International Agendas Confront Domestic Interests: 
EU Enlargement, Russian Foreign Policy, and Eastern Europe

Thesis

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Abstract

Two decades after the fall of the Berlin Wall and the collapse of the Soviet Union, contending actors continue to compete for the ability to dictate the approach to and structure of regional development in Eastern Europe. As the European Union persists in its expansion into Southeastern Europe, the Russian Federation pursues policies that attempt to bolster and encourage pro-Russian attitudes and practices across the region. Simultaneously, domestic actors battle for the chance to determine economic, political, and social policy. Some campaign for EU membership and the establishment of pluralist democratic institutions modeled after Brussels’ design for development. Others uphold national self-determination, calling for state-specific and culturally appropriate designs for economic, political, and social development, and stronger ties to the Kremlin. A third group calls for stronger ties with both the European Union and Russia that are managed by a strong Serbian or Ukrainian state. Through an exploration of the European Union’s East European regional policy and Russian foreign policy vis-à-vie the Republic of Serbia and Ukraine, this thesis will examine the interaction of international and domestic interests. The analysis of this interaction of the international and the domestic will focus on the policy goals and concerns of contending external actors, domestic interests, public opinion, and the place of Serbia and Ukraine in the global community. This thesis presents case studies based on the work of respected scholars, policy agendas published
by Brussels and the Kremlin, and domestic public opinion presented through political party platforms, public opinion polls, civil society organizations, and media outlets. It attempts to provide a new perspective for understanding the European Union’s enlargement strategy, Russian foreign policy goals, and domestic concerns and their influence on the structuring of and carrying out of political, social, and economic development in Ukraine and the Republic of Serbia.
Dedication

I proudly dedicate this thesis to my parents, for their endless support and belief in my ability to succeed.
Acknowledgements

I would like to thank and acknowledge my family, friends, former professors, and advisor for their support throughout this thesis process, my undergraduate and graduate education, and my life. A special thank you, to Julie Mazzei, for challenging me to challenge the world, for igniting in me a passion for the downtrodden, the weak, and the poor, and for teaching me to embrace my passion for justice and equality. Thanks to Andrew Barnes for pushing me to question and analyze what I am studying, and for showing me that it is okay to be enthralled with Russian and East European studies. Thank you to my siblings, Mark, John, and Erin, for never letting me have it easy, for pushing me to engage with people, appreciate differences, and become my own person, and thank you, to my parents, for raising me in an environment that forced me to cooperate with, engage with, challenge, and respect other people. Thank you to Talya and Erin; I would not be the person I am today without the good and the bad that you have shown me about myself and the world. Thank you for your friendship and support. Finally, thank you to Jordan for putting up with me through the ups and downs of this process that has been graduate school and for all of your encouragement along the way. I could not have done it without you.
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# Table of Contents

Abstract ......................................................................................................................... ii

Dedication ....................................................................................................................... iv

Acknowledgements ......................................................................................................... v

Vita .................................................................................................................................. vi

List of Tables ................................................................................................................... viii

List of Figures ................................................................................................................ ix

Introduction .................................................................................................................... 1

Chapter 1: East European development and European Union Enlargement ............. 10

Chapter 2: Russian regional policy and bilateral relations ........................................ 25

Chapter 3: The Republic of Serbia: Pro-Europe, Pro-Russia, or Nationalist? .......... 37

Chapter 4: Ukraine: Pro-Europe, Pro-Russia, or a United Ukraine? ......................... 61

Conclusion ..................................................................................................................... 83

References ..................................................................................................................... 87
List of Tables

Table 1: ENP Policy Areas and Incentives.................................................................22
List of Figures

Figure 1: Russian Empire Expansion.................................................................34
Figure 2: Soviet Union Administrative Divisions, 1989........................................35
Figure 3: Republic of Kosovo.............................................................................49
Figure 4: Natural gas pipelines to Europe..........................................................69
Introduction

As the European Union (EU) expands further into Eastern Europe, it competes with Russia for the ability to dictate regional political, economic, and social development. Brussels’ overall enlargement policy and its European Neighbourhood Policy (ENP) pursue an agenda that vies for increased regional influence against the Kremlin’s regional foreign policy and bilateral relations. The Republic of Serbia and Ukraine are comparable cases that allow for the examination of contending EU and Russian policies as they impact the functioning of individual states. As these international actors seek to strengthen their relationships with each state, Serbia, an EU candidate country, and Ukraine, a critical player in the European neighborhood, both struggle to balance challenging domestic realities with competing international incentives.

