

WESTERN BALKANS AT THE CROSSROADS: ASSESSING THE INFLUENCE OF NON-WESTERN EXTERNAL ACTORS

This is an executive summary of a publication “Western Balkans at the Crossroads: Assessing Influences of Non-Western External Actors” (Prague Security Studies Institute, May 2019) which seeks to provide a comprehensive overview and detailed understanding of Russian, Chinese, Turkish, Gulf State and Iranian influence activities and engagements in the five post-Yugoslav and non-EU member countries: Serbia, Bosnia and Herzegovina, Montenegro, North Macedonia, and Kosovo. The publication features five country reports written by the Balkan-based researchers within the framework of the project “Western Balkans at the Crossroads: Assessing Non-Democratic External Influence Activities” led by the Prague Security Studies Institute with the support of the National Endowment for Democracy.

Executive Summary

Five of the seven states born out of the violent dissolution of the Socialist Federal Republic of Yugoslavia (SFRY)—Serbia, Bosnia and Herzegovina, Montenegro, North Macedonia and Kosovo—represent one of the last regions of Europe not yet integrated into the European Union nor, with the exception of Montenegro, into NATO. Since the Balkans has always been a zone of great-power rivalry, diminishing US involvement in the region and the EU’s failure to replace it, along with EU enlargement fatigue and shifts in the global geopolitical balance of power, have created a space for non-Western actors to step in and strengthen their presence in the region.

Russia, Turkey, China and the Gulf States have increased their influence and challenged the pro-Western orientation of the region with a variety of tools, exerting economic, political, cultural and religious leverage. However, the scope and nature of their engagements differ significantly—their interests are often conflicting and their influence tends to be exaggerated. Despite often being viewed positively by the local population, none of them is perceived as or provides a real alternative to the “European path” of the Western Balkans. Nevertheless, since regional and global tensions feed into each other and non-Western actors can skillfully exploit local vulnerabilities, many of their activities have the potential to slow down Euro-Atlantic integration or jeopardize the stability of the region. To limit their field of action, the West needs to take a more active approach, with more tangible and clearly-presented incentives for the countries of the region.

Serbia

Russia

Russia has well developed historical, cultural, and religious ties with Serbia. Their proximity, however, sometimes tends to be exaggerated. Russia's foreign policy towards Serbia has become more resolute after Kosovo's independence in 2008, yet, Russia has no resources or long-term vision except to compete with the West. Its main political leverage stems from strong diplomatic support over the non-recognition of Kosovo, using its seat in the UN Security Council and other international bodies to push its agenda. As a trade-off, Russia gained underpriced a strong presence in Serbia's energy sector. It also amplifies its commercial and political influence through a network of local players, including nationalist right-wing groups who advocate Russia friendly or anti-Western narratives, the Orthodox Church, repeated high-level visits, robust information campaigns, partnerships with local media outlets and the Kremlin media (mainly the Serbian branch of Sputnik). Yet, while Putin and Russia enjoy great popularity among the Serbian population, the country's general cultural appeal remains marginal compared to the appeal of the European Union.

China

China, as another permanent UN Security Council member, is, similarly to Russia, considered an undeniable ally of Serbia's sovereignty by rejecting Kosovo's independence. For China, Serbia has become a strategic partner thanks to its location at the main transport corridor from Southeast Europe to the EU. Both countries deploy a narrative of "steel friendship" that is reflected in a series of large-scale economic projects and securing loans under the '16+1' summit, and the One Belt One Road Initiative. Compared to Russian investment, Chinese investments in Serbia are well-diversified and range from the metal and energy industry to technology and culture. Moreover, China has successfully created a sphere of influence by supporting a diverse network of government and non-government actors, such as Confucius institutes and cultural cooperation or student exchanges.

Turkey

Turkey has recently become one of Serbia's most important trading partners, despite old animosities and the country's strong support for Kosovo's independence. Since 2009, Ankara has worked ambitiously to strengthen its political influence in the country through investments, cultural exchanges, humanitarian aid, religious contacts with Bosniaks in Serbian Sandžak, and Ankara-mediated talks between BiH and Serbia. Thanks to Turkish investments and an increase in foreign trade, as well as the promotion of the idealized contemporary "Turkish model" of lifestyle, the popularity of Erdoğan and Turkey is growing among certain segments of the Serbian population, including ruling politicians who embraced Erdoğan's authoritative style. Turkish interference became more visible after the attempted military coup in 2016, when Ankara began to pressure local leaders in Belgrade and Novi Pazar to close down Gulenist organisations and swiftly extradite Kurdish political asylum seekers. This led to growing criticism against Erdoğan's politics in Serbia, and resulted in Erdoğan losing some Bosniaks' (from the Serbian Sandžak) support for the 2018 presidential election.

