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WEAK STATES, ORGANIZED CRIME, CORRUPTION AND THE EURO-ATLANTIC FUTURE OF THE WESTERN BALKANS

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A. Finding the New Enemy in the Western Balkans

In the 1990's the Balkans were at the centre of the world's attention. During the same decade it was usually possible to identify the 'culprit', the primary force behind destabilization, conflict, acts of unimaginable brutality and war. Thus, a succession of villains: Serbian nationalism, Croatian nationalism, militant Albanian nationalism, Slobodan Milosevic. The point here is not to adjudicate on the exact level of culpability that should be assigned to each of these factors (suffice to say that they are obviously not equally responsible, and they certainly include a number of parameters that differentiates them from each other). Rather, the emphasis is on the fact that the international community has invariably been able to combat, on each particular phase of the wars related to the process of Yugoslavia's disintegration, a certain 'enemy.'

On a philosophical level, it has even been claimed that the existence of an enemy provides a crucial key in understanding the nature and very essence of political activity:

The specific political distinction to which political actions and motives can be reduced is that between friend and enemy ... The political enemy need not be morally evil or aesthetically ugly, he need not appear as an

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*economic competitor, and it may even be advantageous to engage with him in business transaction. But he is, nevertheless, the other, the stranger; and it is sufficient for his nature that he is, in a specially intense way, existentially something different and alien, so that in the extreme case conflicts with him are possible.*¹

Thus, following the end of the Cold War, the United States experienced a kind of cognitive dissonance in its international relations, until it found a coherent, clear and even noble sense of purpose following the tragic and atrocious events of 9/11. The contemporary situation in the Western Balkans however is more nuanced, less clear and certainly very complicated. This essay will argue that the major 'new enemy' is that of organized crime and corruption linked to weak states. We will then outline the prospects and challenges of addressing these problems through the region's slow integrative path towards Euro-Atlantic institutions.

B. The New Threat: Weak States, Organized Crime and Corruption.

Today, the most serious threat to regional security stability and growth is connected to the mutually re-enforcing and integrally linked forces of organized crime, corruption and weak states. In the Western Balkans this pernicious relationship has many manifestations. Perhaps the most important is that of illegal human trafficking. According to the US State Department, 'of the up to 4 million women and girls trafficked for prostitution worldwide each year, some 200,000 pass through the Balkans.'² Furthermore, the Balkans have a long tradition of smuggling-related activities that is connected to the region's geographic location. In addition, non-compliance with the law has a long tradition in the Balkans, and is partly related the Ottoman legacy. During the centuries of Ottoman control, as part of a survival strategy,

¹ Carl Schmitt, *The Concept of the Political*, The University of Chicago Press, Chicago, 1996, pages 26-27.

² See 'Corruption Stalls Balkan Recovery', *MSNBC News*, 2 January 2002.

*Subservience was (coupled with) cleverness, expressed in attempts to get around obstacles, including those erected by authority, by using none-too-ethical...or even illegal means. The notion persists that it is perfectly permissible to cheat and steal from the government.*³

Similar notions in the last two centuries were exploited by irredentist forces which often financed their movements through crime.⁴

The currently reduced dynamic of such forces does not negate the threat to regional stability posed by crime and corruption. This is partly because criminal activities result in significant monetary losses for Western Balkan governments. Although it is impossible to know exact figures (the nature of the enterprises being illegal), the Special Coordinator for the Stability Pact for Southeastern Europe, Erhard Busek, has estimated that lost revenues amount to some 600 million euros annually.⁵ This is an unfortunate situation for regional states, since it must be kept in mind that they involve societies in transition, which even 'under the best of circumstances... are likely to face economically hard times for many years to come.'⁶ Furthermore, unacceptably high rates of unemployment, common to all Western Balkan states, provide the social context that 'justifies' and perhaps on occasion even necessitates participation in activities related to organized crime and corruption, that of course further weaken regional state structures.

At this point, it should be pointed out that the oxygen in which crime breathes is provided by corruption, a pervasive phenomenon in the contemporary Balkans. According to a Council of Foreign Relations report,

Corruption is prevalent throughout the region in both the public and private sectors. In the public sector, requirements for multiple approvals, lack of trans-

³ Barbara Jelavich, *History of the Balkans. Twentieth Century*, Cambridge University Press, Cambridge, 1983, p. 105.

⁴ For an example see Tim Judah, *Kosovo. War and Revenge*, Yale University Press, New Haven, p. 70.

⁵ See *Eleftherotypia*, 22 May 2002 [in Greek].

