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The Stabilization and Association Process: An Engine of European Integration in Need of Tuning

Harald Schenker

Abstract

The Stabilization and Association process (SAp) was created by the European Union in 1999 as its primary contribution to the Stability Pact for Southeast Europe, thus concluding a development that had started with the Royaumont process and continued with the Regional Approach, neither of which are discussed in this article. The purpose of this article is to look closer at the approach adopted in this process, at the effects it has had in the five countries of the Western Balkans, and, finally, to answer the question of whether the Sap is a strong enough instrument for ensuring political and economic stability in the region, with a closer examination of the situation of ethnic minorities.

INTRODUCTION

The rationale for the creation of this process was the recognition that the countries in the region referred to as the ‘Western Balkans’ (the former Yugoslavia plus Albania) needed a solid and realistic perspective in order to be motivated to carry out the vast number of reforms that the EU expected of them. This could only be the possible and conditional accession to the Union. Each of the countries in to the SAp¹ has the ultimate and expressed goal of joining the European Union. This goal has been acknowledged subsequently by several European Councils.²

The list of required reforms contained many elements of what is called ‘state building’, including rule of law reforms, the development of democratic and stable institutions, and moves towards market economy. EU instruments at their disposal for the achievement of these reforms included assistance programmes for post-conflict rehabilitation and stabilization, technical assistance programmes and programmes aiming at harmonizing legislation with the EU’s *acquis communautaire*. Another need identified by the European Union was the strengthening of bilateral relations between the countries of the region, in the belief that this would pave the way for greater political and economic stability and development. The third issue identified was the need of flexibility in the approach of the EU, in order to accommodate the specific needs of each country.

¹ The countries subject to the SAp are: Albania, Bosnia and Herzegovina, Croatia, (former Yugoslav Republic of) Macedonia, and Serbia and Montenegro. Croatia and Macedonia together with Turkey have entered the next phase of European rapprochement by receiving the status of candidate countries.

² Feira 2000, Copenhagen 2002, Brussels 2003 and Thessaloniki 2003.

Thus, the very idea of the Stability Pact for Southeast Europe was to be backed by an EU programme, which, at the same time, would establish the European Union as the driving force behind the process of regional integration and reform.

The process was envisaged as consisting of three phases: a preparatory phase would set the path of initially-needed reforms and prepare each country individually for the signing of the agreement; the second phase would be the actual negotiation of the agreement and its adoption; the third phase would see the implementation of the agreement by the respective countries, after which they would become fully associated with the European Union, being given the option of 'potential candidate' status.

The main financial instrument introduced to the region was the so-called Community Assistance for Reconstruction, Development and Stabilization (CARDS) programme, which allocated a sum of roughly €4.6 billion for the entire region from 2002–2006. The regional dimension was built into this programme, in order to underline one of the main goals of both the SAp and the Stability Pact for Southeast Europe: strong and genuine regional co-operation between the countries of the Western Balkans and the establishment of a common regional market.

The CARDS programme worked on the basis of a Regional Strategy Paper covering the period 2002–2006 and was complemented by a so-called Multi-annual Indicative Programme, of which the current version covers the period of 2005–2006. Its priority areas have been identified as: institution building, justice and home affairs, cross-border co-operation, private sector development and, finally, infrastructure development.

The EU summit in Zagreb in November 2000 gave the official stamp to this new policy and at the same time, initialled the Stabilization and Association Agreement (SAA) with the Republic of Macedonia.³

I. THE STABILIZATION AND ASSOCIATION PROCESS AND THE INDIVIDUAL AGREEMENTS

³ The text of the final document can be found at http://europa.eu.int/comm/external_relations/see/sum_11_00/statement.htm.

The region targeted by the SAp was seen primarily as a post-conflict region. While this was true to a large extent, the nature of the conflicts differed in the individual countries. The wars in the former Yugoslavia could hardly be compared to the implosion of the Albanian state in 1997. Moreover, Macedonia was free of conflict at the time of the conception and initialization of the SAp. Just as the nature of the conflicts that these countries have experienced differed, so too did the conditions in which they found themselves in the aftermath. Thus, the idea of having an individualized approach for each country is accorded a certain legitimacy.

One characteristic is common to four of the five countries when describing their situations: they are so-called ‘weak states’⁴; in other words, they are states in which ethnic, religious, linguistic or other tensions limit or decrease their ability to deliver the essential political goods, such as security; rule of law; medical and health care, education and infrastructure, a functioning monetary and banking system, a healthy business environment and functioning interaction with civil society.

