped 150 beds hospital for over 70

1 Data is provided from the official website of the National Bank of Albania at [https://www.bankofalbania.org/Statistikat/Statistikat\\_e\\_Sektorit\\_te\\_Jashtem/Investimet\\_e\\_huaja\\_direkte/Te\\_dhenat\\_kryesore\\_per\\_Investimet\\_e\\_huaja\\_direkte.html?evb=agregate&evn=agregate\\_detaje&cregtab\\_id=719&periudha\\_id=3n](https://www.bankofalbania.org/Statistikat/Statistikat_e_Sektorit_te_Jashtem/Investimet_e_huaja_direkte/Te_dhenat_kryesore_per_Investimet_e_huaja_direkte.html?evb=agregate&evn=agregate_detaje&cregtab_id=719&periudha_id=3n), last accessed in March 2022.

2 TIKA (Turkish Cooperation and Coordination Agency) is a government organization under the Ministry of Culture and Tourism of Türkiye. It represents the Turkish official vision and public diplomacy in all the countries in which it is present.

million euros (Guler, 2021). The hospital was inaugurated on April 21, just four days before the Albanian parliamentary elections, clearly supporting Rama's re-election (Tzifakis, 2021) and, thus, reconfirming the personal relations that go beyond the official political ties between the two leaders of Türkiye and Albania (Madhi, 2021).

Besides these massive investments, there are many permanent Turkish companies in Albania, such as Banka Kombëtare Tregtare (Bank Company), Albtelecom (Communication Sector), Air Albania (Flight Company), Acibadem Hospital, American Hospital, FMT Group (Energy), and Kurum Holding Albania (Mineral Field), to name a few. They are all coordinated by the Turkish Chamber of Commerce and Industry (ATTSO), active in Albania. Moreover, Türkiye *"has the advantages of geographical proximity, which allows for a reduction in transportation costs, as well as an existing similarity in consumption habits"* (Hake and Radzyner 2019: 6), together with the advantage of having signed a free bilateral trade agreement with Albania since 2008.

The Turkish influence is not only economic but also cultural. The TİKA Foundation influences many aspects of everyday life in Albania by supporting art, education, and cultural events. TİKA projects, Yunuş Emre Cultural Centers, Turkish education institutions, and soap operas extensively contribute to a somewhat romanticization of the Ottoman period and expose and popularize Turkish culture and contemporary ways of life (Abazi 2020: 174). Although passing *"from rulers to supporters"* (Xhaferi, 2017), Türkiye's interest in Albania is greatly amplified by Türkiye's rivalry with Greece" (Lami, 2017), and Albania's interest in Türkiye is linked to the rivalry with Russia's influence in Serbia. Thus, Türkiye represents a crucial ally to Albania since it preserves its security concerns through the balance of forces after forming two dominant axes of power in the region: the Russian- Greek-Serbian axes on one side and the American-Turkish-Albanian one on the other (Beshku, 2015). Türkiye is *"a NATO teammate and the Albanian guarantor"* (Xhaferi, 2017) of security. Thus, it is often considered a sort of eldest brother to Albania.

## The Arab States of the Persian Gulf: A crescent influence in Albania

The Arab states of the Persian Gulf (further referred to as the Gulf States) have increased their influence on Albania in the last two decades. Their economic and religious influences are bolstered by the Muslim-majority population in Albania. The most important influences are represented by the Kingdom of Saudi Arabia (religious and economic influence), Kuwait (mainly economic influence), Qatar (economic, infrastructural, and cultural influence), and the United Arab Emirates - UAE (economic influence and new investment interests).

While the influence of the other Gulf States is moderate, that of the UAE seems very promising for long-term investments in Albania. The most notable projects funded by the UAE up until now have been: the construction of the Sheikh Zayed Airport in Kukës and the Tirana-Elbasan road, both funded by the Abu Dhabi Fund for Development (ADFD). However, since these investments have been mainly in loans, they might lead to high economic

dependency on the UAE (Rrustemi, De Wijk, Dunlop, Perovska, and Palushi 2021), and this dependency is going to intensify very soon. In addition, the EMMAR group from Dubai will invest 2.5 billion dollars in the port of Durres, the second major city of Albania, to build the "Durres Yacht and Marina" port (Bhoyrul, 2022). This mega-project is expected to profoundly impact Albania's tourism industry, potentially transforming the country into a premier Mediterranean destination for global tourists.

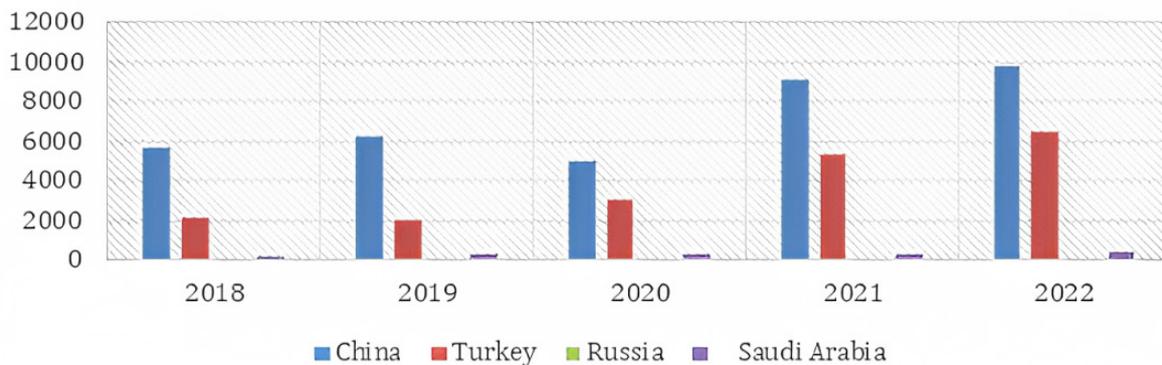
Albania is also linked to the UAE in terms of commerce and tourism. It is believed that many Albanians used to go to the UAE for vacations, especially during the Covid-19 period (2020-2022), when the UAE was one of the few vaccine-free countries and offered them for free to visitors. Moreover, with the four Gulf countries exempt from obtaining a visa to enter Albania (Saudi Arabia, Qatar, the UAE, and Kuwait), tourism seems vital for all parties involved.

## China's soft power in Albania

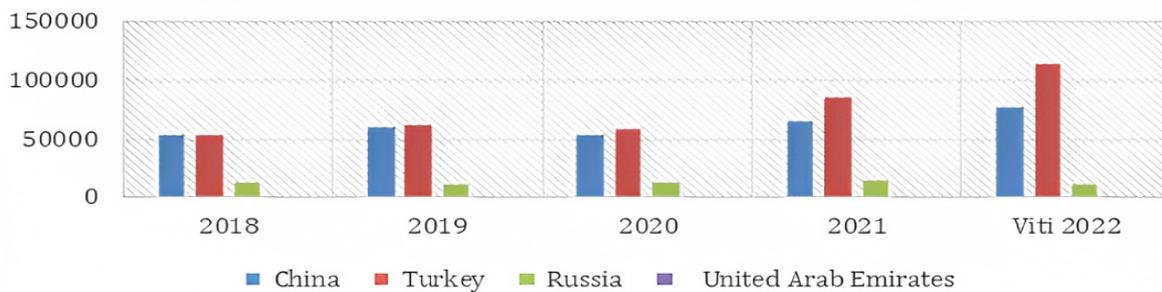
Albania is among the Western Balkans countries “with the longest and deepest track record of cooperation with communist China before the two countries fell out at the beginning of the 1970s” (Shopov, 2022). Albania's alignment with China as a security ally is not comparable to its strong alliance with the USA or its NATO membership. Instead, Albania represents a partnership-oriented commerce collaborator for China, in line with China's plans not to

replace the US alliance system with its rival system of alliances (Ekman, 2022). Albania is part of a “network of partnerships built step-by-step at both bilateral and multilateral levels” (Ekman, 2022). This approach becomes more evident in the lack of Chinese government investments in recent years in Albania (graphic 1) and the rise of imports and exports, shown in graphics 2 and 3 below, of commercial partners with Albania.

**Graphic 2**  
Data on Albania's exports to Türkiye, Russia, China, and Saudi Arabia (2019–2022) by INSTAT



**Graphic 3**  
Data on Albania's imports from Türkiye, Russia, China, and Saudi Arabia (2019–2022) by INSTAT



As can be seen, China is an active partner in imports and exports in Albania (INSTAT data).<sup>3</sup> Moreover, this suggests that the Chinese-Albanian relationship is not economically based on investments but on markets' exploitation (petroleum and chromium) by China's side and wholesale and retail trade commerce by Albania's side. There is a high number of Chinese citizens who live and work in Albania (Merepeza, 2019). Despite being the seventh community

to apply for residence permits in Albania in 2019, following the Iranian, Italian, Kosovar, Greek, American, and Turkish communities (INSTAT 2019), the Chinese community has established a significant presence in wholesale and retail businesses within an area known as The Chinese Market (Merepeza, 2019). The second generation of their children born in Albania already speak fluent Albanian and perceive Albania as their homeland.

3 Data provided by INSTAT (National Statistical Institute of Albania) for 2018-2022, at <http://www.instat.gov.al/al/temat/tregtia-e-jashtme/tregtia-e-jashtme-e-mallrave/#tab2>, accessed in December 2022.

There is also a relationship based on the historical links between the two countries, which translates mostly into a Chinese cultural hegemony over a smaller country.<sup>4</sup> The Chinese government has supported Albanian students with Chinese scholarships every year since 2013.<sup>5</sup> There has been a rising cultural cooperation promoted by an active Chinese Embassy in Albania and the Confucius Institute, which was founded in Tirana in 2013 (Arežina, 2020) on the premises of the University of Tirana. The wider public can learn Chinese through this institute and follow many Chinese cultural events. The Institute manages its own journal and radio channel and is very active on social media. As for

the past historical linkages, there is a very telling symbolic building in Tirana that evokes the solid Chinese-Albanian relationship during the communist regime. The current Ministry for Europe and Foreign Affairs building - a massive, aged, and imposing structure - was intended to serve as the Chinese Embassy in Albania, but it never did. The building was finished in 1978, exactly when relations between the two countries formally split up. The current Albanian relationship with China can be metaphorically compared to this building: very symbolically important but non-functional in terms of foreign investments at the same time.

## Russia's "Frozen" Relationship with Albania

The Albanian-Russian relationship seems to have remained "cold" since the Cold War. Albania is indisputably an ally of the US on the one hand, while Russia supports Serbia against Kosovo's independence on the other. The Albanian attitude is also affected by the alignment of Albanian foreign policy with the Common and Foreign Security Policy of the EU. *"Politically, Tirana is strongly geared to the West, which does not encourage the development of other linkages to Russia"* (Abazi 2020, 170). Thus, since 2015, Albania has followed the EU and US sanctions policies against Russia after the annexation of Crimea and has continued to do so after the aggression against Ukraine in 2022.

The relationship with Russia reached one of its lowest points in 2018, when the Albanian government expelled

two Russian diplomats in response to NATO's collective action principle and after the Russian invasion of Ukraine in February 2022. In April 2022, a street near the Russian Embassy in Tirana was named "Free Ukraine" (Reuters, 2022). Although the Albanian government has taken a clear stance on Russia, there is a belief that Russia provided financial support to the former leader of the Democratic Party (PD), Lulzim Basha, during the recent elections (Taylor, 2022a). However, this incident is considered an isolated case that has caused conflicts within the leadership of the Democratic Party. The Russian influence in Albanian internal affairs continues to be a political driver in the political debate between the two main parties in Albania.

---

4 The diplomatic relations between Albania and China were established in 1949. In the collective memory of the Albanian public, China is recognized as the sole country that provided economic support to Albania during the challenging years of "grand isolation" immediately after the dictator Hoxha announced the split with the Soviet Union in 1970. From 1970 to 1978, the survival of the Albanian economy and its people was exclusively dependent on China's investments and trade until in 1978 these relations were dramatically frozen.

5 See the scholarship session on Albania's Ministry of Education and Sports website for the academic year 2023-2024. In this section which dates back to 2015, we can see that there are scholarships offered each academic year from Chinese and Turkish Universities through their governments; meanwhile, there are scholarships provided randomly from Russia, Qatar, and UAE: <https://arsimi.gov.al/bursa-dhe-programe-studimi/>, accessed in January 2023.

## From CEFTA to the Berlin Process: Navigating the Halted EU Advancement and Paving the Way to Open Balkan

---

CEFTA (Central European Free Trade Agreement), created in 1992, was the first regional economic initiative concerning southern Europe after the Visegrad Group. Once these countries entered the EU, CEFTA was reformulated to accommodate the WB countries in 2006. Differently from what the WB countries needed, CEFTA has always focused on commercial and regional cooperation and implementing the free market zone. The collaboration within the WB countries needed a social component. Thus, the EU established the mechanism of the Southeast European Cooperation Process (SEEC) in 1996 at the Ministers of Foreign Affairs meeting held in Bulgaria the same year. This regional cooperation forum was also aimed at strengthening good neighbor relations among all participants from Southeast Europe. After two decades, there are several other initiatives that share a common denominator: regional cooperation, a paradigm that has been required by the EU since 1996 and incorporated as a central part of the EU conditionality to the Stabilization Association Process (SAA) since 1999 (Bonomi & Nechev, 2022). The Regional Cooperation Council (RCC) was founded by the SEEC in 2008, and as of 2020, it also incorporates the Regional Economic Area (REA) and the Common Regional Market (CRM), both of which were established by the Berlin Process in 2017 and 2020, respectively. Given that the WB has often considered the Berlin Process as a substitute for the EU Enlargement and it has been criticized for not having reached any substantial progress within the WB countries (Jovanović & Holzner, 2023), the leaders of Albania, Serbia, and North Macedonia gave life to the “Mini Schengen” initiative in 2019 and turned it into the Open Balkan (OB) in 2021, under a “Western Balkan for the Western Balkans approach”.

The last two initiatives were born while the European integration of Albania and North Macedonia was stalled due to the French veto in the European Council of October 2019, which blocked the opening of accession negotiations with Albania and North Macedonia until 2022. Even after the formal start of the access negotiations in March 2020,

the European Council postponed the previously planned Intergovernmental Conference with Albania and North Macedonia. The delay from March 2020 to July 2022, due to the Bulgarian veto over North Macedonia, was overcome only by the interference of France holding the Presidency of the European Council in the second half of 2022. Albania and Serbia tried to develop a “Western Balkans for the Western Balkans” approach during this period. Albanian Prime Minister Edi Rama and Serbian President Aleksandar Vučić have continuously tried to create European integration through regional cooperation to fill the void of a reluctant EU, which, in 2019, showed the peak of its enlargement fatigue towards the region.

The Open Balkan initiative has been intensively discussed in Albania due to concerns about parallel structures with the existing CEFTA, REA (Regional Economic Area), and CRM (Common Regional Market) developed under the framework of the Berlin Process. During the Berlin Process Summit held on November 10, 2020, in Sofia, the Common Regional Market was encapsulated within the RCC and CEFTA Secretariats that would facilitate its implementation, which is hoped to be finished by 2024 (WB6 2020). Despite the worries expressed regarding the overlapping of the Open Balkan with the REA and RCC, the Albanian Prime Minister continues to put a lot of energy into the Open Balkan. With a firm grip on his third mandate and facing weak opposition, Prime Minister Rama has neglected to engage the public and seek their consensus on this project, which serves as an alarming sign of democratic backsliding within the country. He attempted to retract his previous actions afterward by conducting a survey distributed throughout the country to gather public opinion on the matter, which experts thought was intentional and not scientifically based (Gjoka, 2022). A question on the OB derived from this survey was also shared on his social media in January 2022.<sup>6</sup> The survey results were published in April 2022, and according to the organizers, 59% of the respondents favored the Open Balkan. Meanwhile, 26% were against it, and 15% did not know how to answer.

---

6 Question No. 12 regarding the Open Balkan initiative was published on the Facebook profile of the Prime Minister, but envelopes with the survey were sent in parallel by mail to each home in the country. The question was formulated like this: “Some people believe that the set-up of the Open Balkan initiative is in Albania’s interest. Others think that this initiative does not bring any advantage to Albania. What is your opinion about that?”

Moreover, experts were split in two: some thought consulting their citizens was a democratic and open way of leading, and others thought it was a clear populist move.

There have been two main perspectives on the Open Balkan initiative in Albania. On one side, some experts believe that the Open Balkan is a “natural” prolongation of the Berlin Process within the European Integration initiative. *“After all, the negotiations for these agreements began as early as 2021 within the framework of the Berlin Process,”* says a diplomat from the Ministry for Europe and Foreign Affairs of Albania (Anonymous (a) 2023). On the other hand, some perceive it as in line with the Berlin Process or as *“complementary to the Berlin Process”* (Anonymous (d) 2023). Blerjana Bino, an expert on the region and Head of SciDEV (Science and Innovation for Development), a think tank based in Tirana, believes that *“the Berlin Process and Open Balkans are two different initiatives with a shared goal of supporting peace and stability in the Western Balkans region.”* She believes the Open Balkan *“calls for increased dialogue between the region’s countries, focusing on issues such as strengthening trade, infrastructure, access to education, and investment*

*in renewable resources”* (Bino, 2023). On the other hand, Enika Abazi, an expert on geopolitics who lives and works in France, thinks that *“both initiatives aim in principle at the same result, the pacification of the Western Balkans and its integration into the EU”* (Abazi, 2023).

On the other hand, a group of experts believes this initiative has nothing to do with European integration but is a parallel process. *“After a dissatisfied attitude with the EU, when the Berlin Process was not generating new energies and the region’s difficult confrontation with several challenges, where the most strenuous one was COVID-19, it seemed as if a new regional (Balkan-led) initiative was brewing to fill the vacuum created by the Berlin Process. In such circumstances, Open Balkans was not a duplication but merely an attempt to find a ‘shortcut’ based on the same freedoms and services promised by the Berlin Process,”* says Elira Luli, an Albanian expert on the European Union (Luli, 2023). *“Differently from the Berlin Process, the Open Balkan is not backed up and guaranteed by the European Union,”* says Enis Sulstarova, an expert on the Balkan region and political activist who expressed his worries about the initiative’s future (Sulstarova, 2023).

## The “Open Balkan”: Effective Regional Cooperation or Russia’s Trojan Horse? The Experts’ Opinion

With Kosovo opposing the OB initiative, the Albanian government has faced divided public opinion regarding this effort. Part of its public opinion fears its closeness with Serbia and, as a result, with Russia. *“Whatever fruits it will bear, strictly speaking of Albania, they will not be worth it as long as Serbia maintains its actual position on Kosovo and Bosnia,”* says Klejdi Këlliçi, an expert on regional and comparative studies (Këlliçi, 2023). Under these circumstances, due to the historical links between Albania and Kosovo, the participation and leadership of the Open Balkan are sometimes perceived as a betrayal of Kosovo’s interest by the Albanians of Albania. Albin Kurti, Kosovo’s Prime Minister and leader of Vetëvendosje has repeatedly claimed that Kosovo would not join any initiative with Serbia if the EU were not present.

On the other hand, the Prime Minister of Albania, Edi Rama, firmly believes that the two countries should collaborate despite any bilateral disputes they might have. He considers this platform an excellent opportunity to discuss Kosovo’s independence. The initiative constitutes an interesting interplay: Kosovo rejects the idea outright, while Albania is among the leading architects by comparing this initiative to the achievements of similar initiatives in the past.

Experts fear Serbian supremacy in economic terms and the absence of the EU in this project. *“Serbian industrial products will easily compete with the Albanian ones, and that will not be compensated by the Albanian exports or by the arrival of Serbian tourists on the Albanian shores,”* says Sulstarova (Sulstarova, 2023). *“Serbia is the most powerful country in the region, with the largest economy - which, in such an initiative, can benefit more than others. More economic gains translate into more political power, which may cause serious complications in the WB,”* says Elira Luli (2023).

Regarding the influence Russia might exert in the WB through the OB platform, an expert says: *“The problem is Serbia rather than Russia. Serbia is using Russia’s problems to exert some kind of hegemony in the Western Balkans”* (Këlliçi, 2023). It is a known fact that Serbia has close historical links with Russia, and the fear of a more significant Russian infiltration in the region, especially after the aggression against Ukraine, seems more probable. *“Furthermore, the OB is led by Serbia, which has not aligned its foreign and security policies with the EU (considering the Russian aggression in*

*Ukraine). Serbia plays a threatening and destabilizing role in Bosnia Herzegovina, Kosovo, and Montenegro; therefore, no credible EU integration process could be led by such a country,”* says Arber Zaimi, an Albanian expert on the Western Balkans and a political activist who lives in Kosovo (Zaimi, 2023). According to him, the Open Balkan initiative might strengthen Russia’s influence in the Western Balkans *“Being opened to Serbia’s capital means that Russian and Chinese capital could also find a way to influence Albania’s economy, and in the future, this can upset western investors too.”*

When Russian Foreign Minister Sergei Lavrov claimed that Russia had funded and developed the Open Balkan project, worries over Russian interference significantly resurfaced. This affirmation disturbed the geopolitical situation in the region during the Ohrid Summit at the beginning of June 2022. Moreover, it managed to split the Albanian public opinion into two camps, easily deducted on social platforms: those who thought their Prime Minister, Edi Rama was a traitor for supporting a Russian project and those who thought he was a hero for following an original idea of regional cooperation.

Undoubtedly, recent developments have escalated tensions in the northern part of Kosovo and raised concerns about the future of the Open Balkan initiative. *“If we consider the last conflict in the north of Kosovo, then I think Open Balkan is less realistic than before,”* points out an Albanian economist and expert on regional markets (Anonymous (b) 2023). *“The Russia-Ukraine war and the tensions on Kosovo’s northern border exposed Serbia’s approach and aspirations more openly. Serbia is the only country aspiring to EU membership that is not imposing sanctions on Russia due to the Ukraine war. On the other hand, allegations are high about Russia using Bosnia and Herzegovina (through Republika Srpska) and Serbia to destabilize the Western Balkans,”* commented Luli (Luli, 2023).

Based on Lavrov’s declaration and the latest declarations of Olaf Scholtz, the German chancellor, who had expressed many reservations about the OB initiative, the EU’s position on this initiative and its member states has become of high importance. *“In the first stage, the OB had EU support,”* says an expert for the EU and a functionary of the Albanian Parliament (Anonymous (c) 2023). However, the initiative will no longer be advantageous for Albania *“if Serbia*

*becomes the principal/leading actor in the initiative and the rest of the WB countries still need to join the initiative,” stresses Abazi (Abazi, 2023).*

The biggest fear in Albanian public opinion remains the advantages the Serbian economy could get over the Albanian one due to its size and strength within the regional market. *“Albania’s economy has not, in any sector, built a comparative advantage to be ready to face competition from Serbia. In the OB, Albania’s economy will become increasingly subservient to Serbia’s, providing only raw resources, a workforce, and consumers.”* (Zaimi). An expert in economics and finance perceives it another way. *“In any case, the OB is a long-term, strategically significant process with a sharp focus on EU standards while attempting to*

*develop universally applicable solutions for the entire region. Smaller regional initiatives could be able to temporarily fill any gaps. At the same time, the Berlin Process, hopefully, continues for a long time”* (Rrumbullaku, 2023). Although the initiative is not without problems (in particular because it does not include all the economies of the Western Balkans but only three of them), the OB initiative *“has a clear advantage over the Berlin Process: it is supported and driven by local actors, and the politicians and political decision-makers of the Balkans are much more committed to this project than to any other initiative.”* (Jovanović and Holzner, 2023). The politicians’ dedication makes the initiative more efficient regarding short-term and practical goals to be reached within the countries participating in it.

## Conclusion

---

Albania has stronger historical links with the US, the EU, Türkiye, and China and has been improving its relations with the Gulf States. Regarding Russia, Albania has moved from dealing with it, mainly from a NATO member state’s perspective, to a fervorous opponent, especially after Albania became a non-permanent member of the UN Security Council and in the aftermath of the Russian aggression against Ukraine. The presence of these actors has become more vivid after the US decided to focus on internal matters, and the region experienced an American “power vacuum” during the first two years of President Trump’s administration (2017-2018), combined with the European fatigue that characterized the first phase of the Berlin Process (2014-2018).

Under these circumstances, like other countries in the Western Balkans, Albania primarily witnessed the influence of third actors, with Türkiye playing a prominent role, rather than China and Russia. Meanwhile, due to important investments like the one that EMMAAR Group will soon start in the Port of Durres, a rising influence can be spotted coming from the Gulf States. Therefore, we can list first Türkiye, then the Gulf Countries, China, and Russia in decreasing order regarding these countries’ influence in Albania. In any case, Türkiye has been cautious not to cede space in Albania to other external actors - such as Russia and China - to exercise their influence in the region (Tzifakis,

2021). Moreover, Albania is considered the strategic center for Türkiye’s involvement with the Western Balkans. Thus, especially in the last decade, Türkiye has developed a great geopolitical influence over the country (Lami, 2017).

The establishment of the Open Balkan initiative emerged as a result of the stalemate in the European integration process of certain Western Balkan countries into the EU. CEFTA could serve as an umbrella for reaching long-term goals in the region and deepening regional integration. *“In the 2021 Berlin Process Summit, it was suggested by the EU that CEFTA should act as an arbitrator in case of any bilateral disputes occurring once the Western Balkans CRM becomes operational by the start of 2025”* (Hoxhaj 2022). While the Berlin Process is the smaller umbrella under which the WB countries can foster dialogue and economic cooperation among themselves, the Open Balkan initiative remains a mechanism that ensures the reaching of short-term goals and speeds up regional cooperation in the region. All these mechanisms - CEFTA, the Berlin Process, and Open Balkan - stand as matryoshkas to one another, having one common aim: preparing the Western Balkan region for the EU Single Market.

Although Kosovo, Montenegro, and Bosnia and Herzegovina are not participating in this regional initiative, there is little hope for them to join it in the future due to their hesitation

about close collaboration with Serbia, with whom they share bilateral disputes. Albania should also consider possible Serbian domination in the region, especially in terms of economic predominance that could bring a political one.

Regarding the widespread fear that Albanian exports could be harmed by the imports from Serbia of more convenience and better-quality goods, an economic approach should be developed based on strengthening the “competitive advantages” of Albania. This is one of the paradoxes in this very shallow debate that is happening in Albania about the OB. There is no real debate among experts in economics or

finance over this initiative. Instead, the initiative has been heavily politicized by party supporters in Albania due to concerns over its potential impact on certain vulnerable economic sectors once exposed to an open market. On the other hand, this initiative could exactly represent a gradual approach to the European free trade zone for the Western Balkan countries. Opening the markets through the OB may represent a simpler process compared to the complicated opening of the market to the EU single market in the future. The countries of the region should prepare themselves for this broader opening in the future, and the OB could serve as a pool diving board in this regard.

## Policy Recommendations

- ✘ Albania has closer links with Türkiye in economic relations, which translate into important investments by this country in Albania, but at the same time, political conditionality is imposed by this country. This suggests that Albania should develop its proper autonomy regardless of the need it has for foreign investments by diversifying this need with other powers like the EU, China, and the UAE.
- ✘ More transparency should be considered regarding the Open Balkan initiative. One possible approach could be to create an official website for the initiative, showcasing its achievements and making it accessible for experts to consult as well as for the public to gain important information.
- ✘ Due to their delicate status involving some Western Balkan countries, the political leaders should have secured more extensive bottom-up support from their people on this regional initiative. People could have been involved or prepared before these initiatives started, to lower the high polarization, it caused within the Balkan societies. Thus, greater transparency and public dialogue would be welcomed.
- ✘ There is a noticeable sense of anxiety among experts regarding the potential economic and security disadvantages that the Open Balkan initiative may bring to Albania. Encouraging expert-level discussions on this topic is important, especially considering that the Western Balkan countries are expected to gradually open their markets to the region and subsequently to the EU member states. Such discussions would not only benefit society by addressing concerns but also enable the government to address citizen worries and better prepare the public for the future within the EU.
- ✘ The EU continues to be perceived as a guarantor of peace and stability in the region; thus, it should be more involved in the Open Balkan initiative to calm the worries about Russian interference in the region through this initiative.

## References

- Abazi, Enika. 2020. "Albania. New Geopolitics and Shifting Linkages" at Bieber F, Tzifakis N., (Eds.). *The Western Balkans in the world. Linkages and Relations with Non-Western Countries*, Routledge: London and New York.
- Al Jazeera. 2016. "Türkiye's failed coup attempt. All you need to know", July 15. <https://www.aljazeera.com/news/2017/7/15/Turkiyes-failed-coup-attempt-all-you-need-to-know> (accessed December 2022).
- Arežina, Sanja. 2020. "Reflections of the "Belt and Road" initiative and China- CEEC Cooperation on the Perceptions of China Pervading the Public Discourse in Albania", *Working Paper*, China-CEE Institute, No. 27, July 6.
- Bank of Albania. 2022. The quarterly stock of direct investment liabilities by country. [https://www.bankofalbania.org/Statistics/External\\_sector\\_statistics/Foreign\\_Direct\\_Investments/Foreign\\_direct\\_investments\\_position.html](https://www.bankofalbania.org/Statistics/External_sector_statistics/Foreign_Direct_Investments/Foreign_direct_investments_position.html) (accessed October 2022).
- Beshku, Klodiana. 2015. "The Albanian relationship with Greece and Türkiye. Perception and Reality in the framework of the Foreign Policy Partnership", *Research Paper for the Centre of Excellence*, Albanian Ministry of Foreign Affairs, July.
- Bhojrul, Anil. 2022. "Exclusive: Alabbar launches \$2.5bn super yacht marina in Mediterranean, Arabian Business", *Arabian Business*, November 25. <https://www.arabianbusiness.com/industries/travel-hospitality/exclusive-alabbar-launches-2-5bn-super-yacht-marina-in-mediterranean> accessed in January 2023.
- Bieber, Florian and Marko Kmezić Eds. 2017. *The Crisis of Democracy in the Western Balkans. An Anatomy of Stabilitocracy and the Limits of EU Democracy Promotion*, Policy Study, Balkans in Europe Policy Advisory Group (BiEPAG). [file:///C:/Users/Klodiana%20Beshku%20PC/Downloads/TheCrisisofdemocracy%20\(1\).pdf](file:///C:/Users/Klodiana%20Beshku%20PC/Downloads/TheCrisisofdemocracy%20(1).pdf) (accessed January 2023).
- Bonomi, Matteo and Zoran Nechev (2022). "Regional and EU integration of the Western Balkans, beyond a two-track approach", *Istituto Affari Internazionali (IAI) Commentaries*, September 23. <https://www.iai.it/en/pubblicazioni/regional-and-eu-integration-western-balkans-beyond-two-track-approach> (accessed January 2023).
- Buzan, Barry, Waeber, Ole and de Wilde Jaap. 1998. *Security. A New Framework for Analysis*, London: Lynner Reiner Publishers.
- Daily Sabah. 2022. "Erdoğan visits Albania in the first trip abroad in 2022", *Daily Sabah*, January 16. <https://www.dailysabah.com/politics/diplomacy/Erdoğan-visits-albania-in-first-trip-abroad-in-2022> (accessed October 2022).
- Ekman, Alice. 2022. "China and the Battle of Coalitions. The 'circle of friends' versus the Indo-Pacific Strategy", *EUISS*, April.
- European Commission. 2022. *Albania 2022 Report*, Brussels, October 12.
- Gjoka, Blerina (2022). "Ekspertët ngrenë pikëpyetje mbi qëllimet e Ramës me Këshillimin Kombëtar", *Reporter.al*, January 21. <https://www.reporter.al/2022/01/21/ekspertet-ng-rene-pikpyetje-mbi-qellimet-e-rames-me-keshillimin-kombe-tar/> accessed January 2023.
- Guler, Sena. 2021. "Türkiye works for Peace, Stability in Western Balkans: Erdoğan". *Anadolu Agency*, April 21, 2021. <https://www.aa.com.tr/en/politics/Turkiye-works-for-peace-stability-in-balkans-Erdoğan/2216207#> (accessed January 2023).
- Hake, Maryia and Radzyner, Alice. 2019. "Western Balkans: Growing economic ties with Türkiye, Russia and China", *BOFIT Policy Brief*, (1).
- Hoxhaj, Andi. 2022. 'The EU Common Regional Market Proposals for the Western Balkans'. *Legal Issues of Economic Integration* 49, no. 3: 311–338.
- INSTAT. 2019. "Foreigners in Albania", Publication of the Institute of Statistics in Albania, <https://www.instat.gov.al/media/7362/foreigners-in-albania.pdf> (accessed in March 2023).
- Intellinews. 2022. "Serbia's pro-Russian media turns on Putin", *Intellinews*, April 2022. <https://www.intellinews.com/serbia-s-pro-russian-media-turn-on-putin-242806/> (accessed November 2022).
- Jano, Dorian. 2023. "Albania Moving from Security Receiver to Security Provider". In *Peace and Security in the Western Balkans: A Local Perspective*, Edited by Nemanja Džuverović and Vëra Stojarová, London and New York: Routledge.
- Jovanović Branimir and Mario Holzner. 2023. "The Berlin Process for the Western Balkans: Four Recommendations to Achieve Progress, The Vienna Institute for International Economic Studies", January 18. <https://wiiw.ac.at/the-berlin-process-for-the-western-balkans-four-recommendations-to-achieve-progress-n-582.html>, accessed in January 2023.
- Lami, Blendi. 2017. "Influence of Turkish Foreign Policy in Albania", *European Journal of Multidisciplinary Studies*, Volume 2, Issue 1, January-April.
- Madhi, Gentiola. 2021. "'Our Brother Erdoğan' – From Official to Personal Relations of Political Leaders of Albania and Kosovo with the Turkish President", in *Western Balkans at the Crossroads: Ways Forward in Analyzing External Actors' Influence*, Edited by Ioannis Armakolas, Barbora Chrzová, Petr Čermák and Anja Grabovac, PSSI, April. 153–168.
- Magri, Paolo. 2020. "Introduction" in *The Balkans: Old, New Instabilities*, edited by Giorgio Fruscione, Report, ISPI, 6–10. <https://www.ispionline.it/it/pubblicazione/balkans-old-new-instabilities-26028>
- Mandacı, N. & Rusi Karacalarlı, E. (2018). *Gulf Region and Western Balkans: A Current History of Interregional Relations*. *Dokuz Eylül Üniversitesi Sosyal Bilimler Enstitüsü Dergisi*, 19 (3), 491-514. DOI: 10.16953/deusosbil.288136
- Merepeza, Eda. 2019. "Tregtarët kinezë të Tiranës", *Radio e jashtme e Kinës*, <https://www.google.com/search?client=fir-efox-b-d&q=eda+merepeza+tregtarët+kineze>, accessed in January, 2023.
- Reuters 2022. Albania renames street in capital Tirana as free Ukraine, Reuters, March 6. <https://www.reuters.com/world/europe/albania-renames-street-capital-tirana-free-ukraine-2022-03-06/>

Rrustemi, Arlinda, De Wijk, Rob, Dunlop, Connor, Perovska, Jovana and Palushi Lirije. 2021. "Geopolitical influences of external powers in the Western Balkans", *The Hague Center for Strategic Studies*.

Schimmelfenning Frank and Sedelmeier Ulrich. 2020. "The Europeanization of Eastern Europe: The external incentives model revisited", *Journal of European Public Policy* 27 (6): 814-33.

Shopov, Vladimir. 2022. "Mapping China's Rise in the Western Balkans. Albania", *ECFR Dossier*. <https://ecfr.eu/special/china-balkans/albania/>

Taylor, Alice (a). 2022. Albanian Political Parties spar over Russian funding allegations, *Euractiv*, September 15. [https://www.euractiv.com/section/politics/short\\_news/albanian-political-parties-spar-over-russian-funding-allegations/](https://www.euractiv.com/section/politics/short_news/albanian-political-parties-spar-over-russian-funding-allegations/) (accessed October 2022).

Taylor, Alice. 2022. "Albania closes two schools allegedly linked to Erdoğan's Gulenist foes", *Euractiv*, September 23. [https://www.euractiv.com/section/politics/short\\_news/albania-closes-two-schools-allegedly-linked-to-erdogans-gulenist-foes/](https://www.euractiv.com/section/politics/short_news/albania-closes-two-schools-allegedly-linked-to-erdogans-gulenist-foes/) (accessed October 2022).

Taylor, Alice and Halla, Barbara (2022). "Erdoğan demands Albania's support in fight against Gulen", *Euractiv*, 18.01.2022. [https://www.euractiv.com/section/politics/short\\_news/erdogan-demands-albanias-support-in-fight-against-gulen/](https://www.euractiv.com/section/politics/short_news/erdogan-demands-albanias-support-in-fight-against-gulen/) (accessed in March 2023).

Tzifakis, Nikolaos. 2021. "The Geopolitics of Pandemic-related assistance to the Western Balkans". *IEMed, Mediterranean Yearbook 2021*, 177–180.

WB6 (a). 2020. Western Balkans Leaders Declaration on Common Regional Market, Sofia Summit, Berlin Process, November 11 [https://www.wb6cif.eu/wp-content/uploads/2020/11/Final-Political-Declaration\\_CRM-2021-2024.pdf](https://www.wb6cif.eu/wp-content/uploads/2020/11/Final-Political-Declaration_CRM-2021-2024.pdf) (accessed December 2022).

WB6. 2020. *Action Plan for a Common Regional Market 2021-2024*, Sofia Summit, Berlin Process, November 11. <https://www.wb6cif.eu/wp-content/uploads/2020/11/Final-CRM-2021-2024-AP.pdf> (accessed December 2022).

Xhaferi, Përparim. 2017. "The Post-Ottoman Era: A Fresh Start for Bilateral Relations between Albania and Türkiye?" *Australia and New Zealand Journal of European Studies*, Vol9 (1).

## Interviews

Abazi, Enika. 2023. Expert on Geopolitics and Western Balkans. Interview with Beshku Klodiana, online, Nice, January 9, 2023.

Anonymous (a). 2023. Diplomat of the Ministry of Europe and Foreign Affairs in Albania, interviewed by Beshku Klodiana. January 8, 2023.

Anonymous (b). 2023. Economist, University Lecturer. Interview with Beshku Klodiana. Tirana, January 7, 2023.

Anonymous (c). 2023. Working at the Parliament of Albania. Interview with Beshku Klodiana. Tirana 6, 2023.

Anonymous (d). 2023. Expert on European Integration, Lecturer at a Nonpublic University. Interview with Beshku, Klodiana, January 9, 2023.

Bino, Blerjana. 2023. Expert in Communication, Head of SciDEV. Interview with Beshku, Klodiana, January 9, 2023.

Gashi, Shpend. 2023. Expert on Geopolitics. Interview with Beshku Klodiana. Tirana, January 8, 2023.

Këlliçi, Klejdi. 2023. Expert on Political Parties and Comparative Studies. Interview with Beshku, Klodiana. Tirana, January 7, 2023.

Luli, Elira. 2022. Expert on European Integration, University Lecturer. Interview with Beshku, Klodiana, December 23, 2022.

Pajo, Matilda. 2022. Lecturer. Interview with Beshku, Klodiana. Online, Skopje, December 22, 2022.

Permargjeta, Orges. 2023. Young Journalist. Interview with Beshku, Klodiana. Shkoder, January 7, 2023.

Rrumbullaku, Olti. 2023. Economist, University Lecturer. Interview with Beshku, Klodiana. Tirana, January 25, 2023.

Sulstarova, Enis. 2023. Expert on Nationalism, University Lecturer and Political Activist. Interview with Beshku Klodiana. Tirana, January 10, 2023.

Zaimi, Arbër. 2023. Expert on the Balkans and Political Activist. Interview with Beshku Klodiana. Online, Pristina, January 11, 2023.

## Bosnia and Herzegovina (EU candidate status granted in 2022)

# Bosnia and Herzegovina: Geopolitical Strife Fuels Local, Regional Crises

---

**Srećko Latal, M.A.**

*Senior analyst and investigative journalist, Balkans Investigative Reporting Network/BIRN, Sarajevo, Bosnia and Herzegovina*

## Executive Summary

---

Over the past decade, Bosnia and Herzegovina (BiH) has been falling deeper into a major crisis stemming from growing internal political divisions. The steady weakening of the EU presence in the Balkans in recent years and months has made BiH even more vulnerable to the influences of the two main regional power centers – Belgrade and Zagreb – as well as other geopolitical actors, especially the USA, Russia, Türkiye, and China, as well as Iran and the Arab States of the Persian Gulf. This analytical study provides an overview of the divergent interests and activities of the key internal and external actors. It also explains how these conflicting policies as well as dramatic demographic changes have changed the fragile ethno-political balance in the country, which the Dayton peace accord tried to establish in 1995. This imbalance between

the original Dayton provisions and the current demographic and political reality on the ground has eventually come to threaten the organization and implementation of the latest general elections. In the course of 2022 and 2023, this situation forced BiH's High Representative Christian Schmidt to repeatedly use his executive powers to ensure the holding and implementation of the general elections that eventually took place last October. This analytical study explains the complicated political situation that has been established after the elections and outlines key scenarios that may be developing in the near future in BiH and the rest of the region (BiH Central Election Commission 2022). Additionally, it offers a few key recommendations on how to halt and hopefully reverse the crisis in BiH and prevent new ethnic violence in the Balkans.