⁶ Task Force Report, *Promoting Sustainable Economies in the Balkans*, Council on Foreign Relations, New York, 2000, p. 8.

parency (particularly in the privatization process), and the lack of reliable enforcement of laws and regulations have created an environment in which corruption has flourished and deterred investment. As the region's private sector grows, corruption (e.g., in enterprises' procurement decisions) is becoming increasingly embedded in the region's business culture as well.⁷

The combination of societies that are experiencing high unemployment, efforts of transition, and that are losing revenues to crime and facing extensive corruption (and often being able to mount in their defense only an ineffective legal system), results to a series of weak states. These states cannot adequately provide a host of essential public and social services to their citizens in crucial areas such as education, health, pensions, safety, etc. At the same time, the rule of law, democracy and even human rights are undermined while necessary economic reforms are abandoned or substantially delayed.

This situation may eventually cause the loss of legitimacy for many governments in the Western Balkans. Such an occurrence would probably doom transition efforts, further weaken state functions and reinforce patterns of crime and corruption. However, on a more positive note, even such weakened states would probably not create circumstances conducive to a renewal of war activities. The restrictions imposed by the new international environment, the discrediting of violent nationalism given the events of the past decade and exhausted domestic societies, greatly reduce the likelihood of war, though this might be little consolation for the citizens of declining and struggling regional states.

In combating weak states, organized crime and corruption, a series of measures can and must be taken. They involve better border policing, regional cooperation, strengthening and passing of legislation that includes witness protection programs and assists whistle blowing activities, improved and transparent legal frameworks that address party financing, cooperation with international organizations such as Interpol but also NATO as regards the security aspects of criminal activities, and also improvements in the training and payment levels of law enforcement officials.

⁷Task Fore Report, *op. cit.*, p. 17.

However, even if all of the above measures are sufficiently and perfectly implemented, they will only address the supply side of crime in the Western Balkans. This is because criminal activities in the region cater to the needs and demands that are almost exclusively generated in the West and especially in European Union (EU) states. In other words, there seems to be an insatiable appetite in these societies for drugs, prostitutes and smuggled goods such as cigarettes. The Western Balkans act as a transit point in the process that satisfies this demand. The fundamental unwillingness of most Western states to combat or even acknowledge that it is demand in their societies that ultimately funds and sustains illegal activities in the Balkans unfortunately guarantees the continuation of these activities, even if regional states surpass themselves in the implementation of all the necessary programs.

Equally important is the fact that the 'new enemy' in the Western Balkans can not be effectively fought unless a series of crucial political questions are first addressed. It is quixotic to attempt to strengthen states, devise anti-corruption initiatives or seek candidate status for the European Union or NATO when the basic political units that are supposed to be involved in these efforts are unclear. Stability is thus still threatened by the uncertain constitutional and territorial status of Bosnia-Herzegovina, Serbia-Montenegro, Kosovo and the Former Yugoslav Republic of Macedonia (FYROM). These entities and states are experiencing a provisional situation under the general guidance and oversight of the international community. Kosovo undoubtedly provides the key to this conundrum. It is moving gradually toward the building of viable administrative structures under a UN/NATO umbrella although there has still been no decision on its final status. Nevertheless, it ought to be stressed that independence is both inevitable and desirable (provided that important guarantees are given to the Serbian minority), unless the international community is willing to experience a return to violence and the unattractive option of attacks against UN representatives.⁸

FYROM is seeking to implement the Ochrid agreement that will

⁸ See for example the ominous event described in 'Angry Kosovars Call On "Colonial" UN Occupying Force to Leave', *The Observer*, 19 October 2003.

probably have important political ramifications on the local and provincial level. Serbia and Montenegro have agreed to create a new republic, this marriage of convenience being the result of EU pressure and enjoying a guaranteed life of only three years. Bosnia-Herzegovina is also in transition, struggling to implement Dayton, while creating a semi-functioning semi-independent state and exhibiting a slow and tortuous process of integration between its constituent parts. Although the evolution to a comprehensive post-Dayton arrangement is necessary, consensus on a host of crucial issues and areas currently does not exist.

It should be stressed that the re-negotiation, re-interpretation and implementation of the Ochrid agreement and the Dayton accords that pacified FYROM and Bosnia respectively, as well as the debates concerning the final status and relationship between Serbia, Montenegro and Kosovo, cannot and should not be viewed in isolation. They are interconnected in a fundamental manner. Failure by the international community to recognize this important linkage may damage and destabilize these regional entities.