An exception to the group of four is Bosnia and Herzegovina, where the international community is attempting to reconstruct a weak state from what was initially a failed and then a collapsed one. In this case, it is especially interesting to look at how the attractiveness of the SAp induced reforms.

There is another contributor of insecurity to the entire region: Kosovo. Any development relating to the question of the province’s future status influences the countries surrounding it in one way or another. The participation of Kosovo in the SAp is only partial, since it is not a sovereign country, and many questions regarding the feasibility of state building remain open.

The challenge for any strategy involving this kind of state is to avoid what Fukuyama called the “failure to unpack the different dimensions of stateness”, that is, to understand the intricate relationships between institutions and between groups or individuals and institutions, which are specific to every society, and to plan an intervention accordingly.⁵ However, the authors of the SAp claimed that the individual agreements were tailor-made and adapted to

⁴ An interesting attempt to define a scale ranging from strong to weak, failed and collapsed states can be found in R.I. Rotberg, “The Failure and Collapse of Nation-States: Breakdown, Prevention, and Repair”, in: R.I. Rotberg, (ed.), *When States Fail: Causes and Consequences* (Princeton University Press, Princeton, 2004), 1–45. For a discussion on the region see I. Krastev, “Bringing the State Up”, Paper for the Conference “Interethnic Relations in the Western Balkans: Problems, Instruments and Prospects for the Future”, Berlin, 12–13 September 2003.

⁵ F. Fukuyama, *State-building: Governance and World Order in the 21st Century* (Cornell University Press, New York, 2004).

the specific conditions in each of the five countries. It is helpful, therefore, to examine the situation in the individual countries in question.

A. *Albania*

The European Commission's Stabilization and Association Report on Albania for 2004 starts with the following statement:

Reform in Albania over the past twelve months has been limited. Despite some progress in specific areas, many of the recommendations included in the 2003 Stabilization and Association process (SAp) report have not been properly implemented.⁶

After repeated critical reports in previous years and attempts to address these through direct dialogue with the Albanian government, the lack of measurable progress, especially in the political field, caused frustration for the EU bodies involved in the SAp. The report underlined the lack of reforms in several areas, due to the political blockade in the country. Following a short period of optimism in 2002, when an agreement was reached between government and opposition to cooperate on issues of major strategic interest for the country, such as European integration and NATO accession, the general situation deteriorated rapidly thereafter. Internal fighting within the ruling Socialist Party and the re-emergence of Fatos Nano as party leader and prime minister provoked a return of the main opposition group, the Democratic Party, to a policy of obstruction, thus reverting to the pre-2002 situation, whereby confrontation between the two charismatic leaders dominated the political scene. This situation was detrimental to the implementation of actual policy and much needed reforms. The performance of the administration continued to raise doubts as to its ability to implement actual reform commitments made as part of the SAp.

The report acknowledged progress in economic growth and partially in monetary and financial policy-making and implementation. It raised doubts, however, about the medium-term sustainability of these reforms, given that the business environment is still marked by high levels of corruption, organized crime, money laundering and inefficient administration.

The report also acknowledged the Albanian government's verbal commitment to the implementation of reforms in view of the signing of an SAA, while at the same time stating that the government was falling behind in the implementation of those commitments.

⁶ European Commission, *Albania: Stabilization and Association Report 2004*, Commission Staff Working Paper, SEC(2004) 374/2 (European Union, Brussels, 2004), 1.

The European Commission Report, which contained a detailed set of data about a variety of aspects of Albanian public life, said nothing new in principle. Albania's extremely fragile starting position was known at the beginning of the process. The country was politically hijacked by a battle between the two major party leaders, who occupied the political landscape and left very little room for manoeuvre. This had been the case for the previous past ten years. In this environment, organized crime, corruption and other illicit activities were able to flourish. Furthermore, it was widely known that Albania did not have the capacity to solve these problems on its own, hence the variety of international actors active in the country.