## Introduction

---

*“Any new elections in Bosnia and Herzegovina have become pointless without a radical election reform. The current election system is so bad that it does not reflect public opinion anymore, and enables massive election fraud, which has become impossible to prove.” (Interview with a leading BiH election observer and political analyst, Sarajevo, November 2022)*

Twenty-six years after the signing of its Dayton peace agreement, Bosnia and Herzegovina (BiH) finds itself in an existential crisis, one that threatens the integrity of the country and could lead to new ethnic incidents and/or violence.

The main responsibility for BiH's crisis lies with local politicians, politically-affiliated media, and intellectuals. Self-centered, nationalist, and/or populist rhetoric and policies of the local parties made much of BiH's complex administrative apparatus and public services weak and/or dysfunctional. BiH's ethnic leaders proved to be unable or unwilling to lead the country towards normalization without the engagement of US and (to a lesser degree) EU officials and diplomats.

Throughout the past two decades, BiH's Dayton peace agreement has been increasingly undermined by local ethnopolitical elites, whose positions and interests have grown apart over the years. Divergent ethnopolitical agendas and widespread corruption weakened the governance and rule of law in the country, blocking almost all key reforms and thus the country's path to the EU.

By 2022, renewed nationalism and populism in the public discourse had created an atmosphere resembling the one from the early 1990s, which led to the BiH's bloody war. Meanwhile, Dayton's Western guardians – the US and especially the EU – have not paid enough attention to the deepening crisis in BiH and the rest of the Balkans while being preoccupied with their internal problems as well as political tussles with Russia and China.

Deepening ethnopolitical, economic, and social problems in BiH, as well as similar, parallel crises in other Balkan countries, were facilitated by the stalling of the EU enlargement perspective for the region, which became evident in the past decade.

Guided by their still fresh experiences from the Balkan conflicts in the 1990s and encouraged by the EU's political and economic expansion in the early 2000s, that-time EU leaders came to the conclusion that further enlargement of the European Union in the Western Balkans was of critical importance for the security of the Balkans and all of Europe. A realistic EU perspective would guarantee normalization and long-term stability to Balkan countries while at the same time further strengthening the EU's aspirations of becoming a major geopolitical actor. This realization resulted in the “Thessaloniki Agenda,” a declaration adopted at the session of the European Council in Thessaloniki on June 21, 2003, by the heads of the EU and Balkan states, which confirmed commonly shared values as well as the region's EU perspective.

However, this plan was derailed by the 2009 global recession, the start of the migrant crisis in 2014, the rise of right-wing populism across Europe, the UK's Brexit referendum in 2016, and finally the COVID-19 pandemic in 2020. These developments, most of which have had a heavy impact on both the EU and the Western Balkans, have decimated popular support for further enlargement among EU citizens and politicians, which has in turn undercut democratization processes in the Balkans.

In BiH, quarrels among local political elites intensified as the country came closer to the latest general elections, held in October 2022, threatening to further escalate the crisis and block the holding and/or implementation of the election itself. This situation eventually forced the US administration and the Office of the High Representative (OHR) to shift gears and move into their fire-fighting mode. Despite strong objections and criticism from some local and most EU actors, BiH's High Representative Christian Schmidt eventually imposed a number of decisions that enabled the preparation and then implementation of the October elections (OHR decisions 2022, 2023).

Meanwhile, faced with growing criticism from the Balkans as well as from its own ranks, EU leaders tried to pacify BiH politicians as well as their internal critics by finally granting BiH the status of an EU candidate country at the European Council meeting on December 15, 2022. The fact that the EU has granted this status to BiH, although local politicians have done little to fulfill previously outlined criteria, was seen as another proof of the EU's inconsistency. While senior EU officials tried to promote this development

as a “historic opportunity” for BiH, most local experts complained that the EU was still only strong in words but not in deeds (Karčić 2022).

On the other hand, renewed use of OHR’s executive powers combined with the reinforced US presence and pressure on local and regional political leaders have enabled the formation of a new BiH state government on January 25 and then the establishment of a new government in the entity of the Federation of Bosnia and Herzegovina (FBiH) on April 28, 2023.

Despite these two breakthroughs, the local ethnopolitical elites remain deeply divided over the future of the country and/or how to get there, and the country seems to be stuck in its ever-lasting crisis, as it was in recent years. In fact, these developments have led to further radicalization of Bosnian Serb leadership, which denies OHR’s continued

existence and mandate but have also hardened positions of Bosniak (Bosnian Muslim) nationalists – who do not want to accept the formation of the state and FBiH governments without the main Bosniak national Party of Democratic Action (SDA). As a result, both Bosnian Serb and Bosniak nationalists now strongly criticize OHR and the US administration. In this situation, the recent strengthening of US engagement in BiH has had mixed results, while the continued absence of relevant EU engagement prevents any long-term stabilization of BiH and the rest of the region and threatens to enable new local conflicts (Bildt 2021).

Furthermore, the continuation of the war in Ukraine increases the risk of a possible spill-over of geopolitical tensions in the parts of the Balkans where Russia has strong influence and networks of local supporters, such as Serbia, BiH’s Serb-dominated entity of Republika Srpska, or Montenegro (Noyan 2022).

## Methodology

---

This paper uses a mix of quantitative and qualitative methodology, including pertinent literature, analytical reports, and statistical economic data, as well as interviews with relevant local and international officials and experts. While focused on BiH, this paper also includes relevant regional and global contexts relevant for the analysis of external actors’ engagement in the country.

## Results

---

The gradual disappearance of the EU enlargement perspective in the Balkans as the only option that offers long-term stability for the region, as well as the “undoing” of the Dayton peace accord, have made BiH open and vulnerable to all kinds of external influences. As a result, each of the three ethnopolitical groups in BiH has increased their reliance on their respective traditional, historic, or some new external allies in recent years.

In the case of Bosnian Croats and Bosnian Serbs, this primarily refers to their relations with Zagreb and Belgrade. Serbian and Bosnian Serb political scenes, just as Croatian and Bosnian Croat ones, are partially separate but deeply intertwined spheres of political influence and politicians' business interests. Correlations between these political entities have been changing over time, growing stronger or weaker, better or worse, depending on global and regional trends, but even more so on personal relationships between top political leaders.

While applying different approaches, tactics, and strategies, Croatian and Serbian past and present leaders have been using BiH primarily for their own political benefits and then focusing on the interests and positions of their ethnopolitical kin rather than BiH as a whole. With this approach, both Belgrade and Zagreb ignored and/or negated the notion that the interests of all ethnic groups and citizens in BiH are best served in a unified and stable BiH. By invalidating this scenario, Belgrade and Zagreb – albeit in different ways – contributed to the revival of ethnopolitical tensions and divisions, thus becoming (or remaining) key elements of BiH's deepening crisis in the past decade (Balunović and Bešlić 2021). Some local and international pundits go even further and claim that Croatia and Serbia, or at least some of their politicians, have never truly changed their original positions towards BiH from the early 1990s, which included aspirations for the territorial division of BiH and possibly even the annexation of parts of its territories (Huseinović 2019).

One way or another, the Bosnian Croat and Bosnian Serb spheres of influence did not end in Zagreb or Belgrade.

After Croatia joined the EU in 2013, Bosnian Croat politicians also relied on Bosnian Croat and Croatian representatives in the EU institutions to promote their positions and interests. On the other hand, Bosnian Serb leader and strongman Milorad Dodik extended his zone of interest and influence even further, including Russia and China, as well as other international leaders who shared similar interests and political positions, such as Hungarian Premier Viktor Orbán.

Unlike Bosnian Croats and Bosnian Serbs, Bosniaks could not rely on their “alternative homelands” so they initially relied almost exclusively on the Western guarantors of the Dayton peace accord, primarily the US but also the EU and some of its member countries. However, as the US disengaged from the Balkans after 2006 and after the EU failed to establish itself as a reliable and relevant political partner, many Bosniak politicians and parties (especially those of the rightist political and national orientation) shifted gears and turned more towards Islamic countries, especially Türkiye and, to a lesser degree, Iran and the Gulf States (Interviews with Bosniak and US officials, September–December 2022).

For years, some Western officials have been puzzled by the fact that, in most cases, the influence of these foreign actors surpasses their economic or even political investments in BiH. This phenomenon can be explained by the fact that foreign influences in the Balkans are driven more by local politicians' demand for external allies than by foreign actors' willingness, interest, or capacity to supply their Balkan partners with some substantial support. Since the US and EU governments proved unwilling or unable to establish their proper presence in the region, Russia, China, Türkiye, and other external actors were more than happy to fill this niche.

In a situation of heightened geopolitical tensions, these divergent links between BiH ethnic leaders and their external “partners” threaten to “import” regional and global divisions and conflicts to the local political scene of BiH, as well as any other Balkan country.

## Russia: The Sword of Damocles

Throughout the last decade, Russia had limited interest in the Balkans, besides the fact that it saw it as “the soft underbelly of Europe” where a controlled crisis could hurt Western positions and distract them from other more pressing global issues, such as Ukraine (Krastev 2015). This strategic importance of the Balkan region and its capacity to trouble the West were considered one of the main reasons for Russian interest and presence there. Still, Moscow was not openly opposing the EU’s enlargement process in the past, in part because it was focused more on blocking NATO enlargement but also because it understood that the accession of Balkan countries was going nowhere. In this situation, the Kremlin’s main interest in the Balkans was to keep what it saw as its status quo – or rather, a series of slowly-developing crises – and discourage the resolution of disputed issues, which kept destabilizing the region.

Russian political imprint in the BiH, unlike in Serbia, has been significantly surpassing its concrete political, economic, or cultural presence in the country and was mainly the result of Dodik’s strategic decision to build and maintain Moscow’s presence in the Republika Srpska for his own political purposes. For years, Dodik has been grooming his relationship with Russia as a key part of his image as a regional, if not international, actor. Furthermore, Moscow’s support proved useful to circumvent Vučić’s political control, as was the case with the 2016 referendum he held thanks to Moscow’s support despite Vučić’s public objections (Bechev 2016).

But besides Dodik’s usually very brief meetings with Russian President Vladimir Putin, which he was managing to get ahead of local or general elections, as well as occasional

statements from the Russian Embassy in BiH, there was very little evidence of any concrete “malign influence” of Moscow, which Western officials warned against for years. In fact, the Kremlin was so far mostly focused on Serbia and pretty much disinterested in BiH, content with maintaining maximum influence with minimum political or financial investments.

The Russian invasion of Ukraine on February 24, 2022, however, brought additional complexity and increased danger from Russia’s true malign engagement. Many Russian and Balkan experts warned that the longer the war in Ukraine lasted, the greater the risk that the Kremlin would start using its broad networks of local supporters across the Balkans to cause ethnic incidents or in some other way destabilize the region (Interview with a senior Russian expert, Belgrade, October 2022). These experts warn that Russia is well positioned and equipped to cause trouble in the region only if it decides to do so.

Some of the developments at the end of 2022 may indicate that the Kremlin may indeed be reinforcing and hardening its positions in the Balkans. This includes the announcement that Russia Today (RT) will in the coming months be opening a TV service in Serbian language that will be shown across the region, as well as the news that Russian private paramilitary group Wagner opened their resident cultural and informational center “Orly” (Eagles) in Belgrade in December 2022. While these developments are still clearly focused on Serbia, the consequences of these and any other similar moves would certainly be felt also in BiH and the rest of the Balkans (Interviews with Bosnian Serb and Serbian security officials, December 2022).

## Türkiye: From soft to hard power

Just as Russia has been using its historic ties with Serbs to spread its influence in the Balkans, Türkiye relied on its historic links with Muslims to re-establish its presence in the region ever since the breakup of former Yugoslavia. But unlike Moscow, Ankara’s approach was much broader, built on the “soft power” foreign policy that was invented and implemented by Turkish that-time Foreign Minister and Premier Ahmet Davutoğlu. As a part of this strategy, Türkiye invested heavily in business, cultural, and religious projects not only in BiH but also in the rest of the region as Ankara

tried to improve its relations with other Balkan countries and establish itself as a regional actor.

The Turkish position in the Balkans started changing following the failed coup in 2016. Subsequent repression against political opponents and critics of Turkish President Recep Tayyip Erdoğan in Türkiye, as well as abroad resulted in growing criticism of his politics in the region, especially among independent media and experts. In the following years, Erdoğan steadily intensified his repressive activities

and requested that Western Balkan countries close all institutions associated with Fethullah Gülen, US-based Turkish Islamic scholar and preacher whom Erdoğan blamed for orchestrating the coup.

However, Erdoğan was repeatedly left disappointed by the failure of BiH authorities, and especially his closest ally Bakir Izetbegović, to arrest and deport several individuals who, according to Turkish security agencies, were Gülen followers. BiH experts explained that Erdoğan never understood nor wanted to accept the fact that, despite close links between him and Izetbegović, BiH was a complex, decentralized society in which a local leader was simply unable to arrest and deport individuals without due process.

By 2023, Turkish foreign policy in the Balkans had still preserved some elements of its past “soft power” approach

## China: BiH’s red tape keeps China away

Among all other foreign influences in BiH, China is still a relatively recent phenomenon. With its narrow focus on economy and business, ample resources, and don’t ask-don’t tell approach, China is also one country that probably has the greatest potential for further expansion in BiH and the rest of the region, especially in the case of continued EU failure there. Its economic focus and political and ideological pragmatism have enabled China to avoid many of the Balkan’s historic and BiH’s more recent ethno-political controversies and divisive issues, which have undermined the positions of some other foreign actors.

Just like Russia and Türkiye, China has also been focusing its efforts on Serbia, which has the biggest market and most developed economy in the Balkan region. While Beijing’s focus on profit as the main motive for its overseas economic and political expansion has made it so welcome in the Balkans, it has also eventually limited its presence in BiH. Namely, BiH’s growing political and administrative problems, widespread corruption, and red tape, as well as the small size of its market, made the country not overly interesting for China and its companies.

Chinese presence in BiH was further undermined over the past few years as the biggest Chinese project in

but had effectively become completely hijacked by Erdoğan’s personal interests, agendas, initiatives, and other whims. In the process, Erdoğan became much more focused on Serbia and his budding relationship with Serbian President Vučić, which Turkish experts explained as a marriage of convenience between two big markets and two authoritarian leaders. Given Erdoğan’s influence in the region as well as Türkiye’s deepening political and economic crisis, some local and international experts stress that Erdogan could – deliberately or accidentally – export destabilization to the Balkans. While in the past Türkiye strongly supported Balkan’s EU aspirations, Erdoğan’s growing resentment with US and EU politics is putting into question his future attitudes towards the Union and its enlargement perspective (Interview with a Turkish expert, November 2022).

BiH – construction of a new block of the main thermo-power plant in the northern industrial city of Tuzla – was under strong EU pressure and halted and effectively suspended by the FBiH government. The project, which was signed in 2014 and at the time was dubbed the biggest Chinese investment in BiH, eventually became “an example of all the problems that Chinese investors in this BiH entity can encounter” (China-CEE Institute, November 2022).

While this conclusion may sound like bad news for any greater Chinese economic investments in BiH in the near future, this may not be so. Namely, the RS government has already signed, in August 2022, a contract with the China State Construction Engineering Corporation Limited (CSCEC), which will finance, design, and construct a 391 million euro-worth, 33 kilometers-long stretch of a highway between Brčko and Vukosavlje in northern Republika Srpska (Business RS, 2022). Bosnian Serb officials said Dodik is quickly losing his patience with the EU, which still keeps several of its RS projects blocked as a part of its sanctions against Dodik, and may soon turn to China for a few more similar projects in that entity (interview with Bosnian Serb officials, November 2022).

## Arab States of the Persian Gulf and Iran: limited presence with much greater potential

The presence and influence of the Arab States of the Persian Gulf (further referred to as the “Gulf States”) and Iran in BiH have historically been limited. Their role was most visible during and immediately after BiH’s 1992-5 war, during which the Bosniak leadership sought and welcomed help from any willing Muslim country. At that time, the Gulf States, especially Saudi Arabia, provided financial assistance for the purchase of weapons, while Iran helped train Bosniak police and military forces during and immediately after the war. These influences, however, decreased significantly after the terrorist attacks on the USA on September 9, 2001, and the subsequent global clampdown on Islamic NGOs and other groups. A visible legacy of the presence of Islamic foreign fighters, preachers, and NGOs is the presence of the few remaining groups that follow the fundamental interpretation of Islam, Salafism. Even though the number of Salafis in the region is relatively low, they have attracted much local and international attention and concern over the past decade, especially in the context of the emergence of the Islamic State and other Jihadi groups.

These communities have been fertile ground for the recruitment of fighters for battlefields in Syria and elsewhere, which started in 2013 and raised serious concerns both inside and outside of BiH. According to a report produced by the Regional Cooperation Council in 2017, some 240 adults from BiH are believed to have departed for Syria and Iraq between

2012 and the end of 2017. According to the same report, 112 citizens, both men (62) and women (50), remain there, as well as 2 men and 3 women who were born in BiH but now hold citizenship in other countries. So far, 53 Bosnian and Herzegovinians, including 4 foreign citizens of BiH origin, as well as 3 women and 4 children, have returned from Syria and Iraq and 10 to countries other than BiH (RCC report 2017). In order to discourage and halt these departures, BiH was among the first countries to adopt legislation that criminalizes the establishment of, or association with, foreign fighting forces.

In recent years, however, following the weakening of US and EU presence in the Western Balkans, the presence of Gulf States and Iran again increased somewhat across the region, as BiH and Serbia managed to attract some investments and tourists from Gulf countries. Yet even those investors gradually focused much more on Serbia than on BiH. As a result, in recent years, the Gulf States and Iran have had a very small presence in and influence on BiH, which is mainly limited to person-to-person business relationships as well as religious links with Bosniak elites. Nevertheless, in the event that the continued escalation of the crisis in BiH and/or in other parts of the Balkans leads to some new ethnic violence, ethnic Bosniak (and Albanian) politicians will unquestionably turn again to Islamic countries for financial, logistical, and military support (interview with an international expert, December 2022).

## The EU: EU failure opens a geopolitical power vacuum

Throughout the past two decades, the EU presence in BiH, as in the rest of the Balkans, has been focused on trade, the economy, and support for technical reforms required from Balkan countries as a part of their accession processes. In this period, the EU established itself as the leading trade partner as well as the main source of Foreign Direct Investments (FDIs) and other financial support for economic and other reforms in all six Balkan countries (Economic Statistics, Annex I).

The EU also encouraged the establishment of a common market among Balkan countries, assuming that this would speed up the merger of the Balkans into the EU market. This was initially done through Balkan countries’ involvement in the Central European Free Trade Agreement (CEFTA), which was originally considered an interim step towards the enlargement process.

However, the EU rarely observes its presence and actions in the region from a political perspective. EU officials most often avoided confrontations with local leaders and refused to participate in the Balkan’s political games, which made them look either weak or apathetic in the eyes of their local counterparts. Even on those few occasions that senior EU officials engaged in political developments in the Balkans, they often made critical mistakes. One such example was the role of the previous EU High Representative Federica Mogherini, whose moderation of Kosovo-Serbia talks met strong resistance and criticism from many EU and Balkan officials, academics, and the media, who complained that it opened doors to the exchange of ethnic territories (Meier 2019).

Furthermore, the EU failed to deliver on a number of its promises to the Balkan countries, from Kosovo’s visa-free

regime to delays in the start of negotiations with Albania and North Macedonia. Even the recent granting of candidate status to BiH, despite the fact that BiH leaders failed to implement a single condition previously required by Brussels, only confirmed the Balkans' overall perception of the EU as an inconsistent partner. The EU's position in BiH and the rest of the region was further undermined by the EU's failures to properly and timely address the migrant and COVID-19 crises in the Balkans. In one of his statements in 2020, Milorad Dodik stated that "the EU has failed on the test of solidarity – it showed to everyone how weak and disorganized it is" (Mišljenović 2020).

Balkan's growing frustrations with the EU were reflected in the "mini-Schengen" initiative for the creation of a regional zone for the free movement of people, goods, services, and capital, launched in December 2019 in Ohrid, North Macedonia, by the leaders of Albania, North Macedonia, and Serbia, Edi Rama, Zoran Zaev and Aleksandar Vučić. After initial hesitation, the EU made this initiative an integral part of the enlargement perspective, only to have the same leaders launch another regional initiative, "Open Balkan" in July 2021. According to regional experts, these regional initiatives have been a clear signal from the three regional leaders showing their frustration and dissatisfaction with the EU. While Montenegro is said to be ready to join the

initiative, Kosovo and BiH strongly oppose it because some of their leaders fear Serbian political and economic dominance in a locally-driven regional initiative without the EU's supervision (Interviews, BiH, Kosovo experts, 2022).

The weakening of the EU enlargement perspective has contributed to the revitalization of radical nationalist ideas in BiH, like in the rest of the Balkans. It has also created a geopolitical vacuum in the region, which was used not only by the US and EU capitals but also by other foreign actors such as Russia, China, or Türkiye, who understood that politics and not economy are the main, and sometimes the only, game in the Balkans. As a result, they proved to be much more willing and capable of playing local and regional political games than the EU.

Since mid-2022, the EU has been working on a new approach to enlargement, the so-called gradual accession, that should take into account the need of BiH and all other Balkan countries for immediate, stronger, more concrete, and realistic political and economic engagement of the EU in the region. Without such a new approach, the absence of a relevant EU presence will continue to contribute to the region's further destabilization (interview with a senior EU expert, January 2023).

## **The USA: Back in its fire-fighting mode**

Throughout the past two decades, the US has played one of the main roles in security, political, economic, and cultural developments in the region of the former Yugoslavia. During Bill Clinton's presidency, the US pushed for NATO military intervention against Bosnian Serb military positions in BiH in August 1995, which eventually led to BiH's peace agreement. In 1999, the US also led NATO airstrikes against Serbian military targets in Serbia and Kosovo, which ended the war in Kosovo. In 2006, American diplomats initiated a major constitutional reform in BiH, which was supposed to be part of their exit strategy. Although the initiative failed by just two votes in the BiH Parliament, the US disengaged from a hands-on approach to BiH's daily politics. Nevertheless, America remained more closely engaged in Kosovo, openly supporting its declaration of independence in February 2008.

Following Kosovo's independence and preoccupied with other geopolitical priorities, the US disengaged from the region even further, leaving it in the hands of the EU and

its enlargement process. The US strongly supported the enlargement process and often provided the EU with the political leverage that Brussels lacked. Nevertheless, the EU's repeated failures in the Balkans and the growing presence of other foreign powers, namely Russia, China, Türkiye, and the Gulf States, have in recent years forced the US to return its attention to the Balkans.

The election of Joe Biden as the new US president at the end of 2020 has divided the Balkan region. It brought major expectations, especially among Bosniaks and Kosovars, who hoped that Biden's expertise in foreign policy and his past connections with the region would bring back the old, hands-on American engagement. On the other hand, most Serb politicians mourned the defeat of Republican Donald Trump, because his departure from traditional American democratic principles during his term enabled a unique rapprochement between the American and Serbian governments.

Yet these expectations proved to be quite wrong, as it soon became clear that the new US administration continued with a pragmatic approach to the Balkans, accepting much more of the reality on the ground and even abandoning some of its previous ideological and political principles. Nevertheless, the US administration used its political clout to increase pressure on all key local actors, in an attempt to calm down already dangerously heightened ethno-political relations in the region.

As a part of these efforts, Americans increasingly worked with Belgrade and Zagreb, using their influence to calm down tensions and seek solutions in BiH, Montenegro, and Kosovo. Some local and Western experts and media criticized this approach, claiming it was promoting “stabilocracy” – focusing on short-term stability while abandoning longer-term democratic reforms (Bieber 2018).

In BiH, the US administration has spent the last few years working to weaken the top ethnic leaders: SDA’s Izetbegović, SNSD’s Dodik, and HDZ’s Čović. As a part of this approach, the US Treasury placed 13 individuals and companies from BiH on its “black list” of trade and travel sanctions in the course of 2022, including Dodik himself, SDA’s Fadil Novalić and HDZ’s Marinko Čavara (Jahić 2022).

However, after general elections in October 2022 showed that SNSD and HDZ were unavoidable in the formation of state and FBiH governments, Americans zeroed in on Izetbegović. US officials hoped that Izetbegović’s eventual political demise would relax political relations in the country, enable democratic reform of the SDA, and encourage similar processes among Bosnian Croat and Bosnian Serb parties. Western experts say the US administration may use the same tactics against Kosovo Premier Albin Kurti if he continues to defy US attempts to find a swift and peaceful solution to the dispute between Serbia and Kosovo (Interviews with US officials and experts, October–December 2022).

Izetbegović reacted strongly to this new American approach. He accused the US and OHR of “Islamophobia” as well as siding with Bosnian Croats and Bosnian

Serbs and abandoning Bosniaks, and even called for an additional armament of police forces in the BiH Federation (Izetbegović, Slobodna Bosna 2023). The outcome of this war of words is still uncertain, as the SDA still hopes to be able to form the FBiH government. Also, further divisions in the coalition of six Bosniak parties could lead to the collapse of the ruling coalition on the state level, after which SDA could try to establish a new ruling coalition together with SNSD and HDZ.

While the recently increased involvement of the region may have produced some positive results in terms of the relatively swift establishment of the state and FBiH governments in BiH and putting out acute crises in Kosovo, and Montenegro, it has mostly ignored, or at least failed to address, the region’s chronic unresolved issues. US officials argued that the long-term stability of the Balkans is difficult, or rather impossible, to establish without the EU’s relevant enlargement perspective. While this claim is confirmed by most Balkan experts, the relatively new US engagement in the Balkans also shows some potentially serious flaws.

For one, the US administration does not seem to have the interest or capacity to deal with the Balkans in a holistic way but is shifting its focus from one country to another in line with the seriousness of the crisis. This bifurcated, priority-driven approach exhausts US efforts much more than what a holistic approach would require, plus it ignores the fact that Balkan countries are today more intertwined than ever before in the past two decades, and some of their issues require regional solutions. Furthermore, some local and international pundits complain that the new, pragmatic American engagement in the Balkans undermines some of the basic democratic principles – not so much regarding concrete solutions as much as the lack of transparent procedures and processes. In fact, the US administration has in the past few years reduced their financial and political support for media and NGOs, as well as their presence in public debates, whereas most of the solutions are today sought and found in meetings with political elites behind closed doors (Interviews with US officials and experts, October–December 2022).

## Conclusions and Policy Recommendations

---

Despite some of the recent encouraging signs, BiH is still stuck deep in its existential crisis. While the intensified US involvement in its day-to-day politics has brought some positive results, these improvements are at risk as long as the country as a whole remains torn between divergent Bosniak, Bosnian Croat, and Bosnian Serb ethnopolitical narratives and agendas.

Besides internal political divisions, BiH's stability remains threatened by negative regional and geopolitical influences. The revival of nationalist programs in Croatia and Serbia, in combination with the "unfinished projects" left unresolved after the breakup of the former Yugoslavia – BiH, Kosovo, Montenegro, and North Macedonia – will

remain a major threat to the security and stability of the region and Europe as a whole for as long as they don't get resolved.

Unfortunately, the only context that can provide long-term stability and gradual reconciliation and reconnection of the region is a concrete, relevant, and realistic EU enlargement perspective. Until the EU comes up with such an approach, BiH and the rest of the region will remain vulnerable to malign internal and external influences, which in turn may add fuel to the Balkan's reignited powder-kegs.

## Policy Recommendations

---

- ✘ The EU should urgently put out a new approach to the EU enlargement for Balkan countries, one that would take into consideration both Balkan and EU countries' reservations and needs. Whether it would be called "staged accession" or "provisional membership", this new approach should enable all aspiring member countries (including even Türkiye, Ukraine, and Moldova) to get access to EU structural funds at an early stage, but without giving them voting rights until the successful closure of chapters (and only in the areas where a candidate country has successfully closed a chapter). This approach should be more acceptable to both EU and Balkan countries since the former are mainly concerned about voting rights and the latter mostly about acquiring more considerable funds and economic stability (Bonomi et al, 2020).
- ✘ At a later stage, the EU should consider changing its procedure to allow qualified majority voting in all intermediary stages of the EU accession process. This change would not only simplify legal procedures, but it would also prevent EU members from using their membership to blackmail aspiring countries into yielding in their unresolved bilateral disputes (Cvijić 2019).
- ✘ Instead of extensive and unrealistic lists of reforms, the EU should prepare country-specific action plans for BiH and all other aspiring member countries, which would identify not more than one or two major reforms at the same time, as well as concrete and immediate benefits for the implementation of these reforms. This approach, especially in the early phases of the enlargement, is necessary to accommodate the lack of political will as well as the significantly reduced technical and legislative capacity in some of the aspiring countries, such as BiH. By developing such road-map programs, the EU would also abandon the so-called "Balkan regatta" (first come, – first served) approach, which was introduced early on to stimulate competition but has mostly only created additional stress in an already tense region.
- ✘ The US should take a lead in an effort coordinated with the EU and OHR aimed at pushing for a major political and administrative reform of the Dayton agreement, removing remaining legal loopholes and ambiguities. This package would include the continuation of the reform of BiH's electoral system, especially related to the election of the BiH presidency. This electoral reform should ensure respect for the rulings of the European Court for Human Rights (ECHR) as well as of BiH's Constitutional Court related to the legitimate representation of ethnic groups in state and entity bodies. In order for this reform to achieve the necessary changes, BiH politicians need at least a couple of years for proper public consultations and negotiations, which can be arranged by postponing the 2024 local elections for two years and holding them in the same year (but not on the same day) as the 2026 general elections. This postponement of local elections by itself would achieve one of the reforms that have been pondered for many years by experts who warned that according to the current election system, BiH holds local or general elections every two years, which leaves almost no time for any serious political reforms.

## Annex I

### BiH's Foreign Trade Statistics

#### BiH FDIs (EUR millions)

Country	2018		2019		2020		2021		I – VI 2022		Total (2018-I-VI 2022)	
		% of total		% of total		% of total		% of total		% of total		% of total
Total FDI in BiH	491		408		376		495		261		2.031	
EU	283,7	57,8	192,7	47,2	250,1	66,5	188,8	38,1	127,7	48,9	1.042,9	51,4
Türkiye	3,8	0,8	1,6	0,4	30,7	8,2	75,0	15,1	13,4	5,1	124,5	6,1
Russia	73,1	14,9	108,6	26,6	-7,6	0,0	-48,2	0,0	-12,8	0,0	113,2	5,6
Gulf	21,6	4,4	25,5	6,3	13,4	3,6	14,0	2,8	8,1	3,1	82,7	4,1
USA	-2,1	-0,4	0,0	0,0	3,2	0,9	2,5	0,5	1,0	0,4	4,6	0,2

Source for FDI data : Central Bank of BiH (cbbh.ba)

#### BiH Total Export Import 2018 – VIII-2022 (mil EUR)

	Export	Import	Balance	Total volume
2018	6.069	9.830	-3.761	15.899
2019	5.861	9.944	-4.083	15.805
2020	5.366	8.612	-3.246	13.978
2021	7.279	11.014	-3.735	18.294
I-VIII 2022	6.064	9.447	-3.383	15.511

#### BiH-EU, Total Export – Import (mil EUR)

	Export	Import	Balance	Total volume	% of total Export	% of total Import
2018	4.380	5.864	-1.484	10.245	72,2	59,7
2019	4.236	6.080	-1.844	10.315	72,3	61,1
2020	3.886	5.235	-1.349	9.121	72,4	60,8
2021	5.301	6.493	-1.192	11.794	72,8	58,9
I-VIII 2022	4.480	5.303	-823	9.783	73,9	56,1

#### BiH-Türkiye, Total Export – Import (mil EUR)

	Export	Import	Balance	Total volume	% of total Export	% of total Import
2018	165	446	-281	611	2,7	4,5
2019	149	492	-343	641	2,5	4,9
2020	160	457	-297	618	3,0	5,3
2021	183	648	-465	830	2,5	5,9
I-VIII 2022	104	562	-459	666	1,7	6,0

**BiH–Russia, Total Export – Import (mil EUR)**

	<b>Export</b>	<b>Import</b>	<b>Balance</b>	<b>Total volume</b>	<b>% of total Export</b>	<b>% of total Import</b>
2018	67	455	-388	522	1,1	4,6
2019	67	230	-163	297	1,1	2,3
2020	56	183	-127	239	1,0	2,1
2021	55	321	-266	376	0,8	2,9
I-VIII 2022	18	228	-210	246	0,3	2,4

Source for foreign trade data: Agency for statistics BiH (bhas.gov.ba)

**BiH–USA, Total Export – Import (mil EUR)**

	<b>Export</b>	<b>Import</b>	<b>Balance</b>	<b>Total volume</b>	<b>% of total Export</b>	<b>% of total Import</b>
2018	33	322	-289	355	0,5	3,3
2019	27	344	-317	370	0,5	3,5
2020	34	206	-171	240	0,6	2,4
2021	79	273	-194	352	1,1	2,5
I-VIII 2022	59	332	-273	390	1,0	3,5

**BiH–China, Total Export – Import (mil EUR)**

	<b>Export</b>	<b>Import</b>	<b>Balance</b>	<b>Total volume</b>	<b>% of total Export</b>	<b>% of total Import</b>
2018	19	683	-664	702	0,3	6,9
2019	15	739	-724	754	0,3	7,4
2020	13	691	-678	705	0,2	8,0
2021	19	868	-850	887	0,3	7,9
I-VIII 2022	15	743	-728	758	0,2	7,9

## References

- Bildt, Carl, "The Balkans non-paper and the dangers of Plan B," European Council of Foreign Relation, ECFR, May 10, 2021, <https://ecfr.eu/article/the-balkans-non-paper-and-the-dangers-of-plan-b/>, last time accessed on January 13, 2023.
- Noyan, Oliver. "Germany warns of spill-over-effect of Ukraine war in Western Balkans", Euroactive, April 7, 2022, <https://www.euractiv.com/section/defence-and-security/news/germany-warns-of-spillover-effect-of-ukraine-war-in-western-balkans/>, last time accessed on January 27, 2023.
- OHR: Decision Enacting Amendments to the Constitution of the Federation of Bosnia and Herzegovina, October 2, 2022, <http://www.ohr.int/decision-enacting-amendments-to-the-constitution-of-the-federation-of-bosnia-and-herzegovina-3/>, last time accessed on February 6, 2023.
- OHR: Decision on unblocking the Appointment of the Government of the Federation of Bosnia and Herzegovina, April 27, 2023, <https://www.ohr.int/decision-unblocking-the-appointment-of-the-government-of-the-federation-of-bosnia-and-herzegovina/>, last time accessed on February 6, 2023.
- BiH Central Election Commission (CEC): confirmed results of the 2022 elections, November 2, 2022: [https://www.izbori.ba/Rezultati\\_izbora/?resId=32&langId=1#/1/0/0/0/0](https://www.izbori.ba/Rezultati_izbora/?resId=32&langId=1#/1/0/0/0/0), last time accessed on February 6, 2023.
- Karčić, Hamza. "What Bosnia's EU Candidate Status Really Means" Op Ed in Balkan Insight, December 20, 2022. <https://balkaninsight.com/?p=1020146>, last time accessed on January 30, 2023.
- Balunović, Filip and Bešlin, Milivoj. "Role of Belgrade and Zagreb in the (de)stabilization of BiH." Nomad, September 25, 2021. <https://nomad.ba/uloga-beograda-i-zagreba-u-destabilizaciji-bih>, last time accessed on January 30, 2023.
- Bechev, Dimitar. "A Bosnian Referendum Shows Russia's Influence in the Balkans—As Well As Its Limits," Emerging Europe, September 26, 2016. <https://emerging-europe.com/voices/a-bosnian-referendum-shows-russias-influence-in-the-balkans-as-well-as-its-limits/>, last time accessed February 4, 2023.
- Huseinović, Samir. "BiH neighbours change their coats but not their character (reference to the local saying that translates like: the wolf may lose his teeth but never his nature.)" Deutsche Welle (DW) report, November 17, 2019. <https://www.dw.com/hr/susjedi-bosne-i-hercegovine-mijenjaju-dlaku-aline-i-%C4%87ud/a-51283222>, last time accessed on January 31, 2023.
- Mišljenović, Srđan. "From the EU and NATO, we only have a silent occupation in exchange for a handful of dollars" Serbian daily "Novosti," April 17, 2020. [https://www.novosti.rs/вести/насловна/република\\_српска.652.html:859815-Од-ЕУ-и-НАТО-имамо-само-тиху-ОКУПАЦИЈУ-за-шаку-ДОЛАРА-Милорад-Додик-за-Новости-о-епидемији-вируса-корона-и-будућности-БиХ](https://www.novosti.rs/вести/насловна/република_српска.652.html:859815-Од-ЕУ-и-НАТО-имамо-само-тиху-ОКУПАЦИЈУ-за-шаку-ДОЛАРА-Милорад-Додик-за-Новости-о-епидемији-вируса-корона-и-будућности-БиХ), last time accessed on February 6, 2023.
- Bieber, Florian. "The Rise (and Fall) of Balkan Stabilitocracies" Horizons, Winter 2018. <https://www.cirsd.org/files/000/000/005/21/5401cb7afdd44a46f24311cb2e-627154c75639a8.pdf>, last time accessed on February 6, 2023.
- Jahić, Dino. "US sanctions: strong messages or measures with concrete consequences?" Voice of America, VOA, October 22, 2022. <https://ba.voanews.com/a/americke-sankcije-snazne-po-ruke-ili-mjere-sa-konkretnim-posljedicama-/6799974.html> last time accessed on February 6, 2023.
- "Explosive interview of Bakir Izetbegović," Slobodna Bosna, January 13, 2023. [https://www.slobodna-bosna.ba/vijest/284485/eksplozivan\\_intervju\\_bakira\\_izetbegovica\\_schmidt\\_se\\_pretvara\\_u\\_visokog\\_predstavnika\\_protiv\\_sda\\_iza\\_pomoc\\_hdz\\_u\\_kantoni\\_se\\_trebaju\\_naoruzavati.html](https://www.slobodna-bosna.ba/vijest/284485/eksplozivan_intervju_bakira_izetbegovica_schmidt_se_pretvara_u_visokog_predstavnika_protiv_sda_iza_pomoc_hdz_u_kantoni_se_trebaju_naoruzavati.html) last time accessed on February 7, 2023.
- Krastev, Ivan. "The Balkans are the soft underbelly of Europe" Financial Times, January 14, 2015. Available at: <https://www.ft.com/content/2287ba66-8489-11e4-bae9-00144feabdc0> last time accessed on February 7, 2023.
- "Bosnia-Herzegovina Economy Briefing: PRC and BiH cooperation: Case Study of Tuzla TPP." China-CEE Weekly Briefing, Vol. 56. No. 2 (BH) November 2022. <https://china-cee.eu/2022/11/20/bosnia-herzegovina-economy-briefing-prc-and-bih-cooperation-case-study-of-tuzla-tpp/>, last time accessed on February 6, 2023.
- "Chinese company soon starts construction of a highway in Republika Srpska," Business RS web portal, August 25, 2022. <https://biznis.rs/vesti/kineska-kompanija-uskoro-pocinje-sa-gradnjom-auto-puta-u-republici-srpskoj/> last time accessed on February 10.
- Bonomi, Matteo, Hackaj, Ardian and Reljić, Dušan: "Avoiding the Trap of Another Paper Exercise: Why the Western Balkans Need a Human Development-centred EU Enlargement Model", paper published by IstitutoAffariInternazionali, IAI, January, 2020.; <https://www.iai.it/sites/default/files/iaip2004.pdf>, last time accessed on February 6, 2023.
- Cvijic, Srdjan: "Ditching unanimity is key to make enlargement work," Euractive report, February 4, 2019, available at: <https://www.euractiv.com/section/enlargement/opinion/ditching-unanimity-is-key-to-make-enlargement-work/>, last time accessed on February 6, 2023.
- "A Waiting Game: Assessing and Responding to the Threat from Returning Foreign Fighters in the Western Balkans", Regional Cooperation Council report, November 9, 2017. <https://www.rcc.int/download/docs/2017-11-A-Waiting-Game-29112017.pdf/e31186dab7f32945592bcbe10bd9b180.pdf>, last time accessed on May 12, 2023.