As Brussels and the Kremlin offer incentives for political order, economic growth, and social development that present what is promised to be a brighter and better future, Ukraine and Serbia must consider domestic demands and evaluate potential consequences of strengthened alliances with the European Union or Russia. These consequences, such as burdensome economic austerity measures or a loss of political and cultural self-determination, directly impact society in such a way that forces the state to take them into consideration as the path of the country’s development is determined. In addition to these two competing international actors, a third force, domestic interests, contends for the ability to dictate development. Thus, as can be seen in the cases of
Serbia and Ukraine, three rival actors fight for the power to sway the path of regional development. The international, Brussels and the Kremlin, battles against the domestic (political actors, civil society, and the public) for the ability to dictate policy choices and the place of each state in regional relations.

Looking at European Union enlargement policy, the European Neighbourhood Policy, Russian foreign policy and bilateral relations, and domestic interests and demands in the Republic of Serbia and Ukraine, this project will attempt to determine what actor has the most influence: who has the most power and ability to sway the future of Serbia, Ukraine, and Eastern Europe? Each state’s relationship with Brussels and the Kremlin will be examined, particularly as it pertains to the issue of an independent Kosovo in the case of Serbia and natural gas in Ukraine. The incentives and consequences of increased and improved relations with each will be considered in both Serbia and Ukraine, and domestic concerns will also be dissected. Through an examination of these domestic preferences as they present themselves in political party platforms, the functioning and agendas of nongovernmental organizations, and public opinion survey data, this thesis will endeavor to decide who will determine the near to medium future trajectory of these states and their potential place in the global community. Will alliances with Russia improve, giving the Kremlin regional advantage; will EU expansion continue, allowing Brussels to enlarge its authority, or will domestic voices prevail, setting up the state as steadfast and unchallenged determiner of its own future?

Before these questions can be addressed and the organization of each chapter can be outlined, it is necessary to discuss terminology. Given that this thesis examines Serbia and Ukraine, two states that are working to improve their economies, institutions of
governance, and social systems, and European Union and Russian goals in their policy pursuits in Eastern Europe, the use of the term ‘development’ appears throughout. Although development can be interpreted in several ways, when used here the term should be understood as the United Nations’ defines it. According to the Universal Declaration of Human Rights:

Development is defined as a comprehensive economic, social, cultural, and political process which aims at the constant improvement of the well-being of the entire population and of all individuals on the basis of their active, free and meaningful participation in development and in the fair distribution of benefits resulting thereof.¹

As this definition makes clear, ‘development’ as it is used in this thesis is comprehensive. It goes beyond the conventional definition of development as basic growth in gross national product (GNP), industrialization, export-growth, or capital inflows.² Rather, development constitutes economic, political, and social improvement. Thus, when phrases such as, ‘East European development,’ ‘development policies,’ and ‘path of development,’ appear in each chapter, they should be understood in terms of its usage in the United Nations’ Universal Declaration of Human Rights.

¹ UDHR preamble, paragraph 10; also see Articles 1 and 6, in Development as a Human Right: Legal, Political, and Economic Dimensions, ed. Bård A. Andreassen and Stephen P. Marks (Cambridge, Massachusetts: Harvard School of Public Health, 2006).
The term ‘growth’ as it appears throughout this work should be understood similarly to development. Whether referring specifically to the economic, political, or social, growth indicates the improvement or increase in size or value of one of these three sectors. Economic growth refers to the increase in the size of a state’s economy. Political growth pertains to the improvement of political institutions, the rule of law, and a well-functioning democracy, and social growth can be taken to entail the betterment of social systems, such as healthcare, education, and welfare.