The question to be answered is: what was the impact of the contribution of more than €180 million by the EU between 2000 and 2003, allocated through a variety of mechanisms? The European Commission report answered this question in part, using very restrained language:

In order for CARDS to be capable of efficiently supporting Albania in addressing its many challenges, it is vital that Albanian beneficiaries ensure adequate commitment throughout the project cycle, including provision of appropriate Albanian counterparts. It is also crucial that the beneficiaries have a genuine interest in, and motivation for, each project's successful implementation.⁷

If we take into consideration that, due to the internal political stalemate, the signing of the national CARDS strategy came almost one year after the funding was ready to be released by the EU, it becomes obvious that there was a gap between the verbal commitment made by the government and the reality of its implementation. Inefficiency was not the only problem. There was a genuine lack of interest in the wide variety of projects to be implemented. Albania's highly politicized environment meant that every actor sought to implement only those parts that made it look good on the domestic scene. Short-term interests prevailed over a medium-term or even long-term strategy and vision.

The merit of the SAp in Albania was certainly to be described as one major factor (along with the involvement of other actors like NATO, the United States and the Council of Europe) that prevented Albania from falling further behind the other countries in the region. However, beyond that progress was achieved only by applying heavy pressure—and it should be mentioned that the entire process has yet to assume a real form.

⁷ *Ibid*, 36.

B. *Bosnia and Herzegovina*

The European Commission published a feasibility study in November 2003, which analysed the situation in Bosnia and Herzegovina with the aim of finding out whether the country would be ready to enter the SAp. The study covered sixteen areas of priority reforms, in which progress would be needed should the country want to become eligible to start the negotiations leading to an SAA. This phase was preceded by the so-called ‘Road Map’ of 2000, in which eighteen reform areas were identified and which was “substantially completed” in 2002. The language used by the European Commission indicated that the principle of good will was applied and that there remained a lot of work still to be done. Entering the next phase was seen primarily as an incentive to the state of Bosnia and Herzegovina to continue down the path of reform. Stimulation driven by (regional) political considerations prevailed over the raw facts. This is another example of European policy-making disguised as accountability. There would be nothing wrong with saying that a country could not live up to expectations but that, in the interest of regional stability and further internal progress, assistance would continue.

The Commission’s annual Stabilization and Association report⁸ for 2004 on Bosnia and Herzegovina presented a rather dim picture: little progress in certain areas was juxtaposed with a vast number of insufficiencies, ranging from the weak structures of the central state and the ongoing conflict between the central state and the two entities, to the lack of medium- and long-term strategies for the creation of an investor-friendly climate and legal framework.

Based on the findings of this report and the progress made in the sixteen priority areas related to the Dayton Peace Accord (but also in other ones), such as full compliance with the decisions of the ICTY (International Criminal Tribunal for the former Yugoslavia), the European Commission concluded that Bosnia and Herzegovina had still not reached the level of state consolidation that would allow it to enter negotiations for an SAA. That this is still the case⁹ is a clear indicator of how much there was to do.

C. *Croatia*

Croatia managed to set an example that began a completely different development, uniting full implementation of the SAA with the application for candidate status. The

⁸ European Commission, *Bosnia and Herzegovina: Stabilization and Association Report 2004*, Commission Staff Working Paper, SEC(2004) 375 (European Union, Brussels, 2004).

⁹ This was still the case as of 16 March 2007. See the speech by Olli Rehn, the EU Commissioner for Enlargement, addressing the BiH State Parliament in Sarajevo on that date. Available at <http://europa.eu/rapid/pressReleasesAction.do?reference=SPEECH/07/152&format=HTML&aged=1&language=EN&guiLanguage=en>.

SAA with Croatia was signed in October 2001, following a rapid process of negotiation and implementation after the change of government in early 2000. While it has to be acknowledged that the country's starting position differed significantly from that of any other country in the region, the political signal of this decision was more than obvious.

While the SAA was still in the process of being ratified by the EU member states, an Interim Agreement was signed with Croatia in late 2001 that came into force in March 2002. The agreement focused mostly on trade and related measures, thus allowing Croatia gradually to enter the European market, while still profiting from the favourable conditions as stipulated in the SAp.

In February 2002, one year before the SAA was ratified and came into force, Croatia applied for full EU membership. What followed was a success story, beginning with the positive *avis* from the European Commission in April 2004 on opening accession negotiations, with Croatia receiving full candidate status in June 2004, and the Presidency of the European Council recommending the start of negotiations on 17 March 2005, provided there was full co-operation with the ICTY. Accession is expected to take place between 2008 and 2009. However, a black mark appeared when, in February 2005, the European Commission decided to postpone the start of negotiations due to insufficient co-operation with the ICTY. The negotiations finally began on 3 October 2005, following a change in the ICTY's opinion regarding Croatia's cooperation, which is now regarded as sufficient.