## Interviews

---

Interview with a leading BiH election observer and political analyst, Sarajevo, November 2022

Interview with a senior Bosniak official, October 2022

Interview with a veteran Bosniak journalist and analyst, November 2022

Interview with a US diplomat, November 2022

Interview with a US official, December 2022

Interview with a senior Russian expert, Belgrade, October 2022

Interview with Bosnian Serb and Serbian security officials, December 2022

Interview with a leading Turkish expert, November 2022

Interview with a Bosnian Serb official, Banja Luka, November 2022

Interview with a Bosnian Serb official serving in state institutions, Sarajevo, November 2022

Interview with a leading international Balkan analyst, December 2022

Interview with a senior EU expert, January 2023

## Croatia

*(EU member since 2013)*

# Croatia: A Stable Western Ally and a Playground of External Contestation

---

**Assoc. Prof. Višeslav Raos**

*Associate Professor of Comparative Politics at the Faculty of Political Science, Zagreb University, Croatia*

## Executive Summary

---

*This analytical study provides an overview of the main external, non-Western actors in Croatia, including Russia, China, Türkiye, and the Arab states of the Persian Gulf. It identifies the sources and methods used for data collection and evaluation and highlights the state of democracy in the country, which is mostly influenced by internal dynamics and the dominant position of the ruling party. The analytical study discusses each external actor and their influence on Croatia. Russian influence has been curbed since the beginning of the invasion of Ukraine, while China has not managed to turn its economic presence into cultural and political influence. Türkiye has the most comprehensive policy, relying on a combination*

*of investment and soft power to reach Croatia's Muslim community. The influence of Gulf states is limited, except for Qatar and its role in providing an alternative supply to Russian gas. It is recommended that Croatia should decrease its dependence on Russian energy and increase efforts to safeguard media independence and judicial efficiency to fight against fake news and corruption. A successful tackling of corruption will be the best remedy for the influence of illiberal and authoritarian external actors.*

## Introduction

---

The aim of this report is to provide a short yet comprehensive overview of the main pathways of influence of external, non-Western actors in Croatia (Russia, China, Türkiye, and the Arab states of the Persian Gulf), the EU's youngest member state with close economic and cultural ties to the Western Balkans region. This report starts with a brief explanation of the

sources and methods used for data collection and evaluation and then points to the state of democracy in the country and the way the quality of democracy may or may not be linked to the influence of external actors. It then devotes a chapter to each of the four external actors and offers some concluding remarks and observations.

## Methodology

---

This report is based on a combination of international comparative democracy indices, secondary academic and media sources, and fieldwork. Fieldwork involves semi-structured, one-hour interviews with fourteen experts on Croatia, the Western Balkans, and the politics and economics of the four external actors considered in this paper: Russia, China, Türkiye, and the Gulf countries, respectively. The experts provided their opinions and

assessments in direct, face-to-face interviews and chose to remain anonymous due to the topic's sensitive nature. All note-taking during interviews was done by hand and later recounted and referenced anonymously in the report. The experts mainly come from the academic community in Croatia, with some being investigative journalists and activists in watchdog non-governmental organizations.

## State of Democracy

---

In 2022, Croatia was, according to the *Freedom in the World* report, a free country, albeit with serious problems regarding corruption and visible problems regarding discrimination against ethnic and sexual minorities (Freedom House 2022a). According to the *Nations in Transit* report, it was a semi-consolidated democracy and one of the few countries in Central and Eastern Europe where a majority of the population expressed satisfaction with democracy (Freedom House 2022b). According to an influential paper published in 2020, the primary sources of democratic backsliding in Croatia after EU accession are in the historically developed dominant position of the governing party, the Croatian Democratic Union (HDZ). Once the conditionality of the accession process passed, the Croatian Democratic Union (HDZ) was able to capture public institutions, leading to the illiberal weakening of the

control capacities of independent agencies, the judiciary, and the media, over the executive (Čepo 2020). Thus, illiberal tendencies are internal and not external in Croatia's case. However, as this report will show, non-Western external actors might use these illiberal internal conditions to expand their influence. Recent illiberal tendencies stand in stark contrast to the rapid improvements and democratic development the country has experienced during negotiations with the European Commission during the 2000s (Finn 2021). In March 2021, the European Parliament passed a resolution on malign external influence in the European Union, particularly regarding fake news and disinformation campaigns, highlighting Russian efforts in this regard (European Parliament 2022).

## Russia: Gas Money

Despite Russian efforts, the country is viewed in Croatia primarily as a Serbian, Orthodox ally, while Croatia sees itself as aligned with the West, especially the United States (Jović 2018). However, Russian influence is largely felt through the energy sector and its spillover effects on internal and foreign policy. According to official statistics, imports from Russia rose significantly in 2020-2021 (Croatian Bureau of Statistics 2022), mainly gas. However, due to the imposed sanctions, Russian oil and gas shares in the Croatian energy mix have dropped significantly, from roughly 40 percent to a mere 15 percent.

Due to strong links to the West, particularly the United States, Croatia opted out of the Russian South Stream pipeline project (Rašidagić 2013, 358). While President Stjepan Mesić (2000-2010) supported this so-called Družba-Adria initiative, Prime Minister Ivo Sanader (2003-2009) opposed it. However, in 2007, a Balkan Energy Cooperation Summit was held in Zagreb, and President Vladimir Putin was cordially received. According to a foreign policy expert, "this was the start of the process of fragmentation of the European Union/European energy market and the slow takeover of the gas and oil business by Russian capital" (Interviewee 2, 2022). Russian energy became more important through the takeover of INA, the Croatian national oil company, by the Hungarian MOL in 2008. Particularly through the gas business, Russia developed its influence on Croatian political elites and spun networks of crony business connections (Vidov and Prkut 2019). For years, local environmentalist groups opposed building the LNG terminal on the island of Krk. According to several interviewees, there are strong indications that some of these green groups were financially supported by Moscow to thwart the LNG project, ultimately creating an opportunity for alternative gas supply routes away from Russian pipelines.

One of the key Russian-aligned politicians in Croatia was the former Croatian Democratic Union (HDZ) President (2012-2016) and Vice Prime-Minister in the short-lived Orešković cabinet (January-June 2016), Tomislav Karamarko. The connection went through his spouse, Ana Karamarko, and her business, linked to the Russian capital in the energy and real estate sectors (Banac 2016). Together with other HDZ members and business associates, she

ultimately faced trial due to tax evasion (Dešković 2022). As an international relations scholar observed during the Orešković government, pro-Russian oriented circles felt encouraged to exert their influence (Interviewee 2). A right-wing historian, Zlatko Hasanbegović, became a culture minister, prompting the increased prominence of a circle of right-wing intellectuals connected to *Matica hrvatska*, a traditional cultural institution in Croatia. These people, largely involving former dissidents during communist Yugoslavia and émigré Croats who returned during the 1990s to Croatia, started a counter-revolution against liberal and left-leaning NGOs and media outlets, promoting Euro-Asianist and national-conservative ideas close both to the French *Nouvelle Droite* and the philosophy of Alexander Dugin.<sup>1</sup> Around the same time, then-Russian ambassador Anvar Azimov developed close ties to ex-president Stjepan Mesić and long-time mayor of Zagreb Milan Bandić (2000-2021 with short interruptions, social democrat turned populist). Two local TV stations, Z1 in Zagreb and *Osječka TV* in the eastern Croatian city of Osijek, developed into right-wing outlets supporting political and cultural tendencies aligned with Moscow. Bandić was the only Croatian politician ever received in the Kremlin itself, was decorated by Putin, and symbolically marked his Russian ties by placing a bust of the Russian poet Sergei Yesenin in the newly developed Bundek public park in Zagreb in 2017 (Šobak 2022). Despite being a former NATO Deputy Secretary General, President Kolinda Grabar-Kitarović (2015-2020) also maintained cordial relations with Vladimir Putin (Körbler 2017).

Croatian-Russian relations, which were previously positive regarding cooperation in the tourism and energy sectors, took a sour turn after Prime Minister Andrej Plenković visited Ukraine in 2016 and lent support to Kyiv's efforts to return Crimea and Donbas to its sovereign control (Bojić 2017). As observed by an international relations scholar, "after Plenković's visit, Russian banks, which were providing funding for Agrokor, the largest food and retail company not just in Croatia but in the whole of Southeastern Europe, stopped extending credit, triggering an insolvency crisis" (Interviewee 2, 2022). *Agrokor* was simply "too big to fail, as its downfall for Croatia would be the equivalent of a crash of the City financial sector for Great Britain" (Interviewee 2, 2022). Out of the total *Agrokor* debt of 3

---

1 Prominent Russian nationalist ideologue and associate of Putin's regime.

billion euros, one-third was held by the Russians, namely the state-owned VTB and Sberbank financial institutions. Through a complicated restructuring process, *Agrokor* was transformed into *Fortenova Holding*, with 51% of assets going to Russian banks and 6% to ENNA Group, a gas transport company owned by Pavao Vujnovac, the greatest broker of Russian energy (mainly through his long-term deal with *Gazprom*) in the region. The Plenković government rejected proposals to nationalize the company and instead sought to restructure it. In the end, the Russians do own the majority of *Agrokor* and can thus project influence on Croatia, yet they are unable to make use of it due to sanctions. In recent months, the government has tried to broker a deal whereby the four private retirement funds (owned by major banks and/or insurance companies) would buy the Russians out. However, the German-owned Allianz insurance and retirement fund ultimately rejected the offer and thus nixed the whole deal (Drljača 2022). Apart from trying to prevent the downfall of *Agrokor*, Plenković spent the better part of his first prime ministerial term (2016-2020) battling against the Karamarko faction in his own party ranks and, thus, by proxy, waging a war of pro-Brussels against pro-Moscow forces.

“Corruption is a method of Russian influence and control,” observed a scholar of international relations (Interviewee 2, 2022). As noted by the same scholar, there were “three main ways of Russian influence – through the dependence of other countries on Russian oil and gas, through media outlets such as *Russia Today* and *Sputnik*, and finally, through the Russian Orthodox Church” (Interviewee 2, 2022). In Croatia, only the first of the three ways can be observed.

In recent months, since the Russian invasion of Ukraine, Russia has become (as observed by a foreign policy investigative journalist) a “discursive bogeyman of Croatian politics,” with politicians left and right accusing each other of being “Russian players” (Interviewee 7, 2022). Indeed, at some point, Russian businesspeople and Croatian entrepreneurs in the gas sector, such as Pavao Vujnovac,

have provided campaign funding and even loans to political parties (e.g., HDZ). However, the only relevant political actor currently not wholeheartedly supporting the Ukrainian war effort and issuing statements that play into Russian hands is President Zoran Milanović. Noted for his inflammatory rhetoric both in domestic media and abroad, Milanović has become increasingly more aggressive in his communication style since the so-called Slovenska Affair in 2020, when the media found out that many prominent politicians, both from the government HDZ party and Milanović’s former party, the Social Democratic Party (SDP) frequented a private club during a lockdown and enjoyed food and drinks with several businessmen accused of corruption, including Dragan Kovačević, chairman of the board of JANAF (Adriatic Pipeline). Although this cannot be confirmed, investigative journalists pointed out that the President could also have been complicit by association with Russian-tainted capital (Interviewee 7, 2022 and Interviewee 8, 2022).

The Plenković government positioned itself at the forefront of the pro-Ukrainian coalition by organizing the 1st Parliamentary Summit in Crimea Platform in Zagreb (Croatian Parliament 2022). In addition, the government wanted to join those EU member states that would provide on-site training for Ukrainian soldiers, yet President Milanović vowed to veto such a proposal.

Through friendly journalists and scholars, Russia tries to promote a counter-narrative on supposed American colonialism in Croatia (Interviewee 4, 2022). In addition, it panders to far-right groups by capitalizing on the so-called “anti-woke” discourse. Newer, challenger political parties such as the Bridge of Independent Lists (Most) and the Homeland Movement can be seen as ideologically close to Orbán and Putin due to Russian criticism of LGBT rights and secularism. However, these parties largely support the government’s aid to the Ukrainian war efforts. *Sputnik*, the Russian Language Center in Zagreb,<sup>2</sup> has lost most of its public visibility after the start of the invasion but still operates on a lower scale.

---

2 Owners of this language school are local language instructors; there are no known connections to the Russian Embassy.

## China: Infrastructural Efforts

Croatia is not China's primary point of interest in Southeastern Europe, as Beijing has developed close ties with Belgrade. However, China sees the country as a potential link between the EU and the Western Balkans for its economic interests. Thus, in 2013, the year of Croatia's EU accession, the Chinese Southeast European Business Association (CSEBA) was established in Zagreb as a gateway organization for investors (CSEBA 2022). Through CSEBA, there were attempts at investments in hotels and spa resorts in the Zagorje region, north of the capital city, yet most of these projects remain on the drawing board (Interviewee 5, 2022). According to experts in China, there were also talks about building a new sports stadium at Blato, a suburb of Zagreb, as well as a highly symbolic reconstruction of the building of the Kumrovec (birthplace of Josip Broz Tito) political school for communist cadres, proposed by Yu Jiang, a businesswoman with close ties to the Communist Party of China (Srzić 2019).

The Chinese government has secured equity in the Zadar port, yet ultimately did not achieve the same goal in Rijeka, Croatia's largest port and a trade entry point for Central Europe. Instead, ENNA Group has bought the same allotments at the seaport. However, the government in Beijing is still actively interested in investment and ownership of critical infrastructure in Croatia and elsewhere in the region, a fact with potential sensitive security implications, as explained in an interview with a political economy scholar (Interviewee 9, 2022). Before the pandemic, in 2019, there were talks that the vital corridor of the lowlands railroad connecting the port of Rijeka to Zagreb and the Hungarian border would be built by Chinese investment instead of EU funds (Galić 2019). Due to the pandemic, imports from China slightly decreased in 2020–2021 (Croatian Bureau of Statistics 2022).

Although Croatia did not officially join the efforts of the Trump administration to block Huawei from entering the 5G market in the EU, Croatia ultimately opted for Swedish Ericsson, bypassing the Chinese offers, as pointed out by an economic policy and China expert (Interviewee 9, 2022). Thus, despite Chinese remarks about a "diamond stage of relations with Croatia," the "romance was short-lived," as observed by a Western Balkans expert (Interviewee 10, 2022).

Since the building of the vital Pelješac Bridge (opened in July 2022) by the China Road and Bridge Corporation (CRBC), the first such project funded by the EU (85%) and

won by a Chinese company, Croatia has increased relations and hosted the 2019 China-CEEC meeting in Dubrovnik (Stopić 2020). However, an expert on China observed that Croatia might be enticed to leave the initiative if larger countries, such as Poland, follow the example of the Baltic states, which abandoned this platform in 2021, thus relegating it to a 14+1 format (Interviewee 9, 2022).

Apart from the publicly highly visible Pelješac Bridge (financed by the EU), the second largest Chinese-built (and, in this case, co-financed by local and regional authorities in Croatia) construction is the windmill park at Senj, in the Northern Adriatic. This project is, according to a China expert, "surrounded by low public visibility and dubious business transparency" (Interviewee 9, 2022). In addition, "local residents complain about the environmental impact due to high noise levels" (Interviewee 9, 2022). The expert noted that "high noise levels result from the fact that this on-shore windmill project used building components usually reserved for off-shore wind plants in order to circumvent customs authorities and reduce costs" (Interviewee 9, 2022). This detail points to a clear link between investment from key external actors and local corruptive practices.

In April 2022, a huge economic and political delegation toured Central and Eastern Europe, including Croatia. The delegation, headed by Huo Yuzhen, a special representative for the China-Central and Eastern Europe Investment Cooperation Fund (CEEC), tried to reinvigorate the China-CEEC initiative and create networking opportunities for members of the Shanghai Academy of Social Sciences (Interviewee 5, 2022).

According to a China expert (Interviewee 5, 2022), Beijing authorities have put much effort into mobilizing former Croatian officials in consulting and lobbying activities for Chinese investments. These high-level lobbyists include ex-presidents Stjepan Mesić and Ivo Josipović (2005-2010) and current President Zoran Milanović while he was in non-governmental business (2015-2019). These networking and lobbying activities mostly occurred through business seminars and conferences in Shanghai.

As explained in an interview with an expert on China (Interviewee 5, 2022), the COVID-19 pandemic has rendered Chinese diplomacy and investment less visible in Croatia, with many potential projects put on hold. While Chinese

language and culture are taught both through the Chair of Chinese Studies at the Faculty of Social Sciences in Zagreb and the Confucius Institute, which is, curiously enough, directly integrated (both organizationally and financially) in the University of Zagreb, the Embassy is “not particularly satisfied with the impact of these institutions” and is “trying to expand its visibility through a new education section” (Interviewee 5, 2022).

China has made some attempts to block Taiwanese scholarly activities in Croatia (Interviewee 4, 2022). The embassy has protested against the Autumn School on Political, Economic, and Security Aspects of East Asia, a series of short courses offered for almost a decade at the Faculty of Political Science in Zagreb, due to the fact that the Autumn School treats Taiwan as a separate entity from mainland China.

Apart from several large building projects, the impact of Chinese policy on Croatia is rather limited.

## Türkiye: Soft Power Strategy

Ever since Ahmet Davutoğlu (minister of foreign affairs in 2009-2014, prime minister in 2014-2016) devised Türkiye’s Neo-Ottoman foreign policy, Croatia and the Western Balkans have been a primary focus of Turkish efforts to expand political, economic, and cultural influence (Interviewee 3, 2022).

Türkiye has had some investment in the Croatian banking sector (Kent Bank), but its most important economic ventures lie in tourism (*Rixos* hotels, *Doğuş* nautics) and transport infrastructure, such as the Zagreb and Dubrovnik airports. TİKA, the Turkish Cooperation and Coordination Agency, maintains offices in Zagreb. Imports from Türkiye increased by 21 points in the 2020-2021 period (Croatian Bureau of Statistics, 2022). A Turkish company, Cengiz İnşaat, has won a public tender worth 321 million euros for the reconstruction of a key railroad connecting northern Croatia to Hungary (Bakotin 2022).

According to an expert on Türkiye and the Middle East, “Türkiye has developed a strong cultural influence through popular culture, including the provision of academic scholarships, language courses, and the ubiquitous presence of Istanbul-based soap operas” (Interviewee 1, 2022). A Zagreb office of the Yunus Emre Institute was opened in 2013. The Rijeka-based Croatian-Turkish cultural society has made efforts to combat negative historical images of Türkiye in Croatia from the Ottoman past (Croatian-Turkish Society Rijeka 2009).

In September 2022, Turkish President Recep Tayyip Erdoğan visited Zagreb with great pomp and circumstance. He also visited the city of Sisak, where he opened a new Islamic

Center named after him. The Turkish government financed the mosque and auxiliary facilities. An expert on Türkiye and the Middle East observed that “the Turkish government is trying to influence the Islamic Community in Croatia and bring it closer to the vision of Islam promoted by the AKP party” yet remains only partially successful in doing so (Interviewee 1, 2022). According to the same interviewee, “Erdoğan views Muslims (Bosniaks, Albanians, and Roma) in Croatia as too secular and wants to see them embrace a Turkish vision of Islam” (Interviewee 1, 2022). At the same time, Erdoğan is admired by conservative Catholic politicians and non-governmental organizations due to his similar positions on abortion and the LGBT community. A policy of academic cooperation and scholarship has also left its mark among Croatian historians and Turkish studies scholars. Strong pro-Turkish sentiments among these scholars have created silence about the issue of the Armenian genocide. While countries like Czechia, Bulgaria, Latvia, Lithuania, and Poland have officially recognized the genocide, Croatia has remained silent about it.

Erdoğan can be seen in Croatia, just like in the Western Balkans, as a power broker and mediator who can use economic and soft power to influence local politicians (Bakotin 2022). However, since the 2016 attempted coup d’état in Türkiye, Croatia has become somewhat more cautious regarding Ankara. As observed by a Western Balkans expert, “Croatia has even started giving asylum status to Kurds” (Interviewee 10, 2022). Therefore, despite the strong and varied influence in Croatia, the relationship is not as one-dimensional as might seem at first.

## Arab States of the Persian Gulf: A Small Footprint

The Gulf Cooperation Council (GCC, i.e., Saudi Arabia, Bahrain, Kuwait, the United Arab Emirates, Oman, and Qatar) has a rather weak diplomatic presence in Croatia. Bahrain covers Croatia from its Embassy in Rome, Kuwait and Oman cover Croatia from their Prague Embassies, Saudi Arabia's Embassy in Sarajevo covers Croatia, while the United Arab Emirates uses its Embassy in Berlin to maintain diplomatic ties with Zagreb.

As explained in an interview with an expert on the Middle East and North Africa Region (MENA), "Saudi Arabia seeks to be a regional leader representing the Arab Peninsula in Croatia" (Interviewee 1, 2022). However, this influence actually operates through "security cooperation via proxy (the United States)" (Interviewee 1, 2022). In addition, the same expert claimed that "the Saudis are working in Croatia through Egypt," which does have a diplomatic presence in Zagreb. In addition, the improving Israeli-Saudi relations, due to their finding common ground because of Iran, are reflected in the security ties between Zagreb and the Gulf countries. Despite some initial media coverage, Croatia is largely silent on the Yemeni war, which might point to the tacit support of Saudi Arabia as a US ally in the region.

Qatar is the only one of the Gulf States with a direct foothold in Croatia, as it has an extraordinary and plenipotentiary ambassador in Zagreb. Through its Embassy, the State of Qatar provided in-kind donations of medical devices and equipment to the main maternity hospital in Zagreb from Qatar Charity in 2021, amounting to 200.000 dollars, as part of post-earthquake relief (The Embassy of the State of Qatar in Zagreb, 2022). Qatar was also the main charitable provider of endowment (*waqf*) for the building and furnishing of the Islamic Center in the port

city of Rijeka (allocating 8 million euros), which opened in 2013 (the Embassy of the State of Qatar in Zagreb, 2022). Al Jazeera, a Qatari-owned international news network, has a TV studio in Zagreb, which enables it to exert some soft power influence and maintain a greater presence than other Gulf countries. However, despite its generous financial support for the Rijeka Mosque, Qatar's cultural and religious influence on the Muslim community in Croatia is weak and overshadowed by Türkiye's key position in that regard.

The economic influence of Qatar is most visible through the off-shore LNG terminal on the island of Krk in the Northern Adriatic. The gas shipping capacities at the terminal are fully booked until 2023, with the lion's share going to Powerglobe Qatar LLC and MET Croatia Energy Trade (*Poslovni dnevnik* 2020). MET Croatia is part of a wide, Swiss-based group of energy market companies operating Europe-wide, including Spain, Germany, Hungary, Ukraine, Bulgaria, and Türkiye (MET Croatia 2022). Imports from Qatar strongly rose in the 2020-2021 period (Croatian Bureau of Statistics 2022).

Since the founder of the Arab Center in Zagreb, Mustafa Alajbegović, passed away in 2020 (*Arapski centar* 2020), there have been no Arab language courses on offer in the capital city, save for the courses provided by the Zagreb Mosque through the Institute for Arab Language and Islam (*Institut za arapski jezik i islam* 2022). At the university, the Chair for Turkish Studies at the Faculty of Social Sciences and Humanities in Zagreb offers a single subject on the introduction to the Arab language (*Katedra za turkologiju* 2022).

## Conclusion

---

Croatia's illiberal tendencies mostly stem from its internal dynamics and the dominant position of the HDZ party, which create conditions for crony capitalism, nepotism, and corruption. Yet, the corrosive influence of external actors finds fertile ground precisely through corruption, as exemplified by Russian attempts at controlling Croatia through dubious money flowing from the gas and oil business towards electoral campaigns. While China is less active, it has employed former politicians for lobbying and consulting. Unlike Western Europe, in Croatia, Chinese authorities do not have to deal with vigorous criticism of human rights violations or an anti-regime diaspora. Türkiye uses historical and cultural ties to influence the general Croatian public and the country's Muslim population. While Croatia and Türkiye might see things differently regarding Bosnia and Herzegovina, conservative and illiberal groups in Croatia do admire Erdoğan's strongman style. Gulf countries are mostly visible through Qatar and its energy presence through the off-shore LNG terminal at Krk. The marginal status of Croatia and the Western Balkans in terms of the rest of Europe makes these countries especially prone to (malign) external influence (Kovačević 2019). Also, the corrosive influence of external actors is directly linked to low levels of the rule of law in these countries (Prelec 2020).

As noted through talks with investigative journalists and foreign policy scholars, there is an undercurrent of anti-Western sentiments in parts of the Croatian media and social media. This is partially visible through foreign policy and geopolitics news portals such as *Advance.hr* (subscription-based) and *Geopolitika.news* (financed through ads) which often portray "alternative" views of current political, economic, and security events and

processes in Europe.<sup>3</sup> While the official Croatian foreign policy and the bulk of its political elite are strongly oriented towards Washington and Brussels, Russian corruptive influence through the energy sector does reach illiberal and far-right parts of the political and cultural elite, while the Chinese operate through former politicians, offering them consultancy status. It is worth noting that Croatian citizens have more favorable opinions about Western countries and leaders than Russia, China, and Türkiye (Petrović, Bilić, and Fila 2022) and that positive stance towards these actors is to be found in those segments of society that are prone to illiberalism, populism, conspiracy theories, and anti-Western sentiments.

- ✘ Croatia's illiberal tendencies are rooted in corruption and the dominant position of the ruling party.
- ✘ Russian influence has been curbed since the beginning of the invasion of Ukraine, but an undercurrent of anti-Western sentiment in fringe media outlets remains close to Moscow's position.
- ✘ China has not managed to turn its economic presence into cultural and political influence.
- ✘ Türkiye has the most comprehensive policy, which relies on a combination of investment, soft power, and outreach to Croatia's Muslim community.
- ✘ Apart from Qatar and its role in providing an alternative supply to Russian gas, the influence of the Gulf states is limited.

---

3 The owners of both portals are journalists who are not widely known.

## Policy Recommendations

- ✘ Dependence on Russian energy has been reduced and should further decrease after the start of Russian aggression on Ukraine.
- ✘ Croatia should follow the European Commission's and NATO's efforts to develop infrastructure interconnections for gas, oil, and electricity solely through member states.
- ✘ Croatia should increase domestic efforts at safeguarding media independence and judicial efficiency to raise its capacities for the fight against fake news and corruption.
- ✘ A successful tackling of corruption will be the best remedy for the influence of illiberal and authoritarian external actors.

## References

- Arapski centar. "Arapski centar." *arapski-centar.hr*. November 15, 2020. <https://arapski-centar.hr/> (accessed October 10, 2022).
- Bakotin, Jerko. "Erdođanova meka moć." *Novosti*. September 7, 2022. <https://www.portalnovosti.com/erdoganova-meka-moc> (accessed October 1, 2022).
- Banac, Ivo. "Kako je Karamarko postao ruski čovjek?" *jutarnji.hr*. August 12, 2016. <https://www.jutarnji.hr/naslovnica/kako-je-karamarko-postao-ruski-čovjek-4606601> (accessed September 22, 2022).
- Bojić, Zorana. "Assessing Russian impact on the Western Balkan countries' EU accession: cases of Croatia and Serbia." *Journal of Liberty and International Affairs*, 2017: 9-18.
- Croatian Bureau of Statistics. "Foreign Trade in Goods of the Republic of Croatia, 2021, Revised Data." *dzs.hr*. 2022. <https://podaci.dzs.hr/media/s43n45sh/vt-2022-1-3-foreign-trade-in-goods-of-the-republic-of-croatia-2021-revised-data.pdf> (accessed October 20, 2022).
- Croatian Parliament. "Parl. Summit of International Crimea Platform starts in Zagreb, help pledged to Ukraine." *sabor.hr*. October 25, 2022. <https://www.sabor.hr/en/press/news/parl-summit-international-crimea-platform-starts-zagreb-help-pledged-ukraine> (accessed October 26, 2022).
- Croatian-Turkish Society Rijeka. "Predodžbe o Turcima u hrvatskoj kulturi." *htdr.hr*. January 23, 2009. <https://www.htdr.hr/predodžbe-o-turcima-u-hrvatskoj-kulturi/> (accessed October 1, 2022).
- CSEBA. "Chinese Southeast European Business Association: About US." *cseba.eu*. October 1, 2022. <https://www.cseba.eu/about-us/> (accessed October 1, 2022).
- Čepo, Dario. "Structural weaknesses and the role of the dominant political party: democratic backsliding in Croatia since EU accession." *Journal of Southeast European & Black Sea Studies*, 2020: 141-159.
- Dešković, Marin. "Podignuta optužnica protiv Ane Karamarko i još 35 ljudi: Supruga bivšeg šefa HDZ-a, doznajemo, priznala je utaju poreza." *jutarnji.hr*. July 20, 2022. <https://www.jutarnji.hr/vijesti/crna-kronika/podignuta-optužnica-protiv-ane-karamarko-i-jos-35-ljudi-supruga-bivšeg-sefa-hdz-a-doznajemo-priznala-je-utaju-poreza-15224982> (accessed August 25, 2022).
- Drljača, Gojko. "Kakav preokret! Allianz srušio plan mirovinaca da preuzmu Fortenovu od ruske Sberbanke." *jutarnji.hr*. October 28, 2022. <https://novac.jutarnji.hr/novac/aktualno/kakav-preokret-allianz-srusio-plan-mirovinaca-da-preuzmu-fortenovu-od-ruske-sberbanke-15268324> (accessed October 28, 2022).
- European Parliament. "European Parliament resolution of 9 March 2022 on foreign interference in all democratic processes in the European Union, including disinformation." *europarl.europa.eu*. March 9, 2022. [https://www.europarl.europa.eu/doceo/document/TA-9-2022-0064\\_EN.html](https://www.europarl.europa.eu/doceo/document/TA-9-2022-0064_EN.html) (accessed October 15, 2022).
- Finn, Victoria. "Democracy in Croatia: From stagnant 1990s to rapid change 2000–2011." *International Political Science Review*, 2021: 197–212.
- Freedom House. "Freedom in the World 2022: Croatia." *freedomhouse.org*. October 1, 2022a. <https://freedomhouse.org/country/croatia/freedom-world/2022> (accessed October 1, 2022).
- . "Nations in Transit 2022: From Democratic Decline to Authoritarian Aggression." *freedomhouse.org*. October 1, 2022b. [https://freedomhouse.org/sites/default/files/2022-04/NIT\\_2022\\_final\\_digital.pdf](https://freedomhouse.org/sites/default/files/2022-04/NIT_2022_final_digital.pdf) (accessed October 1, 2022).
- Galić, Gabrijela. "Hoće li Hrvatska nizinsku prugu graditi kineskim, umjesto europskim novcem?" *Faktograf.hr*. April 10, 2019. <https://faktograf.hr/2019/04/10/hoce-li-hrvatska-nizinsku-prugu-graditi-kineskim-umjesto-europskim-novcem/> (accessed September 10, 2022).
- Institut za arapski jezik i islam. "Tečaj arapskog jezika za odrasle." *iai.hr*. October 10, 2022. <https://www.iai.hr/> (accessed October 10, 2022).
- Interviewee 1. Interview with a scholar of the Middle East by the author. September 2022.
- Interviewee 2. Interview with a scholar of international relations by the author. September 2022.
- Interviewee 3. Interview with a scholar of international relations by the author. September 2022.
- Interviewee 4. Interview with a scholar of the post-Soviet region by the author. September 2022.
- Interviewee 5. Interview with a scholar of China by the author. October 2022.
- Interviewee 6. Interview with a defense policy and Türkiye expert by the author. October 2022.
- Interviewee 7. Interview with an investigative journalist by the author. October 2022.
- Interviewee 8. Interview with an investigative journalist by the author. October 2022.
- Interviewee 9. Interview with a scholar of political economy by the author. October 2022.
- Interviewee 10. Interview with a scholar of Western Balkans by the author. October 2022.
- Jović, Dejan. "Accession to the European Union and Perception of External Actors in the Western Balkans." *Croatian International Relations Review*, 2018: 6-32.
- Katedra za turkologiju. "Osnove arapskog jezika: arapsko pismo, fonetika i fonologija." *ffzg.unizg.hr*. October 1, 2022. [http://www.ffzg.unizg.hr/turkolog/?page\\_id=277](http://www.ffzg.unizg.hr/turkolog/?page_id=277) (accessed October 5, 2022).
- Körbler, Jurica. "Zašto je važan predsjedničin susret s Putinom." *jutarnji.hr*. September 3, 2017. <https://www.jutarnji.hr/naslovnica/zasto-je-vazan-predsjednicin-susret-s-putinom-6514363> (accessed September 25, 2022).
- Kovačević, Marko. "Understanding the marginality constellations of small states: Serbia, Croatia, and the crisis of EU–Russia relations." *Journal of Contemporary European Studies*, 2019: 409-423.

MET Croatia. "MET Group Organization Structure." *hr.met.com*. October 15, 2022. <https://hr.met.com/en/met-group-organizational-structure> (accessed October 15, 2022).

Petrović, Nikola, Josip Bilić, and Filip Fila. "Kulturno-civilizacijske i geopolitičke orijentacije hrvatskih stranaka i građana." *Političke analize*, 2022: 50-63.

Poslovni dnevnik. "Krčki LNG terminal pun iduće tri godine, stigli i Katarci." *poslovni.hr*. June 15, 2020. <https://www.poslovni.hr/hrvatska/krcki-lng-terminal-pun-iduce-tri-godine-stigli-i-katarci-4237059> (accessed October 10, 2022).

Prelec, Tena. "The Vicious Circle of Corrosive Capital, Authoritarian Tendencies and State Capture in the Western Balkans." *Journal of Regional Security*, 2020: 167-198.

Rašidagić, Esref Kenan. "Involved by Default: External Actors and Foreign Policy of the Western Balkans States." *CEU Political Science Journal*, 2013: 348-368.

Srzić, Ante. "Kinezi oživljavaju i Titovu Političku školu: Podsjećamo na burnu povijest zdanja u kojem su se kalili mladi komunisti." *tportal.hr*. October 11, 2019. <https://www.tportal.hr/vijesti/clanak/kinezi-ozivljavaju-i-titovu-politicku-skolu-podsjećamo-na-burnu-povijest-zdanja-u-kojem-su-se-kalili-mladi-komunisti-foto-20190411> (accessed September 20, 2022).

Stopić, Zvonimir. "Croatia and the Chinese "17+1" Cooperation Framework." *Croatian International Relations Review*, 2020: 130-154.

Šobak, Matea. "Putina je Mesić doveo u Hrvatsku, Kolindu je ugostio dva puta, ali samo je jedan Hrvat bio u Kremlju." *Vecernji.hr*. April 7, 2022. <https://www.vecernji.hr/vijesti/putina-je-mesic-doveo-u-hrvatsku-kolindu-je-ugostio-dva-puta-ali-samo-je-jedan-hrvat-bio-u-kremlju-1576910> (accessed October 1, 2022).

The Embassy of State of Qatar in Zagreb. "Qatari-Croatian bilateral relations." *zagreb.embass.qa*. October 15, 2022. <https://zagreb.embassy.qa/en/republic-of-croatia/qatar---croatia-relations> (accessed October 15, 2022).

Vidov, Petar, and Duje Prkut. "Capture by Gas: Research report on studies of public policy quality and the state of capture in the energy sector." *Faktograf.hr*. 2019. <https://faktograf.hr/site/wp-content/uploads/2019/04/capture-by-gas-eng.pdf> (accessed October 15, 2022).

## Kosovo

*(applied for EU membership in 2022)*

# Understanding the Key Players and Influence of External Actors in Kosovo

---

**Bc. Shpat Balaj**

*Researcher, Kosovar Centre for Security Studies/KCSS*

## Executive Summary

---

*This analytical study delves into the examination of external influences in Kosovo and how these influences manifest themselves. Focusing on key players such as Türkiye, Russia, China, the Arab states of the Persian Gulf, the European Union, and the United States, the study evaluates their political, economic, and social impacts in Kosovo. The report contends that the historical context in which Kosovo emerged as a state has determined how external influence is perceived in*

*the country. The West's support for Kosovo's democratization and state-building efforts has resulted in the internalization of Western influence in Kosovo's institutions. However, the countries that do not recognize Kosovo's independence pose a political challenge to the country. The study sheds light on the influence that countries such as Türkiye and the Gulf States wield in Kosovo, primarily regarding ideology and identity.*

## Introduction

---

This analysis focuses on the key players who exert influence in Kosovo, the forms of this influence, and the areas where it is most noticeable. The report analyzes these influences and explains their political, economic, and social effects on the country. The paper mainly focuses on the influence of Türkiye, Russia, China, and the Arab states of the Persian Gulf (further referred to as the Gulf states/countries), as well as the influence of the European Union and the United States. The report begins with a short overview

of the current situation regarding external influence and how it manifests in Kosovo. Additionally, the report offers four separate chapters for each player that is examined, including the US and EU, Türkiye, Russia, and the Gulf States. Furthermore, it also discusses the influence and attitudes of Serbia towards Kosovo and how the influence of other countries, such as Russia and China, on Serbia also enables the permeation of their influence in local communities.

## Methodology

---

A combination of research methods, including desk research, media monitoring, interviews, and data analysis, were used to conduct this study. The desk research included the analysis of current primary and secondary sources, such as journal articles, media reports, and investigations, reports from local, regional, and international organizations, interviews with other researchers and journalists, opinion pieces, and official reports of international organizations active in Kosovo and the region. Throughout the course of

the study, media monitoring was used as a research tool to examine whether external influences were apparent in the narratives of the Albanian and Serbian-speaking media. Additionally, five structured interviews with experts, institutional officials, and relevant stakeholders were conducted for the needs of this report.

## Background

---

The external influence in the country is mainly determined by the historical setting in which Kosovo emerged as a state. Following a series of events that began with Belgrade abolishing Kosovo's autonomy in 1989, the Kosovar leadership during the 90s adopted a strategy of nonviolent resistance as an alternative to preventing war and submission towards Serbian violence while also seeking to garner international support. However, the Yugoslav and Serbian forces' initiation of a military operation against Kosovars ultimately resulted in the creation of the Kosovo Liberation Army, which engaged in armed resistance. After a failed attempt at negotiation in Rambouillet, France, in 1999, to stop the conflict, NATO launched a military operation against Serbia, forcing Serbian security forces to leave Kosovo. As a result, the UN set up an interim administration in Kosovo (UNMIK) and initiated a political process to decide its future status. This process resulted in the "Ahtisaari Plan,"<sup>1</sup> which was a comprehensive proposal submitted in 2007 to determine Kosovo's status. This led to the declaration of independence in 2008, which received international recognition and is now recognized by 101 UN member states, 22 EU member states, and 26 NATO member states.

Western countries continue to support state-building and democratization efforts through different mechanisms, such as the European Union Rule of Law Mission in Kosovo (EULEX). The country has been historically aligned with EU and NATO countries, and in its pursuit of EU and NATO membership, it has further opened itself to Western influence. As a result, the Western influence is internalized in the language and narration institutions have adopted to determine their national goals and vision. Meanwhile, the countries that challenge the independence of Kosovo are on the other side of the influence. So far, two significant actors have played a role or used Kosovo as part of their own narratives: Russia and China, both of which pose a political challenge to Kosovo and the West due to their positions on the Security Council. Furthermore, other countries, such as Türkiye and the Gulf States, have a footprint of influence, mainly in terms of ideology, identity, and religious-related issues. However, Türkiye's influence extends beyond ideological dimensions as a result of their persistent support for Kosovo's statehood and good cooperation with the country's institutions. However, Türkiye's contentious posture in international relations in recent years has also highlighted the negative repercussions in Kosovo.

## EU and US Influence in Kosovo

---

Kosovo's political orientation is strongly Western-centric. The Government of Kosovo envisions the country with a strong political foundation in the community of liberal democracies, which translates to good ties with the US, rejection of authoritarianism, and being a modern European state founded on the rule of law (The Government of Kosovo 2021). The pro-Western orientation is also evident among the Kosovars, with 92 percent supporting the country's integration into the EU and 80 percent believing that the republic has no alternative to EU membership.<sup>2</sup>

The current literature on foreign influence in Kosovo primarily focuses on non-Western actors. Rustemi et al. (2019) argue that the unequal focus in the research on the influence of external actors is there to deflect blame for the potential failures of the international community in the country. There are two facets of Western influence in this respect that could have a rather negative effect on the country. First, a number of European nations do not recognize Kosovo's independence for various reasons<sup>3</sup>, (in) directly contributing to strengthening the anti-Kosovo narrative that Russia and China primarily promote on

---

1 The Ahtisaari Plan, formally known as the Comprehensive Proposal for the Kosovo Status Settlement (CSP), was a status settlement initiative introduced by former Finnish President, Martti Ahtisaari. The plan aimed to address a multitude of issues associated with the status of Kosovo.

2 The data were extracted from Western Balkans Security Barometer database. For more information, please see [securitybarometer.qkss.org](https://securitybarometer.qkss.org).

3 The EU member states that do not recognize Kosovo's independence include Spain, Slovakia, Cyprus, Romania, and Greece.

numerous international forums. In this regard, according to a former political advisor to the President of Kosovo interviewed for this report, the failure of EU member states to recognize Kosovo's independence has had a major impact on its international standing and has contributed to maintaining a tense political and security environment in the Balkans. The outbreak of the conflict in Ukraine further aggravated the situation.