Just as an understanding of terminology is important, it is also imperative that the choice of case studies presented in chapters three and four is clear. With the intent of examining the interaction of the international, European Union regional policy and Russian foreign policy, and the domestic in East European non-EU member states, two countries stand out as ideal for comparison. Although different, both the Republic of Serbia and Ukraine have vibrant relationships with the Russian Federation and the European Union. Serbia is an EU candidate country, and Ukraine, currently negotiating an Association Agreement with the objective of becoming a potential candidate country, falls under Brussels’ European Neighbourhood Policy. Although Serbia and Ukraine have similar relationships with Brussels, the distinctiveness of each country’s dealings with the European Commission highlights differences in the EU’s approach to individual states. This contrast between Brussels’ relationship with Ukraine and its dealings with Serbia allows for an in-depth and comprehensive understanding of the European Union’s East European development strategy and regional policy.
Russia’s relationship with Serbia and Ukraine also make them comparable. Former socialist states, Ukraine and Serbia share similar historical experiences and ideological backgrounds, and to some degree they find themselves in similar political and economic positions today. Although Yugoslavia left the Cominform (formerly known as the Comintern) and discontinued any association with the Soviet Union in 1948, Russia’s relationship with Serbia has remained strong since the improvement of Yugoslav-Soviet relations just after the death of Joseph Stalin. Thus, despite the Yugoslav-Soviet split and Yugoslavia’s positive relations with the West throughout the communist period, strongly rooted Slavic ties between Serbia and Russia have endured for centuries. It is because of these ties that the Republic of Serbia continues to maintain a positive relationship with the Russian Federation. Similarly, once a major cog in the functioning of the Union of Soviet Socialist Republics, Ukraine has long partnered with Russia to gain a position on the global stage. Although much has changed since the collapse of the Soviet Union, Russia and Ukraine have maintained strong relations in the post-Soviet period. Considering this long term alliance, the Kremlin continues to maintain a great deal of political and economic clout in Ukraine.
Serbia and Ukraine’s Slavic heritage also fosters resolute ties to their Slavic Russian brothers. The examination of history suggests that this shared Slavic heritage has existed throughout time and continues to be significant in assuring Russian support for Serbian and Ukrainian success on the East European stage. Just as these two cases allow for a full examination of European Union policy in Eastern Europe, the commonalities of their ties to Russia allow for an analysis of the Kremlin’s regional policy and bilateral relations. Finally, each country has a political issue or strategic location that currently exists as a hotbed issue between Brussels and the Kremlin. Thus, outlining the issue of Kosovo’s independence in the case of Serbia and the topic of natural gas flows in Ukraine permits the analysis of competing EU and Russian relations and their impact on domestic policies and development of each state.

In an attempt to tackle this issue of the interaction of the international and the domestic and the impact of this interaction in determining the future of individual states, this thesis is organized into four chapters, each of which can stand alone, but is enhanced by the others. In the interests of keeping a very complex and rather convoluted issue manageable and organized, the first two chapters deal exclusively with the international. Chapter one examines Brussels’ interests and policy concerns in Eastern Europe. It addresses both the Commission’s East European regional relations and development project, and its enlargement policies. It also dissects the EU’s European Neighbourhood Policy and its use of Stabilization and Association Agreements. Ultimately, it concludes that Brussels uses the promise of European Union membership to impact domestic policy across Eastern Europe; however, this pledge does not guarantee ascension and it may never lead to membership.
Just as chapter one deals with the international as it pertains to the European Union, chapter two addresses the international as it has to do with the Russian Federation. This chapter addresses the issue of Russia’s goals and policy interests on both the global and East European regional stage. It speaks generally about the global power structure and the Kremlin’s efforts to solidify its place within the structure. It also examines the principle of state sovereignty and its place in Russia’s foreign policy strategy. Finally, it discusses the Kremlin’s attempts to solidify and entrench historical relationships to enhance its clout and influence across the region.

