The European Integration perspective in Western Balkans

-A case study of Serbia

Mimoza Rama
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Abstract

The turbulence of the war in the Balkans has been an external motivation for a rapid development of the European foreign policy, to establish security and stability through various instruments. It implied intensification to initiate a foreign policy towards integration of the Western Balkans i.e. through economic and political assistance provided by the Stability Pact (SP) & the Stabilisation Association Process and (SAP), and Especially through the regional approach. In connection with the new policy towards the Balkans, the EU has in particular expressed the crucial role of Serbia due to the fragile and postponed transition to Democracy and participation in the process of integration.

The purpose of this paper is to analyze the foreign policy objective towards integration. By means of studying how the integration perspective is framed i.e. what underlying aspect are there in the objective towards integration of the Western Balkans? Hence, there is also an aim to lay weight on Serbia, since Serbia's partaking as well as its own political and economic progress is essential to the foreign policy towards integration. The interest is to examine the European Unions strategies towards Serbia, and thus analyze the underlying interests behind these strategies.

Thus, the thesis emphasise that the task of the integration perspective is not mainly related to security and economic interests but also with an normative ambition; foremost building and enforcing the norms required to guarantee democratic development and political stability. The EU: s more rationale interests such as economic development and security are correlated and also embedded in the EU: s normative concerns. The strategies employed by the EU towards Serbia has particularly had the ambition to create political stability and in turn increase the security throughout the Balkans, and thereby decrease the risk for further conflict around Europe’s borders. For instance he support towards the democratic entities is of high priority as well as the promotion of European norms and rules.

Key words: European Union Integration, Economic reconstruction, Political development, Regional cooperation

Words: 9997
List of Acronyms and Abbreviations

EUFP European Union Foreign Policy
SAA Stabilization and Association Agreement
SAP Stabilization and Association Process
SP The Stability Pact
EC European Communities
EAR European Agency for Reconstruction
FDI Foreign Direct Investment
IPA Instrument for Pre-accession Assistance
SEECP South East European Cooperation Process
ICTY International Criminal Tribunal for the former Yugoslavia
CARDS Community Assistance for Reconstruction, Development and Stabilisation for Western Balkans
1. Introduction

Following the Kosovo war, the European Union (EU) launched a new foreign policy towards the western Balkan, through comprehensive strategies such as the Stability Pact (SP) and the Stabilisation and Association Process (SAP). The centre pieces of this foreign policy is the rhetoric of integration i.e. most notably through political and financial assistance provided by the EU’s long-term engagement in the region (Bjorkdahl, 2005, s. 257). However, the integration perspective requires more details about the large portfolio of this engagement during the past decade. This study will illustrate the EU integration perspective in the Balkans, thus the interest also rests in the case-study, consisting of Serbia. The aim is to analyze in what strategies the EU has applied towards Serbia, since Serbia might generate barriers and precondition for the integration perspective.

Then, why is Serbia the interesting case in this study? This study shows that the involvement and participation of Serbia is crucial to the stabilisation and EU integration of the whole Western Balkans, especially because of a period of great turmoil following the disintegration of Yugoslavia and the legacies of the wars which take account of a fragile and postponed transition to democracy as well as a still lingering fear and mistrust of Serbia throughout the region. “The faster Serbia can be advanced along the EU integration path, it is argued, the more robust its democracy will become and the easier it will be for both Serbia and its neighbours to lay the ghosts of the past to rest ”(www.eurasiareview.com). Given the country's central location in the region various regional cooperation proposals are heavily dependent on Serbia’s participation. The European Union has therefore advocated a comprehensive policy to cope with the Serbian case.

The integration of the western Balkans can be analysed through two different approaches. On one hand looking inter alia at the external security perspective. Particularly the EU’s interest in ensuring strong and effective external borders (Dannreuther, 2006, 167). These interests provide a clear rational explanation for the European agenda to pursue substantive stability and security reforms among its neighbouring country’s (Shimmelfenning, 2005, 13-14). These interests are on the other hand counterbalanced by other interests mainly the ambition to play
a more diverse foreign role by promoting liberal values and norms that are fundamental to the EU (Danneruther, 2006, 196 & Mattli & Plumper, 2005, 57-58).

1.1 Research and Purpose

This paper emphasis will be to look closer on The European foreign policy towards the integration perspective and analyse the essential aim with the perspective. It has become clear that the EU plays an active role with greater political commitment to ensure stability in the western Balkans. The EU has initiated two specific instruments, The Stabilisation and Association Process and the Stability Pact. However, also conditions for stability and regional cooperation towards the countries. To meet this aim will therefore require that this paper identifies and illustrates the framework for the EU integration perspective towards the region.

The essay has an additional aim related to the integration perspective, which consist of identifying the EU strategies towards Serbia. These strategies are part of the two specific instruments for the integration perspective. According to the European commission, Serbia is an important element to the integration perspective. Serbia’s active participation has wider positive outcomes for the integration process of the Balkans (Bastian, 2008, 9). It is therefore of interest to examine the European Unions strategies towards Serbia, and thus analyze the underlying interests behind these strategies.

Within this framework, this study aims at addressing two following questions;

- Given the structures and capabilities available to the EU, how is the European integration perspective for the western Balkans framed?

- Relying on the first question as a broader framework, what are the essential objectives for the integration perspective of Serbia?
1.2 Restrictions

Studying and analysing a process which is essentially depended on history in the making is not an easy task; therefore, it has its limitations, this thesis will not seek to understand the historical set-up nor all the objectives of the EU foreign policy. Given the particular nature of the EU, the conceptualization EU foreign policy is very complicated (Lucarelli & Manners, 2006, 9) Therefore, this thesis will explicitly consider the integration perspective and the employed instruments. Due to the limited space only two instruments will presented. The Stabilization and Association Process (SAP) is the instrument applied for EU negotiations with the Western Balkan countries, all the way to their eventual accession. The other one is the stability pact (SP), with the effort to achieve reconstruction and stabilization in the South Eastern Europe. However, the “regional approach” is also important to present since it’s a part of the two instruments presented above. The idea with the SAP and SP is to bring the region closer to the European integration process through new institutional relations with the European Union, as well as through the provision of assistance for reconstruction and development (Lucarelli & Manners, 2006, 10).