Secondly, the political leverage that the US and the EU have in the country is such that it affects day-to-day political decisions, as argued by an expert in international relations in an online interview conducted on November 10, 2022. While this approach helped improve the accountability of Kosovo's institutions and their capabilities to some extent, it has also occasionally resulted in actions that have weakened the political consensus. An illustration of this is the toppling of the first Kurti government on March 25, 2020, following the motion of no-confidence initiated in the Kosovo parliament by the Democratic League of Kosovo (LDK), the coalition partner of Kurti's government.<sup>4</sup> This came in response to the sacking of the Minister of Interior, a member of the LDK party, as it was seen as a violation of the coalition agreement. In addition, LDK accused the government of harming relations with the United States due to the government's conflicting stance with international actors over the economic tariffs imposed on Serbia at the time (Shehu 2020). The fall of the "Kurti 1" government has received criticism for taking place

amid a pandemic, which diverted attention from effective pandemic management (Bami 2020). The international community has shown a split stance on the no-confidence vote. While the US Ambassador to Kosovo expressed satisfaction with the Assembly session regarding the no-confidence vote, the representatives of Germany and France called on the LDK to revoke the no-confidence motion against the Kurti government (Shehu 2020). A significant member of the LDK later alleged that the US Special Envoy to the Western Balkans exerted immense pressure on their party to initiate the motion of no-confidence against the government (Kanali 10 2021). A foreign official's role in directly affecting the Assembly to oust a government was discussed for the first time, potentially revealing another aspect of Western influence in Kosovo.

To conclude, while the political sway of the US and the EU has helped improve the accountability of the institutions, it has, on occasion, resulted in actions that fractured the political consensus within the country, bringing about changes to its political landscape. The allegations of foreign pressure in political decisions have revealed a potentially concerning aspect of Western influence in the country. On the other hand, the non-recognition of Kosovo's independence by five EU member states diminishes the EU perspective, which is deemed vital to regional security, as it enables dialogue in the region based on EU values of cooperation and compromise (Morina, 2023).

---

4 According to Article 100 of the Constitution of the Republic of Kosovo, a motion of no confidence can be initiated against the government by a proposal from one-third of all the deputies of the Assembly of Kosovo. For the motion of no confidence to be considered accepted, it must be adopted by a majority vote of all 120 members of the Assembly. If the motion of no confidence is successful, the government is considered to be dismissed and must resign from their positions. The „Kurti 1“ government was dismissed with 82 votes in favor, 34 votes against, and 1 abstention.

## The Influence of Türkiye in Kosovo

---

Türkiye continues to be a strong supporter of Kosovo's statehood. The substantial support provided to international organizations and assistance in gaining recognition in majority-Muslim countries are examples of Türkiye's relations with Kosovo. However, the alignment of Türkiye's position in international relations with the West may not always be consistent. In certain instances, its domestic issues have resulted in adverse impacts in Kosovo, affecting how its influence is perceived and manifested.

The Turkish President, Recep Tayyip Erdoğan, shows a tendency to extend his domestic political objectives and matters to Kosovo, thereby exerting influence on local authorities and leaders. An example of this is the arrest and deportation of the alleged "Gülenists"<sup>5</sup> in 2018, which concurrently represents one of the most outrageous interferences by a foreign state in Kosovo. Paradoxically, the country's authorities executed the dramatic arrest of six teachers from the "Mehmet Akif School" and arranged their swift deportation to Türkiye in March 2018 (Insajderi 2018). According to Ramush Haradinaj, the former prime minister of Kosovo, this action was taken by certain Kosovo security sector segments without the knowledge of the government. As a result, the former Minister of Internal Affairs and the former director of the Kosovo Intelligence Agency were dismissed (KOHA.net 2018). Given the influence of the former President of Kosovo, Hashim Thaçi, in the security apparatus, his established relationship with the Turkish President has been viewed as a means of exerting control over the security institutions in this case (Madhi 2020).

On the other hand, the divergent views of Türkiye with the West have affected the practical cooperation of local institutions with Türkiye in some cases. As highlighted by a senior official from Kosovo's Ministry of Defense in a face-to-face interview conducted on October 04, 2022, the offer of support from Türkiye in terms of capacity building and provision of necessary equipment for the Ministry and the Kosovo Security Forces is sometimes received with careful consideration by the authorities. The interviewee further contended that the presence of certain trepidations

surrounding Türkiye's support could result in a cautious approach from Kosovo's authorities, which often involves seeking endorsement from the NATO Advisory and Liaison Team (NALT) representatives in the Ministry of Defense for accepting the assistance from Türkiye.

The presence of Turkish investments in Kosovo by companies has sparked discussions regarding potential corruption, reflecting another aspect of Turkish involvement in the country (Rey 2018). For instance, the construction of the "Ibrahim Rugova" highway, the most expensive public project after the independence fully financed by public funds, was entrusted to the Turkish company Bechtel Enka, known for its high costs, lack of transparency, ties to the Turkish President, and allegations of corruption (Brunwasser 2016). The investor and the institutions have not provided sufficient information on the process of execution of this project, which has led to criticism of the project's lack of transparency in the contract agreements.<sup>6</sup> Another significant project that surfaced the potential influence of Türkiye is the building of the largest mosque in Prishtina, funded by Diyanet. In a public competition with over 200 original concepts, the mosque's design was chosen as a classical Ottoman-style mosque based on the 16th century "Selimiye" Mosque in Türkiye, which has called into question Türkiye's influence in local cultural and religious affairs (Edwards and Colborne 2019).

As this chapter explains, Türkiye's influence in Kosovo is subject to controversy. The case of "Gülenists" demonstrates how Türkiye's domestic interests often take precedence and shape the relationship between the countries, even if they are at odds with those of Kosovo or the West. In this respect, the fact that Türkiye's position sometimes contradicts that of the EU and the US creates the impression that Turkish influence is not always favorable, even if the effects of such influence are not necessarily negative. On the other hand, the transparency issues surrounding various economic projects involving Turkish companies have also raised questions about corruption and the extent of Turkish influence in the country.

---

5 The term „Gülenists“ refers to individuals who are affiliated with or support the Gülenist movement, which is a global cultural and educational organization founded by Fethullah Gülen. The Turkish government has classified the movement as a terrorist organization and has attributed the failed coup attempt of 2016 to it.

6 As an illustration, the GAP Institute, a Civil Society Organization in Kosovo, publicly expressed concern towards the Ministry of Infrastructure of Kosovo regarding the lack of access to documentation related to infrastructure projects executed by Bechtel Enka, including the „Ibrahim Rugova“ highway. See, for example: <https://www.institutigap.org/Lajme/584>

## How Regional Dynamics Influence Kosovo: The Case of Serbia

---

Serbia's denial to recognize the independence of Kosovo has resulted in continuous obstruction by Serbia in the country's path toward international recognition. Furthermore, Serbia influences the local Serbian community in Kosovo as well, mostly through the utilization of its influence in the dominant Serbian political party in the country, Srpska Lista. The obstructionist attitude towards Kosovo's progress in the international arena, combined with the impact on the Serbian community in Kosovo, has contributed to the maintenance of the status quo in the relations between the two countries. Serbia's resistance to Kosovo's participation in international organizations remains a major obstacle to Kosovo achieving its foreign policy goals. With support from Russia, Serbia has been actively hindering Kosovo's efforts to join INTERPOL, despite the fact that Article 14 of the Brussels Agreement between Kosovo and Serbia obliges both parties not to impede each other's progress (Travers 2018). Similar to its opposition to the INTERPOL application, Serbia actively lobbied for rejecting Kosovo's membership to UNESCO to prevent it from bolstering its international position (Foley 2021). Moreover, in 2017 Serbia launched a "checkbook diplomacy" campaign to ensure the derecognition<sup>7</sup> of Kosovo in exchange for various economic or diplomatic rewards (Foley 2021, 16).

In addition to its influence over Kosovo through international players and processes, Serbia significantly impacts the Serbian community in Kosovo through the local Serbian political representatives in the Kosovo Parliament. A practical illustration of Serbia's brazen meddling in the country is the most recent dispute between both countries surrounding the license plates of vehicles issued by Serbia for Serbian citizens in Kosovo. In June 2022, the Kosovo Government decided to require all vehicles with license plates issued by Serbian authorities and bearing the acronyms of Kosovo cities to switch to the official Kosovo license plates (Hyseni 2022). Following this decision, Serbian President Aleksandar Vučić facilitated meetings with political representatives of the Kosovo Serbian community, who warned of the placement of road barricades and other forms of resistance to the decision (Radio Evropa e Lire 2022a). The start of implementing the decision by the Government of Kosovo through issuing warnings to those using the Serbian-issued plates led to a mass resignation of Kosovo Serbs from institutional positions (Bami and Stojanovic 2022). Following these organized resignations, contracts were signed between the Serbian government and those who had left the country's institutions. These contracts ensure financial compensation from the Serbian state to those who resigned from the institutions and regulate various legal obligations regarding employment, pensions, and health insurance (Radio Evropa e Lire 2022b).

---

7 For more on the theory and practice of derecognition, please see: <https://www.taylorfrancis.com/chapters/edit/10.4324/9781351131759-25/derecognition-states-g%C3%ABzim-visoka>

## The Russian Influence and its Regional Enablers

---

Russia has a certain amount of influence in Kosovo, but not a very significant one, at least not on the ground. This is mostly because of several factors, such as the proximity of Kosovar society to the US and the EU and their perception of Russia as an unfriendly country. Furthermore, Kosovo is independent of Russian gas and oil, and there is an absence of ethnoreligious ties to Russia (Vllasi 2020). During an interview conducted on November 9, 2022, in Prishtina, a former Ambassador of Kosovo to an EU country contended that although these factors may hinder Russia's direct impact on the ground, the consequences of its influence over the country are noticeable globally. The interviewee bases his argument on the fact that Russia has attacked the sovereignty of Kosovo at every available opportunity over the past three decades, whether at the UN Security Council or by backing Serbia in its international campaigns against the country. Moreover, Russia has used Kosovo as a precedent to justify military interventions, border changes in post-Soviet states, and confer state recognition on contested territories in Ukraine and Georgia (Ingimundarson 2022).

In an online interview, a former political adviser to the President of Kosovo emphasized that another factor enabling Russian influence in the country is the presence of media outlets such as Sputnik Serbia. A report by the NATO Strategic Communications Centre of Excellence (2020) shows that except in other Bosnian, Croatian,

Montenegrin, and Serbian-speaking countries in the region, the content of Sputnik Serbia is consumed by the local Serbian community in Kosovo as well. Furthermore, in a face-to-face interview conducted on November 9, 2022, a former Deputy Minister of Foreign Affairs in Kosovo highlighted another method by which Russia extends its influence in Kosovo. In this respect, Russia uses Russian staff in international organizations in the country, like the UN and OSCE, who can observe, report on, and in some cases, intervene in the internal developments in Kosovo. An illustration of this is the 2019 arrest of a Russian UNMIK employee who, according to Kosovo Police officials, played a direct role in setting up barricades to thwart a Kosovo Police operation against organized crime in the Serbian-majority municipalities in the north of Kosovo (Fana 2019).

Finally, the mirroring of the Russian influence is also carried out through the Serbian Orthodox Church in Kosovo and its proximity to the Russian Orthodox Church. In this instance, the narrative of the Serbian Orthodox Church and the Russian Orthodox Church primarily takes advantage of the perceived failures of the West to protect the local Serbian community and their heritage. This enables them to portray Russia as an alternative and a defender of Orthodox culture and traditions, thus giving them more leverage in exercising influence (Heler n.d.).

## Chinese Influence in Kosovo

---

Until recently, China maintained a rather neutral stance towards Kosovo, but this has changed with the expansion of its economic ties with Serbia. China and Serbia share a common stance in their opposition to the independence of Taiwan and Kosovo, respectively. This alignment is evident in their voting behavior at various United Nations bodies, where Serbia consistently supports China's position and vice versa (Kraemer 2022). Similarly to Russia, Kosovo adopted a closed attitude towards China mainly due to its close ties to Serbia and refusal to recognize Kosovo's independence. Nowadays, China does not directly influence the development of Kosovo (except for several attempts). However, the rapid expansion of Chinese influence in the neighboring countries raises prospects for Chinese interest in the country in the near future.

At the beginning of the COVID-19 pandemic, the so-called "Vaccine Diplomacy" was one strategy deployed by the Chinese government to boost the country's visibility in the region, enabling it to project its influence. Most countries in the region received vaccines from China, but Kosovo declined them. Vaccines produced in China were made available by the government of Albania at the request of the government of Kosovo at the time. However, the vaccines were refused because Kosovo authorities would not administer vaccines originating from countries that do not recognize its independence (RTK Live 2021). Conversely,

the Government of Serbia made the Chinese vaccines accessible to the Serbian community residing in the north of Kosovo without the consent of Kosovo authorities. This move was deemed dangerous and a political provocation by the Kosovar authorities, as Serbia served as an enabler of China's "vaccine diplomacy," thus affirming the potential of China to indirectly extend its influence in Kosovo (Ilazi and Avdimetaj 2021).

Similarly, Serbia quietly funded a project to equip Serbian-majority municipalities in the north of Kosovo with unregulated Chinese monitoring technology (Djurdjevic, Heil, and Cvetkovic, 2022). In order to monitor certain schools in the north of Kosovo, the government of Serbia partnered with a U.S.-blacklisted company from China to purchase surveillance cameras and similar technology (Ibid). Moreover, the fact that Chinese corporations have submitted bids for important projects in the country, like a coal-based power plant and road infrastructure projects, is another indicator of China's propensity for involvement. Although they were unsuccessful in this regard, due to the distance of the society and institutions of Kosovo from China and Chinese companies, this indicates a tendency to gain knowledge of the economic landscape of Kosovo as an initial step for potential wider involvement in the future (Shopov 2022).

## The Arab States of the Persian Gulf and Kosovo: Little or No Influence at All?

---

Similar to the West and Türkiye, the relationship of certain Gulf states with Kosovo is determined by their stance on the statehood of Kosovo. In addition to having established diplomatic ties, countries like Saudi Arabia, Qatar, and the United Arab Emirates are also involved in the country through investments, primarily in the fields of health and education, as well as the restoration of religious sites. (Ray 2018). However, the influence of these countries is frequently viewed as contradictory to Kosovo's secular nature, and there is a concern that the Gulf-founded institutions can spread radical Islamic doctrines in the country (Peci and Demjaha 2016). This negative aspect of their influence mostly derives from their lack of knowledge of the specific societal context of Kosovo. In this respect, according to a former Ambassador of Kosovo to an EU country, they overlook the significance of religious balance in Kosovo as well as the secular nature of the society and institutions by viewing the Muslim majority in the country through the prism of the Muslim population in the Gulf countries.

When Albanian imams from the region, including those from Kosovo, started studying in the Gulf countries in

the 2000s, the influence of these countries became more evident. As a result of their exposure to various ideological camps, upon their return, the imams also started to divide ideologically among themselves and form circles that share various viewpoints within a religious structure (Kursani 2015). These ideologies are given room by the pluralism Kosovo fosters. However, they become more pronounced and harmful because the institutions do not develop any counter-narratives to address these issues, according to a Former Political Adviser to the President of Kosovo. Saudi Arabia has significantly influenced the introduction of more conservative religious beliefs and practices and the widespread dissemination of these beliefs and practices. This resulted in a small percentage of the Kosovars joining violent extremist groups in Syria and Iraq.<sup>8</sup> However, this issue needs to be understood and addressed with regard to other factors that influenced religious radicalism in Kosovo, which are not necessarily related to the influence of the Gulf countries, such as the socio-economic factors, political environment, and specific issues faced by religious communities, etc. (Kursani 2015).

---

<sup>8</sup> See, for example, Kursani, Shpend, "Report Inquiring into the Causes and Consequences of Kosovo Citizens' Involvement as Foreign Fighters in Syria and Iraq" (2015), and Peci, Lulzim, and Agon Demjaha, "What Happened to Kosovo Albanians: The Impact of Religion on the Ethnic Identity in the State-building Period" (2016).

## Conclusions

---

The nonparticipation of Kosovo in international organizations makes it more vulnerable to foreign influence. However, the involvement of the EU and the US in the ongoing democratization of local institutions makes the country more resilient towards the foreign influence that aims to undermine such democratization efforts and hinder Kosovo from moving closer to the EU and NATO. Such influence is mostly the result of attempts by countries like Russia and China to challenge the West and utilize Kosovo as a precedent for political gains. This approach suits Serbia as well, which, as a result, serves as a gatekeeper for these countries to project their influence in Kosovo, particularly among Kosovo's Serbian community. Serbia utilizes the

political power of actors such as Russia and China to block Kosovo's inclusion in international organizations and gain broader international recognition. In this context, the stance of five EU countries also contributes to this matter, as their refusal to recognize Kosovo's independence indirectly supports the anti-Kosovo narrative. Moreover, issues present in religious communities in Kosovo and the questioning of local institutions' capability to preserve the local communities' cultural and religious heritage provide opportunities for external actors such as Türkiye, the Gulf countries, and the Serbian and Russian Orthodox Church to exert their soft power over the various local communities that share religious and cultural ties with them.

## Policy Recommendations

- ✘ Any possible solution between Kosovo and Serbia must result in recognition of Kosovo by Serbia and five EU countries that have not recognized the country's independence yet and foresee an accelerated membership in organizations such as NATO to prevent Kosovo and the region's stability from being undermined by foreign influences.
- ✘ A dialogue mechanism should be established between the institutions and the Kosovo Serb community in order to address issues of mutual concern and ensure their meaningful participation in decision-making processes.
- ✘ The institutions in Kosovo should implement targeted education campaigns, media literacy programs, and partnerships with local NGOs and civil society organizations to reduce the impact of propaganda in local communities.
- ✘ Kosovo's government should develop a comprehensive communication and awareness-raising strategy that would aim at strengthening the resilience of the community, institutions, and non-governmental actors towards the effects of foreign influence.
- ✘ The institutions of Kosovo and local religious communities must ensure ownership in the preservation of the religious and cultural heritage of the country's local communities, as well as the facilitation of religious freedom, to preserve a multi-religious society. State and religious affairs must remain clearly separated in this regard. Greater efforts must be made to cut off the connections between various religious and divisive political agendas.
- ✘ Kosovo institutions must ensure transparency and accountability in economic projects involving foreign investors to avoid the projection of foreign influence in political, economic, and cultural projects.

## Bibliography

- Balaj, Shpat. Anonymous Face-to-Face Interview with a senior official of the Ministry of Defense of Kosovo. Personal, October 04, 2022.
- Balaj, Shpat. Anonymous Face-to-Face Interview with a former Ambassador of the Republic of Kosovo to an EU country. Personal, November 09, 2022.
- Balaj, Shpat. Anonymous Online Interviews with a Former Political Adviser to President of the Republic of Kosovo. Personal, October 4, 2022
- Balaj, Shpat. Anonymous Online Interview with a former Deputy Minister of Foreign Affairs of Kosovo. Personal, November 09, 2022.
- Balaj, Shpat. Anonymous Online Interview with a Lecturer of International Relations in a European University. Personal, November 10, 2022.
- Bami, Xhorxhina. "No-Confidence Vote Topples Kurti Govt in Kosovo." *Balkan Insight*. March 25, 2020. <https://balkaninsight.com/2020/03/25/no-confidence-vote-topples-kurti-govt-in-kosovo/>.
- Bami, Xhorxhina and Milica Stojanovic "Serbs Stage Mass Resignation from Kosovo State Institutions" *Balkan Insight*. Prishtina and Belgrade: November 5, 2022. <https://balkaninsight.com/2022/11/05/serbs-stage-mass-resignation-from-kosovo-state-institutions/>
- Brunwasser, Matthew. "Steamrolled: a Special Investigation into the Diplomacy of Doing Business Abroad." *Foreign Policy*, 2016. <https://foreignpolicy.com/2015/01/30/steamrolled-investigation-bechtel-highway-business-kosovo/>.
- Deutsche Welle. "Kosovë: Serbët Largohen Nga Institucionet, Policët Serbë Një Veri Dorëhiqen." *DW*. November 6, 2022.
- Djurdjevic , Mila, Andy Heil, and Sandra Cvetkovic . "Serbia's Back-Door Bid to Embed Chinese Snooping Tools in Kosovo." *Radio Free Europe*, January 8, 2022. <https://www.rferl.org/a/serbia-embed-chinese-cameras-kosovo/31645126.html>.
- Edwards, Maxim and Michael Colborne. "Turkey's Gift of a Mosque Sparks Fears of 'Neo-Ottomanism' in Kosovo" *The Guardian*. January 2, 2019. <https://www.theguardian.com/cities/2019/jan/02/turkey-is-kosovo-controversy-over-balkan-states-new-central-mosque>.
- Fana, Valon. "Drejtori i Policisë: Zyrtari Rus i UNMIK-ut Mori Pjesë në Barrikada." *Kallxo.com*, May 28, 2019. <https://kallxo.com/shkurt/drejtori-i-policise-zyrtari-rus-i-unmik-ut-mori-pjes-ne-barrikada/>.
- Foley, Luke. Rep. *Successful Stalemate: How Serbia's Derecognition Campaign Stymied Kosovo's March toward Universal Recognition*. Democracy for Development (D4D), March 26, 2021. [https://d4d-ks.org/wp-content/uploads/2021/03/Succesful-Stalemate\\_ENG.pdf](https://d4d-ks.org/wp-content/uploads/2021/03/Succesful-Stalemate_ENG.pdf).
- Heler, Daniel. "From 'Western Occupation' to 'Eastern Option'? Exploring Roots of Russophilia among North Kosovo Serbs." Web log. *Western Balkans at the Crossroads* (blog). Prague Security Studies Institute, n.d. <https://www.balkancrossroads.com/russophilia-north-kosovo-serbs>.
- Hyseni, Jehona. "Qeveria merr vendim për reciprocitet të targave me Serbinë." *Dukagjini*. June 29, 2022. <https://www.dukagjini.com/qeveria-merr-vendim-per-reciprocitet-te-targave-me-serbine/>.
- Ilazi, Ramadan, and Teuta Avdimetaj. Publication. *Beyond Economic Considerations: New Frontiers of Chinese Influence in the Western Balkans*. Sbunker, 2021. [https://drive.google.com/file/d/10JTfTtOituhs\\_eUQPLQrlwEwPjPpP7dW/view](https://drive.google.com/file/d/10JTfTtOituhs_eUQPLQrlwEwPjPpP7dW/view).
- Ingimundarson, Valur. Strategic Update. *The 'Kosovo Precedent': Russia's justification of military interventions and territorial revisions in Georgia and Ukraine*. LSE Ideas, July 2022. [https://ecfr.eu/publication/the-politics-of-dialogue-how-the-eu-can-change-the-https://www.lse.ac.uk/ideas/Assets/Documents/updates/2022-SU-Valur-RussKosovo.pdf/](https://ecfr.eu/publication/the-politics-of-dialogue-how-the-eu-can-change-the-https://www.lse.ac.uk/ideas/Assets/Documents/updates/2022-SU-Valur-RussKosovo.pdf)
- Insajderi. "Dokumentet Që Dëshmojnë Leje Qëndrimet e Gylenistëve Në Kosovë". *Insajderi*. Prishtina, Kosovo: 2018. <https://insajderi.com/dokumentet-qe-deshmojne-leje-qendrimet-e-gylenisteve-ne-kosove/>.
- Kanali 10. "Gashi: Grenell Na Tha Për 7 Ditë Ta Rrëzojmë Qeverinë Kurti 1, Çdo Ditë Ka Ardhur Mesazh '6, 5, 4..'. *Politiko*. Prishtina, Kosovo: Kanali 10, November 1, 2021. <https://www.youtube.com/watch?v=9xdbbN5-3vo>.
- KOHA.net. "Zyrtare, Kryeministri Ka Shkarkuar Ministrin e MPB-Së Dhe Drejtorin e AKI-Së". *Koha.net*. Prishtina, Kosovo: March 30, 2018. <https://www.koha.net/arberi/84085/shkarkohet-mini-stri-i-brendshem-sefaj-dhe-drejtori-i-aki-se-gashi/>.
- Kraemer, Richard. "Serbia on the Edge". United States: Foreign Policy Research Institute, March, 2022. <https://www.fpri.org/wp-content/uploads/2022/03/serbia-on-the-edge-issuu.pdf>
- Kursani, Shpend. Publication. *Report Inquiring into the Causes and Consequences of Kosovo Citizens' Involvement as Foreign Fighters in Syria and Iraq*. Kosovar Centre for Security Studies, April 14, 2015. <https://qkss.org/en/publikimet/raport-per-shkaqet-dhe-pasojat-e-perfshierjes-se-qytetareve-te-kosoves-si-luf-tetare-te-huaj-ne-siri-dhe-irak>.
- Madhi, Gentola. "Thaçi's Gone. The Thin Line of Erdoğan's Brotherhood." *European Western Balkans*. November 16, 2020. <https://europeanwesternbalkans.com/2020/11/16/thacis-gone-the-thin-line-of-erdogans-brotherhood/>.
- Morina, Engjellushe. Policy Brief. *The politics of dialogue: How the EU can change the conversation in Kosovo and Serbia*. European Council on Foreign Relations, March 15, 2023. <https://ecfr.eu/publication/the-politics-of-dialogue-how-the-eu-can-change-the-conversation-in-kosovo-and-serbia/>
- NATO Strategic Communications Centre of Excellence, and Atlantic Council of Montenegro, Russia's Narratives Toward the Western Balkans: Analysis of Sputnik Srbija § (2020).
- Peci, Lulzim and Agon Demjaha. Policy paper. "What happened to Kosovo Albanians: The impact of religion on the ethnic identity in the state-building period". Prishtina, Kosovo: Kosovar Institute for Policy Research and Development, June, 2016. [https://www.kipred.org/repository/docs/What\\_happened\\_to\\_Kosovo\\_Albanians\\_740443.pdf](https://www.kipred.org/repository/docs/What_happened_to_Kosovo_Albanians_740443.pdf)
- Program of the Government of Kosovo 2021-2025 § (n.d.).

Radio Evropa e Lire. "Paralajmërohen barrkada në veri, Kosova thotë se po zbaton ligjin sa u përket targave." *Radio Evropa e Lire*. October 27, 2022. <https://www.evropaelire.org/a/lista-serbe-bllokada-aleksandar-vuciq-/32102763.html>.

Radio Evropa e Lire. "Serbia Lidh Kontrata Pune Me Serbët e Dorëhequr Në Kosovë." *Radio Evropa e Lire*, November 17, 2022. <https://www.evropaelire.org/a/serbet-lidhin-kontrata-me-serbine/32135284.html>.

Rey, Johannes D. Rep. *The Influence of External Actors in the Western Balkans: A Map of Geopolitical Actors - Kosovo Chapter*. Konrad-Adenauer-Stiftung. September 12, 2018 [https://www.kas.de/c/document\\_library/get\\_file?uuid=194afc48-b3be-e3bc-d1da02771a223f73&groupid=252038](https://www.kas.de/c/document_library/get_file?uuid=194afc48-b3be-e3bc-d1da02771a223f73&groupid=252038)

Rrustemi, Arlinda, Rob de Vijk, Connor Dunlop, Jovana Perovska, and Lirije Palushi. Publication. *Understanding Geopolitical Influences of External Powers in Western Balkans*. Hague Centre for Strategic Studies, September 30, 2019. <https://www.jstor.org/stable/resrep19582.4>.

RTK Live. Kosova Refuzon Vaksininim e Mësuesve Në Shqipëri Me Vaksina Kineze." *RTK Live*, April 5, 2021. <https://www.rtklive.com/sq/news-single.php?ID=513730>

Shopov, Vladimir. Rep. *Mapping China's Rise in the Western Balkans*. European Council on Foreign Relations, March 2022. <https://ecfr.eu/special/china-balkans/>.

Shehu, Bekim. "Kosovë: Rrëzohet qeveria Kurti." *DW.com*, March 26, 2020. <https://www.dw.com/sq/kosov%C3%AB-rr%C3%ABzohet-qeveria-e-albin-kurtit-synohet-krijimi-i-nj%C3%AB-qeverie-t%C3%AB-p%C3%ABrkoreshme/a-52919184/>.

Travers, Eve-anne. "Kosovo Fails to Join Interpol." *Prishtina Insight*, November 20, 2018. <https://prishtinainsight.com/kosovo-fails-to-join-interpol>

Vllasi, Elis. Working paper. "Russian Influence in Kosovo: In the Shadows of Myth and Reality". Prishtina, Kosovo: Kosovar Centre for Security Studies, November 12, 2020. [https://qkss.org/images/uploads/files/Report\\_-\\_Russian\\_Influence\\_in\\_Kosovo\\_-\\_English\\_Version.pdf](https://qkss.org/images/uploads/files/Report_-_Russian_Influence_in_Kosovo_-_English_Version.pdf).

## Montenegro

*(EU candidate status granted in 2010)*

# Democratic Vulnerabilities of Small Systems: External Actors' Influence in Montenegro

---

**Dr. Nemanja Stankov**

*Researcher at University of Montenegro, Montenegro*

## Executive Summary

---

This analytical study examines the contextual conditions that enabled foreign actors, primarily Russia and China, to influence the development of democratic processes in Montenegro. I argue that the extent of the influence was facilitated by (1) the stateness problem – the unresolved statehood issue of Montenegro based on societal polarization on “us” versus “them” in terms of identity-based features and (2) by the partial failure of competing external influences of the EU grounded in conditionality policy. To illustrate how these processes unfold, I provide details on the several avenues Russia used to gain political leverage:

involvement in a failed coup in 2016, illegal party financing, and the establishment of espionage and intelligence networks, among others. In the case of China, the analytical study provides an overview of major infrastructure projects financed by Chinese state loans, mostly enveloped in secrecy and questionable public procurement procedures. In comparison, both Russian and Chinese channels of influence proved detrimental to the development of democratic processes in Montenegro. A key difference is that a malign intention characterizes Russian interference (unlike the Chinese).

## Introduction

---

How and why democracies break down emerged as a central issue of comparative politics in the last ten years. With some discerning voices arguing the scope and nature of the issue (see Schmitter 2015; Levitsky and Way 2015), scholars have reached a general conclusion that a type of democratic erosion is unfolding. While bearing some similarities with regime changes of the 20th century, the new process of democratic backsliding is distinct in two major aspects. First, it is primarily within a state process led by elected officials abusing the existing democratic institutions. Second, it is an incremental process rather than an abrupt regime change that witnesses the debilitation or elimination of the institutions that sustain an existing democracy (Bermeo 2016). As the processes that result in democratic backsliding are state-led and are unfolding within the democratic institutions themselves, the scholarship has rarely explored the role external actors play in facilitating these processes. This paper aims to explore these issues in the context of Montenegrin democratic development. In other words, the paper seeks to answer the question: *what is the role of external actors in facilitating democratic backsliding in Montenegro?*

Building on the general research question, the paper addresses the contextual factors that enable significant

influence from foreign actors, followed by examining potential motivation and strategies employed to achieve the identified goals. In that regard, this paper posits two streams of opposing external influences **(1)** EU conditionality that is a primary driver of democratization in Montenegro, and **(2)** the influence of autocratic regimes, primarily Russian and Chinese, is a factor contributing to democratic backsliding. The success/failure of both stems from the Montenegrin division over the statehood issue (Montenegrin independence, respectively) (see Milačić 2022). Internal societal and political division over the statehood issue opens the arena of contestation through which external actors can sway the direction of Montenegrin politics through various mechanisms explored below, aiming to shape internal political processes and foreign policy alignments as well. In the following sections, I build on this general argumentation, using process tracing to identify the mechanism in-between the primary driver (statehood issue), and the primary outcome (democratic backsliding). In short, explaining outcome process tracing is a qualitative analytical approach that begins from a known outcome (state of democracy/democratic backsliding) and works its way backward using the available evidence to uncover the causal chain that produced the specific result.

## Quantitative measures of quality of democracy in Montenegro and identification of potential backsliding episodes

This paper begins with contextualizing available quantitative measures of democracy/democratic performance in Montenegro. For this purpose, I have identified four indices that report significant variation over time, reflecting the changes within the system in Montenegrin politics and the political system as a whole<sup>1</sup>. All four indices are congruent on a one-time point – in 2016, Montenegro experienced a drop in the quality of democracy. Freedom House Global freedom score records the change from Free to Partly Free, corresponding to

a transitional or hybrid regime (Figure 1). The V-Dem Electoral democracy index continues to record the electoral autocracy score (Figure 2). The Economist Investigative Unit Democracy Index records a change from flawed democracy to a hybrid regime (Figure 3). In contrast, BTI political transformation index records a drop of 10% in score, marking the onset of a backsliding episode. Additionally, V-dem (Figure 2) and EUI indices (Figure 3) report that the onset of backsliding can be identified as early as 2012.

Figure 1: Freedom House – Global Freedom scores across time for Montenegro



<sup>1</sup> Polity IV index was omitted as it reports an unchanged value of 9 since 2006 (scale -10 to 10).

Figure 2: Varieties of Democracy – Electoral Democracy Index for Montenegro

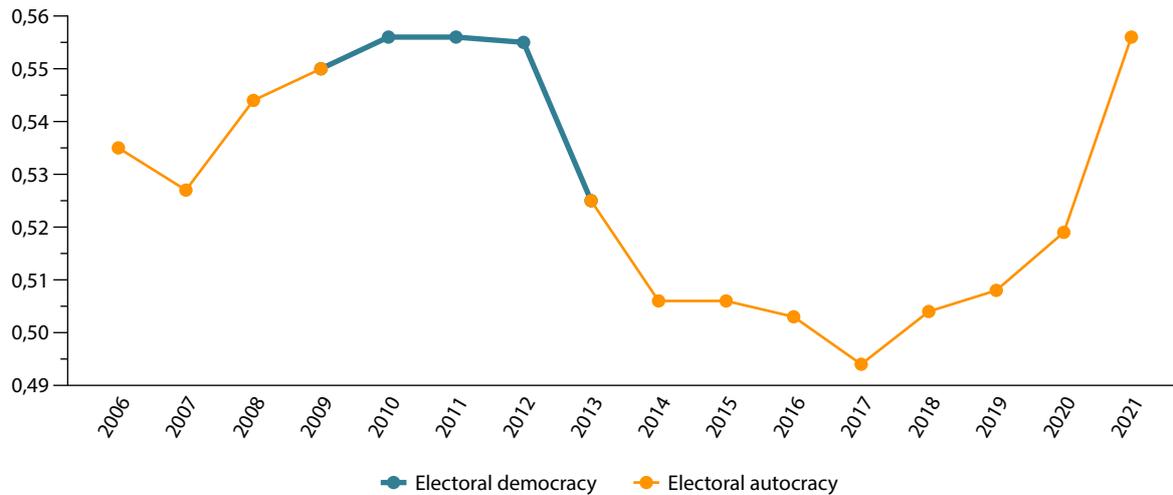
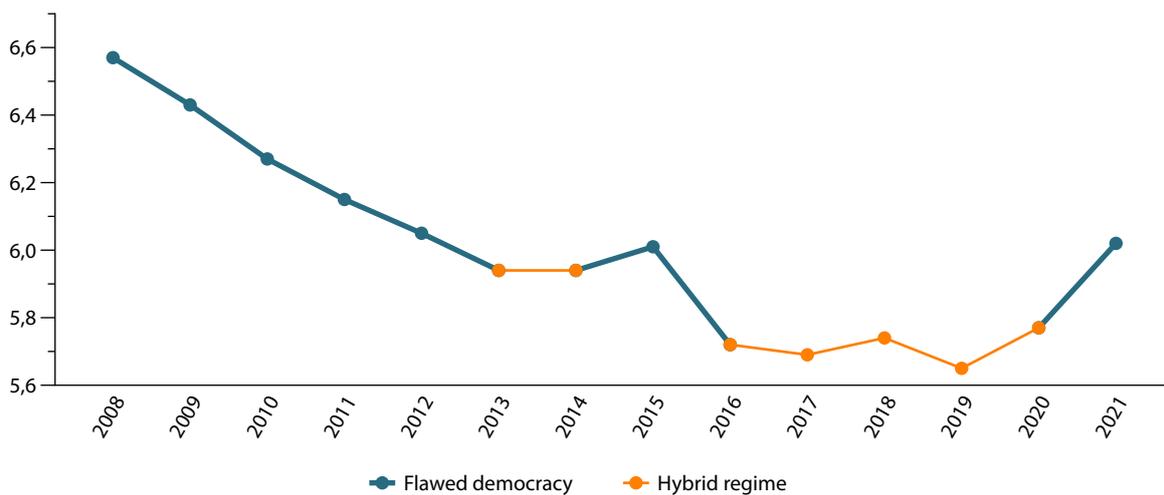


Figure 3: Economist Investigative Unit – Democracy Index for Montenegro



The indices considered here paint a different picture regarding the onset of backsliding in Montenegro, which is not surprising considering the fact that they are focusing on different dimensions of democratic functioning and the quality of democracy. Freedom House evaluates the state of political and civil freedoms, V-Dem the integrity of the electoral process. At the same time, EIU and BTI are more general indices of the state of democracy. To provide more insight considering the issue of measurement divergence, I turn to qualitative evaluations of the state of democracy from the analytical perspective of democratic backsliding found in the works of Komar (2020) and Milačić (2022).

In the analysis of democratic backsliding in former Yugoslavia, Milačić (2022) posits that stateness problem creates conditions that facilitate backsliding practices

as it primarily fosters polarization on national identity-based issues. Milačić (2022) further adds that while blatant manipulation of stateness issue is not present in Montenegro, the creation of ‘us’ versus ‘them’ was an important part of the Democratic Party of Socialists (DPS) domination (Džankić and Keil 2017), with no interest from the political elites across the spectrum in resolving the dividing nation-building issue. In such an environment, the polarization has served to preserve the status quo in terms of democratic development, ultimately leading to a beginning of backsliding in 2016 (Milačić 2022). The identity-based contestation opened the space for, among others, **(1)** the use of state resources for electoral advantage; **(2)** the capture of the judiciary and creation of patronage networks; and **(3)** the weakening of checks and balances.

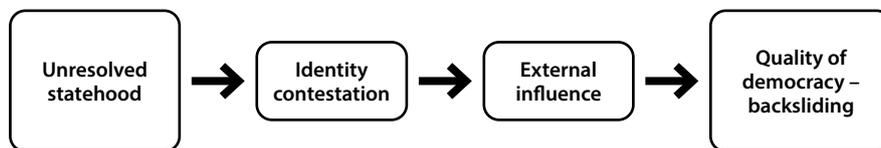
Similarly, looking at the instances of illiberal politics in Montenegro, Komar (2020) explores typical cases demonstrating backsliding practices, including **(a)** the monopolization of public resources and limitation on the freedom of expression through the capture of public state broadcasters RTCG<sup>2</sup> from 2016 onwards; **(b)** tilting the electoral playing field in favor of the incumbent (analyzed case from 2012); and **(c)** political control over independent institutions, in particular the case of the university of Montenegro from 2016 onwards. What appears to be the binding mechanism that joins these practices together is the underlying justification – the necessity to defend Montenegrin statehood against external territorial appetites and internal “subversive” actors, however, maintaining the pretense of legality.

Two previously mentioned papers outlined the general context conducive to backsliding practices in Montenegro, arguing that the identity-based politics nested in the unresolved statehood issue creates conditions that facilitate democratic backsliding. However, what is missing in both analyses is the examination of negative external

influence in terms of democratic development. External actors can easily establish political alliances to promote diverging interests when internal political competition is identity-based and highly polarized.

Arguably this process has resulted in a current constitutional and political crisis in the country.<sup>3</sup> On the one hand, the EU conditionality policy implemented through accession negotiations can be identified as the most successful external factor that enhances democracy (Milačić 2022) and fosters political stability within Montenegro. However, autocratic regimes such as Russia and China, can limit the scope of democratic reform and facilitate backsliding associated with, but not limited to, dysfunctional institutions. Along those lines, the general argument presented here is that the unresolved statehood issue opens space for identity-based political contestation through which external actors can interfere with internal politics and shape the outcomes of political processes, ultimately resulting in suboptimal democratic outcomes. Theorized causal mechanism is presented in the following chart.

Figure 4: Causal chain of external actors on quality of democracy in Montenegro



2 Radio Televizija Crne Gore – Radio and Television of Montenegro.

3 At the time this brief was finalized in January 2023, Montenegro did not have a functioning Constitutional court (3 out of 7 judges are appointed, while 4 are needed to reach decisions) and the country is governed by a government that has received a vote of no confidence in August 2022. Ambassador of Germany to Montenegro, Peter Felten, tweeted about the current political situation in the country on January 24th, 2023: Discussions on Montenegro’s constitutional and political crisis at EU Foreign Affairs Council yesterday is not a good sign for Montenegro’s EU ambitions. Montenegro has turned from the accession process frontrunner into a problem (@GERambMNE).