Based upon information provided in chapters one and two, chapters three and four present case studies of the Republic of Serbia and Ukraine. Although each chapter addresses different state specific nuances, they are structured similarly. Far denser than the first two chapters, these last two chapters analyze the interaction of the international, EU and Russian interests, and the domestic, the interests of the individual country and its populace. Looking at Serbia in chapter three and Ukraine in chapter four, each chapter begins with an overview of the state’s historical background and current economic, political, and social situation. Following this overview, the specifics of each country’s relationship with the European Union and Russia are examined. This examination is followed by an in-depth analysis of a particular issue of concern for the state in question, Brussels, and the Kremlin. In the last half of each chapter, domestic interests are dissected. Looking at political parties, public opinion, and in the case of Ukraine, civil society, the tone of the polity’s concerns and intents for its country’s future is gauged. Finally, the last two sections of chapters three and four examine the incentives for and
consequences of international engagement with both the European Union and the Russian Federation.

Although each state’s political and economic position is in flux, the case studies of both Serbia and Ukraine allow for predictions of what the future will hold. The analysis of Serbia suggests that the people and the state will continue working to balance its relationship with both Brussels and the Kremlin. The Serbian government will do its best to continue the state’s development and improve its position in Southeastern Europe through ties with both Russia and the European Community. However, Serbia has a firm boundary when it comes to its compliance with EU policy. Serbians will not compromise on the issue of Kosovo. If the EU pushes Serbia to make a choice, Serbians will ally themselves with Russia.

Sharing a similarly unyielding national character with Serbia, Ukraine’s intent for its future appears to be akin to that of the Republic of Serbia. Analysis suggests that Ukraine will work to balance and foster positive relations with both the Kremlin and Brussels into the future. However, Ukraine finds itself in a bit more tenuous position than Serbia. Particular issues, namely the incarceration of former Prime Minister Yuliya Tymoshenko, are raising questions across Europe about the quality of Ukraine’s democracy and the policies of its current government. These issues already appear to be undermining Ukraine’s positive relations with particular EU member states, such as Germany and Austria. If the state is unable to mitigate growing international objections, its relations with Brussels are likely to sour. Given this reality and the unwillingness of the government and the people of Ukraine to compromise on the issue of state sovereignty, it is likely that despite the sizable portion of the population that favors
stronger ties with the European Union, the Ukraine of the future will align itself more closely with the Russian Federation. With this improved alliance with the Kremlin, it is probable that Ukraine’s economy will slowly continue improving, but the quality of its democracy will decline. Thus, the near to medium future of both the Republic of Serbia and Ukraine will entail efforts of each state to manage a balance between the European Union and Russia that will allow each state to gain optimal advantage from both international actors. However, each state has a firm boundary that will encourage stronger ties with Russia if crossed.

Regardless of what the future will be, this analysis of the interaction of international policy concerns with domestic interests in the cases of Serbia and Ukraine exemplify that Eastern Europe continues to be more object than subject. Just as it has been throughout modern history, Eastern Europe is made up of a group of countries, an object, being dominated by other stronger states. Bordered by the Russian Federation to the east and the European Union to the west, both influential actors on the global stage, Ukraine and the Republic of Serbia are the objects that more powerful states manipulate to achieve their own regional policy goals. Nonetheless, as international and domestic interests interact and compete, these smaller states work to improve their positions in post-Cold War Europe.
Chapter 1: East European Development and European Union Enlargement