The fluid status of a number of Balkan countries and territories has created a state of affairs with deep and strong interconnections that has the potential of causing renewed political friction in the region, and perhaps even some armed clashes. It also reinforces the most problematic aspects of weak states, organized crime and corruption. Ultimately, the only long term solution to this situation is the regions integration to Euro-Atlantic structures, by which we mean both NATO and the EU.

C. After Thessaloniki: The Role of the European Union and the United States in the Western Balkans

The end status of the Western Balkans must be Europe. This assertion is so often repeated and at the same time so true, that it runs the risk of becoming a truism. What matters of course is how and when the region achieves European Union membership. The recent Thessaloniki European Council Summit and its concomitant declarations and conclusions

constitute an important landmark that requires analysis.

In the period preceding the Thessaloniki Council expectations were raised to the extent that Balkan states considered the bestowing of candidate status outright or 'through the back door'⁹ a realistic possibility. This raising of regional expectations was thus an integral part of the process leading to Thessaloniki.

In many ways what transpired in the Greek northern city can be seen as an important success. The Western Balkans were a central part of the agenda and the importance of their European prospects was highlighted. To quote a senior EU diplomat 'if we fail the Balkans, we fail altogether.'¹⁰ According to the Thessaloniki Summit conclusions 'The European Council... reiterates its determination to fully effectively support the European perspective of the Western Balkan countries.'¹¹ Furthermore, a subsequent European Union-Western Balkans declaration concluded in no uncertain or unclear terms that 'the future of the Balkans is within the European Union.'¹² This rhetoric was backed by promises of increased regional financial support of over 200 million euros for the years 2004-2006, representing a 12 per cent increase.¹³

Nevertheless, despite these unqualified successes, Thessaloniki represents in essence much gloomier prospects for all Western Balkan states. It did not offer candidate status. It provided modest financial incentives and aid; and it not open access to pre-accession funds. Based on a series of interviews with top regional decision-makers and opinion leaders, it has become clear to this author that the region has reached a clear conclusion: European Union membership is far away, actually further removed after Thessaloniki despite the lavish attention and efforts that the Greek Presidency bestowed upon the Western Balkans. Hence what can only be called the 'Thessaloniki paradox.' It should be stressed though that the reason for this paradox has much less to do with the shortcomings of the Thessaloniki conclusions per se, but is primarily related to the

⁹ Based on author's interviews with top Greek and Western Balkan decision-makers.

¹⁰ 'Balkans Face Long Haul', *BBC News.com*, 20 June 2003.

¹¹ Presidency Conclusions, Thessaloniki European Council, 19 and 20 June 2003.

¹² EU-Western Balkans Summit – Declaration, 21 June 2003.

¹³ See *BBC News.com*, *op. cit.*

solve the problems in the Western Balkans. This task belongs to the region's peoples and to their elected governments. The peoples of the Western Balkans should stop asking what Europe can do for them, or what they can do for Europe. They should constantly ask what they can do for themselves and their respective societies.

complications and challenges related to the European Union's recent and massive enlargement.

EU influence and incentives for reforms in the Western Balkans will thus be diminished for at least the short run. This will undoubtedly complicate all efforts to combat organized crime and corruption and to strengthen weak states that are risking the loss of legitimacy by their citizens. On the other hand, the US's regional influence will increase. Perhaps the best indication for this development is to be found in Serbia's recent decision to send several hundred troops to Afghanistan.¹⁴ The important point is that for Western Balkan leaders NATO membership is desirable, politically advantageous and feasible on a fast-track timetable that far surpasses anything that the EU could possibly offer the region. It is this strategic calculation that explains Balkan states signing bilateral agreements with the US concerning the International Criminal Court (despite EU protestations), and their general support for American policy on the second Gulf War and on Iraq more generally.

Unfortunately, involved in a high stakes global campaign against terror, the United States can not provide the region with a package of attention, funds, incentives and membership prospects similar to that of the European Union. Nevertheless, NATO membership within the next few years for most Western Balkan states can only be judged as a positive development, contributing to regional stability, decreasing security concerns and thus alleviating to a certain extent the problems associated with weak states, organized crime and corruption. It should be added though that an EU decision in December 2004 to provide Turkey with a reasonable and attractive date to begin accession negotiations could force the Western Balkans back on top of the EU's agenda. In such an instance it could prove politically impossible to deny candidate status to the region, the EU thus regaining part of its influence and importance.

In the final analysis, the international community, even given the most sincere and altruistic intentions, cannot permanently and comprehensively

¹⁴ See 'Serbia Will Likely Send Troops to Afghanistan,' *FOX News.com*, 3 October 2003. The recent creation of the Adriatic Charter should also be read in this context.