## Overview of external actors' presence and their role in Montenegro

---

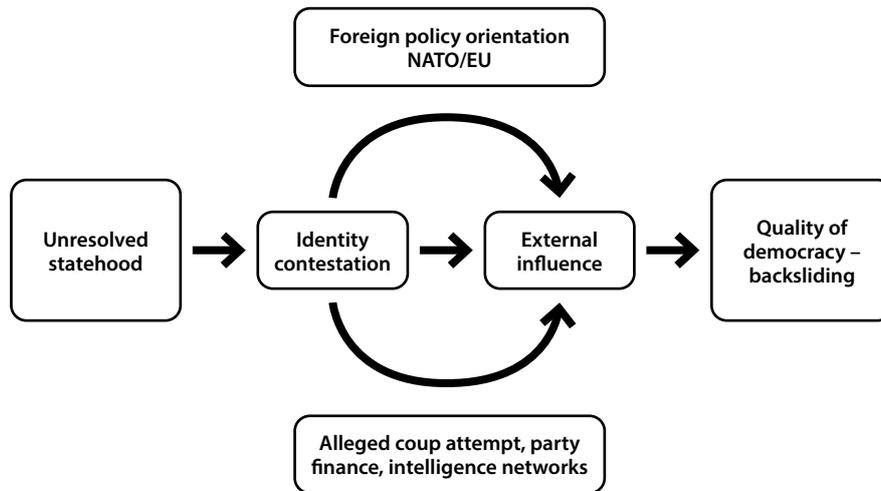
### Russia

Sharing a history of political ties dating back to 1715 and Bishop Danilo I, Russia maintains a strong economic and cultural presence in Montenegro. With a slight variation in the last two decades, Russia is the biggest foreign direct investor in Montenegro (Central Bank of Montenegro – 13.5% in the first quarter of 2022) and, alongside Serbia, is the largest contributor to the tourism industry (National Statistic Office - 25.1% in 2018), the largest sector of the Montenegrin economy. The shift in political cooperation started in 2013 and intensified after 2015 after four significant events occurred. First, the Russian annexation of Crimea forced the hand of Montenegrin elites to introduce sanctions as a part of the integration process of both EU and NATO and to choose the country's foreign policy orientation firmly. Second, the economic ties between the political elites were severed with the declaration of bankruptcy of the Aluminium plant Podgorica KAP, owned by Russian oligarch Oleg Deripaska a close associate of Vladimir Putin from 2005 (when the company employed over 2000 people and accounted for 15% of the country's GDP). Third, in response to the previously described events, Russia started turning away from cooperation with the Montenegrin government and intensified political ties with the pro-Russian political parties (opposition at the time) in Montenegro (Bechev, 2018). The fourth event that solidified the political distancing between Montenegro and Russia was that in 2015 Montenegro received a formal invitation to join NATO and joined the Alliance in 2017. In conclusion, historical and cultural ties between Russia and Montenegro formed the basis of Russian influence in the country, which Montenegrin's commitment to the EU and NATO agenda challenged. The following paragraph elaborates on these issues in greater detail.

Russia based its influence on the overarching theme of Pan-Slavism, aiming to appeal to the broad notions of Slavic heritage, common Christian Orthodox faith, and historical ties with the region (Bajrović et al. 2018) to exert political influence and achieve foreign policy goals. As Russia perceives the Western Balkans as its sphere of influence, the goal is to limit the expansion of Euro-Atlantic alliances (both NATO and EU) and re-establish Russian presence and geopolitical influence in the region, particularly in Montenegro (see Analitika 2023). The increased interest in internal political processes in Montenegro can be attributed to its geographical position on the Mediterranean, where Russia has limited strategic capabilities vis à vis NATO. Control over a little more than 220 km of Montenegrin coastline on the Adriatic Sea with a reliable port in the Eastern Mediterranean, would greatly remedy the strategic capability of Russia to counter NATO presence in the region (for more detail, see Bajrović et al. 2018).

As stated in the previous section, Russian interference is enabled by the unresolved statehood issue. However, it will be severely limited by 2023, following the political and economic consequences of Russian aggression against Ukraine. The block polarization over identity and statehood issues in Montenegro, between the proponents of **(1)** independence and **(2)** joint state with Serbia, politically and socially follows the division between pro-Western and pro-Eastern forces. Russia builds on this societal division, supporting pro-Russian organizations through various channels, whose political actions ultimately shape the face of Montenegrin democracy. The following figure outlines the identified causal paths connected to Russian influence.

Figure 5: Causal paths of Russian interference in Montenegrin political processes



**Election interference – Alleged coup:** The day before the general parliamentary election in October 2016, Montenegrin police thwarted an alleged coup by arresting 20 people, confiscating rifles, spiked road barriers, handcuffs, batons, and other equipment exclusive to the state’s special police (Bajrović et al. 2018). According to government officials, the primary goal of the coup was to prevent the forthcoming Montenegrin accession to NATO. On the morning of the election, the special prosecutor’s office issued a statement that several Montenegrin and Serbian nationals conspired to disguise themselves as police officers to infiltrate the mass protest planned in front of the Parliament in case of DPS won the election. Allegedly, their plan was to open fire at the protesters to cause chaos and panic, providing an opportunity to storm the Parliament building and take control over the country’s institutions. Ultimately, the group planned to assassinate Prime Minister Milo Đukanović. Furthermore, according to Serbia’s Security Intelligence Agency BIA, 50 members of GRU<sup>4</sup> Special Forces troops entered the Montenegrin mountainous border region on the eve of October 15th but evacuated as they faced radio silence and received no further instructions from Milan Knežević (a Democratic Front MP) over encrypted phones (Bajrović et al. 2018). Shortly after the alleged coup, in November 2016, Montenegrin special prosecutor Milivoje Katnić stated that Eduard Shishmakov and Vladimir Popov (alias, later identified as Alexander Moiseev by Bellingcat and Russian outlet The Insider), officers of GRU, were the primary organizers and financiers.

In the aftermath of the events, the Special prosecutor’s office pressed charges against 14 individuals from Serbia, Montenegro, and Russia, including two MPs from the most prominent opposition party in Montenegro, Milan Knežević and Andrija Mandić. In a trial in front of the High Court in Podgorica on May 9th, 2019, all 14 individuals were found guilty of plotting to commit a terrorist act and undermining the constitutional order of Montenegro. However, the Court of Appeals annulled the verdict in February 2021 based on significant violations of the criminal procedure provisions. Currently, the case is in front of the High Court for a retrial.

**Election interference – Party Finance:** According to the Voice of America, in September 2022, following a briefing where a part of the report gathered by US intelligence agencies was made public, an unnamed high-ranking official of the Biden administration stated that Russia financed political parties in more than 20 countries in the amount of more than 300 million dollars. According to the US intelligence agencies, Russia attempted to provide an advantage to specific political forces and undermine democracy within these countries, identifying Democratic Front in Montenegro as one of the funds’ recipients. Associates of Oleg Deripaska<sup>5</sup> provided funding to Democratic Front in 2016, and probably in the 2018 presidential election, through invalid contracts and offshore companies’ (VOA, 2022).

4 Main Directorate of the General Staff of the Armed Forces of the Russian Federation.

5 Russian oligarch with close ties to Vladimir Putin, who was the majority owner of Aluminium Plant Podgorica - KAP from 2005-2013.

**Resurrecting Pan-Slavism:** Relying on historical and religious ties and shared Slavic heritage, Russia also implements a *soft power* strategy primarily through cultural institutions (for more detail see DFC, 2021). The most notable institution here is the Serbian Orthodox Church (SPC), which opposed Montenegrin independence, and denied the existence of Montenegrin ethnicity. SPC was a fierce opponent of NATO membership and is the most prominent (nominally) non-political organization that advocates for realignment with Russia. In a European parliament resolution (P9 TA (2022)0064), Russia was accused of exploiting ethnic tensions in the Western Balkans region to curb democratic development, which could potentially lead to destabilization. The resolution particularly stresses the role of the Serbian Orthodox Church in Montenegro as a promoter of Russia, as a protector of traditional family values and close relations between church and state. Furthermore, the resolution condemns the Russian influence through SPC, which facilitates biased writing of history and promotes anti-EU agenda.

The political influence of the Serbian Orthodox Church culminated in the October 2020 parliamentary election with the active participation of clergy in election campaigns. Following two years of weekly demonstrations against the Law on Religious Communities, when political parties publicly supported by the SPC (Democratic Front and Democrats) managed to win a parliamentary majority after 30 years of domination of Đukanović's DPS. Among other things, the Democratic Front coalition leader for the 2020 elections, Zdravko Krivokapić, a political novice and anonymous university professor, was suggested to the DF by the SPC and the 42nd Montenegrin government with Zdravko Krivokapić as its Prime Minister was negotiated and agreed on in the Monastery Ostrog with a facilitating role of SPC (Radio Slobodna Evropa 2022).

**Intelligence and espionage:** The involvement of Eduard Shishmakov and Alexander Moiseev in the alleged 2016 coup is the tip of the iceberg regarding the Russian intelligence agencies involvement in Montenegro. In September 2022, National Security Agency ANB searched the premises of more than two dozen people, searching for evidence of a Russian espionage network. As a result, 2 Montenegrin citizens were

arrested for espionage, including a retired official of the Ministry of Foreign Affairs, with an additional (at least) 6 under investigation, 6 Russian diplomats were declared *persona non grata* and expelled (in addition to 6 diplomats expelled in March, April and May 2022). An additional 28 foreign nationals were issued an entry ban to Montenegro. Shortly after the expulsion of Russian diplomats, interim director of ANB Savo Kentera was fired (20 days before his interim contract was set to expire), raising suspicions about the true reason behind his contract termination. Interestingly, Kentera was fired the day after the NATO Secretary General tweeted in support of the Montenegrin intelligence agency's effort to protect its sovereignty and democracy.<sup>6</sup>

In addition to the on-the-ground espionage, according to the Facebook (Meta) data retrieved for the U.S. Senate Select Committee on Intelligence, GRU created many fake think tanks, user accounts, and alternative media sources on various social media networks ahead of the 2016 elections in Montenegro (DFC 2021) to spread anti-western and anti-NATO content. Subsequently, the Ministry of Defence of Montenegro hosted a USA expert team for cyber security in 2018 to strengthen the institutional capacities ahead of the 2018 presidential election. Nonetheless, cyber-attacks became relatively frequent, especially after the Russian aggression against Ukraine, with the most recent ransomware attack occurring in August 2022, targeting critical government infrastructure and parliament web presentations. The attack was attributed to the Cuba Ransomware group with alleged ties with Russian intelligence agencies. Whereas no definitive evidence that Russia was behind the attack exists, Minister of Defense Raško Konjević and Montenegrin National Security Agency ANB suggested there are valid suspicions that the attack was sponsored by Russia (Al Jazeera Balkans, 2022).

**Summary of Russian interference:** In conclusion, it can be argued that Russia explored ethnic tensions and the unresolved statehood issue to solidify its influence in Montenegro, facilitating anti-NATO and anti-EU sentiment, through extensive support and financing of its *natural* allies – Democratic Front and Serbian Orthodox Church. By doing so, it enabled a vibrant and active community committed to nurturing cultural and historical ties between the two countries<sup>7</sup>.

6 #NATO stands in solidarity with our valued Ally #Montenegro, as it takes measures to protect its sovereignty and democracy faced with #Russia's spying and other destabilizing malign activities. The Western Balkans are of strategic importance for our Alliance & we remain vigilant. (@jensstoltenberg, October 5th 2022)

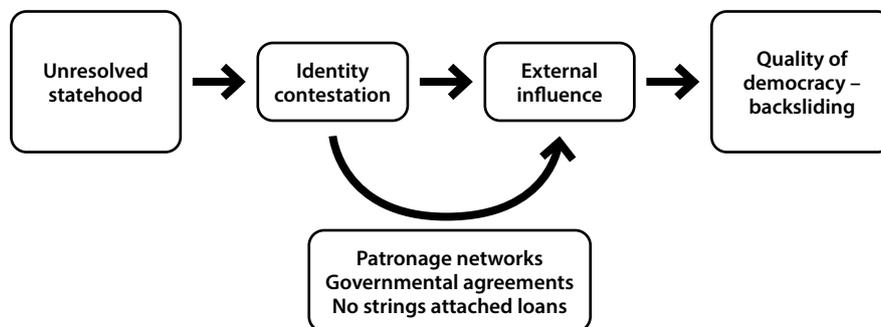
7 A recent example was the decision of Journalist Association of Montenegro to reward Sputnik Serbia for best news portal in 2022, Darya Dugina (Platonova) for lifetime achievement (posthumously), and a Monument of 150 years of journalism in Montenegro to the Journalist Association of Russia, at a ceremony organized in honor of The Day of Journalists (January 23rd).

## China

With the 2008 economic crisis and a subsequent partial withdrawal of the EU and US from the Western Balkans region, building on the Belt and Road Initiative, China aimed to strategically position itself in a country providing a port and access to the EU market (DFC 2022). While Chinese presence has drastically increased in the last 15 years, it does not seem to be linked with specific political aspirations that would result in interference with internal politics or a change of foreign policy orientation (DFC 2022). However, a negative side effect of Chinese presence on the quality of democracy in Montenegro can be identified primarily in the area of transparency and free and fair electoral competition. In their commentary on political processes in Montenegro Džankić & Keil (2017) and Keil (2018) posit that Montenegro is characterized by a weak or non-existent system of checks and controls, enabling the distribution of resources (privatization schemes, state employment, public contracts, and subsidies) to party cronies, who continuously demand increased rent-seeking

opportunities in return for political support. Furthermore, the existence of a patronage network is justified by the need to stay in power in defense from the “others”- the enemies of the state (Džankić & Keil 2017). In that regard, it can be argued that the regime’s necessity to maintain its patronage networks *in defense of the state* is facilitating the overall Chinese expansion strategy. This expansion strategy is based on the authoritarian model implemented in China, which is being exported to third countries through loans and investment facilities that challenge the governance principles of the West (Doehler 2019). Particularly in the Western Balkan region, Chinese incentives such as no-strings-attached loans, government-to-government agreements, and political propaganda opportunities are provided to the Balkan stabilocrats and their patronage networks (Soyaltin-Colella 2022). A summary of Chinese influence can be found in Figure 6, while a detailed account is presented in the following paragraphs.

Figure 6: Causal Paths of Chinese Influence in Montenegro



**Chinese investment – The highway project:** Since Montenegro’s independence in 2006, Chinese investments can be estimated to be roughly 1.15 billion dollars (Soyaltin-Colella, 2022), distributed mainly through loans from Chinese banks and less frequently as direct investments. However, the exact amount of investment and the share in the Montenegrin economy is hard to estimate as the Central Bank of Montenegro classifies private Chinese investments with a designation C, meaning that type of industry, banks and companies involved, and individual transactions are secret (DFC 2022). What can be gathered from public

information is that almost all investments are in the energy or transport sectors, both of which are connected with the EU market. The grand entry of Chinese investment in Montenegro was a 93.7 million dollar loan for the purchase of four transport ships (that were constructed in China) in 2013. This was followed by the construction of a wind farm on the hill Možura<sup>8</sup> with an estimated worth around 90 million dollars (Maltese consortium with a 33% Chinese ownership), and a bid for the ecological reconstruction of the thermal power plant in Pljevlja in 2019 (estimated value, 54.3 million dollars), among others.

8 The project was under investigation for alleged high corruption by a Maltese journalist Daphne Caruana Galizia, who suffered fatal injuries in October 2017 after a car bomb explosion. As a consequence of her investigation, the Prime Minister of Malta, Joseph Muscat, resigned in 2019 as a number of his close associates were tied to the alleged corruption.

The crown jewel was an 809 million dollar highway construction project (costs of the construction rose by an additional 134 million dollars, mainly as the Ministry of Transport and Maritime Affairs forgot to include a crucial highway interchange) financed through an Exim Bank of China loan (85%) and Montenegrin state budget contribution (15%). The primary contractor for the 41 km priority section of the highway was a Chinese state-owned China Road and Bridge Corporation (CRBC). Still, an estimated 30% of the work value was subcontracted to private companies linked to Montenegrin government officials (Gallop & Risteska 2017 p. 63), with Bemax securing 240 million dollar deals (MANS 2017). According to the civil sector in Montenegro, the subcontracting practices gave credence to the suspicions that the highway construction was set up to redistribute rents to party cronies (DFC 2022).

The construction was met with controversies over the legality and transparency procurement procedure that selected CRBC, the secrecy of contractual obligations (MANS 2018), and the risk of debt slavery. First, CRBC was selected in a manner that circumvented national legislation that pertains to public procurement procedures, made possible by government-to-government agreement (DFC 2022). Furthermore, the deal with Exim Bank of China and CBRC was closed after two feasibility studies deemed it financially unsustainable (Louis Berger in 2009 and URS in 2012), and two other consortia, Konstruktor from Croatia and a Greek Israeli Aktor/HCH, failed to reach an agreement with the Montenegrin government. Second, many documents are still under the veil of secrecy, which gave rise to a lot of speculation and misinformation about the contract's specific financial and legal details. Most prominent misinformation stated that per contractual stipulation, Montenegro's Port of Bar could be annexed by China, similarly as the Chinese did in Sri Lanka or Djibouti,

in the case of a payment default. However, what media presented as a slavery trap (article 5.5 of the contract)<sup>9</sup> Deron et al. (2021) argued is a standard sovereignty waiver found in all contracts between states and private companies, which allows for a judicial resolution if a dispute arises between the contracting parties. Third, this misinformation seriously threatened the stability of public finances in Montenegro, as the initial 809 million dollar loan drastically increased the level of public debt in Montenegro. The debt increase influenced the ability of the Montenegrin state to secure favorable terms on financial markets (Kovačević 2021). The deputy prime minister Dritan Abazović, plead to the European parliament in 2021 to provide a financial instrument to refinance Montenegrin state debt, arguing that Montenegro is at risk of debt slavery in the case of payment default on Chinese loans (according to Freedom House the totality of Chinese loans attributed 39% of Montenegrin state debt in 2021).

**Summary of Chinese influence:** Increased economic presence since 2013 that linked state-owned Chinese banks and companies with some of the most important developmental projects in Montenegro. On the one hand, while no direct evidence linking Chinese money to corruption activities could be presented, it is a fair assumption that following the secret financial details and non-existent checks and controls of the Chinese no strings attached loan policy, a portion of the money was probably redirected to the maintenance of patronage networks. On the other hand, the provisions of governmental agreements provided a basis to circumvent public procurement procedures that ensure transparency and legality, and no strings attached loans negatively impacted the state of democracy in Montenegro as they have arguably contributed to the political and economic (in)stability of the entire system.

---

9 Article 5.5 The signing of this Agreement by the Borrower constitutes, and the Borrower's performance of its obligations under this Agreement will constitute commercial acts. Neither the Borrower nor any of its assets, except for those assets dedicated to military or diplomatic purpose, is entitled to any right of immunity on the grounds of sovereign or otherwise from arbitration, suit, execution or any other legal process with respect to its obligations under this Agreement, as the case may be, in any jurisdiction. (p. 34)

## Türkiye

With more than turbulent shared history, the political relations between Montenegro and Türkiye significantly improved after Montenegrin independence in 2006. Political ties are grounded in shared foreign policy goals – EU accession and allied status within NATO. The level of friendly relations and political cooperation between the two countries can best be summarized by the Agreement signed in 2020 according to which Türkiye will represent Montenegro in 23 states where it does not have diplomatic missions (Africa and Asia) and will provide consular services to Montenegrin citizens and issue Montenegrin visas for visitors.

Political cooperation is complemented by increasing economic activity (both trade and investment), as Montenegro has become a popular destination for Turkish small and medium size business owners, particularly after an autocratic turn in Türkiye.<sup>10</sup> According to the data from the National Statistical Office in 2020, there were 3250 Turkish-owned businesses in Montenegro, or 28.8% of all businesses with a foreign ownership structure. The number is particularly impressive considering that in 2017 there were only 250 businesses owned by Turkish nationals (Al Jazeera Balkans, 2021). Another point that illustrates the increased economic cooperation is the increase in bilateral trade volume from \$46 million in 2015 to \$182 million in 2022. Primarily, investments are made in construction and tourism, but the most prominent Turkish companies in Montenegro manage an iron and steel factory in Nikšić (Tosçelik Special Steel) and container terminals at the Port of Bar (Global Ports). The groundwork for the Turkish economic expansion was laid by Turkish International Development Agency TİKA, with its branch that opened in Montenegro in 2007, by investing over €20 million in nearly 400 projects focusing on education, healthcare, and cultural cooperation. An example of investment in education is

the financing of Muslim religious schools (for example, Mehmed Fatih Islamic Theological High School), which offers university students free Turkish language courses and scholarships for studying at both undergraduate and postgraduate levels at Turkish universities. Alongside TİKA, the Presidency of Religious Affairs-Diyanet frequently distributes aid packages coordinated through the Turkish Embassy in Podgorica, particularly during Ramadan. Lastly, a significant factor was the popularity of Turkish soap operas, which have completely taken over the Latin American or Indian series, becoming the most popular TV content in the country.

From the previous paragraphs, it is evident that Türkiye has a significant presence in Montenegro that has rapidly increased economically and culturally since 2017. In that regard, Turkish soft power has consequently increased; however, considering a partnership and ally status within NATO, politically malign influence is not present. Marović (2019) argued that while economic interests in Montenegro do exist, none of the non-western countries interfere in Montenegrin politics (with the notable exception of Russia). Along those lines, in an interview with Deutsche Welle about the influence of Türkiye in the Western Balkans region, Dr. Erdoan Shipoli from Virginia International University outlined the motivation behind Turkish involvement in the region, commenting on the specificities of Turkish influence in each Western Balkans country, but omitting Montenegro. The omission implies a lack of political influence in the country. A similar conclusion can be reached by looking at the National Democratic Institute (NDI 2020) examination of illiberal external influence in Montenegro and Serbia, according to whose analysis, stakeholders view Turkish economic presence as significant and visible, but their influence as apolitical.

---

10 In an interview for Duvar English, Montenegrin ambassador to Türkiye pointed out Montenegro is an interesting investment destination for Turkish citizens as they do not need visa to enter and stay in the country for 90 days, foreign companies enjoy the same treatment as national companies with competitive tax system (corporate profit tax is 9%) and have access to established Business and Free-Trade Zones. Furthermore, favorable geographical location with the Port of Bar, air and railroad connections with Eastern and Central Europe is why Montenegro is perceived as “The Gateway to the Balkans” (Duvar English 2022).

## **Arab states of the Persian Gulf**

In terms of political involvement, no significant influence of the Arab states of the Persian Gulf (Gulf states) was identified. One notable exception is in the economic investment strategy of the United Arab Emirates, roughly estimated to be around \$320 million invested in Montenegro over the previous ten years (2013-2022).

## Conclusion and Policy Recommendations

---

In this paper, I have argued that the statehood issue fosters the primary political conflict in Montenegro, which in combination with the success or failure of the EU conditionality policy, can be related to the level of democratic development. To limit the malign influence of authoritarian external actors, it is crucial that the EU takes a more direct approach to the exercise of its political influence. Towards that end, I propose a series of institutional arrangements that would signal the EU's dedication to Montenegro and broader to the Western Balkans region. The recommendations are the following:

- ✘ Increase the number and presence of the international staff at the Delegation of the EU in Montenegro. The accession negotiation frequently relied on key expert contributions from EU member states, whose permanent positions in Montenegro would signal reaffirmed commitment to Montenegrin integration in the EU.
- ✘ Increase the frequency of meetings within the European Parliament EU-Montenegro Stabilization and Association Parliamentary Committee (SAPC), possibly by establishing a permanent international administrative body in candidate countries.
- ✘ Complement the bi-annual EU Western Balkans summit with an annual visit of the European Commissioner for Neighborhood and Enlargement to candidate countries.
- ✘ Work towards fostering a unified approach to the democratic development of Western Balkans between the EU and the USA.
- ✘ Take additional steps to reaffirm the Berlin process vis-à-vis the Open Balkans initiative.
- ✘ Montenegro should reaffirm its commitment to EU accession and devise a nationwide strategy to combat anti-Western sentiments.

## References

- Al Jazeera Balkans. 2021. "U Crnoj Gori najviše stranih kompanija u vlasništvu turskih državljana". *balkans.aljazeera.net*, August 19, 2021. <https://balkans.aljazeera.net/news/balkan/2021/8/19/u-crnoj-gori-najvise-stranih-kompanija-u-vlasnistvu-turskih-drzavljana>, Accessed January 2023.
- Al Jazeera Balkans. 2022. "Crna Gora: Iza cyber napada stoji grupa Cuba Ransomware". *balkans.aljazeera.net*, September 1, 2022. <https://balkans.aljazeera.net/news/balkan/2022/9/1/crna-gora-iza-cyber-napada-stoji-kriminalna-grupa-cuba-ransomware>, Accessed January 2023.
- Bajrović, Reuf, Garčević Vesko and Kraemer Richard. 2018. "Hanging by a Tread: Russia's Strategy of Destabilization in Montenegro", in *Russia Foreign Policy Papers*. Foreign Policy Research Institute, Philadelphia.
- Bechev, Dimitar. 2018. "The 2016 Coup Attempt in Montenegro: Is Russia's Balkans Footprint Expanding?" *FPRI: Foreign Policy Research Institute*. United States of America.
- Bermeo, Nancy. 2016. "On democratic backsliding." *Journal of Democracy* 27.1: 5-19.
- Digitalni forenzički centar. 2021. *Uloga Rusije na Balkanu: Slučaj Crne Gore*. DFC.
- Digitalni forenzički centar. 2022. *Mapiranje uticaja Kine: Studija slučaja Crna Gora*. DFC.
- Doehler, Austin. 2019. "How China Challenges the EU in the Western Balkans". *thediplomat.com*, September 25, 2019. <https://thediplomat.com/2019/09/how-china-challenges-the-eu-in-the-western-balkans/>. Accessed September 2022.
- Deutsche Welle. 2017. "Erdogan wants Balkans as leverage on Europe". *dw.com*, March 18, 2017. <https://learnrgerman.dw.com/en/erdogan-wants-balkans-as-leverage-on-europe-expert/a-38009794>, Accessed August 2022.
- Duvar English. 2022. "Montenegrin ambassador to Türkiye: Third of foreign companies in Montenegro are owned by Turks". *www.duvarenglish.com*, January 18, 2022. <https://www.duvarenglish.com/montenegrin-ambassador-to-turkiye-kastratovic-one-third-of-foreign-companies-in-montenegro-are-owned-by-turks-news-60159>. Accessed January 2023.
- Džankić, Jelena, and Soeren Keil. 2017. "State-sponsored populism and the rise of populist governance: the case of Montenegro." *Journal of Balkan and Near Eastern Studies* 19.4: 403-418.
- Gallop, Philippa, and Sonja Risteska. 2017. "Public Infrastructure in Southeast Europe in Whose Interest?" Policy Brief, *Balkan Monitoring Public Finance*. <http://wings-of-hope.ba/wp-content/uploads/2018/04/Public-infrastructure-in-southeast-Europe-in-whose-interest.pdf>. Accessed August 2022.
- Marović, Jovana. 2019. "Montenegro at a crossroads." In *The Western Balkans in the World 1st Edition*, edited by Florian Bieber and Nikolaos Tzifakis. London, Routledge.
- Mreža za afirmaciju nevladinog sektora. 2017. "Public Infrastructure Analysis". *www.mans.co.me*. <http://www.mans.co.me/en/wp-content/uploads/2017/06/Montenegro-PublicInfrastructureAnalysis.pdf>. Accessed August 2022.
- Mreža za afirmaciju nevladinog sektora. 2018. "Highway Project Under the Veil of Secret, Podgorica". *www.mans.co.me*. [http://www.mans.co.me/en/wpcontent/uploads/2019/02/Studija\\_SPI\\_autoput\\_ENG.pdf](http://www.mans.co.me/en/wpcontent/uploads/2019/02/Studija_SPI_autoput_ENG.pdf). Accessed August 2022.
- National Democratic Institute for International Affairs. 2020. "Illiberal Foreign Influence in Montenegro and Serbia: Qualitative Public Opinion Research and Media Analysis". *www.ndi.org*. <https://www.ndi.org/sites/default/files/Illiberal%20Foreign%20Influence%20on%20Democracy%20in%20Montenegro%20and%20Serbia.pdf>. Accessed October 2022.
- Kovačević, Milica. 2021. "Uticaj Kine u Crnoj Gori: Podsticaj ekonomskom razvoju ili put u zavisnost?" *atlanskainicijativa.org*, February 7, 2021. <https://atlanskainicijativa.org/uticaj-kine-ucrnoj-gori-podsticaj-ekonomskom-razvoju-ili-put-u-zavisnost/>. Accessed October 2022.
- Levitsky, Steven, and Lucan Way. 2015. 'The myth of democratic recession.' *Journal of democracy* 26.1: 45-58.
- Milačić, Filip. 2022. "Stateness and democratic backsliding in the former Yugoslavia: How political actors subvert democracy in the name of the nation." *Nations and Nationalism*.
- Komar, Olivera. 2020. "The elephant in the room: illiberal politics in Montenegro." *Southeast European and Black Sea Studies* 20.1: 61-80.
- Portal Analitika. 2023. "Putinov plan: prozapadna Crna Gora mora nestati". *portalanalitika.me*, January 8 2023. <https://www.portalanalitika.me/clanak/putinov-plan-prozapadna-crna-gora-mora-nestati>. Accessed January 2023.
- Radio Slobodna Evropa. 2022. "Sličnosti i razlike: Krivokapić vs. Abazović". *slobodnaevropa.org*, April 29 2022. <https://www.slobodnaevropa.org/a/crna-gora-vlada-abazovic/31826879.html>. Accessed January 2023.
- Schmitter, Philippe C. 2015. "Crisis and transition, but not decline." *Journal of Democracy* 26.1: 32-44.
- Soyaltin-Colella, Digidem. 2022. "The EU Accession Process, Chinese Finance and Rising Corruption in Western Balkan Stabilitocracies: Serbia and Montenegro." *Europe-Asia Studies*;1-25.

## North Macedonia

*(EU candidate status granted in 2005)*

# Vulnerable Democracies: The Effect of Foreign Influence on the Political and Social Life in North Macedonia

---

**Vlora Rechica, M.A.**

*Head of the Centre for Parliamentary Support and Democratization, the Institute for Democracy Societas Civilis Skopje/  
IDSCS, Skopje, North Macedonia*

## Executive Summary

---

This study analyses the effects of foreign influence on political and social life in North Macedonia, focusing on the effects of the prolonged EU integration process, as opposed to the influence exerted by non-western actors, particularly Russia, China, Türkiye, and the Arab states of the Persian Gulf. The study focuses mainly on political and social forms of external influence. It assesses the vulnerability of the political subjects and citizens to external influence, investigating how political party behaviour contributes to the polarisation and undermining of North Macedonia's

democratisation efforts. The analysis uses available public opinion data and literature review, including media sources. Overall, the study shows that the frustration from the "fading" EU promise leaves extra room for potential malign influence on the political and social life of the country, contributing to existing economic challenges and the already low trust in democratic institutions, and further challenging the democratisation process in North Macedonia.

## I. Introduction

---

The war in Ukraine has significantly changed the geopolitical landscape in Europe, particularly impacting the political situation in the Western Balkans. The influence of external actors such as Russia, China, Türkiye, and the Arab states of the Persian Gulf (also referred to as the Gulf States) have been present in the past; however, with the new emerging situation, their impact could significantly change and, in certain social and political contexts, strengthen. North Macedonia's sluggish EU integration process, following decades of various blockades, recently culminated with the French proposal to lift the Bulgarian veto, generating more frustration and polarisation among the citizens (Pollozhani 2022; Rechica 2022), and expanding the space for potential malign influence on the country's democracy. The effect of third parties can be seen through the clear signs of political polarisation: populism by several political subjects (Rechica, Bliznakovski, and Popovikj 2022), economic crisis exacerbating inequality, and low trust in democratic institutions (Bliznakovski et al. 2021). The concord between these conditions has put new strains on the country's political and social life and the overall democratisation efforts.

The current political system in North Macedonia is largely a result of the power-sharing agreement of 2001 ('Ohrid Framework Agreement' 2001). This system understands a democracy with mostly consociational traits. The political parties with the majority vote from the ethnic Macedonian and the ethnic Albanian "political blocks" usually form the government (Markovikj and Popovikj 2015). While society is relatively reconciled on an ethnic level, with sporadic escalations and low involvement of religious authorities in daily politics, there is still a tendency for an ethnically driven political and social organisation with low trust and interaction between the ethnic communities. This fragile political and social setting often serves as a fertile ground for internal and external factors to generate instability or exert influence.

The crowded and underpaid media sector, with high levels of polarisation and fake news proliferation (Oxenham 2019; Trpkovski 2019; Greene et al. 2020a), coupled with low levels of media literacy (Shopar, Kjupeva, and Temenugova 2016), further facilitates potential efforts by external actors. Despite ethnic fragmentation being an embedded part of the country's political system, the people of North

Macedonia tend to care more about the economic outlook of the country and the widespread corruption and impunity (International Republican Institute 2022). The Ukraine war has further increased citizens' concerns over economic stability and security. In August, inflation hit a record high of 16.8%; food price inflation reached 25.9% (World Bank 2022), while public debt rose by 5.8%, accounting for 58.6% of the state GDP (Ministry of Finance 2022). The economic crisis has further exacerbated inequality, with 21.8% of the population at risk of poverty (State Statistical Office 2022). Moreover, the government struggles with establishing safeguards against corruption, and introducing good governance practices remains the "Achilles' heel" in the democratisation process of North Macedonia (European Commission 2022). The worsening economic situation and high levels of corruption (Transparency International 2023), combined with low trust in institutions and low expectations from established political parties, allow third actors to wield political polarisation among citizens and create space for internal destructive political narratives.

Regarding the research methods, the assessment is done through available public opinion data and literature review, including media sources. This study draws from public opinion surveys looking at citizen preferences, existing literature from research studies on similar or related topics, academic literature and related local data sources and surveys, and policy briefs and studies produced by international and local civil society organisations (CSOs). The data were collected through desk research and available databases and analysed through qualitative and thematic analysis of documents. It is organised into three parts. First, it gives insights into the negative effects of the prolonged EU integration process on society. Secondly, it gives a more in-depth analysis of the Russian, Chinese, Turkish, and Gulf States' influence on the country's political structures and social life. Finally, it offers some policy recommendations for possible future steps to build the resilience of political actors to external influences that could undermine democratisation processes in the country. Overall, the study shows how external influence exacerbates political polarisation and populism by radical political subjects, worsens economic challenges, and contributes to already low trust in democratic institutions while challenging democratisation.

## II. The EU Promise

---

Ebbs and flows of progress characterise the European integration process of North Macedonia. The country gained candidate status to join the European Union (EU) in 2005; however, it conditionally opened accession negotiations only in 2022, making it the longest-standing EU candidate in the Western Balkans. While the country visibly struggles with internal democratic reform (Freedom House 2022), certain EU member states have put difficult obstacles and, at times, impossible tasks in the country's EU path.

The long-standing name dispute with Greece prevented the country from joining the EU and NATO for decades. The Greek veto in the 2008 NATO summit, coupled with the inability of the EU member states to agree on the beginning of accession negotiations despite the European Commission's (EC) favourable recommendations, demonstrated how inconsistent strategic choices could jeopardise new and fragile democracies such as North Macedonia's. In less than a decade, the then right-wing government, led by Nikola Gruevski, took advantage of the circumstances to change its technocratic and reformist course into a populist semi-authoritarian regime (Kacarska 2017). While the official position in favour of a full Euro-Atlantic path was maintained, the political environment from 2008 to 2016 gave third countries a chance to offer a geopolitical platform, which internal political actors used to present as an attractive alternative to the citizens (Popovski 2018). By the end of his rule, Gruevski faced country-wide protests due to the wiretapping scandal (Dimishkovski 2016; Jakov Marusic 2017a). These protests would bring about a shift in power in favour of the Social Democrats. The democratic spirit brought undecided voters to the voting booth (turnout at 66,8%) and, for the first time, a recorded large number of Albanian votes for an ethnic-Macedonian party (Tahiri 2016; 360 degrees 2017).

The new government designed its platform mainly on the country's Euro-Atlantic prospects, resolving the name dispute with Greece in 2018 (Nimetz 2020), and leading to North Macedonia's accession to NATO in April 2020. However, positive outlooks began to fade when the Social Democrats failed to deliver on their promise for progress in the EU accession (Jakov Marusic 2019). The France and Netherlands veto in 2019 served as a launch pad for internal political frustration, giving a platform to radical political actors. Levica (the Left), a pro-Russian, radical, and self-proclaimed left-wing party, gained two MPs in the 2020

elections and further support in the 2021 local elections. The unexpected 2020 Bulgarian veto fuelled even deeper frustration, Euroscepticism, and anti-western sentiment among citizens (Velinovska, Nikolovski, and Krichner 2022). Bulgaria's veto is based on the contestation of North Macedonia's history. Specifically, the Bulgarian occupation during WWII being taught in schools, the status of the Macedonian language, and the issue of Bulgarian minorities in North Macedonia, which was previously unresolved (Pollozhani 2022; Heil 2022; Jakov Marusic 2020; 2021).

In 2022, the dispute was set to be resolved during the French presidency of the Council of the European Union through a proposal colloquially known as the "French Proposal." While this proposal was set with the idea of helping the country move forward in its EU path, the sentiment of injustice has become stronger in North Macedonia (Rechica 2022). Many people viewed the proposal's suggested constitutional amendments as an improper intrusion by Bulgaria into their country's internal affairs (Sloboden Pecat 2022; MKD 2021). Since the country's name change in 2018, the attitude toward the EU has worsened. While 72% of the citizens supported the EU integration process in 2018, this support is at 64% in 2022, following a steady drop since 2014 (80%) (Damjanovski 2023). The politicisation of the EU integration process by certain EU member states has also led to the belief that the implementation of domestic reforms requested by the EU is less important than the EU's political will to accept North Macedonia into the EU (International Republican Institute 2021). In fact, 49% of the citizens of North Macedonia believe that the reason the country is not able to join the EU is that neighbouring countries obstruct its path toward it. In comparison, only 31% think it is due to the lack of internal reforms, which creates a false perception of domestic democratic potential and blame shifting (Damjanovski 2023). In general, frustration with the current government lacking agency in foreign affairs (Rechica 2022), and with the EU, has had both political and social impact, and created entry points for influences of external actors such as Russia, China, Türkiye, and the Arab states of the Persian Gulf.

### III. Political and Social Influence of Third Actors

---

#### The Russian Support

North Macedonia and Russia established bilateral ties in the early 1990s and have since signed several economic and cultural cooperation agreements. The two countries share cultural and religious similarities (Trpkovski 2018; Najcevska 2022; Bechev 2019; Karčić 2022; Himes and Stronski 2019); however, depending on the historical era, bilateral relations have shifted from cooperative to hostile and vice versa (Pankovski 2020, 26–42). In recent history, this shift happened during the 2015 political turmoil in North Macedonia, when the generally friendly relations between the two countries deteriorated swiftly.

The opposition Social Democratic Party of Macedonia (SDSM), led at the time by Zoran Zaev, released tapes to the public claiming evidence that Prime Minister Nikola Gruevski's administration had illegally surveilled more than 20,000 people, including ministers, politicians, businesspeople, journalists, academics, and others (Dimishkovski 2016; Jakov Marusic 2017b; DW 2016; RFE/RL 2017). Gruevski accused the opposition of cooperating with "foreign intelligence services", for which legal proceedings were initiated against Zaev (Gjorchev 2016; Jakov Marusic 2019a; Angelov 2017). The political turmoil prompted a more active role of the Russian Ministry of Foreign Affairs (MFA) and the Russian Embassy in Skopje, mainly through public statements and social media.

In response to the wiretapping scandal, the Russian MFA released a statement praising the government's stance and demanding a "thorough examination of the incident" (Brsakoska Bazerkoska and Spasov 2019). The then-government supporters often quoted these statements, fuelling widespread hysteria on possible "foreign intelligence service" surveillance and interference in the country's politics (Kostojchinoski 2016). The then right-wing government of Gruevski mainly furthered this narrative, while the Russian Embassy in Skopje would issue statements condemning the country-wide protests (Gjorchev 2016).

The Russian media campaign intensified after the 2017 government change, mainly in 2018, when the Prespa Agreement was concluded, resolving the three-decade-long name dispute with Greece and opening the country's

path toward NATO and the EU. The same year, a nationwide referendum was held in response to the agreement. According to some government sources, journalists, and independent experts, several online disinformation campaigns were launched to sway public opinion in favour of boycotting the referendum (Harding, Belford, and Cvetkovska 2017; Greene et al. 2020b). Twitter's automated bots greatly aided the online campaign for boycotts and artificially boosted their presence on social media by extensively sharing the hashtag #boycott (Zafeiropoulos 2019). Despite the successful boycott campaign, with a turnout of 37%, the referendum was deemed successful by the government (Jakov Marusic 2018). The campaign's size and the involvement of both domestic and foreign actors highlighted the vulnerabilities of the Macedonian democracy to disinformation and foreign influence (Pankovski and Rechica 2022).

These events contributed to further deteriorating of the official ties between Russia and North Macedonia. Russia asserted that the ultimate motivation behind the name change was to ensure and hasten Skopje's membership in NATO against the population's wishes (Gotev 2018). Oleg Shcherbak, the former Russian Ambassador to North Macedonia, issued a warning following the country's decision to join NATO. He stated that: "if it came to a conflict between Russia and NATO, you [North Macedonia] will have the role of a legitimate target" (EWB 2018).

Following the name dispute settlement and the NATO membership ratification, North Macedonia attempted to gradually enhance its official relations with Russia, primarily for economic reasons, leading to the then prime minister Zaev attending the Russia-North Macedonia economic forum in Skopje (Jakov Marusic 2019b). There were concerns about the possible Macedonian alignment with Russian politics; however, Zaev adamantly refused such allegations, stating, "This is not a message. We are working on improving our standards. We are doing everything to bring benefits to our people. There is no alternative to the EU and NATO" (Jakov Marusic 2019b).