1.3 Method and Material

I have, based on the purpose and questions, chosen to use two different methods. To answer the first question, I will conduct a qualitative research method. The qualitative method is most suitable when I want to exemplify and not serving any purpose to generalize. A qualitative research method is of importance in the paper since I intend to analyse the European Unions integration perspective (Lundquist, 1997).

Hence, an empirical case method will be employed to answer the second question. An empirical case study will be essential when trying to understand the occurrence aimed to be analyzed; hence a process tracing could be applied in a case research since there is a possibility to analyze the observable fact through a time process by inter alia focusing on history and actors. The case study is in value when there is an aim to define topics more broadly and to rely on multiple sources of data. When using a case study research design, the researcher examines archival documents and to a large extent literature and articles.
Some of the main sources used for this part are *Cry wolf* no more: external anchors and internal dynamics in the Western Balkans, Jens Bastian and *Trade Policy of the European Union as a Factor of Regional Trade Integration in Southeast Europe* Predrag Bjelic.

The theoretical framework is divided into three parts; *Rational choice, Constructivism and EU foreign policy through a constructive and rational choice perspective*. The first two parts therefore consist of understanding the fundamental points in respective theory. The third part draws attention on how the theoretical framework is applied to analyse the European foreign policy towards the integration perspective. The theoretical framework will be applied as a tool for answering the questions in the thesis. In the first question the theoretical framework will be applied to identify essential objectives in the integration perspective. If there are inter alia rational factors, such as providing economic and political security around Europe’s borders. The constructivist theory is applied to highlight other interest, for instance there might be an interest for the EU to obtain a stronger normative position in the international politics (Manners, 2002, 236). To answer the second question, I will employ the theoretical framework to study the EU: s strategies towards Serbia. As Serbia composes barriers and precondition for the integration perspective, it is of interest to analyse the aim of the strategies employed towards Serbia.
2. Theoretical Overview

In the conduct of this study two theory perspectives have been employed. The rational choice perspective and constructivism perspective, two perspectives that highlights the foreign policy from different angels, thus also complement the understanding of it (Risse, 2004, 168). Employing these theories also serves the purposes of this study, analysing the foreign policy of the European Union towards the integration perspective.

2.1 Rational Choice

Rational choice highlights the importance of power and interest in international relations, where the actors have predetermined preferences and behave strategic to maximise individual interests. It is this methodological individualism which is emphasized in the rational choice perspective.

There are many different types of rational choice models in political science; the model is mainly trying to identify rational actors and the strategic choices. Rational choice theory is an economic theory that was applied in the politics to reflect a number of hypotheses to explain political outcomes. The actors in the politics acts rationally based on their own preferences. A basic assumption is that the political actors have the same behaviour as consumers. One of the key concepts of rational choice theory is rationality. When an actor is rational, it means that he is acting according to their interests, called his own utility maximization. Rational choice theory is based on the assumption that the actors are rational when they are making decisions since they act from their own preferences (Green & Shapiro, 1994, 16-20).

2.2 Constructivism

Constructivism as a theory of International Relations defines the international structure; this structure defines the interests and identities of states and how states and non-state actors reproduce this structure. It is this structure that influences their interpretation and their actions in the international arena. In other words, the creation of social construction generates norms, which in their turn construct interests that finally provide meaning to material conditions. It
involves a process where actors through communication with, norms and structures acquire new interests and preferences (Checkel, 2001, 53). The structures can either be maintained or constrained by the agents, hence, at the same time it is these structures that characterize there behaviour and activities. It is the influential ideas, collective values and norms as well as social identities that shape international politics (Checkel, 1998, 327). *Normative* structures are important in shaping actors identities and indirectly impact on the formation of their interests (Christensen et al 2001, 9). From a constructivist perspective, actors have individual power in important ways, however limited in their freedom by structures. Thereby, a constructivist description of political arena is characterized by actors whom are following norms that alter their preferences. Constructivists conceptualise norms as collective understandings and constituting essentials of actor’s interests as well as their importance in (re)shaping domestic politics (Schimmelfennig, 2005, 12).

2.2.1 EU foreign policy through a Constructivist and Rational choice perspective

Focusing on a constructivist perspective when looking closer on the external relations of the EU, gives priority to stating the distinctive character of the EU as a foreign policy actor and its normative power. It also offers an insight on the traditional perspective to European integration, since it explains other key aspects of integration process; the normative distribution (Christensen et al 2001, 2). The EU: s normative power is based on the ability to shape conceptions in international relations through norms and values which are embedded in value of inter alia peace, democracy and rule of law (Christensen et al 2001, 13-14 & Manners, 2002, 252). Constructivism is also useful since it can be combined with different frameworks of analysis in order to understand aspects of EU integration perspective; using this approach do not seek to ignore or invalidate the rationalist search, but it includes supplementary aspects (Risse, 2004, 165-174).

Rational perspective conceptualizes the nature of the integration perspective as an instrument for actors to achieve individual interests. Rational choice explains the same policy with the existence that there are inter alia financial interests in the bottom. There are other underlying economic motives with the ambition to establish stability and security in the region. For
instance an unstable economic in western Balkans could implicate risk that the economic instability might affect the rest of Europe. There are also political benefits that refer to improved security through the extension of peace, stability and prosperity. Therefore, the European Union take to account the absolute advantages that can be gained by assuming the role as an external actor by affecting the transition of the entire region (Bartlett & Samardz’ija, 2002, 254-256).