However, the situation in Croatia is not perfect. Deficiencies have been identified, particularly in relation to the question of refugee returns and their access to rights, especially property restitution. On the other hand, economic and financial factors are barely comparable with the other countries in the region and institutional consolidation has proceeded at a high pace, in spite of it having started at a much higher level. Solid lobbying combined with good marketing of political change did not go unnoticed by the EU member states. One should also take into account the relevance of the signal that an accession would send out to the neighbouring states, indicating that the EU is serious about the SAp and the other accession mechanisms. Whether this latest signal will have any effect remains to be seen. It is, however, true

that Macedonia entered a partnership with Croatia with regards to mutual assistance in the process of EU accession.

D. The Former Yugoslav Republic of) Macedonia

Macedonia was the first country to start with negotiations on the SAA and the first country to conclude and sign the Agreement in April 2001. The Agreement came into force in April 2004, after ratification by all EU member states. In March 2004, Macedonia applied for EU membership, following Croatia's example of not waiting for the SAA to come into force. After having completed and handed over the EU questionnaire in February 2005, Macedonia was granted candidate status at the European Council of December 2005.

Macedonian development was somewhat typical of the prevailing political drive behind the SAP. The early successes in negotiating the Agreement were related primarily to the country's positive role during the Kosovo crisis and to an attempt to stabilize the country as much as possible, given its immediate proximity to Kosovo and the fact that one quarter of its population is ethnic Albanian.

The armed uprising in early 2001 tied up most of the country's energy for most of that year and beyond. The signature of the SAA in April 2001 was indicative of yet another political gesture, aiming at stabilization of the country, rather than at the conclusion of a reform process in which merit was awarded.

Following the 2001 conflict, all international actors, including the EU, focused almost exclusively on the implementation of the Ohrid Framework Agreement.¹⁰ A major reform exercise began, redefining most of the country's legislation according to the principle of multi-ethnicity, while at the same time streamlining it with EU standards.

The country's Stabilization and Association report for 2004 acknowledged the reform efforts made but also stated that:

¹⁰ The agreement was signed in August 2001 and put an end to the armed conflict while redefining the country as a multi-ethnic state rather than a national one.

In many areas, the reform process is still in its infancy and will need further efforts to be converted into concrete changes and bring the expected benefits.¹¹

In a nutshell, the situation in Macedonia progressed considerably, if the absence of conflict was to be taken as a sign of stability. The political landscape changed, minority participation became not only reality but one of the driving political motives for reform. This was certainly true for the upcoming process of decentralization, which was to be a stepping-stone for political actors in country and also for Macedonia's progress toward EU accession.

Other areas mentioned in the report, in which reform was under way but where the efforts needed to be sustained, were the rule of law, good governance, transformation of the administration and of the security sector, and last—but definitely not least—the economic situation, where:

Notably, serious weaknesses in the functioning of the economy, business climate, competitiveness and enforcement of property rights, is increasingly a challenge for the country's successful transition.¹²

Finding itself in that situation, the Macedonian government made a bold decision to apply for full EU membership, overriding the process envisaged by the EU and imposing a position that demanded reaction from the EU. Although all actors were conscious that the largest part of the work was still to be done and that genuine ownership of the process had not been fully realized, Macedonia nevertheless was accorded candidate status in line with its calculations.

The reason behind such a solution was again political. It was believed that giving Macedonia the status of a candidate country would enhance regional stability and the internal coherence of the state at the same time. In the wake of security problems in Kosovo, resulting from the uncertain outcome of ongoing status negotiations, the loyalty of ethnic Albanians in Macedonia to their state will continue to be an important issue for improvement.

¹¹ European Commission, *Former Yugoslav Republic of Macedonia: Stabilization and Association Report 2004*, Commission Staff Working Paper, SEC(2004) 373(European Union, Brussels, 2004), 3.

¹² *Ibid.*

E. Serbia and Montenegro

The situation in Serbia and Montenegro with regards to the SAP was mixed. Delays in the reform process occurred on a regular basis due to incongruence in the relationship between institutions at the state and republic level. Some of these problems might have been alleviated through the adoption of the European Constitution, but this was rejected in referenda France and Holland. While there was progress in some areas, notably in relation to national minorities and regional co-operation, other areas of reform fell victim to institutional infighting and lack of clarity regarding competencies. Cooperation with the ICTY continues to be an issue, with the EU is demanding more progress.