The Gulf States and Iran

The Gulf States, especially the UAE, have been portrayed as important investors in Serbia since 2012. As in the case of Turkey, economic cooperation has developed despite old hostilities due to the Islamic states' siding with the Muslim population against Serbia during the conflicts of the 1990s, or their support of Kosovo's independence. Close political ties between the ruling elites, Aleksandar Vučić and Mohammed bin Zayed, have opened the door for investments from the UAE, which came as an important boost to Serbia's difficult economic situation. Although the UAE has invested in aviation, urban construction, and agriculture, it is believed that the backbone of cooperation with the Gulf States is the export of Serbian ammunition and weapons. Also, most of the announced projects and investments have never actually been implemented. Another concerning development associated with the Islamic countries' presence in Serbia is the spread of radical Salafism and the recruitment of tens of Serbian citizens from the Sandžak region to jihadi groups in Iraq and Syria. Iran's ties to Serbia have recently increased as well, as the two countries resumed diplomatic relations in 2015 after nearly 30 years. Yet, despite the existence of the Cultural Center of the Islamic Republic of Iran in Belgrade, or the recent moderate spread of Shia Islam in the Sandžak region, Iran's involvement and influence still remains marginal.

Bosnia and Herzegovina

Russia

Russian influence in BiH in the last decade has centered around close ties between the Kremlin and Milorad Dodik, the current Serb member of BiH's tripartite presidency, and the undisputed leader of the ruling party of the Serbdominated entity Republika Srpska (RS). Both sides have benefited from this connection; while Russian support has strengthened Dodik's position, the Kremlin can rely on the dissemination of pro-Russian sentiments and narratives by RS authorities and the mainstream media. On several occasions, Russia supported Dodik's controversial steps, e.g. to reach greater RS autonomy, but always appeared careful to block him from pushing for a secession. The Russian economic presence in BiH is also mostly concentrated in RS and the oil and gas industry remains its key component as BiH is dependent on Russian energy supplies. Along with the strengthening of its political and economic presence, Russia has also gradually restored its cultural and religious influence among Bosnian Serbs over the last few years by establishing various cultural and religious centers, or organising events that promote Russian culture, religion, and language. Some experts and media also accuse Russia of supporting Serb right-wing extremism. These mentions have mostly been linked to visits by the Cossacks or Russian bikers' gang Night Wolves in Republika Srpska.

China

Unlike the other foreign powers, China does not have cultural or historical ties to BiH upon which it could build its presence. In contrast to Russia or Turkey, Chinese practices have been, therefore, mostly perceived as oblivious to political, ethnic, religious or any other background of its potential business partners. The Chinese presence in BiH is still perceived relatively positively, mainly thanks to local officials who hail Chinese projects as something that could improve local infrastructure faster than similar projects funded by the EU. As in other countries of the region, bilateral cooperation has developed mainly under the umbrella of the Chinese '16+1' initiative, and centers around infrastructure projects and improvements of thermal power-plants. Compared to the situation in Serbia or Croatia, however, its economic footprint, as well as visibility in the cultural domain, remain limited.

Turkey

Building on deep historical ties and cultural affinities, Turkey has maintained close and well developed relations with BiH, especially with Bosniaks (Bosnian Muslims). Similarly to Russia, it has relied on close ties to the political leaders, namely between President Recep Tayyip Erdoğan and the founder of the ruling Bosnian Party SDA, Alija Izetbegović, and his successor and son, Bakir Izetbegović. Both Erdoğan and Izetbegović have recently supported each other during important political events, including elections. Although Turkey is an important trading partner and perceived as one of the main investors in BiH, it only ranks as 11th in business investments. The Turkish soft power approach has paid special attention to cultural, religious, and academic cooperation between Turks and Bosniaks, and has been built on numerous institutions established by the Turkish government, such as the Turkish Aid Agency, TIKA, Yunus Emre Institutes, the Diyanet, universities, and Turkish statebacked media outlets broadcasting in regional languages. As a result, the Turkish presence in BiH's public space is very pronounced.

Gulf States and Iran

The Gulf States and Iran have a limited political and economic presence and interest in Bosnia and Herzegovina. Their presence was most pronounced during and after the war (1992-95), then decreased with the clamp down on Islamic NGOs after 9/11, and has recently seen a slow return as a result of the weakening presence of the EU and the US in the region. The increased volume of Arab investments coincided with the soaring number of tourists coming from the Gulf countries, and thus facilitated an increase in the construction of accommodation and entertainment facilities and services. The UAE have even become the 3rd largest investor in the country. Apart from this, the Gulf States have supported the reconstruction or new construction of mosques, which, however, has been met with partial criticism for not focusing on other areas. The rather limited spread of fundamental religious practices and Islamic radicalisation accompanying the Islamic countries presence has come to be considered as a security threat. BiH has seen a number of its citizens radicalised in a few remote religious communities, then leaving for battlefields in Syria or Iraq, and was among the first countries to adopt legislation criminalizing the association with foreign fighting forces.