When studying the nature of European foreign policy there is of necessity to take account the correlation between norms and interests, constructivist and rationalist accounts. Since the EU consists of individual member states with established domestic strategic interests, there are economic and foreign relations outside the union. Nevertheless it is a complex interaction between the member states and the socialization of the norms and values from the union. Hence, the member states have managed to overpass many of their differences over foreign policy by engaging in a constant process of institution-building (Smith 2000, 628). For instance there is an awareness that articulated common foreign policy objectives is a step towards more effective “actorness” i.e. hold out more weight acting as a union (Smith,2008 13). The unique feature of the EU is the explicit demands; through treaty articles and legislation, which often require some extent of constitutional or bureaucratic change at the domestic level. However, the constructivist perspective highlights that constant interactions has created common interests in the foreign policy domain. The creation of committees and the constant relations between member states has formed an understanding to develop a collective culture when generating European perspectives on the foreign policy (Smith, 2008, 613-614).
3. Background History

3.1 Assessing the European Integration perspective

The European integration process is; where the EU political, social and economic dynamics become part of the logic of domestic discourse, identities, political structures and public policies (Demetropoulou, 2002, 89). The theory of integration provided an answer to the security dilemma, launched as a new method to definitively tackle long-standing enmity and to resolve conflicts arising in Europe (Keukeleire & MacNaughtan, 2008, 12-14 & Lucarelli, 2006, 9). The European integration perspective in the western Balkans is recognized as the key strategy for achieving the goals of peace and prosperity. The perspective provides the necessary incentives for the region to set into motion a virtuous cycle of political, social and economic reforms. However, integration into European structures can provide a possibility for increasing relations among the countries in the region. The aim behind Europe’s political, economic and a security structure in the western Balkans is to provide the long-term stability. Thus, the main goal with the integration perspective is deeply connected to the enlargement of the EU. The necessary economic and political integration of the region with the rest of the Europe is based on the perception that the region will join the EU (Smith, 2000,).

3.2 Transition of the Balkans & EU integration

Following the end of the war in Bosnia and the signing of the Dayton Agreement in 1995, The European Commission developed a foreign policy towards those countries in South East Europe with which the EU did not already have an Association Agreement; the “Regional Approach”, this essentially meant the states of former Yugoslavia including Albania. The primary purpose of the Regional Approach was to support the implementation of the Dayton Agreement by promoting democracy and economic activity through assistance towards reconstruction and economic reforms. The Regional Approach set out the basic areas of policy for the development of further relations between the EU the Western Balkans. In practice the regional approach meant that the including countries where divided in to two groups because of the individual differences, Macedonia and Albania in the first group and the remaining three country’s which already had existing relations with the EU through the Dayton peace agreements, thus not meeting the various conditions set down. However there
where differentiation even within the groups, therefore there was a clear differentiation in the regional policy approach, thus actually only referred as a regional approach for its essential content, but really designed as a set of individual bilateral policies with little regional management (Bartlett & Samardz’ija, 2002, 251-254). Moreover, there was no indication of an EU involvement towards integration only further protection of the Dayton Peace Agreements in the Balkans (Demetroupoulu, 2002, 92).

The war in Kosovo brought a change in the attitude and engagement of the international community and of the European Union (EU) towards the Balkans i.e. reassessment of the former policy towards a reconstruction and stability approach. A normative framework was initiated to support the stability over a long term and the idea of bringing the region closer the European integration. The framework for the European integration was combined with security, political and economic measures (Balfour, 2006, 122). It was the European Agency for Reconstruction (EAR), ‘the Agency’, which was managing the programmes and assistance for the region. In February 2000, the Agency was established by the European council and the first mission was the process in Kosovo. The political agenda is based on finance agreements and annual programmes as well as individual assistance between the agency and the country, as the pivotal actor in the policy process between 2000 and 2008 the work of the agency has increased to areas such as institutional reform, decentralization in local administration, enforcing the rule of law, economic development and business advisory services, as well as capacity-building for government ministries (Bastian 2008, 331-332, Bjorkdahl, 2005, 268).

The new policy also reached towards the mean of enhancing regional cooperation. In order to support this The EU put in place multi-layered institutional arrangements. The majority of the issues the region faced in the beginning of the 21st century existed as a consequence of the war. This regional approach became the most important policy element in the relation between the EU and the region, a specific requirement under the Stabilization and association process. It has contributed to an intensification of the relationship between the countries involved and the EU. The European Union has stated that the enlargement strategy will be applied to the countries in west Balkan (Bastian, 2008, 326). Thus, stating that the Balkan policy towards Europe will depend on political developments in the whole region, mainly meaning in Serbia (Gligorov, 1999, 3). It is important to strengthen the process of stabilization among the countries, but if Serbia don’t follow through the process, it might become more difficult to achieve the integration approach (Gligorov et al, 1999, 25-26). From
a political point of view, the regional and international interest weren’t able to be satisfied without the political change in Serbia; democratization would only be reached with a regime change. The importance of the policy was to cooperate and help the domestic forces for a Serbian regime change, and it was clear that the intention for the renewed foreign policy was not to exclude any of the countries from the integration process, since that, explicitly in Serbia would have actually increased a sense of isolation and victimisation. Instead provide assistance for a political and economic transformation in Serbia through highlighting legitimacy to the opposition by including their representatives in the ongoing international political activities. This required a replacement of the existing sanctions towards Serbia by creating a system of new selected sanctions aimed at isolating the Milosevic government, but not the Serbian economy and polity. A distinction between the regime and Serbian society was made and support directly to democratic forces and representatives of civil society was increased (Bastian, 2008, 5-8). European integration as well as regional cooperation in the Balkans requires the strengthening of stability in the whole region, thus the inclusion and active participation of the state of Serbia, since this would have wider positive consequences for the integration process (Gligorov et al, 1999, 28).
4. Framework for Integration Perspective

This part of the paper aims to introduce the two main instruments in connection with the integration perspective for the Balkans. However, the regional approach will also be introduced since it is an objective of the two main instruments. To study the underlying interests in the integration perspective, there will be an analysis of these instruments applied for the integration perspective.

The EU is founded its foreign policy objectives based on the consolidation of democracy, rule of law, economic security and regional cooperation (Manners, 2002, 241). The EU integration policy in the western Balkans is based on these objectives, particularly through the political dialogue, economic assistance and cooperation and the strengthening of national and regional security (http://europa.eu & Smith 2008, 89-101). To promote these values the European Union implemented programmes as instruments for the long-term integration process, the Stabilization and Association process and The Stability Pact. However, even though the programmes share a common substantial and institutional framework, they are actually based on specific initiatives and agreements that are designed according to the specific situation of the respective partner country. However, the authors Mattli and Plümper writes, that there also are different objectives within the EU integration perspective. They highlight underlying interests that can be considered from three given categories. The first category includes the interests behind economic gains, the second category is negative externalities and finally the third category includes norms (Mattli & Plümper, 2002, 33).