Since its inception, the European Union (EU) and its leadership in Brussels have pursued a regional development and enlargement policy that seeks to promote European interests while maintaining European stability. With an overarching focus on regional cooperation, security, and stability, Brussels’ enlargement strategy requires that states pursuing EU membership follow a rigorous process of development that focuses on the establishment of a free market economy, democratic institutions of government, and a social system that provides for the health, welfare, and education of the country’s population. The European Commission (EC) seeks to guide and support countries on a path of political, economic, and social development that will allow them to achieve criteria that stand as benchmarks for EU membership. The European Union’s enlargement strategy and design for East European development aim to push potential member countries to meet established goals pertaining to economic, political, and social progress. It is clear that Brussels’ approach to EU enlargement and its relations with its near eastern neighborhood seek to assure that the interests of the European Union and its member states will be maintained. The European Union’s East European regional policy and enlargement strategy attempt to guarantee two things in its consideration of granting EU membership to ascending countries. Brussels seeks to assure that potential member states will not compromise the economic, political, or social security of the European
Union and its member states, and it does its best to promise that EU relations will work to maintain and establish cooperation, stability, and security across Europe.

Brussels’ policy pursuits in Eastern Europe over the last two decades have followed one of two paths. Both directed by the overarching goals of fostering growth, stability, and security, the EC manages relations with individual states through promises of membership or through its European neighborhood project. While this approach to regional relations and East European stability, working individually with each state in the region to draft terms for membership, may appear to be more comprehensive and thriving than the work of multi-lateral and bilateral relations with countries such as the United States or Russia, or the efforts of many international or supranational organizations, such as the International Monetary Fund or the United Nations, each wave of EU enlargement has seen different approaches to and standards for membership that have brought varying levels of success. Similarly, the Commission’s projects working towards East European development and stability that encompass the entire region have achieved dissimilar results in different states. It is within both its enlargement policy and European Neighbourhood Policy (ENP) and its differing and sometimes contradictory approaches to each country that Brussels encounters problems in its efforts to promote development and the pursuit of greater-European stability. As the European Commission attempts to assert its power and interests across Eastern Europe, it encounters domestic interests that sometimes align with EU concerns, but often compete with the Union’s goals for both the EU and its near eastern neighborhood.

Presenting an examination of how struggles for power between regional actors impact weaker states and the issue of contending international and domestic interests,
chapters three and four will provide case study analysis of specific EU policy interests in the Balkans and the Black Sea region. However, to allow for a full understanding of how global power structures and the struggle between regional power players for the ability to shape policy determine the functioning of individual states and the Eastern European region, it is necessary to elucidate the Commission’s policy approaches to enlargement and development across Europe. First, European Union enlargement policy in the Balkans will be considered. Following this non-case-specific examination, the European Neighbourhood Policy will be dissected.

Given the wealth of information pertaining to each of the EU’s post-socialist waves of expansion and the length and purposes of this thesis, the January 1995 membership of Austria, Finland, and Sweden; the May 2004 inclusion of Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Slovakia, Slovenia, Malta, and Cyprus; and the January 2007 membership of Bulgaria and Romania will not be examined here. However, it should be noted that in order to secure membership in the European Union, each group followed different development policies and satisfied unique criteria to allow for their qualification for membership and subsequently to gain membership into the Union. Further, as a result of the differing approaches pursued by each group’s enlargement policy, the inclusion of each of these countries has had diverse impacts on the EU’s political, economic, and social stability.

Despite EU legislation that allows every European state to become a member of the EU on the condition that it fulfills certain membership criteria and follows the European Union’s goals for ascension, the success of the European Commission’s East

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European regional policy and the achievement of stability appears to be dependent on its accommodation or non-accommodation to regional and country specific nuances. An examination of EU enlargement in Eastern Europe, the EC’s bilateral relations, and the European Neighbourhood Policy underscores the significance of Brussels’ development and enlargement policy in the maintenance of European stability and the pursuit of what might be broadly considered European interests. However, as the case studies to follow suggest, ‘European’ interests are not necessarily identical to or even compatible with the interests of individual European states. Thus, as the examples discussed below will show, and the case studies presented in chapters three and four will further exemplify, the fulfillment of Brussels’ goals is largely dependent on the Commission’s ability to balance its own interests with those of other international actors and the varying domestic concerns of its neighbors.