On the other hand, parties like the Left, the “United Macedonia,” and the Democratic Party of the Serbs (DPS) have not refrained from publicly advocating for the country’s geopolitical reorientation toward Russia or the Eurasian alliance (Nechev and Nikolovski 2021, 48–74; Pankovski 2020, 26–42). The United Macedonia party expressly proposes the exit of the country from NATO and reorientation toward the Eurasian Union. Additionally, Alexander Dugin, a political philosopher dubbed “Putin’s Brain”, attended the United Macedonia founding conference (Nechev and Nikolovski 2021, 48–74). The DPS cultivates close ties with Moscow, while its leader, Ivan Stojiljković, also an MP, supports the Russian regional initiative to establish militarily neutral territory in the Balkans (Kuczyński 2019). Stojiljković has also been connected to Goran Zivaljević, a former deputy director of the Security Intelligence Agency of Serbia (BIA), who according to some reports, was spotted in the videos of the violent attack in the Assembly of North Macedonia in April 2017 (Nenadović 2017; Insajder 2017; BETA 2017). However, despite their openly pro-Russian stance, these parties mainly use pro-Russian narratives to boost their local support (Pankovski 2020, 26–42), as both parties fare poorly in elections (State Election Commission 2020).

Since strained relations between North Macedonia and Russia have deepened since the start of the war in Ukraine, the approach of these parties has changed. In March 2022, North Macedonia was added to the “enemy list” of countries that joined EU sanctions on Russia (Kajosevic 2022). Moreover, since the start of the war, North Macedonia has expelled several Russian diplomats found in breach of the Vienna Convention on Diplomatic Relations (Al Jazeera 2022). These political actors were harshly condemned by these actions, but more prominently by the Left party (Antropol 2022), which as opposed to the “United Macedonia” and DPS, has garnered more support in elections and public discourse.

There are growing concerns about the rising ratings of the Left, which is quickly becoming the fourth party measured by public support (International Republican Institute 2022).

In the 2020 early parliamentary elections, they gained two MPs. They have since publicly declared to form a strategic alliance with Russia and China and revoke the country’s NATO membership (Levica 2023). After the gains in the 2021 local elections, the Left became the only relevant political party with an alternative foreign policy proposal (State Election Commission 2020). The two MPs met with the Russian Ambassador in Skopje on the Parliament premises shortly after the Russian invasion of Ukraine (Jakov Marusic 2022). The Left used Moscow’s preferred language to describe the Russian invasion of Ukraine and accused Bujar Osmani, the current Minister of Foreign Affairs of North Macedonia, of being a “Russophobe” (Trajkovska 2022). They have openly aligned with Russia over the war in Ukraine, and its members have recently conducted official visits to Russia (Levica 2022). Their narrative is mainly anti-Western and endorses a possible Eurasian Union, which according to a poll in 2021, is supported by 75% of the voters of the Left (Velinovska, Nikolovski, and Krichner 2022).

In the parliament, the majority and the opposition rarely agree; however, at the beginning of the war in Ukraine, they jointly adopted a declaration supporting Ukraine’s territorial integrity and sovereignty. However, the declaration was not supported by two MPs from the Left and one from the DPS (The Assembly of North Macedonia 2022).

More than half of the Left’s supporters (56%) justify the Russian military aggression against Ukraine, making up the highest level of approval compared to other parties (Velinovska 2023). The overwhelming majority (90%) of their sympathisers are against supplying weapons to Ukraine, and 95% are against economic sanctions against Russia (Velinovska 2023). Moreover, 73% of the Left’s supporters believe Russia’s attack on Ukraine to be a reaction to NATO provocations that Moscow could not ignore (Velinovska 2023). Their voice is highly popular among the dissatisfied youth (Velinovska 2023), while their narrative, in addition to being pro-Russian and anti-Albanian, is highly polarising and populist (Bosilkov 2021). Future political gains could pose political destabilisation and impasse in the parliament.

## China's Endeavours

North Macedonia reinstated bilateral relations with China in 2001 after a short disruption due to North Macedonia's recognition of Taiwan in 1999 (Nikolic 2005). Since reinstating diplomatic ties, the countries have signed several trade, economic, and cultural cooperation agreements. There have been several high-level meetings with the right-wing Internal Macedonian Revolutionary Organization - Democratic Party for Macedonian National Unity (VMRO-DPMNE) government until 2016, and the SDSM-led government later.

The meetings have mainly focused on economic cooperation and possible future investments by China. Li Keqiang, Premier of the People's Republic of China, remarked that China is prepared to "dovetail the Belt and Road Initiative with North Macedonia's development policy," with motorways as milestones of that cooperation (China Plus 2019). Former prime minister Zaev also stated that North Macedonia benefited from the cooperation between China and the Central and Eastern European Countries (China Plus 2019). China also gained recognition and praise during the Covid-19 outbreak for its operations in the region by sending protective gear and money to the Ministry of Health through the Chinese Embassy in Skopje and was able to position itself in the public opinion as a major donor during the crisis (Pankovski 2020, 26-42).

Despite some marginal efforts, Chinese political influence is rather limited. China mainly invests in deepening economic ties with the country through the Belt and Road and China

CEECA initiatives (previously known as 17+1) (Nechev and Nikolovski 2020). On the other hand, the Chinese economy, especially infrastructure projects, usually disregard socioeconomic and financial sustainability and EU regulations, which leads to high levels of debt and infringement in the country's established anti-corruption mechanisms (Pankovski 2021; Nechev and Nikolovski 2020). Such was the case of the Miladinovci-Shtip and Kichevo-Ohrid highways, a Chinese investment marred by corruption scandals involving high officials, including former prime minister Gruevski (Nechev and Nikolovski 2020). Moreover, Chinese investments have yet to prove crucial for the country's economic development. An analysis of foreign direct investments conducted by the Institute for Democracy shows that Chinese investments are sporadic and never reached a spot among the top 15 investors in the last 24 years. On the other hand, the data show that in 2021, over 75% of FDI valued at 4.8 billion EUR originated from EU countries and other G7 members (IDSCS\_Skopje 2022). Additionally, only 11% of the citizens think that China should be the main economic partner of the country, opposed to 49% who think it should be the EU, and 21% in favour of the US (Velinovska 2023).

Unlike Russia, China lacks substantial platforms for advancing its ideology or promoting its positions. China-related outlets have a negligible impact on public opinion and the media landscape. Although it supports some NGOs, their influence on society is limited, while cultural differences prove substantial.

## Türkiye's "Friendship"

North Macedonia and Türkiye established diplomatic ties in the early 1990s and have since signed several important bilateral agreements for cooperation in various economic and cultural fields. Türkiye has also been one of the steadiest supporters of North Macedonia's bid to join NATO (Nikolovski 2019) and has consistently donated to the armed forces (Ministry of Defence 2019). In 2019, Türkiye ratified the NATO Accession Protocol for North Macedonia, fulfilling its strategic commitment to North Macedonia's membership in the alliance. Beyond defence, the Turkish government has generously supported large economic, cultural, and educational projects in various areas. In 2020, the year for which the most recent figures are available, North Macedonia was among the top 10 recipients of aid from Türkiye on European soil, with 5.75 million dollars (TIKA 2020).

Moreover, the Turkish Cooperation and Agency (TIKA) have reported around 500 projects primarily focusing on education and health in the last 6 years (TIKA 2021). TIKA funding trends show that Türkiye mostly invests in countries with a strong Muslim community, as such significant amounts are donated to North Macedonia, Bosnia and Herzegovina, Kosovo, and Albania (Kočan and Arbeiter 2019). Türkiye is also among some of the biggest investors in the country in the last three decades (IDSCS\_Skopje 2022).

Relations between the two countries are mostly friendly, often reiterated during high-level bilateral talks. Moreover, Türkiye's influence is mainly built around creating legitimacy for Recep Tayyip Erdoğan's government and its internal political agenda in Türkiye rather than igniting

a shift in an alliance against the West. Around 2011, when relations between the Justice and Development Party (AKP) and the Gülen movement in Türkiye deteriorated, the struggle for dominance and influence also moved to the Western Balkans, mainly through the constant push to extradite persons they allege to be part of the “FETO” (Fetullahist Terrorist Organization). In 2021, Ankara requested the deportation of 86 alleged “Gülenists” and the extradition of 20 of them (Jakov Marusic 2021); however, there have been no extraditions so far. The Ministry of Justice of North Macedonia responded that it would act according to domestic legislation, and international standards and agreements, while maintaining good relations with Türkiye (Jakov Marusic 2021).

In 2018, the Turkish Maarif Foundation started its activities by establishing the Maarif International Schools in Tetovo, a majority Albanian city, in a bid to oust the Yahya Kemal Schools linked to Fethullah Gülen (Jakov Marusic 2016). Today the Foundation counts five educational institutions across the country (Dünyada Türkiye Maarif Vakfı 2022), while it has also provided thousands of academic scholarships to Macedonian students in Türkiye (Zdravkovska 2017; Kanal 5 2019). Additionally, the Association of Turkish Non-Governmental Organisations (MATUSITEB), an association of around 60 organisations focusing mostly on religious, cultural, and educational issues, funded mainly by the Turkish government and TİKA, actively advocates for the Turkish community through meetings with high-level political officials (Pankovski 2020, 26-42; President of North Macedonia 2021). Turkish

influence is also evident in the media sphere through establishing local offices of Turkish media companies. Particularly, as in Bosnia and Herzegovina, the North Macedonia desk of the Anadolu Agency frequently reports and broadcasts content on Türkiye, while the recently established Turkish Radio Television (TRT) has reached thousands of followers across platforms targeting younger audiences (TRT Balkan MK 2022; TRT World 2022).

Turkish political influence in the Western Balkans can be best explored through the perspective of former Turkish prime minister Ahmet Davutoğlu, who in his work *Strategic Depth*, states that Bosniaks and Albanians should be the focal point of Türkiye’s Balkans policy (Aydıntaşbaş 2019). Once he was appointed Minister of Foreign Affairs, Davutoğlu turned his attention not just to Bosnia and Albania but also to North Macedonia and Serbia (Aydıntaşbaş 2019). As such, in North Macedonia, the AKP has often been linked to Movement BESA, a minority Albanian party; however, a more thorough investigation of party connections to Türkiye is lacking (Musai 2016). On the other hand, Türkiye has traditionally cultivated close links with several ethnic Turkish parties, which generally lack political agency and have no significant gains in elections (State Election Commission 2020). Türkiye’s influence in North Macedonia is generally narrow, as witnessed by the lack of response from the Macedonian government regarding the “Gülenists.” While there is no doubt that the country is present through its many approaches, its influence is rather limited.

## **A Business Friend: The Arab States of the Persian Gulf**

Saudi Arabia, Qatar, and the United Arab Emirates (UAE) are the three Arab states of the Persian Gulf (also referred to as the Gulf States) with which North Macedonia has maintained not-so-intensive diplomatic ties in the last two decades. While Qatar has its Embassy in Skopje, Saudi Arabia covers North Macedonia from its Embassy in Tirana, and UAE covers North Macedonia from its Embassy in Sofia. On the other hand, North Macedonia is present in Qatar and the UAE.

There are only a few political and symbolic linkages between North Macedonia and the Gulf States, and these ties are largely centred around business opportunities in North Macedonia. The VMRO-DPMNE-led administration actively set up talks with high-ranking Gulf State delegates. As a result, the Emir of Qatar visited North Macedonia in

2011, and bilateral agreements were signed in business, culture, education, and health (Qatar Embassy 2022). After the first visit, the former prime minister Gruevski made several trips to the Gulf States (Pankovski 2020, 26-42). Visits and diplomatic relations continued even after the 2017 political shift and change in government in North Macedonia. In May 2020, Qatar provided eight tons of protective gear for managing the Covid-19 situation through the Qatar Fund for Development, stating that “the country could always count on aid and support from the state of Qatar” (Gina 2020). Political influence-seeking and symbolic politics could be viewed as moderate forms of influence-seeking. The number of gestures made varies by country and have little to moderate impact on policy making and little to no media coverage. Essentially, there is

no alignment between the programmes of local parties and

the foreign policy objectives of the Gulf States, and the ties remain largely based on economic interests.

## IV. Conclusions and Recommendations

---

The 2022 International Republican Institute poll showed that in terms of foreign policy, 57% of citizens strongly or somewhat agree that North Macedonia's interests are best served by maintaining strong relations with Russia, as opposed to 60% who agreed in a poll conducted in 2021 just before the war in Ukraine (International Republican Institute 2022). Türkiye is seen positively, as 87% of respondents strongly or somewhat agree that strong relations serve the country's best interests, just as the EU and the US are seen as important allies with whom North Macedonia needs to maintain strong relations (International Republican Institute 2022).

In 2021, a third of the respondents (31%) chose Serbia as the biggest donor in the country during the Covid-19 crisis, leaving behind the EU with 14% and China with 13%. However, this perception did not coincide with the factual situation (Velinovska, Nikolovski, and Krichner 2022). This perception swiftly changed in 2022, with only 3% recognising Serbia as a major donor (Velinovska, 2023). The shift in opinion demonstrates the significant influence Serbia's vaccination diplomacy had on the Macedonian

population through the early opening of its border for immunisation and the early pandemic transfer of their quota of vaccinations to North Macedonia, and it also demonstrates the fragility of public opinion to external influences.

Regarding the war in Ukraine, opinions have not shifted significantly, and pro-western attitudes are still dominant (Velinovska, 2023). However, on the statement that "Russia's attack on Ukraine is a reaction to NATO provocations that Moscow could not ignore," the results show that 51% of the respondents agree with such statement (36% completely; 15% to some extent), while 38% completely or to some extent do not agree (29% completely, 9% to some extent). Moreover, with the European narrative that the victory of Ukraine means the victory of Europe, Macedonian respondents have a somewhat divided view of this analogy. The results show that almost half of the respondents (48%) do not agree with this statement (34% completely, 14% to some extent) (Velinovska, 2023). While citizens rationally recognise the importance of the alignment with the EU and the US, anti-western narratives have taken hold.

### Policy recommendations

- ✘ The EU must develop a better communication strategy regarding its investments, aid, and support in North Macedonia. Although Covid-19 aid from the EU was far more significant, other external actors could pompously demonstrate their marginal support as far more important. Such events must be anticipated and undercut in the future.
- ✘ The EU must rebuild its credibility in North Macedonia through substantial engagement on both sides to resolve the Macedonian - Bulgarian dispute. Although public opinion polls show that the EU is a vital player and can continue to offer a genuine option as opposed

to the advances made by authoritarian countries, support is dropping increasingly, from 80% in 2014 to 64% in 2022 (Damjanovski, 2023). The EU and EU member states must aid constructive dialogue.

- ✘ Democratic forces must invest in intra-party democracy to mitigate potentially malign influence from the third actors through local politicians. Political party structures in North Macedonia are highly centralised and leader-oriented; thus, little engagement is needed from party leaders to influence larger public opinion. The highly concentrated power in the hands of few political actors makes the citizens far more vulnerable to external influence (out of which some forms may be malign), as third actors need far fewer resources to reach a wider audience. Donors must work more directly with political actors.
- ✘ Funding and capacity-building support are needed to solidify state institution capacities in order to build immunity to corrosive capital. Institutional lack of capacity is best illustrated by the effects of Chinese capital in North Macedonia, which has impacted various policy areas, including anti-corruption. Donors and civil society must focus efforts on building good governance mechanisms in crucial institutions to reject potential malign capital.
- ✘ Lastly, internal efforts are required to fight corruption and build an independent judiciary in order to counteract potentially malign influence. Both areas are where reforms are least progressing. Moreover, both areas are crucial in trust building. Progress could decrease populist demand, a sentiment easily used by radical political actors such as the Left, who have gained significant support. The influence of illiberal foreign actors could decrease as corruption decreases and justice strengthens, and continuous pressure on political actors to follow through with reforms is a must.

## Bibliography

- 360 degrees. 2017. 'Заев: Верувам дека Албанците и понатаму ќе гласаат за СДСМ, а за првпат и Македонци за Албанци'. *360 степени* (blog). 23 September 2017. <https://360stepeni.mk/zaev-veruvam-deka-albantsite-i-ponatam/>.
- Al Jazeera. 2022. 'North Macedonia Orders Expulsion of Five Russian Diplomats'. 2022. <https://www.aljazeera.com/news/2022/3/28/north-macedonia-orders-expulsion-of-five-russian-diplomats>.
- Alam, Mursed, and Anindya Purakayastha. 2015. 'Subalternity, Antagonism, and Autonomy: Constructing the Political Subject, by Massimo Modonesi'. *Rethinking Marxism* 27 (March): 312–15. <https://doi.org/10.1080/08935696.2015.1007799>.
- Angelov. 2017. 'Global Voices Advox - Macedonia's Former Government Tried to Cover Up Its Own Wiretapping Operation, With Help from a Foreign Company'. *Global Voices Advox* (blog). 28 December 2017. <https://advox.globalvoices.org/2017/12/28/macedonias-former-government-tried-to-cover-up-its-own-wiretapping-operation-with-help-from-a-foreign-company/>.
- Antropol. 2022. 'МНР Повторно Протерува Руски Дипломати - Антропол'. 2022. <https://antropol.mk/2022/04/15/mnr-poftorno-proteruva-ruski-diplomati/>.
- Aydıntaşbaş, Asli. 2019. 'From Myth to Reality: How to Understand Turkey's Role in the Western Balkans – European Council on Foreign Relations'. *ECFR* (blog). 13 March 2019. <https://bit.ly/3YhyfVt>
- Bechev, Dimitar. 2019. 'Russia's Strategic Interests and Tools of Influence in the Western Balkans'. *Atlantic Council* (blog). 20 December 2019. <https://www.atlanticcouncil.org/blogs/new-atlanticist/russia-strategic-interests-and-tools-of-influence-in-the-western-balkans/>.
- BETA. 2017. 'Serbian Intelligence Officer Was in Macedonian Assembly' - RegionEnglish - on B92. Net'. 2017. [https://www.b92.net/eng/news/region.php?yyyy=2017&mm=05&dd=24&nav\\_id=101353](https://www.b92.net/eng/news/region.php?yyyy=2017&mm=05&dd=24&nav_id=101353).
- Bliznakovski, Jovan, Vlora Rechica, Misha Popovikj, and Toshe Zafirov. 2021. 'Man of the People: Public Opinion Analysis of Citizen's Political Demands'. *IDSCS* (blog). 29 November 2021. <https://idscs.org.mk/en/2021/11/29/man-of-the-people-man-public-opinion-analysis-of-citizens-political-demands-2/>.
- Bosilkov, Ivo. 2021. 'The State for Which People? The (Not so) Left Populism of the Macedonian Far-Left Party Levica | Contemporary Southeastern Europe'. 2021. <http://www.contemporarysee.org/en/bosilkov>.
- Brsakoska Bazerkoska, Julija, and Aleksandar Spasov. 2019. 'CHALLENGING THE WEST BY (AB) USING THE VACUUM: THE CASE OF THE RUSSIAN INFLUENCE IN REPUBLIC OF NORTH MACEDONIA'.
- China Plus. 2019. 'China, North Macedonia to Cooperate on Infrastructure - China Plus'. 2019. <https://chinaplus.cri.cn/chinaplus/news/politics/11/20190413/275004.html>.
- Damjanovski, Ivan. 2023. 'Analysis of Public Opinion on North Macedonia's Accession to the European Union (2014-2022)'. *IDSCS*. [https://idscs.org.mk/wp-content/uploads/2023/02/analiza2\\_B5MKD.pdf](https://idscs.org.mk/wp-content/uploads/2023/02/analiza2_B5MKD.pdf)
- Dimishkovski, Aleksandar. 2016. 'Protests Erupt in Macedonia as President Halts Wiretapping Inquiry'. *The New York Times*, 12 April 2016, sec. World. <https://www.nytimes.com/2016/04/13/world/europe/macedonia-gjorge-ivanov-wiretapping-corruption-investigation.html>.
- Dünyada Türkiye Maarif Vakfı. 2022. 'Dünyada Türkiye Maarif Vakfı'. Türkiye Maarif Vakfı. 2022. <https://turkiyemaarif.org/page/2018-MAARIF-IN-THE-WORLD-16>.
- DW. 2016. 'Volatile Third Night of Protests in Macedonia'. *Dw.Com*. 2016. <https://www.dw.com/en/volatile-third-night-of-protests-in-macedonia-over-wiretapping-pardon/a-19189984>.
- European Commission. 2022. 'North Macedonia Report 2022'. 2022. [https://neighbourhood-enlargement.ec.europa.eu/north-macedonia-report-2022\\_en](https://neighbourhood-enlargement.ec.europa.eu/north-macedonia-report-2022_en).
- EWB. 2018. 'Russian Ambassador Warns Macedonia over NATO, PM Zaev Responds'. *European Western Balkans* (blog). 31 March 2018. <https://europeanwesternbalkans.com/2018/03/31/russian-ambassador-warns-macedonia-nato-pm-zaev-responds/>.
- Freedom House. 2022. 'North Macedonia: Freedom in the World 2022 Country Report'. Freedom House. 2022. <https://freedomhouse.org/country/north-macedonia/freedom-world/2022>.
- Gina, Husamedin. 2020. 'Медицинска Помош Од Катар Пристигна Во Северна Македонија'. 2020. <https://t.ly/G4fN>.
- Gjorchev, Vlado. 2016. 'Where Did "Gruevski's" Foreign Secret Services Disappear? – Truthmeter'. 2016. <https://truthmeter.mk/where-did-gruevski-s-foreign-secret-services-disappear/>.
- Gotev, Georgi. 2018. 'Moscow Slams Macedonia's "forced" Name Change Vote'. *Www.Euractiv.Com*. 2 October 2018. <https://www.euractiv.com/section/global-europe/news/moscow-slams-macedonias-forced-name-change-vote/>.
- Greene, Samuel, Gregory Asmolov, Adam Fagan, Ofer Fridman, and Borjan Gjuzelov. 2020a. 'Mapping Fake News and Disinformation in the Western Balkans and Identifying Ways to Effectively Counter Them', 104.
- Harding, Luke, Aubrey Belford, and Saska Cvetkovska. 2017. 'Russia Actively Stoking Discord in Macedonia since 2008, Intel Files Say'. *The Guardian*, 4 June 2017, sec. World news. <https://www.theguardian.com/world/2017/jun/04/russia-actively-stoking-discord-in-macedonia-since-2008-intel-files-say-leak-kremlin-balkan-nato-west-influence>.
- Heil, Andy. 2022. 'No Easy Escape For North Macedonia From Bulgaria's EU Veto'. *Radio Free Europe/Radio Liberty*, 2022, sec. North Macedonia. <https://www.rferl.org/a/macedonia-eu-bulgaria-veto/31910319.html>.



- Himes, Paul, and Annie Stronski. 2019. 'Russia's Game in the Balkans'. Carnegie Endowment for International Peace. 2019. <https://carnegieendowment.org/2019/02/06/russia-s-game-in-balkans-pub-78235>.
- IDSCS\_Skopje. 2022. 'In 2021, over 75% of FDI, Valued at 4.8 Billion Euros in the Economy, Originated from Countries and Other G7 Members. The Biggest Investor in the Last 24 Years Is 🇪🇺. Watch This Video and See What Are the Top 15 Investors since 1997 and How Much They Invested. @CIPE\_EEA <https://t.co/CULWKGRXoD>: Tweet. Twitter. [https://twitter.com/IDSCS\\_Skopje/status/1605192648918437888](https://twitter.com/IDSCS_Skopje/status/1605192648918437888).
- Insajder. 2017. 'Srpski Obaveštajac Bio u Sobranju u Vreme Napada | Insajder TV - Više Od Vesti'. 2017. <https://insajder.net/arhiva/vesti/srpski-obavestajac-bio-u-sobranju-u-vreme-napada>.
- International Republican Institute. 2021. 'Public Opinion Poll: Residents of North Macedonia | International Republican Institute'. 2021. <https://www.iri.org/resources/public-opinion-poll-residents-of-north-macedonia/>.
- . 2022. 'Public Opinion Poll: Residents of North Macedonia'. International Republican Institute. 7 March 2022. <https://www.iri.org/resources/public-opinion-poll-residents-of-north-macedonia/>.
- Jakov Marusic, Sinisa. 2016. 'Macedonia May Shut Gulen-Linked Turkish Schools | Balkan Insight'. 2016. <https://balkaninsight.com/2016/08/25/macedonia-hints-closing-gulen-organizations-upon-turkish-request-08-25-2016/>.
- . 2017a. 'Macedonia's Wiretap Whistleblower Hails "Fairytale" Ending'. *Balkan Insight* (blog). 1 September 2017. <https://balkaninsight.com/2017/09/01/whistleblower-sheds-light-on-macedonia-wiretapping-scandal-09-01-2017/>.
- . 2018. 'Low Turnout Dents "Yes" Victory in Macedonia Referendum'. *Balkan Insight* (blog). 2018. <https://balkaninsight.com/2018/10/01/vast-support-for-name-deal-at-macedonia-s-low-turnout-referendum-10-01-2018/>.
- . 2019. 'North Macedonia Prime Minister Calls for Snap Elections'. *Balkan Insight* (blog). 19 October 2019. <https://balkaninsight.com/2019/10/19/north-macedonia-prime-minister-calls-for-snap-elections/>.
- . 2019a. 'Zaev Testifies in North Macedonia Wiretapping Trial'. *Balkan Insight* (blog). 24 October 2019. <https://balkaninsight.com/2019/10/24/zaev-testifies-in-north-macedonia-wiretapping-trial/>.
- . 2019b. 'North Macedonia PM: Working with Russia "Not an Alternative to EU"'. *Balkan Insight* (blog). 14 November 2019. <https://balkaninsight.com/2019/11/14/north-macedonia-pm-working-with-russia-not-an-alternative-to-eu/>.
- . 2020. 'Bulgaria Blocks Start of North Macedonia's EU Accession Talks'. *Balkan Insight* (blog). 17 November 2020. <https://balkaninsight.com/2020/11/17/bulgaria-blocks-start-of-north-macedonias-eu-accession-talks/>.
- . 2021. 'Turkey Pressures North Macedonia Over Extradition of "Gulenists" | Balkan Insight'. 2021. <https://balkaninsight.com/2021/07/15/turkey-pressures-north-macedonia-over-extradition-of-gulenists/>.
- . 2021. 'North Macedonia's Blockade on Book Donation Riles Bulgaria'. *Balkan Insight* (blog). 29 March 2021. <https://balkaninsight.com/2021/03/29/north-macedonias-blockade-on-book-donation-riles-bulgaria/>.
- . 2022. 'North Macedonia's Left Condemned for Aligning with Russia on Ukraine | Balkan Insight'. 2022. <https://balkaninsight.com/2022/03/18/north-macedonias-left-condemned-for-aligning-with-russia-on-ukraine/>.
- Kacarska, Simonida. 2017. 'Freeing the Captured State in Macedonia: What Role for EU Accession?' Freedom House. 2017. <https://freedomhouse.org/report/analytical-brief/2017/freeing-captured-state-macedonia-what-role-eu-accession>.
- Kajosevic, Samir. 2022. 'Russia Adds Montenegro, Albania and North Macedonia to "Enemy" List'. *Balkan Insight* (blog). 7 March 2022. <https://balkaninsight.com/2022/03/07/russia-adds-montenegro-albania-and-north-macedonia-to-enemy-list/>.
- Kanal 5. 2019. 'Свечен собир на дипломирани македонски студенти во Турција'. kanal5.com.mk. 2019. <https://kanal5.com.mk/svechen-sobir-na-diplomirani-makedonski-studenti-vo-turcija/a363056>.
- Karčić, Harun. 2022. 'Russia's Influence in the Balkans: The Interplay of Religion, Politics, and History'. 2022. <https://berkleycenter.georgetown.edu/posts/russia-s-influence-in-the-balkans-the-interplay-of-religion-politics-and-history>.
- Kočan, Faris, and Jana Arbeiter. 2019. '(9) (PDF) IS TIKa TURKEY'S PLATFORM FOR DEVELOPMENT COOPERATION OR SOMETHING MORE?: EVIDENCE FROM THE WESTERN BALKANS'. 2019. [https://www.researchgate.net/publication/334747022\\_IS\\_TIKa\\_TURKEY'S\\_PLATFORM\\_FOR\\_DEVELOPMENT\\_COOPERATION\\_OR\\_SOMETHING\\_MORE\\_EVIDENCE\\_FROM\\_THE\\_WESTERN\\_BALKANS](https://www.researchgate.net/publication/334747022_IS_TIKa_TURKEY'S_PLATFORM_FOR_DEVELOPMENT_COOPERATION_OR_SOMETHING_MORE_EVIDENCE_FROM_THE_WESTERN_BALKANS).
- Kostojchinoski, Gjorgji. 2016. 'Macedonian "Colorful Revolution": Explaining Counter-Revolution'. 2016. <https://www.jetdencre.ch/macedonian-colorful-revolution-explaining-counter-revolutions>.
- Kuczyński, Grzegorz. 2019. 'Russia's Hybrid Warfare in the Western Balkans | Warsaw Institute'. 2019. <https://warsawinstitute.org/russias-hybrid-warfare-western-balkans/>.
- Levica. 2022. 'Делегација на Левица оствари средба со Комунистичката Партија на Руската Федерација по повод сто години од формирањето на Советските Пионери - Левица'. 22 May 2022. <https://levica.mk/2022/05/22/delegatsija-na-levitsa-ostvari-sredba-so-komunistichkata-partija-na-ruskata-federatsija-po-povod-sto-godini-od-formiraneto-na-sovetskite-pioneri/>.
- . 2023. 'Колумни и блогови - Левица'. 20 January 2023. <https://levica.mk/category/kolumni-blogovi/>.
- Markovikj, Nenad, and Misha Popovikj. 2015. 'Political Dialogue'. *IDSCS* (blog). 17 September 2015. <https://idscs.org.mk/en/2015/09/17/promotion-of-the-analysis-political-dialogue/>.
- Ministry of Defence. 2019. 'Turkey Continues to Support North Macedonia in NATO – the Minister of National Defense Akar in an Official Visit to Our Country'. Mod.Gov.Mk. 3 April 2019. <https://cutt.ly/83dG15Y>.
- Ministry of Finance. 2022. 'Министерство За Финансии - Транспарентно За Јавниот Долг'. 2022. <https://javendolg.finance.gov.mk>.

- MKD. 2021. 'Радев: Бугарија не се меша во внатрешните работи, но има право да ги брани правата на македонските Бугари'. МКД.мк. 2021. <https://www.mkd.mk/makedonija/politika/radev-bugarija-ne-se-mesha-vo-vnatreshnite-raboti-no-ima-pravo-da-gi-brani>.
- Musai, Semra. 2016. 'Bilal Kasami: Lideri i partisë anti-establishment të Maqedonisë'. *Balkan Insight* (blog). 11 October 2016. <https://balkaninsight.com/sq/2016/10/11/bilal-kasami-lideri-i-partise%3%AB-maqedonase-anti-establishment-10-07-2016/>.
- Najcevska, Mirjana. 2022. 'The Russian Scientific, Educational and Cultural Cobweb in North Macedonia'. *Truthmeter* (blog). 16 April 2022. <https://truthmeter.mk/the-russian-scientific-educational-and-cultural-cobweb-in-north-macedonia/>.
- Nechev, Zoran, and Ivan Nikolovski. 2020. 'Hustled Into a Dead End: The Delusional Belief In Chinese Corrosive Capital for the Construction of North Macedonia's Highways'. ———. 2021. 'The Strategic Role of External Actors in the Western Balkans'. Martens Centre. 2021. <https://www.martenscentre.eu/publication/the-strategic-role-of-external-actors-in-the-western-balkans/>.
- Nenadović, Aleksandra. 2017. 'Ministar Optužuje Srbiju Za Mešanje u Unutrašnje Poslove Makedonije'. 2017. <https://www.glasamerike.net/a/ministar-optuzuje-srbiju-za-mesanje-u-unutrasnje-stvari-makedonije/3884809.html>.
- Nikolic, Dragan. 2005. 'Macedonia's "Taiwan Adventure" Ends'. 2005. <https://iwpr.net/global-voices/macedonias-taiwan-adventure-ends>.
- Nikolovski, Ivan. 2019. 'Strains Emerge in North Macedonia's Alliance With Turkey'. *Balkan Insight* (blog). 10 May 2019. <https://balkaninsight.com/2019/05/10/strains-emerge-in-north-macedonias-alliance-with-turkey/>.
- Nimetz, Matthew. 2020. 'The Macedonian "Name" Dispute: The Macedonian Question—Resolved?' *Nationalities Papers* 48 (2): 205–14. <https://doi.org/10.1017/nps.2020.10>.
- 'Ohrid Framework Agreement'. 2001. 2001. <https://www.osce.org/skopje/100622>.
- Oxenham, Simon. 2019. "I Was a Macedonian Fake News Writer" - BBC Future. 2019. <https://www.bbc.com/future/article/20190528-i-was-a-macedonian-fake-news-writer>.
- Pankovski, Marko. 2021. 'Governance versus Authoritarian Influence in the Western Balkans'.
- Pankovski, Marko, and Vlora Rechica. 2022. 'Countering Disinformation in North Macedonia: How Can Parliament Rise to the Occasion?', no. 6.
- Pollozhani, Lura. 2022. 'North Macedonia and the EU'. Kosovo 2.0. 4 August 2022. <https://kosovotwopointzero.com/en/north-macedonia-and-the-eu/>.
- Ropovski, Ljursco. 2018. 'Падот На Груевски Ги Спречи Руските Планови За Македонија – DW – 22.03.2018', 2018. <https://bit.ly/3YSA4bF>.
- President of North Macedonia. 2021. 'President Pendarovski Meets with the Association of Turkish NGOs in Macedonia - MATUSITEB'. 2021. <https://pretsedatel.mk/en/matusiteb-3/>.
- Qatar Embassy. 2022. 'Qatar- Macedonian Relations'. 2022. <https://skopje.embassy.qa/en/macedonia/qatar--macedonian-relations>.
- Rechica, Vlora. 2022. 'Focus Group Research: Public Perception on Trust in Political Parties, Public Institutions and Quality of Life in North Macedonia'. *IDSCS* (blog). 6 December 2022. <https://idscs.org.mk/en/2022/12/06/focus-group-research-public-perception-on-trust-in-political-parties-public-institutions-and-quality-of-life-in-north-macedonia/>.
- Rechica, Vlora, Jovan Bliznakovski, and Misha Popovikj. 2022. 'The Populist Citizen: Why Do the Citizens Support Populist Leaders and Policies in North Macedonia?' *IDSCS* (blog). 3 May 2022. <https://idscs.org.mk/en/2022/05/03/the-populist-citizen-why-do-the-citizens-support-populist-leaders-and-policies-in-north-macedonia/>.
- RFE/RL. 2017. 'More Than 90 Indicted In Macedonia Over Wiretap Scandal'. *Radio Free Europe/Radio Liberty*, 2017, sec. North Macedonia. <https://www.rferl.org/a/macedonia-special-prosecutor-janeva-charge-94-illegal-wiretapping-scandal-abuse-of-power-gruevski-zaev/28587330.html>.
- Shopar, Vesna, Tamara Kjupeva, and Aleksandra Temenugova. 2016. 'Media Literacy in Macedonia: The Missing Link for Active Citizenship'. *Институт За Комуникациски Студиум* (blog). 20 September 2016. <https://iks.edu.mk/en/research-analysis/media-literacy-in-macedonia-the-missing-link-for-active-citizenship/>.
- Sijamija, Mahir, Haris Čutahija, Milena Gvozdrenović, Marko Pankovski, Dorka Takácsy, Dominik Istrate, and Veronika Vichová. 2020. 'Foreign Authoritarian Influence in the Western Balkans'. *IDSCS* (blog). 29 September 2020. <https://idscs.org.mk/en/2020/09/29/foreign-authoritarian-influence-in-the-western-balkans/>.
- Sloboden Pечат. 2022. 'Бугарија Ни Се Меша Во Внатрешните Работи Со Барањето Да Ги Вклучиме Бугарите Во Уставот, Смета Пендаровски - Сlobоден Печат'. 2022. <https://www.slobodenpecat.mk/bugarija-ni-se-mesha-vo-vnatreshnite-raboti-so-baranjeto-da-gi-vkluchime-bugarite-vo-ustavot-smeta-pendarovski/>.
- State Election Commission. 2020. 'Резултати од претходни избори'. *Државна Изборна Комисија* (blog). 2020. <https://www.sec.mk/rezultati-od-prethodni-izbori-2/>.
- State Statistical Office. 2022. 'Државен Завод За Статистика: Лаекенски Индикатори За Сиромаштијата Во 2020 Година - Дефинитивни Податоци'. 2022. <https://www.stat.gov.mk/PrikaziSoopstenie.aspx?rbtxt=115>.
- Tahiri, Sefer. 2016. 'Macedonia Social Democrats Set Sights on Albanian Votes'. *Balkan Insight* (blog). 11 November 2016. <https://balkaninsight.com/2016/11/11/macedonia-social-democrats-set-sights-on-albanian-votes-11-11-2016/>.
- The Assembly of North Macedonia. 2022. 'Собрание На Република Северна Македонија - Детали На Материјал'. 2022. <https://www.sobranie.mk//detali-na-materijal.nspx?param=1e3726cd-fe0f-4ffa-af2f-86b15cfdb9ea>.
- TIKA. 2021. '500 Projects by TIKA in North Macedonia in 6 Years - TIKA'. 2021. [https://www.tika.gov.tr/en/news/500\\_projects\\_by\\_tika\\_in\\_north\\_macedonia\\_in\\_6\\_years-64070](https://www.tika.gov.tr/en/news/500_projects_by_tika_in_north_macedonia_in_6_years-64070).

Trajkovska, Mariela. 2022. 'Support for Russia from the Left Rejected Firsthand - Free Press'. Слободен Печат. 18 March 2022. <https://www.slobodenpecat.mk/en/poddrshkata-zarusia-od-levica-otfrlena-od-prva-raka/>.

Transparency International. 2023. 'Republic of North Macedonia'. Transparency.Org. 31 January 2023. <https://www.transparency.org/en/countries/republic-of-north-macedonia>.

Trpkovski, Goce. 2018. 'Kremlin "Guru" Rouses Anti-Western Feeling in Macedonia'. *Balkan Insight* (blog). 5 March 2018. <https://balkaninsight.com/2018/03/05/kremlin-guru-rouses-anti-western-feeling-in-macedonia-03-05-2018/>.

———. 2019. 'Foreign Authoritarian Influence in the Western Balkans: An International Forum Working Paper'. NATIONAL ENDOWMENT FOR DEMOCRACY. 3 May 2019. <https://www.ned.org/foreign-authoritarian-influence-western-balkans/>.

TRT Balkan MK. 2022. 'TRT Balkan MK (@trtbalkanmk) • Instagram Photos and Videos'. 2022. <https://www.instagram.com/trtbalkanmk/>.

TRT World. 2022. 'Türkiye's TRT Broadcaster "followed with Interest" in Balkans: Türkiye's TRT Broadcaster 'followed with Interest' in Balkans. 2022. <https://www.trtworld.com/turkey/turkiye-s-trt-broadcaster-followed-with-interest-in-balkans-58165>.

Velinovska, Anamarija, Ivan Nikolovski, and Marie Jelenka Krichner. 2022. 'From a Poster to a Foster Child. 2021 Public Opinion Analysis on North Macedonia's EU Accession Process'. *IDSCS*. 18 February 2022. <https://idscs.org.mk/en/2022/02/18/from-a-poster-to-a-foster-child-2021-public-opinion-analysis-on-north-macedonias-eu-accession-process/>.

Velinovska, Anamarija. 2023. Europe in crisis. The consequences on public opinion in North Macedonia. *IDSCS*. [https://idscs.org.mk/wp-content/uploads/2023/03/1\\_B5\\_Analiza\\_MKD-1.pdf](https://idscs.org.mk/wp-content/uploads/2023/03/1_B5_Analiza_MKD-1.pdf)

World Bank. 2022. 'Facing Ongoing Shocks, North Macedonia Needs Policies That Protect Most Vulnerable and Reforms That Boost Growth'. Text/HTML. World Bank. 2022. <https://doi.org/10/24/facing-ongoing-shocks-north-macedonia-needs-policies-that-protect-most-vulnerable-and-reforms-that-boost-growth>.

Zafeiropoulos, Kostas. 2019. 'Alexander the Bot: The Twitter War for the Macedonian Soul'. *Balkan Insight* (blog). 18 December 2019. <https://balkaninsight.com/2019/12/18/alexander-the-bot-the-twitter-war-for-the-macedonian-soul/>.

Zdravkovska, Zh. 2017. 'ТУРЦИЈА НЕМА ДА ГИ ПРИЗНАВА МАКЕДОНСКИТЕ ДИПЛОМИ, СТУДЕНТИТЕ ИСПЛАШЕНИ'. *Сакам Да Кажам* (blog). 21 January 2017. <https://sdk.mk/index.php/makedonija/turtsija-nema-da-gi-priznava-makedonskite-diplomi-studentite-isplasheni/>.