4.1 Stabilization and Association Process

The Stabilisation and Association Process (SAP) started in 1999 and is named by the European commission as one of the most important tool in the relationship between the EU and individual countries in the Balkans; combining new contractual relations to region. It entails a formidable political effort, significant financial resources and assistance programmes (CARDS). As a contribution to the Stability Pact and an interim step towards membership, the European Union set up a new generation of Stabilisation and Association Agreements (SAA),
aimed to develop a new European foreign policy towards the south European countries (www.stabilitypact.org).

The prospect to integrate all the countries in the region brought the issue around security and stability in question. The Balkans was considered as the “area of instability”, i.e. instability on the very borders of the EU itself, with future potential consequences. Because of this fear the commission took into account that following the enlargement policy would demand new important dimensions, on one hand that all the countries of the region could, in the foreseeable future, enter into negotiation for a new type of association agreement with the EU, to be known as Stabilization and Association Agreements (SAA), with the perspective of eventual full EU membership (EC, 1999a). Another important feature of the agreement is development of free trade agreements between the region and EU. However, a challenge for the EU is to cope with the regions political viability. Therefore the idea is that the countries in the region will benefit from closer cooperation with each other, meaning that the Stabilisation and Association process with its political and economic investment will be necessary when coping with the changing demands and circumstances in the region. However, there are some problems with the compliance of the restrictions delivered by the Stabilisation and Association Process. For instance there is still a weakness in applying the rule of law in aspect of economic and political manners, which is a precondition in the SAP. There are some difficulties for the new institutions, mainly because many of them are politically weak and that the democratic principles are relatively new in the region (Balfour, 2006, 122-124).

4.2 The Stability Pact

It is the Stability Pact that replaced the previous policy in South Eastern Europe with a comprehensive, long-term conflict prevention strategy, 10 June 1999. It became a political declaration of commitment and a framework agreement on international co-operation to develop a shared strategy for stability and growth in South Eastern Europe. It provides the framework for the adoption and implementation of concrete measures from the European Union, aiming at stability; political and economic prosperity in the Balkans (www.stabilitypact.org). There are major similarities among the countries when it comes to the economies, thus diversity which is manifested first and foremost in levels of GDP. According to the EU, all the western Balkans has similar issues characterised by weak
political and economic institutions. The lack of political consensus and weak institutions in the Balkans has played a major role in the bad economic performance.

The reconstruction of state capacity and well functioning governance is a central aspect in the reconstruction agreements. The Stability Pact has been applied to ensure credible medium-term fiscal policy strategies in the region. The program has in addition added focus on a number of economic indicators through investment policies for the region, for instance regional economic cooperation through Foreign Direct Investment (Gligorov, 1999, 2). The countries’ success in attracting FDI and their path-breaking investment serves as a trigger to follow the lead for the economic circumstances required from the EU. The objectives with the Stability Pact are, as with the other programmes, to reach a union in the region as well to overcome conflict and develop democratic politics. In case of the economic aspects the Stability Pact aimed to create an open economic market to expand the foreign investments and trade as well to expand the trade between the region and the EU (Bartlett& Samardzˇija, 2000, 251).

4.3 Regional cooperation

A key constitution within the EU is the regional co-operation; political and economic development and close cooperation with neighbouring countries across the broadest possible range of activities (http://eur-lex.europa.eu). Regional cooperation is a foreign policy objective of both self-interest and of altruistic reasons. Promoting cooperation strengthens European economic power as well as it expands the economic market. At the same time it provides social prosperity and development in the region (Smith, 2008, 79). Nevertheless the integration process for the western Balkans is therefore primarily dependent on willingness to interact with each other. The countries face a number of common problems which they can only sensibly deal with collaboration with each other and the EU. One of the main objectives for the EU is to share its own experience of regional cooperation. The idea is that regional cooperation will develop the economy through enhancing trade within the region. Thus the main intend of regional approach is based on reducing political insecurity; which in it self is
essential when trying to develop the economy and in the long run promote stability (Bartlett & Samardžija, 2000, 260).

The European Council of Thessaloniki agenda, 2003; underlines the political commitment to integrate the Western Balkans in the EU and the regional cooperation approach as the core objective of EU policy in the region. Better relationship between the countries is essential for economic and political stability in the region (Rotta, 2008, 60 & Drnovšek et al., 2010, 125). As mentioned above regional cooperation has an essential function in the promotion of the Integration perspective. Thus the promotion of this type of cooperation in the western Balkan region has several unique features mainly related to the different functions it has performed, for instance from supporting peace agreements as well as serving as a training ground and being a pre-condition for further advancement towards EU integration.

The establishment of Thessaloniki agenda provided the transfer of the politics towards the Western Balkans to the Enlargement Directorate-General of European Commission, previously associated to External Relations. The establishment further implicated the establishment of the Instrument for Pre-accession Assistance (IPA), the framework for the financial perspective 2007-13 for the Western Balkans (Smith, 2008, ). These two policies underlined that membership is the final goal of EU assistance in the Western Balkans. However there has been some debate about accusations around IPA, about the IPA creating barriers between countries and consequently through the division of the countries into two groups and diversified access beneficiaries and assistance, depending on whether they are “candidates” or “potential candidates”. However in the case of the western Balkans, the IPA actually ensured that the Western Balkan countries benefited from a focussed pre-accession strategy even before they gained candidate status. The commission responded by underlining that the division takes to account the differences between the countries, for instance the “space” in the two groups of countries administrative and management capacity. Nevertheless, the relationship between EU integration and regional cooperation is problematic, the regional cooperation is a necessary pre-condition for progress towards integration but indirectly this weakens the regional dimension of its own policies. Another key framework within the Integration perspective has been assigned to the South East European Cooperation Process (SEECP); he political consultations among the Balkan countries producing common positions and declarations by bringing together ministers and heads of state and government, contributing to improving the overall relations within
countries of the region and the political stability through enhanced relations (Rotta, 2008, 62-67).

The efforts necessary to create a regional collaboration implicated that the commission obtained new initiatives for EU coordination in The Balkans. It aimed to increase support and commitment to a European perspective to integrate the Western Balkans into the EU. Following the Thessaloniki agenda, new incentives where presented to include support of international contacts in the Balkans. This was of importance since it increases the understanding of the EU and its norms and values. An example of these incentives is the promotion to develop a civil society; the civil society is important for the public policy arena because the active participation in political, economic and social reforms supports the democracy process in the Western Balkans. Engaging civil society is also important because the organizations of civil society are still weak; the EU has maintained additional instruments in support of special current issues surrounding the protection of minorities and social development (http://eur-lex.europa.eu).