Understanding the need to balance contending interests can be seen in the EU’s current enlargement policy and relations with individual states in Southeastern Europe. The European Union’s approach to development and enlargement in the Balkans is dictated first by the Stabilization and Association Process (SAP). Under the course outlined by the SAP, each potential member country seeks inclusion in the European Union through a Stabilization and Association Agreement (SAA). A country becomes a “potential candidate” to the EU after agreeing upon and beginning negotiations to formally draft a SAA. Once the potential candidate state signs its SAA and it is ratified by each European Union member state, signifying that the goals of the SAA have been agreed upon and the state successfully completes its SAA, the country in question

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becomes a “candidate country.” After becoming a candidate country, the state continues working towards fulfilling economic, social, and political preconditions required for membership under the European Union’s Copenhagen Criteria of 2002. Finally, once these preconditions are met, the country has the potential to become an acceding country and full member of the European Union, pending approval by all EU countries. To date, Albania, Bosnia and Herzegovina, and Kosovo are potential candidates, while Serbia, Iceland, Montenegro, the Former Yugoslav Republic of Macedonia, and Turkey qualify as candidate countries. Croatia is an acceding country.

Broadly speaking, the European Union’s criteria for social, political, and economic growth and EU membership demand democratization, establishment of the rule of law, respect for human and minority rights and freedoms, reform of the state and institution building, improved economic cooperation, and enhanced collaboration in areas such as the legal system and internal affairs. In this regard, the European Union’s policy approach to potential members seems comprehensive and shows great promise for individual country’s future growth in that it considers comprehensive political, economic, and social factors in its requirements. However, the vagueness of certain pillars of the SAP and Copenhagen Criteria and the EU’s inclination to pursue regionally specific rather than more nuanced state specific policies call into question the long-term effectiveness of its approach to evaluating and preparing countries for membership, the

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entrenchment of democracy and free market structures that it helps establish in states, and the overall success of the Commission’s regional and international policy.

Although the SAA is meant to be country specific, the European Union drafts it in such a way that provides Brussels with room to maneuver. This requires that certain criteria are general and fail to provide the state with a full perspective into and understanding of the EU’s agenda. In this regard, the state being dealt with under the SAA is handicapped by the terms of the agreement and struggles to setup specific policies and targeted policy goals that will lead to the achievement of its SAA. The SAA has certain requirements, and the state must meet those goals if it has any hope for membership; however, Brussels’ demands are so open-ended that individual governments are left uncertain as to how to meet the Commission’s benchmarks. Despite the difficulties individual states face, the terms of the SAA give the Commission significant leeway. For example, several of the criteria of the Republic of Serbia’s SAA are as follows: “strengthen democracy and the rule of law; develop … economic and international cooperation; transition into a functioning market economy; [and] develop a free trade area between the Community and Serbia.”

Although these criteria establish an end goal, they are all very broad, open-ended, and provide no understanding of how they should be met, or how to gauge their achievement. They establish the EU as the power player in the agreement and leave states uncertain of what their future with the Union holds. Fulfilling the SAA brings no guarantee of membership. EU partners may see

themselves on an irreversible trajectory that ends in membership, but Brussels may have no intention of granting membership.⁹

The flexibility afforded to the EC comes through Brussels’ use of generalizations in SAAs and the Copenhagen Criteria and is disguised by the mandate of the European Union’s development strategy. After Brussels presents each state with the broad criteria that must be fulfilled to obtain membership or transition into the next stage of candidacy, it is left up to each state and its government to determine the course of action and specific policies that will be pursued to complete its SAA and the Copenhagen Criteria. Thus, the European Union garners considerable flexibility in managing a country’s transition from potential candidate, to candidate, to full European Union member. However, given that it might compromise positive relations with and push SAA partners away from the Commission, this vagueness that allows for flexibility may undermine Brussels’ regional success and compromise its geopolitical strength.