In late 2003, the European Commission decided to initiate a feasibility study, which would assess the readiness of Serbia and Montenegro to enter negotiations on an SAA. The authorities of Serbia and Montenegro could not, however, agree on the modalities of the negotiation process and work on the study was halted in early 2004. The country report stated that:

There is a lack of strategic planning and consensus at the state level, which renders any assessment of the current position of Serbia and Montenegro and its prospects in the SAP difficult. The country's clear EU perspective in the context of the SAP has not yet become the determining framework of reference for many decision-makers both at state and republican level. This is further exacerbated by the continuing uncertainty over the future of the state. Moreover, in terms of substance, there is little co-ordination between the two parallel reform processes in Serbia and in Montenegro.¹³

Following EU shuttle diplomacy, which has become a pattern of—or almost a precondition to—dealings with Serbia and Montenegro, the government authorities and the EU emissaries agreed in October 2004 to a 'two track' approach, in which the EU was to discuss and negotiate issues of relevance on the republic level with the two

¹³ European Commission, *Serbia and Montenegro: Stabilization and Association Report 2004*. Commission Staff Working Paper, SEC(2004) 376 (European Union, Brussels, 2004), 30.

republics separately but to continue to discuss issues of state relevance with the state union authorities. Whether this approach has contributed to more co-operation between the republic governments or whether it reinforced tendencies to split the union into two independent states remains to be seen. As a result of this agreement to break the deadlock, the European Commission decided one week later to restart work on the feasibility study, which was completed in the spring of 2005. Following a decision of the European Council on 3 October, negotiations on the SAA began on 10 October 2005.

In the current situation of the state union of Serbia and Montenegro, the effect of the SAp is difficult to assess. While European integration remains the only alternative for the country, a series of fundamental internal problems will have to be solved sooner rather than later, not least the geographical and political shape of the country. Unless these issues are resolved, there is little prospect for far reaching reforms and the process of association and stabilization will not make progress. At the same time, the danger of Serbia and Montenegro falling behind in terms of regional development is a given, with all the predictable and unforeseen implications that this would have.

Apart from the state of the union, another problem for Serbia is Kosovo. The unresolved question of the province's future is forcing even the reform-oriented politicians in Serbia into a defensive position. For the future of Serbia and Montenegro, a solution to the Kosovo issue would be very helpful.

F. Kosovo

Kosovo's legal set-up, as part of Serbia and Montenegro but under the jurisdiction of UN Security Council Resolution 1244, puts the EU in the peculiar situation of being part of the governing structures (as one of the pillars of UNMIK) and a donor at the same time. Kosovo is part of the SAp through a special mechanism, the Stabilization and Association Process Tracking Mechanism (STM). Through this mechanism, Kosovo has access to the CARDS programme and thus to substantial financial assistance.

When it came to progress within the framework of the SAp, it was clear that the province was still far from any agreement. With an extremely volatile political situation, institutions that were in the course of being defined and an economy that

depended almost exclusively on assistance and remittances, it was clear that the province was at the beginning of the process of state building. The serious setback in security, especially for the minority population, resulting from the violent incidents in March 2004 and the following political crisis, in which the UN administration suffered a considerable loss of credibility and trust, contributed to the general confusion. It is expected that the responsibility for the administration of Kosovo will pass from the UN to the EU at some point in the future, thus placing the responsibility with the EU. More clarity on the issue was expected from the status negotiations, which began in late 2005, but the issue has yet to be resolved.

Kosovo is one of the rare examples of actual state building from scratch. Many mistakes made elsewhere—in particular in Bosnia and Herzegovina—have been repeated in Kosovo by the international community. The lack of a clear vision on the future of the province and its drive for immediate independence have contributed to a rise in tensions, and the indecisive way of making Kosovan authorities responsible for the creation and implementation of policy has perpetrated a situation of shifting responsibilities, to the detriment of the population.

The STM can be only one of many measures to be implemented in Kosovo. It may, however, ensure that a certain convergence with the countries in the region and the European Union is kept up.