## Serbia

*(EU candidate status granted in 2012)*

# The West is Dear, but the East is Dearer: Policy Pressures and Actors' Preferences in Serbia

---

**Dr. Vladimir Vučković**

*Lecturer, Department of International Relations and European Studies, Masaryk University, Brno, Czech Republic*

## Executive Summary

---

*Unlike the other external actors (China, Türkiye, and the UAE), Russia remains the only state that contributes to the destabilization of Serbia, as its influence is deeply present in all spheres of society. Russia remains a veto power that favors the unstable Western Balkans – a region that is not integrated into the European and Euro-Atlantic communities for strategic reasons. As a geostrategic actor, Moscow tries to make the process of Europeanization as incomplete and unfinished as it intends to send a clear message to the countries of the post-Soviet space that it is not worth it to become part of the EU and NATO. In terms of democracy, all external actors tend to contribute to the decline of democracy in Serbia as they harm the process of democratic consolidation. Because their (external) influence is corrosive, they fit in with a general*

*tendency toward the (in)quality of democracy and the rule of law in Serbia, especially in the context of the transparency of financial procedures, economic-infrastructure projects, and military-security cooperation. These powers also influence Serbia's democratic decline, as they also tend to glorify the cult of personality of autocratic leaders – Putin, Jinping, and Erdoğan, mostly through pro-regime media. However, the key setback in the context of the quality of democracy in Serbia is not external but internal. It originates from the rise of power of Aleksandar Vučić, who combines autocratic governance tools with declarative commitment to the EU accession process, consequently legitimizing the democratic backsliding and erosion of democratic safeguards in the country.*

## Introduction

---

The policy paper seeks to examine the influence of Russia, China, Türkiye, and the Arab states of the Persian Gulf, and in particular, the United Arab Emirates (UAE), as destabilizing agents contributing to democratic backsliding in Serbia from 2008 to 2022. Alternative politics strive to be Serbia's primary foreign policy orientation even after 2000 and the overthrow of Slobodan Milošević's regime. Its initial manifestation was the signing of the *Declaration of Military Neutrality of Serbia* in 2007, indicating a state's desire to search for an alternative to the Euro-Atlantic concept that is dominant in the Western Balkans. Progressively, the government of Boris Tadić in 2009 promoted a seemingly new idea, "Four Pillar Foreign Policy" – cooperation with the EU, US, Russia, and China, giving this multi-vector policy

the institutional framework itself. Alternative politics, even today, lead to complete social acceptance and, in a way, a broader institutional establishment. However, the politics of "both East and West" were additionally strengthened after Aleksandar Vučić came to power in 2012. Back then, Serbia embarked on the process of signing successive strategic partnerships with each of these countries almost every year, namely with Italy (2009), France (2011), the UAE (2013), Russia (2013), China (2016), and Azerbaijan (2018). The sort of dispersive foreign policy reflected in the multiplication of strategic partnerships indicates that despite Serbia's strategic orientation towards the EU, it permanently relies on enhancing the politics of alternatives (Živojinović & Đukanović 2011; Keil & Stahl 2014).

## Methodology

---

The study will employ a mixture of qualitative data collection methods ranging from the single case study, qualitative content analysis and empirical analysis, including semi-structured interviews. Empirical analysis, coupled with the method of analysis and explanation, is used to select and examine a wide range of data, such as

- 1) key foreign and domestic documents (primary sources);
- 2) semi-structured interviews with academia members; and
- 3) volumes, articles, analyses, reports, press clippings of

relevant media, surveys, and statements of political officials, and so forth, as secondary sources. In the context of the spatial framework of the research, this study focused solely on Serbia, while in terms of the research timeframe, the paper examines the period from 2008 to 2022.

## Russia

---

### Serbia signals to the West but turns to Moscow

Russian-Serbian bilateral relations are based on a strategic partnership that is rooted in the mutual feeling of friendship, a centuries-old history of relations, and the tradition of the linguistic, spiritual, and cultural closeness of the brotherly peoples of the two countries (*Ministarstvo spoljnih poslova Srbije* 2023). Although Serbia is considered Moscow's traditional sphere of influence, Russian penetration of Serbia has become more dynamic since 2008 as a consequence of two crucial, both internal and external developments – 1) Kosovo's unilateral declaration of independence (2008) and Russia's opposition to it in the United Nations Security Council (UNSC);<sup>1</sup> 2) the strong impact of the global economic crisis, which predominately influenced the decision of Serbian authorities to sell the oil industry of Serbia (*Naftna industrija Srbije - NIS*) to the Russian oil giant Gazprom. As an interviewee on foreign policy states, “Russia penetrates the energy sphere and transposes its influence on the wider political scene” (D/Đ 2022).

In line with the proclaimed Serbian foreign policy of four pillars, Moscow occupies an important strategic place (Petrović & Đukanović 2012). The two countries signed the *Strategic Partnership Agreement* in 2009, further strengthening cooperation in energy, collective security, transportation infrastructure, and support for preserving sovereignty and territorial integrity. The Russian-Serbian cooperation has opened the door to a more substantial dialogue at the highest political level. Still, far more importantly, it has intensified security cooperation based on the *Declaration on Strategic Partnership* signed in May 2013. The signed declaration gave additional momentum to the quality of bilateral relations (*Ministarstvo spoljnih poslova Srbije* 2023).

Bilateral relations are primarily determined by cooperation in the fields of the economy (trade, investments, infrastructure, energy, and agriculture), security (military-technical cooperation), and science. Economically speaking,

the total volume of trade between the two countries has continuously increased during the last decade due to the signing of a Free Trade Agreement in 2013, reaching its peak in 2021 with 2.48 billion dollars. In recent years, Serbia has run a slight but visible trade deficit of some 500 million dollars (Trading Economics 2021).<sup>2</sup>

Serbia has emerged at the top of the Russian foreign policy agenda during the last decade as a means of geopolitical confrontation with the EU and the US (Bechev 2017). Although the beginning of the 1990s indicated a thawing of relations between the West and the East; the Kosovo intervention in 1999 clearly showed that the West and Moscow were on their parting ways. The Yugoslav wars (1991–1995), the NATO bombing of Serbia (1999), and the unilateral independence of Kosovo (2008), supported by major Western powers, only further solidified the Serbian-Russian partnership (Bechev & Radeljić 2018).

The Russian competition strategy reemerged quickly after adopting the Foreign Policy Concept in 2013, where Moscow defined Russia's three crucial foreign policy goals for achieving supremacy at the international level: remaining a nuclear power, a great power, and a regional hegemon. This sort of zero-sum approach has been of utmost importance in Moscow's foreign policy towards Serbia, as the state has been essential for maintaining Russian influence and serving as a buffer zone in which Russia is given a dominant position (Aron 2016; Petrillo 2013).

In the last decade, Russia's relations with Serbia have been predominantly determined by its relations with the West. In viewing Serbia as its traditional sphere of influence, Russia, as a geostrategic power, strongly opposed NATO enlargement and, in recent years, the EU integration process as well. During the Dmitry Medvedev presidency, for instance, Moscow showed no objections to the NATO membership of Albania and Croatia in 2009, while

---

1 Following the full implementation of UNSC Resolution 1244 on Kosovo and Metohija and the preservation of the sovereignty and territorial integrity of Serbia.

2 In 2021, Serbian exports to Russia were estimated to be worth 996.16 million dollars by categories: edible fruits, machinery, nuclear reactors, boilers, rubbers, articles of apparel, etc. Serbia's imports from Russia were estimated at 1.81 billion dollars by categories: mineral fuels, oils, distillation products, fertilizers, and tobacco.

post-Crimea Russia has started observing Serbia from a zero-sum perspective where a Western gain is a Russian loss (Bechev 2017; Bieber & Tzifakis 2020). Nevertheless, the policy of confrontation harms stabilizing the situation in the Balkans nowadays. *“Russia is an actor that favors the unstable Western Balkans, a region that is not integrated into the European and Euro-Atlantic communities, for its strategic reasons. Moscow wants the process of the Europeanization of the Balkans to be an unfinished and incomplete project because the Kremlin also wants to send a message to the countries in the post-Soviet space that it is not worth it to be on the path of the EU and Euro-Atlantic integrations,”* concludes one of the interviewees on security policy (F/E 2022).

In addition, the Russian foreign policy towards Serbia is determined by ruthless pragmatism, where different mechanisms of influence are used to achieve its national interests. The Kremlin uses the opportunities of uneven soft power within broad policy areas where it takes advantage of Serbia's political and economic difficulties to expand its influence and diminish regional stability. By using various opportunities, such as raising authoritarianism, democratic decline, high internal unemployment, and sensitive collective politics of memory (dissolution of Yugoslavia, NATO bombing of Serbia, and secession of Kosovo), Russia continuously seeks to leverage its substantial influence by undermining the EU and NATO values and their achievements in Serbia (Galeotti 2018; Mujanović 2018).

Russian influence in Serbia is profound and multi-layered and is present in all structures of society, becoming profound in 2008 when Gazprom purchased Serbian state company NIS. The main levers of its influence are based on four aspects of soft power: 1) use of veto power as a permanent member of the UNSC; 2) energy sector; 3) security cooperation, and 4) Orthodoxy (Pan-Slavism).

While using its veto power on the UNSC has prevented Kosovo from gaining international subjectivity and joining the UN, Russia has strengthened its dominant political position in Serbia as an important regional actor. Consequently, Russia invoked the “Kosovo precedent” to justify its expansionist policies in Georgia and Ukraine and the unilateral secession and declaration of independence of the self-proclaimed republics of Donetsk and Luhansk in the Donbas region, eastern Ukraine (Radeljić 2017). From Moscow's point of view, when Kosovo declared independence, the International Court of Justice ruled according to the UN Charter, i.e., when a self-proclaimed state declares independence, there is no legal basis for

seeking permission from the central government. This means that the self-proclaimed republics in the Donbas region do not need to seek permission from Kyiv (Nova 2022). Additionally, Russia used the Srebrenica genocide example to justify its military invasion of Ukraine, claiming that had it not been for our intervention, the two Donbas republics would suffer the same fate as Srebrenica (N1 2022).

Moreover, after the Russian invasion of Ukraine in 2022, Moscow is rapidly demonstrating its ability to be a veto player in Serbia's foreign security and energy policies. As one of the interviewees on IR points out, *“In the domain of foreign policy, Russia is positioned as a veto player for the non-introduction of sanctions against themselves; in the domain of security policy, it is positioned as a veto player for possible membership in NATO; and in the domain of energy policy, issues related to gas and oil”* (M/K 2022). The example of Russian intervention in Ukraine showed that, as a veto player, Moscow prevents Serbia from leading an independent foreign, security, and energy policy. The Kremlin makes it clear what their red lines are and what must not be crossed; otherwise, retaliation will follow. *“I think that if there is even a minimal space for such a policy to be conducted, it will be conducted even if there is a disagreement between the US and the EU... No price will force the authorities in Belgrade to accept the mechanism of sanctions against the Russian Federation,”* concludes one of the interviewees on FP (D/Đ 2022).

Russia also substantially strengthens its influence in Serbia, primarily through the energy sector. Serbia is dependent on Russian natural gas, as Moscow is the primary energy supplier to Belgrade. The energy dependence stems from the contractual relationship signed between Serbia and Russia through the *Agreement on Gas and Oil Partnership* in 2008. To a lesser extent, Russia is also involved in the infrastructure projects by providing a loan for Russian Railways (RSZ International) to reconstruct the railway line Novi Sad-Stara Pazova (*Ministarstvo građevinarstva, saobraćaja i infrastrukture Srbije* 2021). While the Kremlin (mis)used the “Kosovo case” to once again unify South Slavic states under Russian influence, on the one hand, it has provided affordable gas prices and subsidies, making Serbia highly dependent on Russian energy on the other (Conley, Mina, Stefanov & Vladmirov 2016).

Russia bears the features of an “opportunistic spoiler” (Bechev 2017). By using the rhetoric of maintaining supposed brotherhood, coupled with a shared sense of

victimhood, the Kremlin has underpinned its foreign policy actions and initiatives to strengthen the politics of the alternative in Serbia. At the same time, it has been reluctant to provide the region with an alternative perspective for achieving stability and prosperity compared to Western models. Notably, Russia does not have a long-term strategy for developing relations with the Western Balkans. However, its advantages are seen in swift decisions and flexible action (House of Lords of the United Kingdom 2018).

In the security sector, Russian-Serbian relations are characterized by intensive military cooperation. It was institutionalized through the *Agreements on Defense Cooperation* in 2013 and *Military-Technical Cooperation* in 2016, striving additionally to modernize the Serbian army, military equipment, and defense capacities (*Ministarstvo spoljnih poslova Srbije* 2023). The military cooperation has been further strengthened through the participation of Belarusian military forces in “*Slavic Brotherhood*” exercises, where the improvement of the quality of the air forces and ground readiness of the armies remains one of the main goals of trilateral military cooperation (AI Jazeera Balkans 2021). Such cooperation demonstrates tangible results in practice, where Russia decided to donate six used MiG-29s to Serbia in 2017, but also 30 T-72S tanks and 30 BRDM-2 MS armored vehicles in 2021. Belarus also decided to donate an additional 4 MIG-29s to Serbia in 2021 (Radio Slobodna Evropa 2017, 2021). The security cooperation raises a concern about the transparency of procedures, as Belgrade marked the information about the modernization of military equipment, transport, and armament for these donated planes as a top state secret. The limited available information points out that the (alleged) Russian donation had to be paid for an overhaul of fighter planes in a total amount of 195 million dollars (Vreme 2022).

At present, Moscow has changed its Western Balkan strategy from a policy-based initiative to taking advantage of divisions within the states (Hill 2018). To maintain supremacy in Serbia, its traditional sphere of influence, Russia has used other soft power mechanisms in the form of supporting religious groups, financing political parties and individuals, and establishing anti-western media outlets. For such a purpose, the Kremlin has

predominantly strengthened the idea of the survival of the pan-Slavic idea (preservation of Orthodox unity and Slavic heritage) advocated by the Serbian Orthodox Church (SOC) and its sister Russian Orthodox Church (ROC) while operationalized by opposition extremist right-wing political parties, such as *Dveri*, *Zavetnici*, *Naši*, in opposing Serbia's accession to the EU. The synthesis of church-state relations strongly impacted the definition of Russian foreign policy priorities. Moscow has (mis)used orthodoxy to proclaim an explicit claim to Orthodox states in the Balkans, especially in Serbia (DFC 2021, 44). Finally, the weak state of the media through the establishment of the “Sputnik network,” where the quality of reporting is low and exposure to political manipulation, fake news, and disinformation is becoming standard, has helped strengthen the Russian propaganda narrative among Serbia's citizens (Bechev 2017; BIRN 2022).

Apart from the instability issue, Russia's influence on Serbia's democratization process is also negative. Through its example and actions, Russia encourages the development of autocratic governance rules, namely, the cult of leader Putin, which is quite evident in Serbia. As one interviewee on SP indicates, “*Russia does not encourage only authoritarian tendencies with its example but also with the practices and various supports of authoritarian leaders and political projects. I am not referring only to the support that the Vučić regime receives but also to the direct, financial, logistical, and operational assistance provided by various extreme-right organizations in the Western Balkans*” (F/E 2022).

Nevertheless, Belgrade strives to maintain the importance of alternative politics by strengthening international cooperation with those external powers that provide a higher benefit than others. Consequently, there is a constant Serbian desire to replace the Western view of the foreign policy concept by relying on the East instead of the West. As one of the interviewees on FP claims, “*I see a constant necessity to replace the Western vision of foreign policy conception. The East is closer to this foreign policy concept than any attachment to the West... Serbia has always been, even in 1903 and with the murder of the last Obrenović, reliant on the East rather than the West. And what are these regional powers if not Russia? It will be China. Anything but the West*” (D/D 2022).

## China

---

### Sino-Serbian Economic “Steel Friendship” – Silk Road or Silk Cord?

According to the President of China, Xi Jinping, Sino-Serbian relations are characterized by strategic partnership and “steel friendship” (Radio Slobodna Evropa 2021b). Since China strongly opposed the unilateral secession of Kosovo, bilateral relations between the two countries have significantly developed in the fields of the economy (trade, infrastructure, and investments), energy, and scientific and technical cooperation.

Since then, a Sino-Serbian strategic partnership has been established by signing the *Agreement on Economic and Technical Cooperation* in 2009, which resulted in the realization of major infrastructure projects in Serbia. The change in the Serbian multi-vector orientation led to the signing of the *Joint Statement on the Establishment of a Comprehensive State Partnership* in 2016, as Beijing is seen as a future world economic leader. Such changes enabled Belgrade to secure loans and credits from the Chinese state banks to start the construction of infrastructure and energy projects (*Ministarstvo spoljnih poslova Srbije* 2023).

Unlike Russia, China relies more on soft power to increase its influence in Serbia. During the last decade, China has managed to support religious groups by financing the Western Balkans using the sub-regional initiative “16+1,” consisting of 11 EU member states and 5 candidate countries (currently 14+1) (Vangeli 2018). Under the “One Belt, One Road” initiative (OBOR), China’s interests in the Balkans substantially differ from those of Russia. China is not opposed to the EU and NATO enlargement of Serbia and uses its economic leverage to enhance its regional influence. Economic cooperation also affects the development of political partnerships, as characterized by intense political dialogue through the frequent visits of state officials at the highest level as of 2016. As a product of fruitful regional economic CEEC cooperation, including the construction of the Belgrade-Budapest high-speed railway and highway section Surčin-Obrenovac (China-CEEC Cooperation 2013).

Under the OBOR initiative, China has strengthened its soft power influence in Serbia in the last decade through the economic sphere by providing financial loans and credits for various infrastructure projects, namely energy, mining, and the automotive industry. After the EU, China is Serbia’s second-most important foreign trade partner, with a volume trade exchange of 5.10 billion dollars in 2021. Serbia exported goods to China with a total value of 944.55 million dollars (Trading Economics 2021).<sup>3</sup>

Furthermore, Serbia’s suitable geographical position between Western Europe and Eurasia, good road infrastructural connections with neighboring EU member states, and strong personal relations between President Vučić and Xi Jinping have opened the possibility of the arrival of Chinese investments in Serbia. Beijing generously (mis)used this opportunity for its trade interests, enabling the safe and fast delivery of its goods to the EU (Kavalski 2019). However, the large Sino-Serbian trade disparity is observable in Serbia’s exports of raw materials, and it raises a logical question about the sustainability and quality of economic relations for Serbia (Janjić 2021).

Based on the available data, Serbian exports to China have significantly increased in the last decade. However, it still did not even reach a full 2% of the total Serbian export. Since 2019, Serbian exports have been reduced to delivering raw copper and ash to China. This kind of export is not economically beneficial for Serbia, as the Chinese companies privatized the two largest industrial giants: the steel factory in Smederevo and the mining and smelting basin in Bor. Hence, the export of raw materials continues to reach the Chinese market without any financial compensation. Established trade relations do not leave much room for reaping economic benefits from the exploitation of mineral wealth by the Serbian state, as it is considered that, apart from the collection of mining rent from mined copper, little financial resources go to the domestic budget (Janjić 2021).

---

3 In 2021, Serbia exported goods to China, such as mining products such as ores, slag, and ash (500.89 million dollars), copper (326.30 million dollars), and wood (51.85 million dollars).

In terms of infrastructure, China was financially and constructively active in the construction of 1) the Pupin' Bridge on the Danube River (connecting Belgrade municipalities of Zemun and Borča), 2) the highway section of the "Miloš Veliki" (connecting Belgrade with Western Serbia and further highway with Montenegro), and 3) the modernization of the Belgrade-Budapest high-speed railway (Vuksanović 2022, 8-9). In the energy sector, China is modernizing the thermal power plant Kostolac and constructing a new block of the Kolubara B power plant. In the mining sector, the Chinese giant HeSteel became the owner of the Smederevo steel factory in 2016, while the Chinese Zijin Mining Group privatized Mining and Smelting Basin Bor in 2018 (CSD 2021, 19). The latest Chinese investments are visible in the automotive industry, where Shandong Linglong in Zrenjanin and Yanfeng Automotive Interior Systems in Kragujevac opened factories producing tires and components for car interiors in 2019 (N1 2019).

By providing loans to Vučić's regime, Chinese investments are more than welcome in Serbia. At the same time, their companies are visibly present in the Serbian market and are in competition with domestic firms in reconstructing and building highways, roads, tunnels, bridges, and railways. To a large extent, such investments created a feeling among the local population that economic development and growth were accelerating in Serbia, while they also served to consolidate Vučić's power further. Hence, as a pragmatic reformist, Vučić sends a clear signal to the West that the EU is not the only game in town (Đorđević, Tursanyi, & Vučković 2021).

Most of these industrial facilities and factories are under the scrutiny of the public and environmental activists due to alleged Chinese companies' violations of environmental protection and human rights laws. There are many objections concerning the spilling of wastewater into the Begej River in Zrenjanin by the Linglong company or increased air pollution in Smederevo and Bor. Consequently, Chinese non-compliance with environmental policies endangers the lives of the local population, leading to an increased number of citizens diagnosed with cancer (Danas 2022a).

Because of Vučić's preferential treatment and protection of Chinese companies, Beijing mostly does not respect environmental and human rights laws by ignoring these complaints. Examples of the employment of Vietnamese workers in the Linglong factory in Zrenjanin, who live and work in inhumane conditions (and whose passports were

confiscated by the Chinese company), as well as the illegal expropriation of the Zijing mine in Bor, have ultimately led to large-scale civil and environmental protests. Despite all these shortcomings, the Serbian political elites maintain asymmetrical economic relations with China, justifying these legal omissions as an opportunity for economic growth and the reduction of unemployment (Radio Slobodna Evropa 2021c).

In addition, China and Serbia have also developed strong security relations. This cooperation has been visible in three forms: 1) police, 2) video surveillance, and 3) military-technical cooperation.

Apart from the creation of mixed police patrols in the larger cities of Serbia (Belgrade, Novi Sad, and Niš), as indicated by the data on the increased number of Chinese tourists, the partnership has gained technological momentum in recent years. Due to its favorable geographical location, this largely reflects China's realization that Serbia can be a veritable technological hub where it can test and implement its scientific and technological innovations. Also, Serbia is recognized as a springboard for marketing its technologies toward the EU market. As a result, Serbia signed a strategic partnership agreement with Chinese company Huawei in 2017, which envisages the introduction of a camera system within the project "Safe City." The provisions of the projects stipulate the installation of 1000 cameras at 800 locations in Belgrade and the introduction of a surveillance system that can biometrically identify people (Vladislavljev 2021).

The whole project itself is controversial and raises serious concerns about the violation of privacy and misuse of citizens' data with smart face recognition technology. It also greatly questions the national security of Serbia. There is a suspicion that Huawei may forward sensitive personal data to China, thereby abusing the Serbian surveillance system for Chinese national interests. Also, the project is non-transparent in terms of the cost because Serbia has marked this information as confidential, depriving citizens of basic information related to invested money, the location of the installed cameras, and details of contracts and supervision (Vladislavljev 2021).

Last but not least, Sino-Serbian military cooperation is gaining momentum. After the US (9.8 million dollars), China has positioned itself as the second-largest donor of military equipment to Serbia (5.2 million dollars) (Vuksanović 2021). So far, China has delivered to Serbia six CH-92A drones and the FK-3 anti-aircraft missile system, making Serbia

the first operator of Chinese missiles in Europe (Radio Slobodna Evropa 2022a). However, information about the Serbian purchase and transport of Chinese weaponry is classified as confidential because there is a lack of information concerning the type of weaponry, the value of the equipment, and its use. Military cooperation is of great importance to China. By selling military equipment to Serbia, Beijing desperately seeks to enter the EU's defense market, as EC(EU) imposed an embargo on the import of weapons from China following the suppression of protests in Tiananmen in 1989 (Miroslavljević 2022)

As is the case with Russia, China does not have a corrosive effect on the stability of Serbia. As one of the interviewees on IR claims, *"Beijing has neither the ambitions nor the need to encourage Serbia to enter into a crisis, possibly some conflict, or to encourage an internal rebellion of some citizens"* (M/K 2022). However, in line with democratic peace theory, this may lead to instability in the long run as Chinese influence contributes to the decline of democracy in Serbia.

The reflection of the Chinese rule of governance and its impact are visible in the internal structure of society, especially during the Vučić regime. *"Both Russia and China have started to transpose their models of government in some way. We can see how carefully the Congress of Chinese Communists, which was held recently, is being followed,"* pointed out one interviewee on FP (D/Đ 2022). These models have contributed to changes in society and social relations in both Serbia and the region. The domestic ruling elite appreciates Beijing's commercial involvement in Serbia. Mostly because it has provided substantial infrastructure loans despite rejections of credits from the West that sees Serbia as financially unsustainable, and far more importantly, those policies do not interfere in internal political processes, nor do they threaten the political legitimacy of the domestic ruling elites, as was the case with the EU's conditional policy.

## Türkiye

---

### The golden age of Serbian-Turkish Relations

The Western Balkans, including Serbia, have been getting the attention of Türkiye<sup>4</sup> for quite some time. This region is of utmost importance for Türkiye because of its geographical closeness and historical context, considering that a significant Turkish minority lives in the Balkans and many Turkish citizens immigrate to the region. Therefore, the shared history of Türkiye and the region significantly impacted the improvement of cooperation in the economic and cultural spheres.

Current relations between Belgrade and Ankara are defined as the "golden age of Serbian-Turkish relations," while the bilateral partnership is continuously developing in the

areas of the economy (trade, infrastructure investments, energy), culture, and education programs. Moreover, the intense bilateral economic relations are also the result of strong personal relations between the presidents of Türkiye and Serbia, Recep Tayyip Erdoğan and Aleksandar Vučić (*Predsednik Republike Srbije* 2022).<sup>5</sup>

After the loss of traditional markets in the Middle East and Africa due to the wars or the Arab Spring (namely Syria, Libya, Egypt, Iraq, and Yemen), Ankara has been interested in finding new markets, primarily in the Western Balkans and especially in Serbia, as the most important regional actor. Hence, Turkish foreign policy towards Serbia is

---

4 Türkiye is also referred to as Turkey, which was, until the recent name changes in 2022, the official name of the country in English. The appellation Turkey appears mainly in the interviews to preserve its authenticity.

5 President Recep Tayyip Erdoğan made an official visit to Serbia 3 times in the last 5 years.

based on pure pragmatism and economic interests, as it aims to strengthen its influence through soft elements of power such as economic, cultural, and educational policies (Radeljić & Özşahin 2022).

Turkish-Serbian relations are characterized by an increasingly strong trade exchange, reaching a trading volume of 2 billion dollars. This is primarily due to the 2010 Agreement on Free Trade, where trade exchange increased from 1 million dollars in 2011 to 2 billion in 2022. Türkiye has positioned itself in 21st place in terms of investments, with an average of 13.9 million euros in 2022 invested in the textile sector, auto parts, machinery, banking, and tourism (Trading Economics 2021).<sup>6</sup> Ankara is also involved in infrastructural projects, where the consortium Behtel-Enka started construction of the “Morava Corridor” – a 112 km long road that will link Corridor 10 with the “Miloš Veliki” highway (Serbian Monitor 2019).

Turkish soft power influence is based on the perception that Serbia is a crucial country for maintaining peace and stability in the region, as stability remains a key factor for the improvement of economic cooperation between the two countries. This perception assumes that to achieve regional peace, stability, and prosperity, it is necessary to improve the transport infrastructure and trade relations between the Western Balkans and Türkiye. From Ankara’s perspective, limited statehood issues such as weak bilateral political relations, open neighborly bilateral disputes, economic underdevelopment, and low living standards of Western Balkan citizens can profoundly impact Türkiye’s security. The improvement of the transport infrastructure might have positive effects on regional cooperation but also for Türkiye, as it creates a condition for a faster and more efficient transfer of goods via the Balkans to the EU. Hence, it is not surprising that a trilateral meeting between Türkiye, Serbia, and Bosnia and Herzegovina was initiated during Erdoğan’s visit to the region in 2019, when the foundation stone for the construction of the Belgrade-Sarajevo highway was laid (Radeljić & Özşahin 2022).

Moreover, Türkiye has used its soft power influence through cultural and educational programs in Serbia by targeting the Muslim community that lives in the Sandžak region, where it recently opened a consulate. Turkish soft power is reinforced primarily through the reconstruction and

restoration of Islamic religious objects from the period of the Ottoman Empire, which is financially supported by the Turkish development agency – TİKA. Based on available data, between 1992-2022, TİKA financially supported more than 343 projects in Serbia, investing in cultural and artistic monuments, kindergartens, hospitals, and educational institutions. The restoration of the “Ram Fortress” on the Danube near the Romanian border is one of the most illustrative examples of such fruitful cultural cooperation (TİKA 2022). Another source of regional influence is observable through the establishment of cultural centers, such as the Yunus Emre Institute, which aims to provide more insight and information on Turkish culture, language, and art. Also, International Maarif School was established in Serbia in 2016 as a non-profit public foundation that provides (in)formal education from preschool to higher education. However, Türkiye’s intention to enhance “silent Islamization” raises certain concerns over non-Muslim communities, claiming that respective Turkish actions may lead to religious and ethnic tensions (House of Lords of the United Kingdom 2018).

Unlike Russia, Türkiye acts in a constructive and stabilizing manner in Serbia. Turkish geopolitical ambitions in the region remain clear in terms of the EU and NATO accession processes in the region. So far, Türkiye has not opposed any regional initiatives over joining the EU and NATO. Although Ankara did not have a completely positive effect on the stability process, from Serbia’s point of view, Erdoğan’s statement during his visit to Kosovo that “Turkey is Kosovo, Kosovo is Turkey” had a destabilizing character (BIRN 2013). The “hunt for the Gulenists” also produced dangerous destabilizing effects in Serbia in 2016. As one of the interviewees on SP states, “After the failed military coup in Turkey in 2016, their, I would say, “hysterical demands” to extradite the Gulenists, to close the schools, and to extradite the Gulenists as terrorists did not contribute to the stabilization of the situation in Serbia, conveying the internal turmoil in the Balkans” (F/E 2022). Also, Türkiye’s influence contributes to the decline of democratic safeguards and the erosion of the rule of law in the state. This stems from the fact that Erdoğan’s authoritarian rule of governance is widely supported by Vučić, where the issue of the centralization of power by the Serbian leader represents a positive model to overcome future institutional crises and reduce the authority of the judiciary.

---

6 In 2021, Serbia exported to Türkiye 342 million dollars, mainly materials such as iron while imported goods of 1.7 billion dollars, especially products such as machines and plastics.

## Arab states of the Persian Gulf

---

### Serbian (alternative) partnerships with the UAE and new loan possibilities

Among all Arab states of the Persian Gulf, this paper seeks to analyze solely the UAE's influence on the process of (in) stability, including democratization in Serbia, as the other regional countries do not demonstrate a strong geopolitical interest in getting involved in the development of internal conditions in Serbia.

Cooperation between the United Arab Emirates (UAE) and Serbia has been continuously progressing since 2012, when Aleksandar Vučić and his Serbian Progressive Party (SNS) came to power. Emirati-Serbian relations are characterized by intense political dialogue and continuous meetings at the highest level, which resulted in the establishment of a *strategic partnership* in 2018 and cooperation in the fields of agriculture, aviation industry, residential infrastructure, and military cooperation (*Ministarstvo spoljnih poslova Srbije* 2023).

The interests of the Emirates in Serbia are mainly economic. Firstly, Abu Dhabi becomes present in Serbia due to the diversification of the Emirati economy. As one of the interviewees on SP explains, *"After they use up all the oil, they will need other sources of financing through other sectors of the economy, including agriculture"* (F/E). Secondly, the UAE's appearance in recent years in Serbia should be observed in a wider geopolitical context, where the country is trying to maintain a rivalry with Türkiye. The geopolitical competitiveness between the Emirates and Türkiye in the Middle East has been transferred to the terrain of the Western Balkans, where these regional powers are competing to strengthen their influence through uneven soft power means. With its economic and financial levers of power, Abu Dhabi continuously seeks to leverage its influence by undermining Turkish achievements in Serbia (Bieber & Tzifakis 2019).

However, although Abu Dhabi and Ankara have softened their rhetoric in recent years and calmed tensions in the Middle East, both countries are using Serbia's favorable geographical position to expand their trade relations with the EU. Serbia is located at the crossroads between Europe and Eurasia, so Belgrade has positioned itself as a suitable destination for European markets. From that perspective, the UAE also strives to strengthen its influence in Serbia, primarily through infrastructure projects and granting

loans. Thus, Serbia managed to secure the possibility of obtaining a loan of 1 billion euros for budget expenditures three times already (in 2014, 2016, and 2021) (Danias 2022b).

The total trade balance volume between Serbia and the UAE was 75 million dollars in 2021. Serbia's export to the Emirate was 66.3 million dollars, while the import was 9.05 million dollars (Trading Economics 2021). Direct investments from the Emirates to Serbia were estimated at 11.8 million euros in 2021 (Radio Slobodna Evropa 2022b). Economic relations began to develop in August 2013 when the Emirati airline company Etihad Airways bought a 49% stake in the Serbian airline company Jat Airways. The Serbian authorities were optimistic about the arrival of a partner from the Emirates, but Serbia was already forced to recapitalize. It increased the state's ownership share from 51 to 82%, while the share of Etihad was reduced from 49% to 18% (Reuters 2013).

Also, Emirati-Serbian relations have strengthened through the construction of a luxury residential and commercial complex, *"Belgrade Waterfront."* The contract for this project was signed in April 2015, and the value of the entire luxury complex is estimated to be 3.5 billion dollars. The entire project is largely non-transparent because there is no publicly available information about the construction and the origin of the investors' money. Based on the available (limited) data, the Serbian state became the owner of 32% of this complex, while the remaining share is owned by the Eagle Hills company from the Emirates (Bartell, Ker-Lindsay, Alexander & Prelec 2017). These non-transparent financial transactions are an opportunity for the Vučić leadership to use the decision-making process for private purposes and misuse government prerogatives to ensure that the adopted political decisions largely favor clientelistic interests. As one of the interviewees on SP states, *"The entire investment around 'Belgrade Waterfront' is completely non-transparent, but this does not have a decisive influence on the state of democracy in Serbia. In other words, even if there were no Arab investments, the state of democracy in Serbia would have worsened"* (F/E 2022).

The improvement of Serbian-Emirati relations also gained momentum in the area of the food industry. In 2018, Al Dahra Company, as the only bidder at the tender,

bought the Belgrade Agricultural Corporation (PKB) for a price below the market price (Al Dahra 2018). The main problems concerning the Emirate's economic operations in Serbia are predominately related to the non-transparency of the above-mentioned contract. Given that there is no competition, tenders, or transparency in cooperation, arrangements between the Emirates and Serbia are subordinated to personal acquaintances between the business and political elites. As one of the interviewees on IR claims, although Emirate's influence is based on its financial nature, the "entire 'Belgrade Waterfront'

*project is also a political project and not only an economic-infrastructure one"* (M/K 2022).

In recent years, relations have been characterized by intensive military cooperation, as the Emirates is one of the leading trading countries for exporting Serbian arms and military equipment. In 2018, Serbia exported armaments and military equipment worth 165.26 million dollars to the Emirates, making this country the leading export destination (Radio Slobodna Evropa 2022b).

## Conclusion

---

Unlike the other external actors (China, Türkiye, and the UAE), Russia remains the only state that contributes to the destabilization of Serbia, as its influence is deeply present in all spheres of society. A strong Russophile policy reflects the wider context of state and para-state structures, business, the church, and academic elites who strongly advocate the necessity of replacing the Western version of the foreign policy conception. For such a purpose, Russia uses the opportunities of uneven soft power within broad policy areas where it takes advantage of Serbia's political and economic difficulties to expand its influence and diminish regional stability. As a geostrategic and veto player, Moscow tends to leverage its influence in the foreign, security, and energy policy spheres of Serbia by undermining the values of the EU and US and their achievements in the country. The Kremlin does not have a long-term strategy for developing relations with Belgrade, but its advantages are primarily seen in swift decisions and flexible actions.

In terms of democracy, all external actors tend to contribute to the decline of democracy in Serbia as they harm the process of democratic consolidation. Because their (external) influence is corrosive, they fit in with a general tendency of the (in)quality of democracy and the rule of law in Serbia, especially in the context of the transparency of financial procedures, economic-infrastructure projects, and military-security cooperation. Non-transparency in all these areas leaves room for machinations and corruption on an interstate level, where a lack of information on matters of public interest contributes to overall citizens' distrust in formal democratic institutions. These powers influence

Serbia's democratic decline as they also tend to glorify the cult of personality of autocratic leaders – Putin, Jinping, and Erdoğan mostly through pro-regime media. It consequently creates a discourse among the local population that a cult of leaders combined with autocratic rules of governance is acceptable and expedient.

However, the key setback in the context of the quality of democracy in Serbia is not external but internal. It originates from the rise to power of Aleksandar Vučić, who combines autocratic governance tools with a policy of alternatives, consequently legitimizing the democratic backsliding and erosion of democratic safeguards in the country. A hybrid regime with developed authoritarian mechanisms formally operates within a democratic system according to its principles and standards, while misusing its government prerogatives to undermine the independent functioning of democratic institutions, as it only nominally commits to the EU accession process.

Finally, the policy of alternatives has provided results for the Serbian leadership so far. Vučić has built a stable semi-autocratic regime thanks to his infallible political instincts, smoothly adapting to new geopolitical circumstances and, when necessary, changing its ideological profiles and foreign policy preferences. He observes Russia, China, Türkiye, and the UAE predominantly as 'shelter states' that give Serbia vis-à-vis strength in European affairs and structures, consequently resisting Western pressure to impose sanctions on Russia for more than a year. Viewed from the elite perspective, policies of alternatives,

unlike the “open-ended process” of the EU conditional enlargement policy, bring more benefits than a policy of opportunities because they do not call into question the

political legitimacy of domestic autocrats nor interfere with internal politics, as was the case with the EU’s asymmetrical imposition of power.