There is also significance on the EU: s influence on trade and economic relations in general and on the regional economic market. The EU has proclaimed a “regional approach” in its policy towards trade relations, even though there is a preference to utilise a bilateral model of relations with these countries (Bjelic, 2005, 4). Thus the preferences in the region have become the driving force behind the Regional approach. For instance the economies in the region are small and under developed. The initiative for establishing a free trade area has an aim to stabilise the region politically and extend the EU economy market to the whole region. This will facilitate restructuring of the economies and preparation of these countries for EU membership (Rotta, 2008, 9 & Bjelic 2005, 9).

The EU has stated that the Western Balkans will approach EU membership as a region and not separately, a way to stimulate countries to re-establish political and economic relations with each other. However, the “principle of conditionality” is still in consideration in the relationship with the countries. The principle indicates that there are specific conditions laid out for each country. For instance there are bilateral relations which indicate a contradiction to the proclaimed regional approach. For some countries in the West Balkan, this was a signal that the EU is not determined in following its regional approach policy. This problem was distinctly in the relation between EU and Serbia and Montenegro, where there has been a slow
progress in achieving trade cooperation. The EU policy approach towards Serbia and Montenegro changed in 2005. The EU replied that this is not one negotiating partner rather, at least two distinct trade units existing, eventually acknowledging that the two republics could not agree on economic harmonisation (Bjelic, 2005, 12).

Mattli & Plümper writes, that the integration perspective as resulting from fears of failed economic and political transition around Europe’s borders can explained through the category of Negative externalities (Mattli & Plümper, 2002, 33). For instance the further political unrest from the western Balkans might compose actual or potential crises. However, the economic instability in the region might also create fear around the European countries. The integration perspective is a mean to prevent these instabilities to spill-over to the rest of EU’s borders. Especially the stabilisation and Association process is aimed to provide for the stability by integrating the western Balkans. According to Rotta, some of the strategies have been to enhance relations between the ministers and politicians. An initiative with the aim to enhance political relations to prevent further conflicts (Rotta, 2008, 62-67). However, the integration perspective could be analysed as given by the incentives and the interest to expand the trade and investments, in order to have prosperous markets, i.e. the category of Economic gains (Mattli & Plümper, 2002, 33). However in order to achieve economic gains is explicitly embedded in the initiative to establish a good political climate. Providing assistance to the western Balkans with the politic and economic factors, the entire EU is enabled to enjoy the gains that are generated by having a stable Balkans. For instance the Stability Pact provides the strategy to expand the free trade area between the region and the EU and in turn initiate political stability. As Rotta and Bjelic writes, the initiative for establishing a free trade area has an aim to stabilise the region politically and broaden the EU economy in the Balkans (Rotta, 2008, 9 & Bjelic 2005, 9). The category Norms, highlights that the EU desire to enhance European security, by spreading values and norms to shape certain domestic and international behaviours, which facilitates for the integration perspective (Mattli & Plümper, 2002). For instance the promotion of to develop a civil society but also the regional approach, could be included in this third category. According to Bartlett & Samardžić, an essential aim for the EU is to spread its norm of the regional cooperation, hence with the goal to reduce political insecurity. According to Manners, the aim to widen the European values could also be an interest for the EU to attain a stronger normative position.
5. Serbian process; Adopting European Integration

5.1 EU- Serbia Relations

Between 1990 and 2000 the relation involving the European Union and Serbia was at its lowest point. Following the removal of Slobodan Milosevic he EU introduced a number of measures and strategies towards Serbia. The European integration process for Serbia began in 2001, following the first democratic election in the parliament (Ristić, 2009, 2). The new elected democratic government verified a strong commitment to EU integration process and making an effort to rebuild relations with neighbouring countries, furthermore a willingness to collaborate with the International Criminal Tribunal for the former Yugoslavia (ICTY) (Kostovicova, 2004, 24-25). The EU proposed the integration perspective in the final declaration of the Zagreb Summit in November 2000, put into practice through the Thessaloniki Agenda for the Western Balkans in June 2003 (Ristić, 2009, 2). According to the European Commission, the political change has been important for EU integration perspective of the region, both stability and economic policies wouldn’t have been practically possible without the cooperation with the Serbia (http://eur.europa.eu). In regards to security and stability issue, Serbia was an example of a state without clear borders and this poses serious risks for the region as a whole, for instance the change of the Kosovo and Montenegro borders from internal to international, but also the still unclear borders with Bosnia-Herzegovina. According to the European Union, the involvement of Serbia makes the process of integration much more successful not only for Serbia itself but also for the wider region (Gilgorov et al, 1999, 28).

Thus the enthusiasm for the integration process decreased since the democratic government faced major difficulties for the support to the European integration. Hence in March 2003, affected by the sanctions towards the fragile government and the murder of Zoran Đinđić, the integration critics regained the power and the commitment towards integration was temporary postponed, this became a setback for the integration perspective. The cooperation with the EU was not the first priority for the new government led by Prime Minister Vojislav Kostunica, focus was rather placed on the territorial integrity of Serbia. The Union kept on with its ambition towards an integration process but didn’t give Serbia a positive feasibility Study until 2005. Due to Serbia’s unwillingness to cooperate with the International Criminal
Tribunal for the former Yugoslavia ICTY, a mandatory precondition (Internet8& Gilgorov, 1999, 3). The Netherlands has repeatedly postponed and blocked the implementation of the SAA and SAP scheme due to Serbia’s insistence to work with the ICTY (www.euractiv.com). However, the EU set off new negotiations for a stabilisation and association agreement in October 2005, but the progress stopped because of the still lacking cooperation with the ICTY, with the outcome of further decline in he relation between Brussels and Belgrade (Gilgorov, 1999, 3). The victory of the of president Tadić’s Democratic Party (DP) in 2007 opened up new compliance towards increased relations with the EU., and the new government set European integration as a key priority. Recent events in Serbia’s relationship with the EU shows that the “pro-Western” seek to develop their power by making reference to closer ties with the EU. European integration is a fundamental aspect of Serbia’s political area today. Thus, the problems are that the knowledge on the EU and full notion of “European norms” are not very yet widespread in Serbia. There still is a lack of political commitment when it comes to compliance and implementation of the measures necessary in the integration policy (http://iis-db.standford.edu, 29-30).