II. THE THESSALONIKI AGENDA: EUROPEAN PARTNERSHIPS

As mentioned before, the countries that are subject to the SAp are all weak countries. Even if the process itself could be said to be setting the right parameters and the financial assistance utilized in a proper¹⁴ and timely manner, the capacity of the recipient states is rather limited. Delays were often caused by the inability of administrations to react to reforms that they were expected to implement. Short-term political interests prevail in a region in which a stable government tends to be an

¹⁴ A recent number of scandals within and involving the European Agency for Reconstruction show that this is not always the case. Apart from cases of misuse, EU funding usually arrives at the beneficiaries very late and can constitute a factor holding up processes.

exception and where the high pace of elections implies a high number of promises which are not always compatible with the reform agenda.

A development leading to the so-called 'Thessaloniki Agenda' adopted by the summit in Thessaloniki in spring 2003 acknowledged the limited capacity of the five countries for implementing the reforms leading to their association with the EU. Deficiencies were widely identified in the planning capacity and in the distinction between long-, medium- and short-term priorities.

It was also acknowledged that a number of instruments that applied to candidate states and that had yielded positive results, such as 'twinning', could be applied to the SAp countries as well.

Against the background of an identified need for a stronger and more structured involvement by the EU in the region it prefers to call the 'Western Balkans', the 2003 spring EU summit adopted the 'Thessaloniki Agenda'. For the SAp, this means a number of enhancements. Apart from the abovementioned twinning mechanism and access to other community programmes, as well as an enhancement in funding for CARDS, the most important instrument that emerged in Thessaloniki was that of the so-called European Partnerships. Individual partnership agreements were drawn up with four of the five countries¹⁵ 'including Kosovo', establishing individual sets of short- and medium-term priorities in the reform process, with a clear checklist of issues to be dealt with. The countries themselves had to prepare a national plan, detailing how they intended to address the issues identified in the European Partnership document. Monitoring by the EU was ensured through the annual SAp country reports.

III. PROTECTION AND PARTICIPATION OF MINORITIES

In all documents related to the SAp, the issue of the protection of minorities played a central role. A meaningful and functioning protection of minorities was seen as a precondition for further progress in the SAp.

¹⁵ Croatia is no longer a part of this process, having proceeded to the status of candidate country.

A large number of projects that focused on improving inter-ethnic relations were, and continue to be, financed through the CARDS programme. However, it is difficult to assess the impact of these projects without conducting a separate study. The impression on a global scale was that it was not comparable to the amount of funds and energy expended. In countries where the international contingent (not the EU itself) was in a position to impose regulations (Bosnia and Herzegovina, Macedonia and Kosovo), progress evidently took place when it came to legislation and institutional set-up. In other countries, this process lagged behind.

A core problem seems to be the instruments available to the European Union. Declarative statements have had little impact in the accession countries to date.¹⁶ As such, they are bound to have even less impact in the Western Balkans. International instruments like the Council of Europe's Framework Convention for the Protection of National Minorities (FCNM) or the OSCE's High Commissioner on National Minorities (HCNM) have proved very limited in their impact.

The prominent position of minority protection in EU documents related to the SAP was not matched by concrete instruments for monitoring, or even implementing, that protection.¹⁷ In most countries, instruments other than the FCNM and HCNM do not exist. To a certain extent, an exception can be seen in the Ohrid Framework Agreement in Macedonia, in a power-sharing mechanism where the EU is one of the guarantor powers. However, this very agreement is highly problematic in its improvised form, mainly because it sets standards that relate clearly to the relation between the ethnic Macedonian majority and the biggest minority, the ethnic Albanians. The other, smaller groups are either neglected or even discriminated against.¹⁸ This raises another dilemma, namely that of installing participation mechanisms without adequate provisions for minority protection. Macedonia can be cited as an example of failure in this respect. The process of decentralization, which

¹⁶ See J. Hughes and G. Sasse, "Monitoring the Monitors: EU Enlargement Conditionality and Minority Protection in the CEECs", 4 *Journal of Ethnopolitics and Minority Issues in Europe* (2003), 1–36.

¹⁷ See also F. Bieber, "Minderheiten und Mehrheiten im westlichen Balkan—eine Analyse der Schwächen internationaler Politik", Paper for the Conference "Interethnic Relations in the Western Balkans: Problems, Instruments and Prospects for the Future", Berlin. 12–13 September 2003.

¹⁸ The best example is the arbitrary setting of a 20% threshold for the use of a minority language at the local and national levels, which makes this use impossible for smaller minorities in certain regions of the country.

began in 2005, was one of the milestones in the SAp, and is likely only to exacerbate these problems, leaving smaller minorities at the discretion of the numerically largest minority.