## Policy Recommendations

- ✘ *As Russia is the only power that contributes to the destabilization of Serbia, the non-recognition of Kosovo and the energy (gas) diversification issue must be resolved in the upcoming period if Serbia intends to reduce Russian influence.*
- ✘ *The change of non-transparent procedures and reduction of the cult of autocratic personalities (Putin, Jinping, and Erdoğan) must be further strengthened as they tend to contribute to the country’s weak democracy, erosion of democratic safeguards, and widespread corruption in Serbia.*
- ✘ *Serbia can be best described as a defective democracy; therefore, further actions are needed to reduce the influence of state capture by the ruling party, informal patronage networks, institutionally entrenched corruption, clientelism, and control of media and institutions by the Vučić’s semi-authoritarian regime.*
- ✘ *The current multi-vector foreign policy is beneficial tactically; however, it is unfeasible in the strategic sense as Serbia may lose its EU membership perspective due to excessive reliance on alternative politics in the upcoming period.*

## References

- Al Dahra. 2017. "Al Dahra acquires assets of PKB Korporacija in Serbia for Euro 150 million." Accessed January 27, 2023. <https://www.aldahra.com/blog/al-dahra-acquires-assets-of-pkb-korporacija-in-serbia-for-euro-150-million/>
- Al Jazeera Balkans. 2021. "Granice istoka: Vojna saradnja Rusije, Bjelorusije i Srbije." Accessed November 16, 2022. [https://www.youtube.com/watch?v=x\\_bJ\\_BxTO58](https://www.youtube.com/watch?v=x_bJ_BxTO58)
- Anonymous, D/Đ. 2022. Interview with foreign policy expert by author. November 4, 2022.
- Anonymous, M/K. 2022. Interview with international relations expert by author. November 5, 2022.
- Anonymous, F/J. 2022. Interview with security policy expert by author. November 6, 2022.
- Aron, Leon. 2016. "Drivers of Putin's Foreign Policy." *American Enterprise Institute for Public Policy Research*. (June): 1–6. Accessed November 19, 2022. <https://www.aei.org/research-products/speech/drivers-of-putins-foreign-policy/>
- Bartell, Will, James Ker-Lindsay, Kristian Alexander and Tena Prelec. 2017. "The UAE as an Emerging Actor in the Western Balkans: The Case of Strategic Investment in Serbia." *Journal of Arabian Studies*, Vol. 7, No. 1, pp. 94–112.
- Bechev, D. 2017. *Rival Power: Russia in Southeast Europe*. New Haven: Yale University Press.
- Bechev, D. and Branislav Radeljić. 2018. "Russia and the Balkans." *ETH Zurich*. Journal Issue. <https://doi.org/10.3929/ethz-b-000301365>. Accessed February 21, 2023. <https://www.research-collection.ethz.ch/bitstream/handle/20.500.11850/301365/2/RAD226.pdf>
- Bieber, Florian and Nikolaos Tzifakis. 2020. *The Western Balkans in the World: Linkages and Relations with Non-Western Countries*. Oxon: Routledge.
- BIRN. 2013. "Erdogan 'Misunderstood' Over 'Turkey is Kosovo' Claim." Accessed February 13, 2022. <https://balkaninsight.com/2013/10/28/davutoglu-erdogan-s-kosovo-statement-misinterpreted/>
- BIRN. 2022. "Forget Sputnik. Russian Propaganda Has other Paths into North Macedonia." Accessed December 21, 2022. <https://balkaninsight.com/2022/04/22/forget-sputnik-russian-propaganda-has-other-paths-into-north-macedonia/>
- Center for Study of Democracy (CSD). 2021. "Ekonomski uticaj Kine u Evropi: Rizici po dobro upravljanje i klimu." Beograd: CSD. Accessed December 19, 2022. [https://seldi.net/wp-content/uploads/2021/11/Chinese-EI-Europe-GCC-SR\\_WEB.pdf](https://seldi.net/wp-content/uploads/2021/11/Chinese-EI-Europe-GCC-SR_WEB.pdf)
- Coney, Heather and James Mina and Ruslan Stefanov and Martin Vladimirov. 2016. *The Kremlin Playbook: Understanding Russian Influence in Central and Eastern Europe*. New York and London: Rowman and Littlefield.
- Cooperation between China and Central and Eastern Europe. 2013. Accessed December 17, 2022. <http://www.china-ceec.org/eng/>
- Danas. 2022a. "Linglong tvrdi da posluje zakonski u Zrenjaninu, aktivisti im ne veruju." Accessed January 21, 2023. <https://www.danas.rs/vesti/drustvo/linglong-trvdi-da-posluje-zakonski-u-zrenjaninu-aktivisti-im-ne-veruju/>
- Danas. 2022b. "Vučić: Srbija od Ujedinjenih Arapskih Emirata dobija milijardu evra, sa svega tri odsto kamate." Accessed January 23, 2023. <https://www.danas.rs/vesti/politika/vucic-srbija-od-ujedinjenih-arapskih-emirata-dobija-milijardu-evra-sa-svega-tri-odsto-kamate/>
- Digitalni forenzički centar (DFC). 2021. *Uloga Rusje na Balkanu: Slučaj Crne Gore*. Podgorica: DFC.
- Đorđević, Vladimir, Richard Q. Tursanyi and Vladimir Vučković. 2021. "Beyond the EU as the 'Only Game in Town': China and Failing Europeanization of the Western Balkans." *Eastern Journal of European Studies*, Vol. 12, No. 2, pp. 21–45.
- Galeotti, Mark. 2018. "Do the Western Balkans Face a Coming Russian Storm?" *European Council of Foreign Affairs* (April): 2–20.
- Hill, H. William. 2018. *No Place for Russia: European Security Institutions since 1989*. New York: Columbia University Press.
- Janjić, Miloš. 2021. "Razvoj trgovinskih odnosa sa Kinom kao odraz ekonomskog napretka Srbije." *Centar za evropske politike*. <https://cep.org.rs/blog/razvoj-trgovinskih-odnosa-sa-kinom-kao-odraz-ekonomskog-napretka-srbije/>
- Kavalski, Emilian. 2019. "China in Central and Eastern Europe: The Unintended Effects of Identity Narratives." *Asia Europe Journal* (17) 4: 403–19.
- Keil, Soeren and Bernhard Stahl, ed. 2014. *The Foreign Policies of the Post-Yugoslav States: From Yugoslavia to Europe*. Basingstoke, Hampshire: Palgrave MacMillan.
- Ministarstvo građevinarstva, saobraćaja i infrastrukture Srbije. 2021. "Radovi na izgradnji otvorene pruge na deonici Stara Pazova – Novi Sad." Accessed January 23, 2023. <https://www.mgsi.gov.rs/lat/infrastruktura-gradilista/radovi-na-izgradnji-otvorene-pruge-na-deonici-stara-pazova-novi-sad-u>
- Ministarstvo spoljnih poslova Srbije. 2023. "Bilateralna saradnja." Accessed January 27, 2023. <https://www.mfa.gov.rs/spoljna-politika/bilateralna-saradnja>
- Miroslavljević, Igor. 2022. *Između percepcije javnosti i realnosti: Ruska i kineska politika prema*
- Mujanović, Jasmin. 2018. *Hunger and Fury: The Crisis of Democracy in the Balkans*. London: Hurst and Company.
- N1. 2019. "Brnabić: Šandong Linglong biće najveća fabrika pod krovom u Srbiji." Accessed December 16, 2022. <https://n1info.rs/biznis/a472147-brnabic-sandong-linglong-najveca-fabrika-u-srbiji/>
- N1. 2022. "Srebrenica i neaktivnost međunarodne zajednice neka budu lekcija za Ukrajinu." Accessed April 12, 2023. <https://n1info.ba/vijesti/srebrenica-i-neaktivnost-medjunarodne-zajednice-neka-budu-lekcija-za-ukrajinu/>
- Nova. 2022. "Šta je sve Putin pričao o Kosovu: Bratski nož u leđa." Accessed April 12, 2023. <https://nova.rs/vesti/politika/sta-je-sve-putin-pricao-o-kosovu-bratski-noz-u-ledja/>

- Petrović, Dragan and Dragan Đukanović. 2012. *Stubovi spoljne politike Srbije - EU, Rusija, SAD i Kina*. Beograd: Institut za međunarodnu politiku i privredu.
- Petrillo, Enza Roberta. 2013. "Russian Foreign Policy Towards the Balkans: Which Perspective?" *Instituto per gli studi di politica internazionale* (169) April: 1–7.
- Predsednik Republike Srbije. 2022. "Zvanična poseta predsednika Republike Turske." Accessed January 22, 2023. <https://www.predsednik.rs/lat/pres-centar/vesti/zvanicna-poseta-predsednika-republike-turske>
- Radeljić, Branislav. 2017. "Russian's Involvement in The Kosovo Case: Defending Serbian Interests or Security Its Own Influence in Europe?" *Region: Regional Studies of Russia, Eastern Europe, and Central Asia* (6) 2: 273–300.
- Radeljić, Branislav and Mustafa Cüneyt Özşahin. 2022. *Turkey's Return to the Western Balkans: Policies of Continuity and Transformation*. Cham: Springer Nature.
- Radio Slobodna Evropa. 2017. "Muzejski MIG-ovi za nebo Srbije." Accessed December 12, 2022. <https://www.slobodnaevropa.org/a/ruski-migovi-srbija-/28799560.html>
- Radio Slobodna Evropa. 2021a. "Vojsci Srbije isporučeno 30 tenkova i oklopnih automobila iz ruske donacije." Accessed December 12, 2022. <https://www.slobodnaevropa.org/a/srbija-tenkovi-rusija-donacija/31269345.html>
- Radio Slobodna Evropa. 2021b. "Si Đinping: 'Čelično prijateljstvo' Srbije i Kine se neprekidno produbljuje." Accessed January 11, 2023. <https://www.slobodnaevropa.org/a/31097692.html>
- Radio Slobodna Evropa. 2021c. "NYT: Vlada Srbije pozdravlja kineske investicije dok se građani žale." Accessed January 18, 2023. <https://www.slobodnaevropa.org/a/31173595.html>
- Radio Slobodna Evropa. 2022a. "Sleće novo kinesko naoružanje u Srbiju." Accessed January 23, 2023. <https://www.slobodnaevropa.org/a/fk3-oruzje-srbija-kina-ispоруka/31797285.html>
- Radio Slobodna Evropa. 2022b. "Emirati u Srbiji 'parkiraju' svoj kapital u Evropi." Accessed January 23, 2023. <https://www.slobodnaevropa.org/a/srbija-emirati-biznis/31934921.html>
- Reuters. 2013. "UAE's Etihad to buy 49 percent stake in Serbian airline." Accessed January 17, 2023. <https://www.reuters.com/article/us-etihad-jat-idUSBRE9700EX20130801>
- Serbian monitor. 2019. "Bechtel-Enka is the only bidder for the construction of the Morava Corridor." Accessed January 14, 2023. <https://www.serbianmonitor.com/en/bechtel-enka-the-only-bidder-for-the-construction-of-the-morava-corridor/>
- TIKA. 2023. "TIKA in Serbia". Accessed January 19, 2023. <https://www.tika.gov.tr/tr>
- Trading Economics. 2021. "Serbia indicators." Accessed January 13, 2023. <https://tradingeconomics.com/serbia/indicators>
- Vangeli, Anastas. 2018. "Global China and Symbolic Power: The Case of 16 + 1 Cooperation." *Journal of Contemporary China* (27) 113: 674–87.
- Vladislavljev, Stefan. 2021 *China's 'Digital Silk Road' Enters the Western Balkans*. Prague: Association for International Affairs (AMO).
- Vreme. 2022. "Šta će biti sa MiG-ovima i Pancirima iz Rusije: Budjenje đunte." Accessed December 17, 2022. <https://www.vreme.com/vesti/sta-ce-biti-sa-mig-ovima-i-pancirima-iz-rusije-budjenje-djunte/>
- Vuksanović, Vuk. 2021. *Zmaj sleće u Beograd: Pokretači kinesko-srpskog partnerstva*. Beograd: Beogradski centar za bezbednosnu politiku.
- Vuksanović, Vuk. 2022. *Rusija i Kina prijatelji i braća zarobljene države: analiza narativa u funkciji zarobljavanja države*. Beograd: Beogradski centar za bezbednosnu politiku. *Zapadnom Balkanu – Studija slučaja – Srbija*. Beograd: Beogradski centar za bezbednosnu politiku.



# A Comparative Overview of the External Actors' Influence in the Western Balkans and Croatia

---

By Adnan Huskić

August 2023

## Introduction

The involvement of non-Western foreign entities in the Western Balkans is not a novel concept. Numerous studies, papers, and books have investigated the impact of China, Russia, Türkiye, and some or all of the Gulf States in the region. The US's strategic shift away from Europe and towards the Asia-Pacific region, combined with the weakening of the EU's leverage and the virtual halt of the enlargement process, led to previously unquestioned Western actors losing their influence, leaving a power vacuum in its wake. PSSI's research clearly shows that non-Western actors, some newly emerging regional or global actors, have started filling these voids. This shift has been observed for more than a decade, leading to an increase in the instability of the region and various security concerns.

Simultaneously, there has been a noticeable trend toward democratic decline, where the number of weakly established democracies in the region has begun to regress regarding the quality of democracy. The deterioration of democratic institutions and principles, known as democratic backsliding, is a growing concern worldwide, not only in fragile and developing democracies. Well-established democracies in the West face new and previously unseen challenges. Degrading credibility at home, inconsistency, and hypocrisy in dealing with others, especially non-Western nations, have weakened the standards of democracy and the West's democratic credentials.

The Western Balkans also saw a decline in democracy, as evidenced by significant state capture, rising authoritarianism, rampant corruption and nepotism, feeble institutions, political culture, weak rule of law, political control of media outlets, and suppression of freedom of speech and expression. However, not all countries regressed equally. Some faced only marginal regression, whereas others began to experience signs of severe democratic backsliding. Further exploration of the different

levels of democratic regression and the potential role of external actors could offer insights into this phenomenon.

Various degrees of influence that non-Western states have on the countries of a region, in different areas and with different objectives, were examined. Although viewed differently, their economic influence is relatively small compared with their political clout. All countries in the Western Balkans economically gravitate towards and are closely tied to the EU and the region. While non-Western actors' economic footprint exhibits growth, it will not soon replace the EU. However, the perceived political influence and the importance attributed to non-Western actors by the public in Western Balkan countries point to a problematic perception of the role of the West in the region.

The impact of non-Western actors in the past was usually seen as negative or harmful. While Russia certainly had a detrimental impact, it was more challenging to assess the influence of the other actors. Despite its democratic regression, more recent departure from the West, and strife with the US, Türkiye remains one of the most important NATO members. It neither seeks to replace the EU's influence nor to change the strategic orientation of the countries in the region. Numerous Chinese activities that have emerged as part of decades of re-engagement with the world have primarily been driven by economic interests. However, more recently, China has ventured into the political domain. The Arab States of the Persian Gulf (Gulf States) are a mixed bag of countries with varying interests and approaches in the Western Balkans. While economic footprints can be easily quantified, other influences, such as political and normative, are much more difficult to assess. Do the practices of conducting business affairs in a particular way jeopardize the quality of democracy in the region? Is authoritarianism a desirable model to emulate? What role, if any, will it play in the region's strategic orientation?



This final comparative report represents a novel endeavor that seeks to establish the degree to which democratic backsliding in the region's countries can be linked to or attributed to the influence of non-Western actors. While external influences may contribute to democratic backsliding in the Western Balkans, it is vital to acknowledge the domestic factors that are at play, such as corruption, political polarization, and economic stagnation, and the local political actors, which

have been long-standing issues and factors in the region and cannot be solely attributed to external influences. It is essential to refrain from depicting the Western Balkans region as a single entity facing the same issues and dangers. Even though there are shared issues and trends in the region, each country has its distinct history, political environment, and social context that must be considered when evaluating democratic progress and regression.

## Russia

Russia has the most robust footprint in Serbia and among the Serbs in the region, spreading its influence to BiH, Montenegro, and northern Kosovo. Russian influence is mainly political and partly driven by energy interests, which have been increasingly curtailed since the beginning of the invasion of Ukraine. Russia has a marginal economic footprint in the region. While Russia managed to maintain, to some extent, the ambiguous character of its political influence in the region until February 2022, it is now perceived as a malign actor that aims to spoil the European and NATO aspirations of target countries without offering feasible alternatives.

The relationship between Russia and **Serbia** is based on a strategic partnership and a shared language, culture, and spirituality. Nevertheless, Russian influence has increased since 2008 due to its opposition to Kosovo's secession and the worldwide economic crisis. In the last decade, Serbia has become a priority in Russian foreign policy to challenge the EU and US. The Yugoslav wars, NATO's bombing of Serbia, and Kosovo's independence with Western support deepened the Serbian-Russian alliance. Russia's relations with Serbia are determined mainly by its relations with the West. Russia has opposed NATO enlargement and the EU integration process in Serbia, viewing it as its traditional sphere of influence. Under Dmitry Medvedev, Moscow accepted NATO's expansion of Albania and Croatia in 2009, but post-Crimean Russia viewed Serbia from a zero-sum perspective. This confrontational policy destabilized the Western Balkans. Russia's foreign policy towards Serbia is pragmatic and uses different mechanisms to pursue its interests. Russia exploits Serbia's political and economic hardships to expand its power and destabilize the region. It uses authoritarianism, democratic decline, high unemployment, and sensitive collective memory (Yugoslav dissolution, NATO bombing, Kosovo secession) to increase its sway and weaken EU and NATO values in Serbia.

Moreover, Russia's veto power over the UNSC has blocked Kosovo's international recognition and UN membership

and enabled Moscow to dominate Serbia politically. Moscow used the 'Kosovo case' to advance its geopolitical ambitions in Ukraine and Georgia. After Russia's aggression against Ukraine in 2022, Moscow has shown veto power over Serbia's foreign security and energy policies. An interviewee on international relations noted that Russia was a veto player in foreign policy (sanctions), security policy (NATO membership), and energy policy (gas/oil). While the Kremlin (mis)used the 'Kosovo case' for once again unifying South Slavic states under their influence, on the one hand, it has provided affordable gas prices and subsidies, making Serbia highly dependent on Russian energy on the other. By using the rhetoric of maintaining supposed brotherhood, coupled with a shared sense of victimhood, Russia underpinned its foreign policy actions and initiatives to strengthen the politics of the alternative in Serbia. At the same time, it has been reluctant to provide the region with an alternative perspective for achieving stability and prosperity compared with Western models. Belgrade continually relies on the politics of the alternative by strengthening international cooperation with external powers that provide a higher benefit than others. There is a constant Serbian necessity to replace the Western view of the foreign policy concept of relying on the East instead of the West.

Russia's political influence on **Bosnia and Herzegovina** (BiH) exceeded its economic and cultural investments, mainly because of Milorad Dodik's strategy to maintain Moscow's presence in Republika Srpska for political gain. Dodik cultivated his relationship with Russia to boost his regional and international image. Moscow's backing enabled Dodik to hold a 2016 referendum despite Vučić's objections. Bechev (2016) noted that Dodik's meetings with Putin and Russian embassy statements were the only signs of Russian "malign influence" in BiH, which Western officials had warned against. The Kremlin mainly focused on Serbia and was content with minimal political or financial investments to maintain influence in BiH.



Russia's influence on **Kosovo** can be characterized as weak due to the lack of ethno-religious ties and Kosovo's independence from Russian energy. Russia opposes Kosovo's international independence and uses Kosovo to justify secessionist movements in countries near Russia, such as Georgia and Ukraine. Russia backs Serbia's parallel structures in northern Kosovo, promotes a pro-Russian narrative among local Serbians, and uses media outlets such as Sputnik Serbia to spread Russian viewpoints and disinformation. The Serbian Orthodox Church in Kosovo and its ties to the Russian Orthodox Church serve as means to exert more significant political influence. The Serbian Orthodox Church and Russian Orthodox Church use the West's perceived failure to protect the Serbian community in Kosovo and their culture to portray Russia as a defender of Orthodox culture and traditions.

**Albanian**-Russian relations have remained relatively low since the Cold War due to Albania's strong alignment with the West and Russia's support for Serbia against Kosovo's independence. Albania followed the EU and US policies of sanctions against Russia. It expelled two Russian diplomats in 2018 in response to NATO's collective action principle and the Russian invasion of Ukraine in 2022. Albania's strong

opposition to the war in Ukraine is evident in naming a street near the Russian Embassy in Tirana as "Free Ukraine." However, some concerns exist about Russian influence on Albanian politics via political parties.

In **Montenegro**, Russia has explored ethnic tensions and the unresolved statehood issue to solidify its influence, strengthening anti-NATO and anti-EU sentiment through the extensive support and financing of its natural allies – the Democratic Front and the Serbian Orthodox Church. Doing so enabled a vibrant and active community to nurture the cultural and historical ties between the two countries.

Despite their efforts, Russia is viewed in **Croatia** primarily as a Serbian Orthodox ally, while Croatia sees itself as aligned with the West, especially the United States. However, Russian influence is primarily felt through the energy sector and its spillover effects on internal and foreign policy. Russian influence was spread indirectly via several former and active politicians who maintained good relations with Russia and Putin. However, relations turned sour after Croatia openly sided with Ukraine in 2016, endorsing Ukraine's effort to return Crimea and Donbas to Ukraine.

## Türkiye

Türkiye is somewhat of an oddball in this group. As a NATO member and "still" a prospective EU member, Türkiye mostly supports the EU and NATO aspirations of countries in the region. Türkiye is also constantly increasing its economic footprint in the region. Turkish Cooperation and Coordination Agency (TIKA) intensively rehabilitates Ottoman-era monuments and invests in promoting culture and language via YEE. Internal issues in Türkiye and Erdoğan's break with Fetullah Güllen have led to various pressures on regional partners, some of which have caused them to clash with the EU. Following losing traditional Middle Eastern and African markets due to wars and the Arab Spring, Ankara has been exploring new markets, primarily in the Western Balkans. Türkiye is also seeking to subordinate Muslim communities in the Western Balkans, which unfolds with varying success.

Current relations between **Serbia** and Türkiye are defined as the "golden age of Serbian-Turkish relations." At the same time, the bilateral partnership continuously develops in trade, infrastructure investment, energy, cultural, and education programs. The intense bilateral economic relations result from solid personal relations between the presidents Erdoğan and Vučić. Mutual relations are further

complemented by Turkish aid. Based on available data, between 1992-2022, TIKA financially supported more than 343 projects in Serbia, building or reconstructing historical monuments, kindergartens, hospitals, and educational institutions.

As far as **BiH** is concerned, Erdoğan's personal interests, agendas, and initiatives have taken over Turkish foreign policy in BiH, with Erdoğan focusing on Serbia and its president Vučić. This "marriage of convenience" between two large markets and two authoritarian leaders has caused concern among experts, who fear that Erdoğan's influence and Türkiye's deepening crisis could destabilize the region. Türkiye formerly backed Balkan's EU ambitions, but Erdoğan's rising discontent with the US and EU policies raises doubts about his future stance on the Union and its enlargement. The two countries have also been tied due to their historical and cultural pasts and similarities. Türkiye has successfully maintained close ties through various educational and cultural initiatives, such as language courses or university programs.

Türkiye strongly supports **Kosovo's** statehood, providing substantial support to international organizations and



assisting in gaining recognition in several Islamic nations. However, Türkiye's alignment with the West may not always be consistent, and its domestic issues have adversely impacted Kosovo. President Erdoğan often applies his domestic politics to Kosovo, influencing local authorities and leaders. This has caused tension between Türkiye and the West, and Turkish investments in Kosovo have raised corruption concerns. Türkiye's president has political and economic ties with Kosovo leaders and funds infrastructure and cultural projects. Such a situation gives Türkiye leverage to pursue its interests, even if they conflict with Kosovo and the West. These projects and connections have raised questions about corruption and Turkish influence in Kosovo.

Türkiye is crucial to **Albania**, with massive investments in the country, especially after the earthquakes that destroyed parts of Albania in 2019. However, Türkiye's investments in Albania were reduced in 2022, and the closure of a school and kindergarten linked to Güllenists followed. Turkish influence is not only economic but also cultural, with the TIKA foundation supporting art, education, and cultural events. In addition, Türkiye's interest in Albania is greatly amplified by its rivalry with Greece, and Albania's interest

in Türkiye is linked to its rivalry with Russia's influence on Serbia. Türkiye plays a crucial role in Albania because it prevents security concerns by balancing forces after forming two dominant axes of power in the region.

In **Croatia**, Türkiye has invested in the Croatian banking sector. However, its most significant economic activities are in the tourism and transport infrastructure sectors, such as the Zagreb and Dubrovnik airports. TIKA also has a presence in Zagreb. Imports from Türkiye rose by 21 points in the 2020-2021 period. Cengiz İnşaat, a Turkish firm, was awarded a public tender worth 321 million euros for renovating a central railroad linking northern Croatia to Hungary. Even though Erdoğan is attempting to gain authority over the Muslim community in Croatia, he is also respected by conservative Catholics for his firm stance on LGBT rights and abortion. A policy of academic collaboration and research has had a lasting impact on Croatian historians and scholars of Turkish studies. These scholars' strong pro-Turkish leanings have resulted in a reluctance to discuss the Armenian genocide. While countries such as Czechia, Bulgaria, Latvia, Lithuania, and Poland have officially acknowledged the genocide, Croatia has yet to make any statement on the matter.

## China

China is a relative newcomer to the region. Its influence has been primarily economic, with it seeking to expand its footprint by providing loans and implementing large infrastructure projects. China is most notably present in Serbia, where it has increased its economic footprint and extended its influence in policing and video surveillance.

President Xi Jinping described Sino-**Serbian** relations as a strategic partnership and "steel friendship." Trade, energy, infrastructure, security, and scientific and technical cooperation have grown since 2008 when China opposed Kosovo's unilateral secession. China does not oppose Serbia's EU and NATO enlargement and mainly uses economic power to increase its regional influence. China's OBOR initiative has increased its soft power in Serbia through financial loans and credits for infrastructure projects. Vučić's protection of Chinese companies has allowed Beijing to ignore environmental and human rights laws. China and Serbia have also developed strong security ties. Police, video surveillance, and military-technical cooperation are the areas where this cooperation has been established.

China is a new foreign influence in **BiH**. Its economic focus, resources, and non-interference policy make it

likely to expand in BiH and the region, especially if the EU fails. China's economic focus and pragmatic politics have enabled it to avoid Balkan's historical and BiH's recent ethno-political issues, which have weakened other foreign actors. Russia, Türkiye, and China have all invested in Serbia, the most developed Balkan economy. Beijing's focus on profit has made it welcome, but BiH's political and administrative issues, corruption, and the country's small market have made it less attractive.

China has kept a neutral stance towards **Kosovo**, yet its support of Serbia against the independence of Taiwan and Kosovo is apparent in their voting patterns in various UN organizations. China does not currently have a direct hand in the development of Kosovo; however, the swift growth of Chinese influence in neighboring countries suggests that Chinese involvement in Kosovo may be imminent. During the COVID-19 pandemic, China employed a "Vaccine Diplomacy" strategy to increase its regional presence. However, Kosovo refused Chinese vaccines because their source is a nation that does not recognize Kosovo's sovereignty. Nevertheless, Serbia made Chinese vaccines available to the Serbian population in northern Kosovo, which the Kosovar authorities saw as hazardous,



and interpreted the act as a political provocation. Chinese companies have put in offers for major Kosovo projects, demonstrating a tendency to gain insight into the economic environment of Kosovo as a first step towards possible broader involvement in the future.

**Albania** has a long-standing connection with China but is not a security partner due to its strong ties with the United States and its NATO membership. The Chinese-Albanian connection is mainly based on commercial exploitation, with China playing a significant role in imports and exports in Albania. The Chinese population in Albania is the fourth largest, and cultural exchange has been encouraged by the Chinese Embassy and Confucius Institute. Nevertheless, the Chinese government has not made any recent investments in Albania. The relationship between Albania and China can be likened to the current Ministry for Europe and Foreign Affairs building, which used to be the Chinese Embassy in Albania - symbolically significant but not very effective.

Since 2013, there has been a heightened economic presence of Chinese state-owned banks and companies connected to some of **Montenegro's** most significant developmental projects. Although there is no direct proof that Chinese money was used for corrupt activities, it is reasonable to assume that, given the confidential financial information and lack of oversight in the Chinese loan policy with no

conditions, some of the money may have been diverted to sustain patronage networks. Conversely, the terms of governmental agreements enabled the circumvention of public procurement processes that guarantee transparency and legality, and the lack of conditions attached to loans had a detrimental effect on democracy in Montenegro, as they are believed to have contributed to the political and economic instability of the entire system.

**Croatia** is not the focus of China's attention in Southeastern Europe, as Beijing has fostered strong relations with Belgrade. Nevertheless, China views the nation as a possible bridge between the EU and the Western Balkans for its economic objectives. The Chinese government has acquired a stake in the Zadar port but could not do the same in Rijeka, Croatia's largest port and a gateway for trade in Central Europe. Instead, ENNA Group has acquired the same parcels at the harbor. Nevertheless, the government in Beijing is still keenly invested in and has ownership of essential infrastructure in Croatia. China has made some attempts to impede Taiwanese scholarly activities in Croatia. The embassy has objected to the Faculty of Political Science in Zagreb's Autumn School on Political, Economic, and Security Aspects of East Asia. This program has been running for almost a decade, as courses are offered through the Autumn School that regard Taiwan as a distinct entity from mainland China.

## Gulf states

Although presented here as a group, there are significant differences between Gulf states regarding their approach to the region. Saudi Arabia is usually associated with exporting a particular version of Islam and less with its investments, which differs from the UAE and Qatar. Gulf countries are not present consistently throughout the region and tend to focus more on some countries than others.

Historically, the Arab States of the Persian Gulf (known as the "Gulf States") and Iran have had very little presence and impact in **BiH**. Their influence was most apparent during and shortly after the Bosnian War of 1992-1995, when Bosniak leadership sought and accepted assistance from any Muslim nation willing to provide it. Nevertheless, these influences significantly diminished after the terrorist attacks on the USA on September 9, 2001, and the worldwide crackdown on Islamic NGOs and other organizations. A tangible reminder of the presence of Islamic foreign fighters, preachers, and NGOs is the existence of some enduring factions that adhere to a strict interpretation of Islam and Salafism. Despite the relatively small number of Salafis in

the region, they have drawn much local and international attention and concern in the past decade, particularly in light of the rise of the Islamic State and other Jihadi organizations. In more recent times, however, due to the US and EU's diminished presence in the Western Balkans, the presence of Gulf Countries and Iran has grown again in the area, as Bosnia and Herzegovina and Serbia have been able to draw investments and tourists from the Gulf states. Over time, however, even these investors shifted their attention more towards Serbia than BiH. Consequently, in recent years, the Gulf states and Iran have had a minimal presence and impact in BiH, mainly restricted to individual business ties and religious connections with Bosniak elites. However, if the crisis in BiH and/or other parts of the Balkans worsens and leads to further ethnic violence, Bosniak (and Albanian), politicians will undoubtedly seek financial, logistical, and military aid from Islamic countries.

Since 2012 Aleksandar Vučić and his Serbian Progressive Party assumed power, the relationship between the UAE and **Serbia** has been steadily advancing. Emirati-Serbian



relations are marked by solid political dialogue and frequent meetings at the highest level, leading to a strategic partnership in 2018 and collaboration in the areas of agriculture, the aviation industry, residential infrastructure, and military cooperation. The primary issues associated with the Emirate's economic activities in Serbia are linked to the lack of transparency in the contracts. Since there is no competition, tenders, or transparency in the dealings between the Emirates and Serbia, their arrangements are limited to a personal agreement between the business and political elites.

The relationship between certain Gulf countries and **Kosovo** is contingent on their respective positions on Kosovo's statehood. They have formed diplomatic relations and invested in Kosovo, mainly in healthcare, religious sites, and educational institutions. Nevertheless, their impact is seen as conflicting with Kosovo's secular character, and there is a worry that their organizations can propagate extreme Islamic teachings in Kosovo. This negative aspect of their influence mainly stems from their lack of understanding of Kosovo's distinct social context. After exposure to different ideological groups in Gulf countries, the local Albanian imams (Muslim leaders) developed ideological divisions upon returning to Kosovo. Pluralism in Kosovo allows these ideologies to take root, but since Kosovo institutions do not create counter-narratives, they become more pervasive and damaging.

The Gulf States, such as Saudi Arabia, Kuwait, Qatar, and the UAE, have benefitted **Albania** in the last two decades with economic and religious initiatives made simpler due to Albania's Muslim majority population. The UAE's impact is especially promising, with investments in infrastructure like

the Sheikh Zayed Airport and the Tirana-Elbasan Road and a planned investment of \$2.5 billion in the port of Durres. This investment is anticipated to invigorate Albania's tourism sector and transform it into a Mediterranean tourist destination. Albania has a strong commercial and tourism connection to the UAE, with many Albanians visiting the UAE for holidays, particularly during the COVID-19 pandemic when the UAE provided free vaccines to tourists.

As far as **Montenegro** is concerned, no substantial political influence from the Gulf States was observed. An exception to this is the UAE, which is estimated to have invested around 320 million USD in economic strategies over the last ten years (2013-2022).

Qatar is the only Gulf nation with a direct presence in **Croatia**, as it has an ambassador with extraordinary and plenipotentiary powers in Zagreb. In 2021, the State of Qatar, through its embassy, donated medical devices and equipment to the main maternity hospital in Zagreb from Qatar Charity, with a total value of 200,000 dollars, as part of post-earthquake relief (The Embassy of the State of Qatar in Zagreb 2022). Qatar was also the primary benefactor for the construction and furnishing of the Islamic Center in the port city of Rijeka, donating 8 million euros, and the center opened in 2013 (The Embassy of the State of Qatar in Zagreb 2022). Al Jazeera, a Qatari-owned international news network, has a TV studio in Zagreb, allowing it to wield some soft power influence and have a more substantial presence than other Gulf nations. Despite its generous financial backing of the Rijeka Mosque, Qatar's cultural and religious sway over the Muslim community in Croatia is feeble and overshadowed by Turkey's prominent role in this area.



# Biographies

*(Alphabetically)*

---

## **Balaj, Shpat**

Shpat Balaj is a researcher within the Western Balkans at the Crossroads project. Apart from this role, Shpat Balaj is a researcher and project manager at the Kosovar Centre for Security Studies. Shpat has conducted several research papers, policy briefs, and articles on non-majority inclusion, integrity in the security sector, disinformation, and violent extremism issues. With over 7 years' experience in both the non-governmental and private sectors, Shpat has extensive experience in research, project management, team building, communication, and strategic development. Throughout his professional career, Shpat has participated in many trainings, workshops, conferences, working groups, and similar activities related to security, advocacy, peacebuilding, and project management. He holds a BA in Security Studies from ISPE College in Prishtina and is currently completing his MA in Peacebuilding and Reconciliation at the University of Winchester in the UK.

## **Beshku, Klodiana**

Klodiana Beshku is a Lecturer at the Department of Political Sciences, Faculty of Social Sciences of the University of Tirana. She has conducted a post-doc as a Jean Monnet Fellow at the Robert Schuman Centre of Advanced Studies of the European University Institute during 2020-2021. She has received a PhD in Geopolitics from the University of Pisa and a M.A. Degree in European Studies from the University of Siena, Italy and the University Robert Schuman III of Strasbourg, France. She has held a visiting research position at the School of Transnational Governance of the European University Institute. As a lecturer and visiting professor, she has taught academic and policy-oriented audiences in places such as the University of Florence, University of Catania, University of Palermo, University Aleksandër Moisiu of Durrës, Albanian-American Development Foundation, Institute for Women in National and International Policies in Tirana, Institute for Philosophy and Social Theory in Belgrade, and the Centre of Excellence of the Ministry for Europe and Foreign Affairs of Albania. She has also held advisory positions for the Ministry for Europe and Foreign Affairs of Albania on European Integration and the Western Balkans. Her research centers on European Integration and Enlargement, Geopolitics of the Western Balkans, and Social Movements. Her first book as a co-editor Albania and Europe in a Political Regard appeared

with Cambridge University Press (2013). Other research has appeared or is forthcoming in the Journal of Southeast European and Black Sea Studies, *Studia Politica*, and the Journal of Liberty and International Affairs.

## **Grabovac, Anja**

Anja Grabovac is a Project Manager at PSSI's Regional Security Program, and she was a coordinator and an assistant for the previous "Balkans at the Crossroads" projects. She holds a Master's degree in International Relations and European Studies from Metropolitan University Prague. During her studies, Anja spent one year on Erasmus at the Central European University in Budapest. Her research interests revolve around the Western Balkan countries and their European integration paths. Anja has previously been involved in projects focusing on national identities in Central-Eastern Europe or on the diffusion of EU norms in BiH. She is also involved in the topic of disinformation and the effects it has on the CEE and WB regions.

## **Grabovac, Tamara**

Tamara Grabovac is a Project Assistant for the Western Balkans at the Crossroads project. She holds a bachelor's degree in International Territorial Studies, with a specialization in Anglophone Studies, but her field of interest and knowledge are also focused on projects relating to the Balkans. Tamara is a native speaker of Bosnian/Serbian/Croatian and has relevant expertise in the political and social issues of the Western Balkans. Furthermore, she demonstrates proficiency in proofreading, editing, and translating texts across various languages in diverse fields of expertise.

## **Huskić, Adnan**

Adnan Huskić works as a lecturer in international relations and politics at University Sarajevo's School of Science and Technology and as President of the Center for Elections Studies. He has co-authored several books and articles and works as a frequent commentator and analyst for Bosnia and international media outlets. His most recent publication is *The Western Balkans in the World: Linkages and Relations with Non-Western Countries*, 1st Edition, eds. Florian Bieber and Nikolaos Tzifakis, published by Routledge. His academic focus is the European Union, regional and domestic politics, and post-conflict power-sharing arrangements.



### **Latal, Srećko**

Srećko Latal holds an Executive Master in EU Studies from the Centre International de Formation Européenne, CIFE. He covered Bosnia and Herzegovina, Kosovo, and the rest of the Balkans during the wars in the 1990s as an Associated Press correspondent, and later editor and Sarajevo bureau chief. He also served as an overseas correspondent from other places, such as Afghanistan and Pakistan. Since 2000, he has worked as a communications expert and political advisor for the EU and the World Bank, while from 2008, he joined the International Crisis Group, ICG as its Balkan Analyst until 2013 when ICG left the region. Afterwards, Srećko established a new regional think-tank, Social Overview Service, (SOS), and worked as its director and senior analyst. Over the past two decades Srećko also cooperated closely with the Balkans Investigative Reporting Network, BIRN, and is currently working as their regional editor. Throughout this period, he also covered the Balkans for numerous international media and analytical organizations, such as Oxford Analytica, Janes Defence (currently IHS Janes), World Politics Review and Economist Intelligence Unit.

### **Raos, Višeslav**

Višeslav Raos is a researcher within the Western Balkans at the Crossroads project. Višeslav was born in Zagreb in 1986 and went to school in Zagreb, Vienna, Tehran, and Pretoria. He is an Associate Professor of Comparative Politics at the Faculty of Political Science, University of Zagreb. He received his Mag. phil. degree in Political Science from the University of Vienna in 2008 and his PhD in Comparative Politics from the University of Zagreb in 2014. He received training in social science data analysis at the University of Essex in 2015. He has provided expert coding on Croatia for the Varieties of Democracy project and the Bertelsmann Transformation Index. He teaches courses on comparative politics, electoral systems, and the political system of Bosnia and Herzegovina.

### **Reřcha, Vlora**

Vlora Reřcha is a researcher within the Western Balkans at the Crossroads project. Apart from this role, Vlora is also a researcher and the Head of the Centre for Parliamentary Support and Democratization at the Institute for Democracy, Skopje, North Macedonia, a think tank with more than 20 years of experience in the fields of good governance, democratization, and European integration. Vlora is also one of the co-founders of Stella Network, a mentorship network focused on providing support for girls and women in their educational and employment processes. She holds a Master's degree in Comparative Politics, specializing in Democracy and Democratization, from the London School of Economics and Political Science (LSE). Her research and advocacy mainly focus on parliaments and parliamentary

democracy, institutional building, populism, and democratization processes in emerging democracies. She is the principal researcher on democratization processes and parliamentary reform at the Institute.

### **Slavková, Markéta**

Markéta Slavková, Ph.D. is a Project Coordinator at PSSI Regional Security Program. She specializes in the discipline of sociocultural anthropology with a focus on topics of food, war, nationalism, transnationalism, and identity. In her doctoral studies, she carried out long-term ethnographic fieldwork in Srebrenica, Bosnia and Herzegovina. As part of her postdoctoral training, she was employed at the Comenius University in Bratislava, Slovakia (2016-2018) and subsequently at the Institute of Ethnology of the Czech Academy of Sciences (2019-2020). Currently, she works as an independent researcher and lecturer in the fields of Balkan studies (with a specialization on the Western Balkans) and the anthropology of food.

### **Stankov, Nemanja**

Nemanja Stankov, PhD graduated Doctoral School of Political Science, International Relations and Public Policy at Central European University, Vienna. He currently holds a teaching assistant position at the Faculty of Political Science, University of Montenegro, and is a researcher in the European Social Survey Team in Montenegro. His research focuses on issues related to the Montenegrin party system and voting behavior, as well as the political psychology of ideological preferences and electoral behavior in general.

### **Vučković, Vladimir**

Vladimir Vučković is a visiting lecturer in the Department of International Relations and European Studies at Masaryk University, the Czech Republic, with a research interest focusing on the European Union, populism in Europe, and Western Balkan political and socio-economic developments. He has held a visiting fellowship at the Centre for Southeast European Studies at the University of Graz (2021-2022) and the Department of Political Science at the University of Stockholm (2017-2018). He is the author of the monograph *Europeanizing Montenegro: The European Union, the Rule of Law, and Regional Cooperation* (2021) and the editor of the volume *Balkanizing Europeanization: Fight against Corruption and Regional Relations in the Western Balkans* (2019). His publications have appeared in the *Eastern Journal of European Studies*, the *Journal of Slavic Military Studies*, the *Romanian Journal of European Affairs*, *Europe-Asia Studies*, and the *Political Studies Review*, among others. Occasionally, Vladimir provides consulting services.



# About Prague Security Studies Institute (PSSI)

---

The mission of the Prague Security Studies Institute is to help safeguard and strengthen the individual freedoms and democratic institutions of the countries in Central and Eastern Europe and beyond. The Institute also seeks to illuminate selected unconventional threats emanating from authoritarian governments that challenge the transatlantic alliance and other partners globally, especially in the

economic & financial, and space domains. PSSI is dedicated to the education and training of new generations of security-minded students and young professionals, including through its programmatic activities and growing academic network in the Czech Republic and abroad.

For more information visit [www.pssi.cz](http://www.pssi.cz)

## PSSI's Regional Security Western Balkans Program

In February 2022, PSSI launched a third project focused on the role of external foreign actors in the Western Balkan region, titled [The Western Balkans at the Crossroads: Democratic Backsliding and External Actors' Influence](#).

- The project aims to analyze how selected non-European external actors cast their influences in the Western Balkans and Croatia (EU member state) and explain how they contribute to in/stability of the region, including the democratic backsliding.
- The project also identifies (potentially) malign influences in the Western Balkans and Croatia, such as disinformation campaigns, corruption of the political decision-makers and economic and financial activities which have fueled the rise of extremist and radical tendencies in the Western Balkans and Croatia.

### **The project is coordinated by four core team members:**

Project Manager - Anja Grabovac  
Project Coordinator - Markéta Slavková  
Project Assistant - Tamara Grabovac  
Scientific Advisor - Adnan Huskić

### **The project research team consists of seven experts:**

Albania – Klodiana Beshku  
Bosnia and Herzegovina – Srećko Latal  
Croatia – Višeslav Raos  
Kosovo – Shpat Balaj  
Montenegro – Nemanja Stankov  
North Macedonia – Vlora Rechica  
Serbia – Vladimir Vučković

For more information visit project's website: <https://www.balkancrossroads.com/>

## Acknowledgments

We would like to thank the National Endowment for Democracy (NED) for the continuous support of the Western Balkans project at the PSSI.