5.2 EU strategies towards Serbia

Because of some domestic political problems, Serbia is a latecomer to the economic and political transition process in the region (Harding, 2008). The internal divisions among democratic political elites in Serbia and concerns relating Serbia’s territory, has contributed to the delayed process of European integration, as well identity problems within the democratic parties, the Democratic Party of Serbia (DSS) and Serbian Renewal Party (SPO)- defining themselves in more nationalist terms than others. This has provoked deep rifts among the parties on questions of the direction and pace of reforms. As a result, consensus on reforms and the European integration perspective has been elusive.

According to the European commission, the political viability in Serbia is essential for the whole integration process (http://ec.europa.eu). The EU has employed the Stabilisation and Association Agreements to secure implementation of European reforms and objectives. The aim has been to increase Serbia’s political support for the European strategies, in turn to succeed with the integration perspective (Bartlett& Samardz’ija, 2000 255-280). Especially
support to the democratic parties has been offered thorough different propositions. Brussels initiated a plan with specific requirements from Serbia in order to advance the support. For instance towards visa liberalisation; came into force on 19 December 2009 (http://ec.europa.eu). The Brussels plan proved fruitful; the parties which were in favour of signing the SAA -the coalition “For a European Serbia” and LDP- achieved success in the elections (Massari, 2005, 263-266). The EU has through assistance managed to establish Consultative Task Forces, whom have proved an effective means of helping national authorities to focus EU oriented norms and reforms. A comprehensive reform process in Serbia is not only necessary for the country itself but also for the EU, if falling behind further in the EU integration authorities in the other countries could call for contingency planning by and additional assistance from the EU (Bastian, 2008, 340-341).

Because of Serbia’s significant role in the integration process, the EU has partially implemented a “Serbia first strategy” (http://eur.europa.eu). However, there has been an internal division in the European Union, over the strategy for integrating the Western Balkans. The engagement in the Balkans is a long-term effort and which also bears the risk of temporary setbacks, this adds to the necessity of rethinking the long-term implications of the concept of European integration for the already member states (http://eur.europa.eu). The aim with the strategy is to initiate a democratic development as well as political stability. As long as Serbia struggles with political issues of the past there is a hamper in the path of stabilisation and democracy which might result in that some EU members remain sceptical about the willingness of Serbia to respond to masseurs necessary for integration. Further fragmentation relating the use of the strategy, concerning whether Serbia should bee preferred primarily in the over all policy towards the region. The Serbia first strategy, which is favoured of one broader group of the member states, argues that Serbian stabilization is the crucial element to the EU integration of the western Balkans, while others are more sceptical, insofar as this entail speeding up Serbia’s process through soft power, which is the EU’s key instrument for promoting reform and preparing credible candidates for eventual membership. There is a fear among member states and among the other countries in the region, that the strategy implies that Serbia is so important to the success of the integration process, that it might start dictating its individual terms and encouragement that Serbia can assert itself as the ‘natural leader’ of the region, regardless of its neighbours’ misgivings (www.eurasiareview.com).
The lack of cooperation with the ICTY has protracted integration for Serbia and as a consequence delayed policies for the whole region since many of the initiatives are built on the idea of cooperation between the countries in the region (The Balkan Continuum). An important ambition within the integration perspective is to create cooperation between the countries and in turn establish better political relations. This ambition is based on the security issue, to create political stability in the region to avoid future conflict within Europe’s borders (Gilgorov et al, 1999, 30). The regional approach is therefore an essential norm within the EU, but also an instrument to reach political stability (Smith, 2008, 80).

However, In June 2007, the EU resumed new negotiations with Serbia for the Stabilisation and Association Agreements (SAA), thus the conditions put down from the EU policy remained unchanged. There were conditions regarding the improvement of the necessary legislative framework and administrative capacity as well as further collaboration with the ICTY. Serbia is responsible for developing and improving the necessary legislative framework and administrative capacity to satisfy its obligations under the agreement and to fully cooperate with the ICTY. Serbia signed SAA on 29 April 2008 in Luxembourg and on the 7 December 2009, the Council General Affairss decided to unblock the EU-Serbia Interim Agreement on Trade and Trade-related issues, between Serbia and the ICTY (http://ec.europa.eu). The EU rejected to sign the SAA agreements in the first place foremost because of the still lacking collaboration with the ICTY, especially limited during Koštunica’s second term in 2007. The SAA negotiations were heavily dependent on the cooperation between Belgrade and the ICTY and the arrest of Radovan Karadzic in July 2008, however there is still a demand for arrest of the former general Ratko Mladic and Goran Hadži (The Balkan Continuum).

Christensen et al, writes that the EU has the ability to shape and spread its own values such as democracy and rule of law (Christensen et al 2001, 13). The EU has initiated policies towards the promotion of the rule of law and to support the domestic efforts to strengthen democracy in Serbia. In particular the SAP has been employed to build up the rule of law in political and economic matters (http://europa.eu). Thus a special concern is the government and its influence of executive over judicial branch, meaning that there is a strong disposition of the executive branch to control the judicial one that is violating the law. Further problems are the institutionalized corruption, often decisions made by judges in favour of the representatives of executive and legislative branch of power. The conditions required implementation are inter
alia establishing judicial independence as well as combating judicial corruption (Ristić, 2009), additional reforms to strengthen legislative and administrative capacity and increase state accountability (http://iis-db.stanford.edu, 16). The possibility to make government activities transparent and accountable entail reforms against the corruption, since the political changes in 2000 the politicians has been struggling for this purpose, due to the motivation of external actors. The EU promotion of the rule of law is to actually make it a norm in the domestic political and economic areas (http://iis-db.stanford.edu, 17-27). The strengthening of democracy and the rule of law are of importance to the EU because without a democratic process in Serbia there is a risk for political instability around the Balkans. The concern is that this instability might spread further to other countries in the region, which in turn can imply further unrest in the region. I.e. the promotion of European values such as democracy and rule of law is to a large extent based on the security dilemma. However, the EU’s ambition to influence and shape, inter alia political structures, is also a strong initiative for the ambition to strengthen these values in Serbia (Keukeleire & MacNaughtan, 2008, 27).