The nine chapters of the Stabilization and Association Agreement show the vagueness of its conditions. The following chapters do little to support the potential member countries in attaining membership: (1) political dialogue; (2) regional cooperation; (3) free movement of goods; (4) movement of labor, company founding, provision of services, capital; (5) harmonization of laws in certain areas; (6) cooperation in the areas of judiciary and internal affairs; (7) cooperation policy; (8) financial cooperation; (9) institutional agreement for implementing the [Stabilization and Association] Agreement.¹⁰ Despite each chapter going into greater detail, the state is left

to its own devices in determining how to shape policies that account for and manage particular culturally specific and historically entrenched peculiarities, such as gender norms, religious practices, superstitions, ethnic divisions, nationalist character, and etcetera.

While the Copenhagen Criteria give Brussels the opportunity to provide increased clarification and direction in how to meet benchmarks and attain EU membership after being promoted to candidate status, they are in actuality less specific than the SAA. The Criteria fall under the following three categories: political, economic, and other. Targeted expectations are outlined within these areas. The fulfillment of political criteria requires “stability of institutions that secure democracy, the rule of law, and respect for human rights and minorities.” 11 Economic criteria demand the “existence of an efficient market economy and the ability of companies to withstand the pressure of competition that integration will inevitably impose;” 12 and other criteria incorporate the “ability to take on the obligations that come with membership, including the ability to follow the goals of political, economic and monetary union.” 13 Brussels’ failure to mold or build upon these criteria to allow for a country specific application that can be applied individually to each potential candidate and candidate country, suggest that the EU’s approach to enlargement and regional policy is problematic. An effective regional strategy that will not only achieve Brussels’ interests, but also reinforce the belief that the Commission is interested in the domestic interests and success of individual states, requires more than just a broad approach that takes political, economic, and social factors into consideration. Rather than

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12 Ibid.
13 Ibid.
forcing distinctly different countries into previously constructed models of interaction, or as Judith Kelley calls it, pouring “new wine into old wine skins,” Brussels will likely generate far better results if it designs a unique and particular enlargement policy for each state seeking membership. 14 These improved results will not only benefit the European Union and allow for the improvement of East European stability and security, but they will also allow for the betterment of individual states and their citizenry.

In addition to the EC’s enlargement and policy pursuits in the Balkans, the need for the European Union to consider contending interests and state specific realities in its regional relations can be further exemplified through the European Neighborhood Policy. In contrast to Brussels’ enlargement policy in Southeastern Europe that promises eventual membership to potential, candidate, and ascending countries, the ENP is an attempt by the EC to establish relationships of close cooperation to allow for the upholding of EU norms that “impose the EU order on others” 15 without granting membership. Regardless of the promise of eventual membership, both EU enlargement policy and the ENP pursue the Commission’s regional relations objective of the promotion of prosperity, democracy, peace, stability, and security in its immediate vicinity. 16 Through the ENP the European Union attempts to create around itself a “ring of friends” with whom it can construct and rely upon productive and flourishing cooperation. 17

16 Ibid, 12.
Considering Brussels’ regional policy interests and recognizing that the “EU cannot go on enlarging forever,”\(^{18}\) the ENP allows the EU to achieve its regional development and stability priorities without further enlargement. Serving as the framework for relations with Ukraine, Moldova, Belarus, Georgia, Azerbaijan, and Armenia, known as Eastern Partnership (EaP) countries, the ENP entered into force in March 2003.\(^{19}\) Established as part of Brussels’ ‘Wider Europe’ initiative, it was originally aimed at facilitating EU relations with Belarus, Ukraine, Moldova, and Russia. Russia, however, demanded interaction on an individual track. Appealing for inclusion in the Commission’s ENP with the hopes of eventually being considered for European Union membership, Georgia, Azerbaijan, and Armenia came under Brussels’ ENP in June 2004.\(^{20}\) Regardless of what countries fall under the ENP, it can quite simply be understood as the structure by which the EU manages its relations with its Eastern neighbors that are not formally seeking membership.