In addition, the EU is facing a problem of credibility here. While demanding protection of minorities from countries striving for EU accession and imposing participation mechanisms, no regulations ensure the same within the Union, apart from the 1993 Copenhagen Document. This problem of ‘double standards’ is often raised in relation to the region.

Furthermore, the question of long-term sustainability of adopted measures has to be addressed. As is the case with the ten countries that joined the EU in 2004, minorities in the countries currently subjected to the SAp will encounter no, or at least very weak, instruments aimed at their protection once they join the EU. The question is how and by which authority majority–minority relations will be monitored and standards enforced.

The reality within the European Union is shifting. A high number of countries have joined or are about to join, for which protection of group rights is of much more importance than it is to most ‘old’ EU members. The EU will have to face these issues, lest they grow into political problems. What is missing seems to be an institutional approach: defining a catalogue of concrete instruments for an appropriate protection of ethnic minorities, participation mechanisms and an institutional focal point for the issue, wherever this might be located.

IV. TIME AS A PROBLEM

It will take a good number of years before the developments that the SAp is attempting to foster are concluded. Even the most optimistic approach—the Macedonian one—does not foresee accession earlier than 2010. In the meantime, the countries subject to the SAp are struggling simultaneously with several burning issues, the worst being the desperate economic situation.

No matter what results the reform efforts yield it is unlikely that there will be a short- to medium-term dramatic change in the economic situation. International foreign

investment will depend on regional stability and the unresolved issue of Kosovo, as well as possible further outbursts of violence there, will continue to affect in a negative sense, the preparedness of investors to become active in the region.

What this means for the population is, at best, stagnation of the economic situation and aggravation of the social situation. The already acute 'brain drain' will continue, as long as there are no real incentives for young, qualified persons to return and apply their knowledge and experience.

In order to alleviate the economic situation of the population and to address the concrete needs of labour forces in the European Union, two measures are needed: on the one hand, a decisive liberalization of the visa regime, possibly conditioned by substantial progress in the SAP; and agreements between the EU and the individual countries relating to seasonal work permits. This would allow the massive illegal work migration to be channelled legally, while also allowing additional sources of income in conditions of a shrinking labour market in the region. It goes without saying that these measures would have to be accompanied by a more serious and comprehensive strategy to combat organized crime. The measures in place now are far from sufficient.

Another problematic issue is the dominance in the political sphere of a generation of politicians who embrace fully the 'privileges' that are part of being a politician but who are less wholehearted when it comes to responsibility. Several EU reports endeavour to appeal to the sense of responsibility of those who make quick to make commitments but are less interested implementing them. Few attempts to replace this type of politician have been successful, which contributes further to frustration among young and qualified persons and leads them away from politics or the state sector in general. It is a characteristic of weak states that they are hijacked by a political class whose interests lie elsewhere than in serving their countries and societies. A more decisive approach on the EU side is needed to isolate internationally those political elements involved in criminal activities. The so-called 'black list' is a beginning but the criteria for 'eligibility' for this list need to be enhanced.

The very slow reform of the education sector will further widen the gap between young people from the region and the rest of Europe. This can be alleviated only very

partially through the establishment of new, modern education institutions, such as the Southeast Europe University in Macedonia.

The SAp is racing against time. Success will have to be substantial if the attraction of the EU, which is very widespread, is to persist. Croatia and Macedonia have succeeded in undermining the process by almost imposing their application for candidate status. This has given the process a new dynamic, raising the hopes of the population without the requisite readiness of institutions to implement required reforms.

The example of the two countries shows that the incentive of potential EU candidate status, as envisaged in the SAp, is just not enough. A concrete and tangible vision and perspective must be given to the Western Balkans if these countries are not to fail. The introduction of the European Partnerships and the concentration of all financial aid measures into one instrument, the 'Instrument for Pre-Accession Assistance' (IPA), are steps in the right direction. However, more decisive steps will have to follow if it is to be made clear to local actors that, not only is the responsibility in their hands, but also that there is no alternative to the European path. The EU will have to define a clear accession timeframe in order to maintain reform-oriented momentum; it will have to face reality and start addressing social and economic issues in the region as a whole in a structured, comprehensive way if it wants to see the envisaged institutional reforms bear fruit.

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Biographical Note

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