

Meeting the Challenges of EU Membership and NATO Accession – Macedonia and her Neighbours

Policy Recommendations¹



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Introductory Remarks

Considered by many as the only success story of peaceful transformation in the Western Balkans in the early 2000s, Macedonia² managed to emerge from the shades of the 2001 armed conflict and acquire EU candidate status in just four years. The first among the countries from the Western Balkans to sign a Stabilisation and Association Agreement in 2001, Macedonia today, however, is considerably lagging behind on its EU/NATO accession path. Formally, the country is situated in the Brussels waiting room, while other countries from the region have developed closer ties with both Brussels and Washington: Croatia and Albania joined NATO in 2009; Croatia will join the EU most probably in 2013. Montenegro though gaining its independence in 2006, is expected to be the next on the enlargement line, with the EU accession negotiations starting in the summer of 2012. On the technical level, Macedonia has shown progress in the implementation of the recommendations issued by the European Commission. However, due to Greek objections to Macedonia's integration in both the EU and NATO, Macedonia still remains in the waiting room. Meanwhile, democratic reforms slide back. To retain the Commission's recommendation, the government needs to make improvements in key areas such as public administration, rule of law and freedom of the media.

After the 2008 NATO Summit, the Macedonian political leadership started using patriotic and nationalistic rhetoric and put the "name dispute with Greece" in the centre of

the political mainstream. This can be seen in ethno-centric projects such as "Skopje 2014" revamping the capital including a grand statue of Alexander the Great in the main city square. Without doubt, the nationalist rhetoric among elites causes an equal nationalistic response in other ethnic groups, thus creating a circle of nationalism and hatred. This culminates in inter-communal violence and led to inter-ethnic and inter-religious mass protests on the streets of Skopje in the spring of 2012.

While the Republic of Macedonia remains fully dedicated to the progress of regional stability and prosperity, all countries in the region still need support to build institutional capacities according to the EU standards. Macedonia's relations with its neighboring countries are a key pillar of the Macedonian foreign policy. In this sense, Macedonia needs to foster cooperation and to undertake initiatives for active regional cooperation. There is a consensus among the political parties and strong public support for the process of joining NATO and the European Union. Therefore, Macedonia should look to the future and should emerge as a young and multi-ethnic democracy which shall be an example to follow for the countries in the region.

Macedonia: Meeting the Internal Challenges of Security, Stability and Progress

The question of the inter-ethnic relations and implementation of the Ohrid Framework Agreement (OFA) remains fundamental for the development of the

stability and security of the country. The main issue namely, “To whom belongs Macedonia?” is located in the mentality of both ethnicities (Macedonian/Albanian) which tend to present Macedonia as a country divided between two ethnic blocks.

Although the OFA has helped a lot, especially in ensuring the access to resources for the minorities, it is still an ongoing process that is not fully implemented. What is lacking is promotion of its spirit. It is to say that a greater tolerance for diversity is needed. Moreover, the ongoing conflicts between the Macedonian and Albanian coalition partners in the Government have negative influence on the overall situation in the society, especially in the realm of ethnic relations.

While in 2005 and 2006 the nation and also the international community were optimistic about the Euro-Atlantic future of the country, things have taken a turn for the worse and the country is not in the same position as it was. There are two important aspects of the problem: the first is the name issue, the second are the internal reforms that are being introduced in too slow a pace. One of the indicators for this conclusion is the fact that the Parliament in 2011 devoted only 9% of its agenda to align the domestic legislation with the EU Acquis.

The numerous drawbacks of couple snap elections in Macedonia (2008 and 2011) represent another internal challenge. There is a lack of consistent full-four-year agenda and a one state concept. Rather, daily politics is focused on short-term political benefit. Another significant problem is the independence of the judiciary which is the backbone in every country. Despite the fact that Macedonia introduced certain law reforms, the trust of the population in Macedonia in the judiciary is decreasing. The rule of law, along with the fight against corruption seems to be the biggest challenges not only for the country but for the whole region as well.

The percentage of unemployment in Macedonia is another reason for concern, especially the high unemployment rate of young people with university degree. The fact that over 50% of the young population are unemployed is a clear indicator for social disparity. In such conditions illegal and criminal activities tend to be on the rise.

Macedonia started a High Level Accession Dialogue (HLAD) with the EU Commission in March 2012. The HLAD is both welcomed and criticized at the same time. For the EC HLAD is a new instrument to reinvigorate the reform process and to foster the EU enlargement. The HLAD is considered a technical instrument to guide the reforms in key areas. However, the results from implementing the necessary reforms are lacking and this does not contribute improving the EU integration dynamics of the country.