North Macedonia

Russia

Russian influence activities in North Macedonia are most pronounced in the cultural and political spheres and particularly weak in the economic domain. Russia's involvement in the country follows a "get more bang for your buck" strategy that is largely aimed at fomenting confusion and disenchantment with the West and its purported values. Moscow's rhetoric permeates North Macedonia's information landscape through several Russian media outlets like Sputnik News Agency, but their influence is considerably constrained by the absence of any Macedonian language broadcasting. In the socio-political sphere, Moscow has been able to inspire several pro-Russian organizations and political parties, such as Edinstvena Makedonija and Hristijansko Bratstvo, that actively work on derailing the country's Euro-Atlantic integration. These organizations spearheaded the movement against Macedonia's 2018 name-change referendum from Macedonia to North Macedonia. In fact, North Macedonia's name-change process arguably spawned the zenith of Russian meddling in North Macedonian politics, which was even more conspicuous than Moscow's involvement in opposing the downfall of Gruevski's increasingly authoritarian and Russia-friendly regime.

China

The relationship between China and North Macedonia is predominantly of an economic nature, and Macedonia is part of the CEEC-China '16+1' platform. China's economic influence in North Macedonia has been consistently growing and China currently represents North Macedonia's seventh largest trading partner, focusing mainly on investing in construction and infrastructure. Nonetheless, the primarily economic nature of mutual relations does not mean that China has no political motivations or effects. Most notably, as the infamous case of the Chinese-financed construction of two highways in North Macedonia illustrates, China's economic expansion could engender corruption as well as push countries into China's "debt-trap diplomacy." Beijing has also worked on promoting Chinese culture in North Macedonia, mostly through the Confucius Cultural Center operating under North Macedonia's largest public university.

Turkey

Turkey has consistently been an important player across different spheres of social life in North Macedonia, which is not particularly surprising given North Macedonia's long history under the Ottoman Empire and the country's sizable minority of ethnic Turks. North Macedonia has three Turkish minority parties and ethnic Turks occupying powerful political roles, including mayors, MPs, and government ministers. In the economic realm, Turkey is the eighth most significant trade partner to North Macedonia, and Turkish investment amounts to around 35% of North Macedonian FDI. Additionally, North Macedonia harbors several Turkish schools, cultural centers, media outlets, and businesses, which have turned into yet another battleground between Erdoğan's government and the perceived supporters of Gulen's Hizmet movement after the failed coup in Turkey in 2016.

The Gulf States and Iran

The Gulf States' and Iran's engagement in North Macedonia has been very limited. The cultural relations are largely restricted to the Belgrade-based Iranian Cultural Center and to a Gulf States-associated Islamic Center that hosts religious sermons. Also, North Macedonia's economic ties to the Gulf States and Iran are limited, although this is an issue that the North Macedonian government has begun to try to redress recently. In the security field, North Macedonia has mostly been omitted from allegations of harboring foreign-funded Salafi mosques, yet the practice of Salafism in the country is still present. It is spread by influential imams educated in Saudi Arabia and other Middle Eastern countries, who, as well as Gulf-funded charities and schools, reportedly helped facilitate ISIS recruitment in North Macedonia.

Montenegro

Russia

The traditionally good relations between Montenegro and Russia started to deteriorate in the past five years due to Montenegro joining the EU's sanctions against Russia in 2014, the 2016 failed coup attempting to assassinate the current President, Milo Đukanović, in which two Russian intelligence officers were involved, and finally, Montenegro's accession to NATO in 2017. To foster its influence and counter the pro-Western orientation of the country, Russia has focused on the promotion of its culture and language, academic exchanges, as well as links to right-wing extremists. It has consistently supported pro-Russian, mainly Serbian nationalist parties, in the Montenegrin opposition with close connections to the Serbian Orthodox Church, an important channel of anti-EU and NATO sentiments. As in other countries, Russia has utilized media to promote its agenda, although much of the pro-Russian content is disseminated by locals opposing the pro-Western orientation rather than being financed from Russian sources. Russia is one of the largest direct investors in the country, a number of foreign-owned companies belong to Russian citizens, and Russians also make up the second largest group of tourists. Yet, unlike the rest of the region, Montenegro is not dependent on Russian energy sources, which makes mutual trade insignificant.