Collaboration between Kosovo and Serbia is of importance to the EU. An unstable cooperation between Kosovo and Serbia might affect the possibility towards political stability as well as economic development negatively. Therefore, the EU has taken some strategies to strengthen political cooperation between Kosovo and Serbia. A majority of EU member states recognized Kosovo’s declaration of independence in February 2008; it is the status of Kosovo that poses further obstacle to the relation. On one hand Serbia has opposed Kosovo’s independence and for instance temporarily withdrawn their ambassadors from countries that recognized Kosovo and on the other hand there are EU members that will not accept the integration of Serbia in the union as long as it retains territorial claim over Kosovo. Thus, the domestic politics in Serbia makes it hard for the politicians to accept Kosovo’s independence, even the EU supporters in Serbia have difficulties in agreeing on and supporting the EU policy towards Kosovo there are many actors with too many unclear positions. For instance we have inter alia the Serbian political elite, where the majority is declining the independence of Kosovo and the population of Serbia, where there is a majority that’s not accepting an independent Kosovo (Ristić, 2009, 120).

The European Union has, among other things tried to change the political agenda in Serbia, influencing by putting more focus on the integration perspective instead of territorial concerns. I.e. the EU strategy has been to influence and shape sustainable political structures
in the country. However, Serbia has because of the Kosovo issue, retained the option of
developing a stronger relationship with Russia, which rather support Belgrade over Kosovo as
an alternative to membership in the European Union. According to Cottey, the concern within
the EU is Serbia’s future development of cooperation with external actors. Further concern is
the uncertainty surrounding when it comes to the implementation of a comprehensive reform
agenda in Serbia (Cottey, 2009, 595 -598).

Hence, Serbia has excluded itself from political events and process with Kosovo, for instance
undermined decisions made at regional summits and meetings when Kosovo was represented
as an independent state. This dispute has in turn repercussions not only for the integration
process for Serbia but actually for the EU and its policy towards regional cooperation in the
wider sense for the Western Balkans. The Union is somewhat lacking capacity to obtain a
resolution of the Kosovo issue, since there is also a difficulty because of the deep division
among the members states, for instance Spain is concerned that such a move would encourage
separatists in Catalonia and the Basque region (Ristić, 2009,55).Thus is not only the dispute
of the Kosovo issue that might have spill over effects across the region and that actually might
threatened the regional approach, but also the special relation Republika Srpska. Republika
Srpska is one of the two entities in Bosnia and Herzegovina, where the majority ethnic group
are Serbs. In recent years there have emerged tensions between the ethnic Serbs and the
international community, the republic appears to be pushing for secession and opposes
Western plans for constitutional reform of the country. And in January 2010, Stjepan Mesic,
the outgoing president of Croatia, claimed that if the Republika Srpska were to organize a
referendum to join Serbia, Zagreb would be forced to intervene militarily which could be a
further setback for the European union to establish stability and security in the region
(http://www.euractiv.com). This has promoted the fear that further unrest around EU: s
borders could actually occur. This has required that the EU, particularly through the SAP, had
to take measures towards restoring the political viability in the entire region. The significance
in the measures has been to support the democratic parties that sustain EU s norms and
requirements.

An important objective for the EU is to increase the foreign investments and trade in the
Balkans and thus expand the trade between the region and the EU. The Stability Pact has in
particular been of importance to realize this ambition. However there have been some
difficulties because of the delayed transition to political stability in Serbia (Ristić, 2009, 126).
The risk for failing to achieve the goal with (SGP) will keep on existing because the economic stability is dependent on political stability, which does not exist in Serbia today (Ristić, 2009, 7-8). Therefore, the European Union has become a big contributor to the Serbian economy through the Pre-Accession Assistance (IPA). For the period 2007-2012 around 1.18 billion euro’s of IPA funds have been earmarked, alone for 2010, the EU set aside 198.7 million euro’s (www.euractiv.com). Through the Stability and Pact, the EU has ensured credible economic policy strategies in the region. In Serbia there are internal problems, especially in regard to the economic risks from labour market and economic instability. According to a report made by the commission in 2009, analyzing Serbia’s capacity to cope with competitive pressure and market forces, the results wasn’t positive since the functioning of markets mechanism where still held back by legal uncertainty, heavy state involvement in the production of private goods and insufficient competition. Because of this the stability pact has also provided economic indicators through private investment, to increase the economic competition (Ibid).

In this chapter it is found that the EU strategies towards Serbia are primarily concerning measures to increase the participation of Serbia, both politically and economically with the EU and the rest of the countries in the Balkans. Further, the EU is emphasizing the necessity of a political stability to put a strong priority on consensus of the European norms, as well as the process towards democratisation in Serbia (The Balkan Continuum). The EU has taken initiatives to support especially the democratic elite but also initiatives to implement EU standards and norms. For instance the promotion of the rule of law within has been of importance. It appears also that there is a correlation between political stability and economic development. It requires not only political stability in Serbia but throughout the region to maintain security and stability. For instance even though the Balkan countries nowadays are in the process of economic and political transition, the European Union has to cope with political problems if wanting to created regional approach. There are problems with achieving political consensuses on the future economic between Serbia and Kosovo, even though there is a high economic potential the problem remain to receive adequate regulatory framework (Bjelic sid.9-15). The Initiatives to improve the economic and political development is also an important step in bringing Western Balkan countries closer together, since it in turn create more secure and safe relationships between the countries in the region.
6. Analyses

The theoretical framework in the thesis was designed to analyze the European Union’s integration perspective i.e. the essential objectives with the perspective. It was also applied to analyse the objectives behind the strategies the EU employed towards Serbia.

The European Union has operationalized a clear prospect of the integrations perspective of the western Balkans shaped by comprehensive programmes and instruments. Programmes build on flexibility as well as conditionality even though sharing a substantial and institutional framework. Based on this study it can be determined that the EU integration perspective is a question of a normative initiative and a matter of security and stability issues. However, it’s important to emphasize the promotion of economic development.