Albania, Bulgaria, Greece, Kosovo, Macedonia and Serbia: Gaining Perspectives through Bilateral Cooperation

Regarding the bilateral cooperation, the diplomatic relations between Macedonia and **Albania** are generally good but not on the highest level. This is a weakness as the inter-ethnic relations are fundamental for both countries. On one hand, Albania is a focal point for the Albanians in Macedonia, Kosovo and Montenegro and there is perception that Albania should do more for the Albanians. Strengthening relations with Tirana could improve the interethnic relations in Macedonia. On the other hand, Albania as a member of NATO has to use NATO language and has to act according to the diplomatic rules.

Being the first country that recognized the independence of Macedonia, **Bulgaria** fully supports Macedonia on its way towards NATO and the EU. Therefore, the authorities in Bulgaria have expressed their readiness to share their best practices regarding the process of joining the Euro-Atlantic structures on several occasions. However, the dispute between Skopje and Sofia related to issues of national identity as well as the name dispute with **Greece** may cause negative dynamics in the bilateral relation.



The most complicated bilateral relations are predictably with Greece due to the two-decades-long issue for the name of the country. It is a highly complex issue as it touches the sensitive areas of culture and history. The political will, necessary for a solution, is lacking on both sides and there is a feeling that the mediator Matthew Nimitz has not done enough for the negotiation process. To resolve the name issue there is a necessity for stronger interconnection. The already existing deep economic relations could be useful in this regard. Nevertheless, the key for finding a solution is the trust between both countries and readiness for compromise.

Even tough international presence is still strongly required for the stability of Kosovo, it is completely devoted to the integration process. This is visible by the recent agreement between Serbia and Kosovo. The agreement

enables Kosovo to be represented at regional summits and ensures Kosovo's participation in the economic trade. However, Kosovo has accepted that its name is marked by an asterisk, linking it to a footnote. There is a general perception among the population of Kosovo, followed by an ongoing media story, that Macedonia is willing to join the EU and NATO exclusively under its own conditions and not under the general ones. At the same time, the Macedonian case is an eye-opener for the political elites of Kosovo. It shows that even if all the criteria are fulfilled there is a political element in the process of joining NATO and the EU. Nevertheless, the bilateral cooperation between Macedonia and Kosovo on an economic level is well developed, but mainly between Albanians from Kosovo and ethnic Albanians from Macedonia. Among Macedonians there is a concern that a formalized status of autonomy for the Serbs in the North of Kosovo could increase political demands of the Albanians in Macedonia. The bilateral relations on a political level are the most developed between Macedonia and **Serbia**. However, the problem regarding the recognition of the independence of the Macedonian Orthodox Church by the Serbian Orthodox Church is still present. Serbs perceive Macedonians with sympathy but blame both sides in the dispute between Macedonia and Greece.

The International View on the Uneven Path to Euro-Atlantic Integration: Macedonia and her Neighbors

The EU perceives the implementation of HLAD as an innovation in the integration process. It has brought new dynamics to the relations between the EU and Macedonia. There has been a shift in the level of engagement by the European Commission. Several visits of EU Commissioner Štefan Füle in 2012 to Macedonia confirm the level of commitment of the EU. However, the positive outcome of the HLAD is not visible yet. In this sense, the delivery of the results will be crucial for the integration process of Macedonia to the EU.

Regarding NATO membership, it is evident that NATO is not ready to import the name dispute within the Alliance. Apart from this issue, the commitment of the country to the integration process is assessed as an impressive achievement: the Republic of Macedonia has successfully completed the fourteenth successive cycle under the NATO Membership Action Plan. Furthermore, it has developed deployable capabilities in accordance with NATO standards and has provided significant contribution to international peace operations.

However, the EU and NATO accession will and cannot resolve Macedonia's internal problems. Macedonia needs to continue making reforms as well as develop a long term political strategy to create a positive climate for solving the name issue.

Summary of Policy Recommendations

The Ohrid Framework Agreement (OFA) and Inter-ethnic coexistence

Regarding the OFA there is necessity for discussions about its essence and further research and analysis on the effect it has had so far. The OFA should be promoted on behalf of all citizens and all ethnic communities should feel its benefits. While most of the technical aspects are already adopted, the implementation of its notion is lagging behind and Macedonians often see it as a set of concessions made to ethnic Albanians and do not feel direct beneficiaries.

The representatives from the ethnic communities should make sure that they are willing to fulfill the obligations to the country as a state authority, not simply enjoying the benefits of the positive discrimination stemming from the OFA. When meeting the quotas in the process of employment within the public administration, the selection of the candidates should be based on quality and merit, not only the ethnic background.