China

The relations between Montenegro and China are predominantly economic in nature. While the bilateral cooperation remains limited, mutual relations are defined by the adopted '16+1' format aimed at enhancing cooperation across various areas. Infrastructure projects such as railway tracks connecting the city of Bar with Belgrade, or a highway between Montenegro and Albania, represent the key focus areas of Chinese involvement in the country. Potential negative impacts of Chinese non-transparent business practices and loans on the country's small economy raise serious concerns, especially related to fears of falling into a debt-trap. Besides economic cooperation, China has also been active in promoting its culture and language via the Confucius Institute and academic cooperation.

Turkey

Due to an increase in Turkish investment and newly established businesses in Montenegro, the country's highest officials keep close ties with prominent figures in Turkey. Montenegro's Muslim community and the Bosniak party are also traditionally on good terms with their Turkish counterparts. As of today, Turkey is Montenegro's 9th largest investor. Thanks to visa-free travel and a simplified procedure for obtaining residence and working permits, there has been a sharp increase in the number of registered companies and businesses established by Turks. Turkey has also been successful in promoting its culture, notably through soap operas and student exchanges, by instigating flight connections between the capitals, or through the increased activities of Turkish agencies and cultural centers, mainly the Turkish Cooperation and Coordination Agency (TIKA) and the Turkish cultural institute, Yunus Emre. Ankara is primarily interested in the Sandžak part of Montenegro, mainly populated with the Bosniaks and other Muslims of Montenegro. The Bosniaks and the Islamic Union align their political orientation with the Turkish.

Gulf States and Iran

There has been a marginal political interest in, as well influence of, the Gulf States and Iran in Montenegro. Out of the analysed countries, the UAE has been the greatest investor in the country, focusing on the banking sector, construction, and tobacco industry. Besides Al Jazeera correspondents from Podgorica, there is no Gulf State or Iranian media presence. The spread of Salafism has been identified as a potential threat and continues to be monitored by the authorities, but the number of Montenegrin citizens leaving to foreign battlefields has been the lowest among the Balkan countries.

Kosovo

Russia

Given Russia's relevant role in international politics and its permanent position in the UN Security Council, it continues to play a decisive role when it comes to opposing Kosovo's membership in key international organizations, especially the UN. Its role of Serbia's staunchest supporter in relation to the Kosovo issue crucially shapes its position in Kosovo itself, and is the root of its popularity and leverage among Kosovo Serbs. In the political realm, it keeps close ties to the main Serbian party, which is part of the ruling coalition. Furthermore, Russia's main spheres of influence are those of the media, religion, and culture. Russia uses its media as a soft power tool to reach Kosovo Serbs and spread fake news and disinformation, primarily aimed at fostering the perception that Kosovo is an unstable, unsafe place to live. Another important element of Russia's presence is the support provided to the Serbian Orthodox Church, manifested, for example, through the veto to Kosovo's UNESCO accession, reasoned by fears about the preservation of Serbian Orthodox monasteries. Lastly, some radical, far-right organizations active in the majority-Serb Northern part of Kosovo appear to have close ties to Russian intellectuals and organizations, and Serbian radical groups that operate in cross-border settings.

China

In contrast to other countries of the region, the role of China in Kosovo has remained minimal due to the Chinese non-recognition of Kosovo's independence. Besides some economic cooperation, mainly in terms of Chinese imports to the country, China remains uninvolved in Kosovo and excludes it from its '16+1' initiative to increase economic cooperation with the region. In the international arena, China is responsible for blocking Kosovo's membership into international organizations which are crucial for reinforcing Kosovo's statehood.

Turkey

Considering Kosovo's poor economic conditions and weak international position, Turkey has successfully positioned itself as one of the key foreign players in the country, and is considered an important ally. Turkey tops the list of countries with the highest economic activity in Kosovo: it privatised the energy distribution network, operates Prishtina Airport, and has built some of the most important roads connecting Kosovo to Albania and North Macedonia. The existence of direct Turkish political interference was best exemplified by the arrest of six Turks in Kosovo within Turkish anti-Gülenist repressions after the 2016 failed coup. Turkey also forges closer ties to Kosovo and advances its power in the realm of culture and religion, using government organizations like the development agency, TIKA, or Yunus Emre Institutes. It has largely been involved in the building and reconstruction of mosques, and has invested in academic exchanges, the learning of the Turkish language, and the organization of cultural events that aim to introduce participants to Turkish culture and history.

The Gulf States

The influence of the Gulf States has been mostly associated with the spread of Islamist extremism and radicalism. Although no proof of foreign governments' direct involvement in this area have been established, it is widely accepted that Islamic organizations and charities that entered Kosovo after the war in 1999 have contributed to the creation of an environment for extremism and radicalism to take root. Recently, Kosovar government officials have talked about potential economic cooperation with some Gulf States' representatives, and have invited Arab companies to invest in Kosovo.