Historically the aim with the integration perspective was to visualize economic integration basically as a means to an end to war in Europe. The integration process is a strong strategic perspective and an impetus to prevent further hostilities in western Balkans. A rational-choice approach explains this with the existence of economic interests in the bottom. In the thesis it emerges that The Stability Pact is an instrument to attain the aim of economic development, to expand the economic market between the EU and the Balkans. Thus, in turn stabilize the region economically. However, there are other underlying motives with integration perspective, for instance the ambition to establish stability and security in the region. The instruments applied on the as integration perspective are based on a structural and sustainable manner, with the aim to establish EU values and rules. The Stability Pact and the Stabilisation and Association process are both objectives with the goal to provide a framework for normalisation in security, democracy and economy in the Balkan. According to Mattli & Plümper one of the essential objectives behind the integration perspective are the negative externalities, the fears of failed economic and political transition around Europe’s borders. The political instability in the Balkans can also be seen as a future threat to Europe, Therefore, in particular, The Stabilization and Association Process is aimed to provide for the stability. Above all, the idea is to increase political cooperation and in turn improve political ties to guarantee security and stability. Political and economic instability might spill over to close national border, for that reason the integration perspective is a judicious objective to create stability and security in the Balkans.
Additionally, it can be concluded the Stabilisation and Association process and the stability pact are long term instruments for enforcing and promoting democracy and the rule of law. This thesis gives also the possibility to state the distinctive EU: s normative power in its foreign policy. (Christensen et al 2001, 2). There is a desire for the EU to enhance security, by distributing values and norms. The EU has the power to shape certain interests and behaviour as well as exerting influence through values and norms embedded in the integration perspective. For instance the EU: s objective is to share its own experience of regional cooperation, hence with the aim to reduce political insecurity through political cooperation among the countries in the Balkans.

The thesis reveals that Serbia is not only important because of the fact that it the largest country in the region but rather that the internal circumstances in Serbia creates barriers. As well that Serbia is on its own a prospect for the EU integration perspective. The domestic political division among the democratic parties in Serbia has caused some challenges concerning the full employment of the objectives put forward of the EU. The political transformation has been critical for the viability of integration policy but the ability too keep the integration objective as a key priority in the politics seems to be another challenge for the EU. However, the Stabilisation and Association Agreements has been employed to secure reforms and objectives even though there is a lack of fulfilment of these in Serbia. For instance, particularly the support to the democratic parties has been enhanced (Bartlett& Samardz’ija, 2000 259). Since the political viability in Serbia is essential for the whole integration process the aim has been to increase Serbia’s political support for the European strategies, in turn to succeed with the integration perspective.

Although still marginal, there are some actors that questions’ not yet completely rejected Serbia’s future inside the EU, this Euro-scepticism along with Serbia’s extreme nationalists, might become a genuine obstacle on the path of Serbia’s European integration-in the short term at least. The strength of the nationalist, anti-European right-wing in Serbia presents a worrying alternative, thus this may not impose an invariable barrier for the integration perspective, rather a setback to the integration process. As this thesis shows that there is a normative ambition behind the integration perspective, and a very important approach is the regional cooperation. A significant objective for the EU is to initiate cooperation between the countries and in turn establish better political relations in the region. Although the regional
approach is also based on the aim to establish political stability in the region to avoid future conflict within Europe’s borders (Gilgorov et al, 1999, 30). The regional approach is an essential value for the EU but it is to some extent threatened by the political structures in Serbia. For instance, although the Serbia has confirmed integration and regional cooperation as a key prospect, there are still difficulties in accomplishing consistency in Serbia necessary to achieve political consensuses. For instance the lack of political association, for instance with the politicians of Kosovo, that hinders full commitment towards the integration perspective (Ristić, 2009, 120). The political instability has also employed that the EU has partially implemented a “Serbia first strategy” in the integration perspective with the aim to initiate a democratic development as well as political stability (http://eur.europa.eu). Especially the Stabilisation and Association Process has been applied to restoring the political viability in Serbia. This has been of importance for the EU since political instability has created further unrest in the Balkans. This has promoted the fear that further conflict around EU: s borders could actually occur.

An illustration is that the integration is still to some extent regulated from a territoriality fixation, specifically what the process of EU integration perspective is aimed to change. The Serbian politics has reinforced the notion of state territoriality rather than allowing its pluralisation and compliance with the EU: s values. Although the Serbia has confirmed integration and regional cooperation as a key prospect, there are still difficulties in accomplishing consistency in Serbia necessary to achieve political compliance of the European norms. Christensen et al, writes that the EU: s normative power is based on the ability to shape and extend its own values in the international politics (Christensen et al 2001, 13). Especially the promotion of democracy and the rule of law have been of importance in Serbia). The EU has particularly through the SAP, initiate the objective to actually strengthen the democratic process in Serbia by supporting democratic political parties that are in favour to the European norms and rules.

Conclusion

The design of the EU’s Foreign policy is very complex and involves almost every aspect of the political development, promotion of European values and economic reconstruction. The
most important foreign policy tool of the EU to establish these objectives is to be exact the integration perspective.

Thus, the thesis emphasise that the task of the integration perspective is not mainly related to security and economic interests but also with an normative ambition; foremost building and enforcing the norm required to guarantee democratic development. Certainly, it can be argued that the “norm versus interest debate” is not sufficient enough to clarify the EU integration perspective. This illustrates that there is a correlation between democracy, rule of law, economic prosperity and reconciliation between stability and security in the integration perspective. The EU: s more rationale interests such as economic development and security are also embedded in normative concerns.

This paper highlights the strategies applied in the case of Serbia through the integration perspective, has largely been about to increase the inclusion of Serbia in the integration process. It shows that the two main instruments of SAA and SP have been used in Serbia in particular to create stability and security throughout the region, the EU has stated that Serbia's participation is essential for integration perspective. The promotion of democratic politics in Serbia has the goal of strengthening political stability throughout the Balkans. However, Serbia's Political and Economic systems are still in the process of transition, which has made the support towards the democratic entities has a high priority for the EU. However, as this thesis implies, the SAA and SP as well as the regional approach, has been employed by the EU for its normative role. It has been important in disseminating European standards and values system in Serbia.
References

Littreature


**Articles**


Internet sources


Eight Years of the Stability Pact for South Eastern Europe - From Stabilisation to Integration http://www.stabilitypact.org/about/default.asp