One important measure is the implementation of a strategy to develop an integrated educational system. So far, only few projects, mainly financed by international community were conducted to support the educational system. There is a great need to raise the awareness for the coexistence as well as mutual trust. In this sense, special programs which will enhance the interaction among the Macedonian and Albanian students should be promoted by the government. The final outcome should result in a higher degree of ethnic coexistence and a lower level of ethnic distance between the Macedonians and Albanians.

Economy

Improving the economy and the employment rate are the most crucial areas for a successful development. It is of essential importance for the country to continue with the economic reforms. As the unemployment rate, especially the one within the young population is alarmingly high, youth entrepreneurship projects are needed in order to engage young people to start their own businesses.

Improving regional cooperation could also be beneficial for raising the economy. The countries in the region share similar economic challenges and depend on each other. Macedonia and the countries in the region should make joint efforts to utilize the Instrument for Pre-Accession Assistance (IPA) and other internationally available funds.

Foreign direct investments are one important factor for developing the Macedonian economy as well as for creating new jobs. The authorities in Macedonia have spent an enormous amount of money (65 million Euros) on campaigns and advertisements in the international media

in order to attract foreign investors. The outcome has been rather disappointing. According to the World Bank data, the Republic of Macedonia has a significantly lower amount of direct foreign investments compared to the other countries in the region. Therefore, the authorities should focus on finding solutions to the internal issues, such as: solving ethnic tensions, strengthening the rule of law, independent judiciary and efficient public administration. This would aid the attraction of foreign investors.

Name dispute

Macedonia and Greece need to increase the level of mutual confidence and cooperation. Both sides should express genuine political will in order to find a solution on the name dispute. Putting a time-frame may speed up the process.

The talks between Macedonia and Greece, under the UN, mediated by the diplomat Matthew Nimetz have started in 1995 and have intensified after the 2008 blockade at the Bucharest Summit. However, there is only a modest approximation of the positions of the both countries. This does not give optimism for a possible solution in near time.

Recently, the EU has been involved in mediation efforts between Greece and Macedonia. The name dispute is an obstacle for opening accession negotiations which impedes the EU integration of Macedonia. The prolonged blockade of Macedonia creates challenges for the regional security, but also hampers the credibility of the EU and the viability of the EU enlargement as a security policy.

International relations

Good international relations are crucial for every country especially in the contemporary world of mutual interdependence. Macedonia should continue supporting NATO peace operations and should also start to support EU's police missions.

Bearing in mind that organized crime is a transnational activity; closer regional police cooperation is needed. To combat organized crime the countries in the region need to pull resources and information together.

The Republic of Macedonia should undertake initiatives to strengthen the diplomatic relations with Albania and Kosovo. In this way Macedonia will provide a positive dynamic to the internal ethnic cohesion between the Macedonians and Albanians.

The Republic of Macedonia and the International Community (EU and NATO)

The High Level Accession Dialog (HLAD) is a new and creative instrument and should be welcomed as such. Hopefully, it will accelerate the internal reforms and prepare the country to face the challenges for EU membership and shorten the time needed for the negotiations. The HLAD needs to provide visible effects in order to gain the trust from citizens and experts.

The Republic of Macedonia is under-utilizing the financial support from the EU via the IPA funds. While Albania, Serbia, Bosnia and Herzegovina and Montenegro are eligible to benefit only from Components I and II, the Republic of Macedonia is eligible to benefit from all five components. In the past few years however, Macedonia hasn't managed to build the necessary institutional and administrative capacities. Therefore, authorities in the Republic of Macedonia should ensure continuous training via regular training mechanisms and increase the cooperation via seminars and workshops with the representatives of the EU institutions.

The Republic of Macedonia met all NATO membership criteria. Since its official name impedes its accession to NATO the Republic of Macedonia should be accepted as a member under the name Former Yugoslav Republic of Macedonia.

The International Community should use the expression South East Europe when referring to the region rather than Western Balkans. In this way the European Union will highlight the notion that the countries from the Balkans are part of united Europe and their future is within the wider European family.

¹ These policy recommendations reflect the findings of the 25th RSSEE workshop on "Meeting the Challenges of EU Membership and NATO Accession – Macedonia and her Neighbours" convened by the PfP Consortium Study Group "Regional Stability in South East Europe" from 27 – 29 September 2012 in Skopje, Macedonia. They were prepared by Magdalena Lembovska (Analytica), Dane Taleski and Martin Pechijareski (both Progres), valuable support came from Ernst M. Felberbauer, Judith Ivancsits and Predrag Jureković (all Austrian National Defence Academy).

² Austria recognizes the "former Yugoslav Republic of Macedonia (FYROM)" under the name of "Republic of Macedonia". For the benefit of the academic debate, the country is being referred to as "Macedonia" throughout these Policy Recommendations.