The aim of the European Neighbourhood Policy is to strengthen “stability, security, and well-being for European Union member states and neighboring countries, and [prevent] the emergence of new dividing lines between the enlarged Union and its neighbors.”\(^{21}\) In pursuing its aim, the ENP has two objectives. First, it seeks to avoid the establishment of new barriers in Europe. Additionally, it works to “promote stability and


\(^{21}\) *Ibid.*
prosperity within and beyond the new borders of the EU.” These objectives are achieved through individual Action Plans that allow Brussels to deal with each ENP partner-country individually while broadly pursuing regional cooperation, political linkages, and economic integration that attempt to establish commonly supported economic and political stability and growth across the region. In addition to Action Plans that are drafted in agreement between the EC and ENP countries, Brussels pursues bilateral relations with each country based on Country Strategy Papers (CSPs). The CSP allows the Commission to establish policy strategies for set time frames. For example, EU-Ukraine relations are currently managed by a Country Strategy Paper for 2007-2013.

The structuring of action plans can be understood through the table below. As table one indicates, in attempting to carry out the aims and objectives of the European Neighbourhood Policy though the establishment of Action Plans with individual partner states, Brussels offers targeted incentives in particular policy areas. These broad policy areas include: (1) political dialogue, (2) economic and social development, (3) trade and internal market, (4) justice and home affairs, (5) connecting the neighbourhood, and (6) people-to-people programs and agencies. These specific areas are then broken down into more targeted policy incentives or policy actions, such as reduction of tariff and non-tariff barriers to trade or improve the physical transport network. Finally, with the intent of optimizing cooperation, stability, and security through the ENP, the EC further dissects these policy incentives to create action plans that cater to the needs and concerns of each party in question. For example, given the presence of natural gas pipelines across

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23 Dandić, Cross-Border Cooperation,” 41.
the state, in developing an action plan with Ukraine, the Commission might pay particular attention to the policy area of ‘Justice and Home Affairs.’ In this fashion, Brussels considers the particular policy areas and incentives in question and drafts action plans that can cater specifically to each ENP partner country. This method allows for the promotion of particular EU interests in different countries, which effectively allows for a more state-specific or targeted promotion of regional security and stability.
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<tr>
<th>Policy Area</th>
<th>Policy Incentive/Action</th>
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<tbody>
<tr>
<td>Political dialogue</td>
<td>Further development of shared responsibility between the two parties for security and stability in the region</td>
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<tr>
<td>Economic and social development</td>
<td>Prospect of a stake in the EU internal market based on legislative approximation</td>
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<td></td>
<td>Participation in a number of EU programs improved interconnection and physical links with the EU</td>
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<td>Reduction of tariff and non-tariff barriers to trade</td>
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<td>Increased market integration</td>
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<td>Increased economic integration with the EU</td>
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<tr>
<td>Trade and internal market</td>
<td>Legislative and regulatory approximation for stimulation of trade and economic integration</td>
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<td>Greater market opening according to the WTO principles</td>
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<td>Administrative cooperation</td>
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<td>Gradual elimination of non-tariff barriers to trade</td>
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<td>Convergence with the Union's law and regulatory structures</td>
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<td>Goal of free trade and services</td>
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<tr>
<td>Justice and Home Affairs</td>
<td>Cooperation of parties for management of border control and legitimate movements</td>
</tr>
<tr>
<td>Connecting the Neighbourhood</td>
<td></td>
</tr>
<tr>
<td>Energy</td>
<td>Improved access to the EU energy market</td>
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<tr>
<td></td>
<td>Improved energy network connections</td>
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<tr>
<td></td>
<td>Legal and regulatory convergence</td>
</tr>
<tr>
<td></td>
<td>Gradual convergence of energy policies and the legal and regulatory environment</td>
</tr>
<tr>
<td></td>
<td>Gradual involvement of the EU's neighbors into the EUS regulatory practices and bodies</td>
</tr>
<tr>
<td>Transport</td>
<td>Improve aviation relations with neighboring states with the goal to open up markets and to co-operate on safety and security issues</td>
</tr>
<tr>
<td></td>
<td>Improve the physical transport network</td>
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<tr>
<td></td>
<td>Close coordination of drawing up investment plans for transport networks</td>
</tr>
<tr>
<td>Environment</td>
<td>Promote regional cooperation between various neighborhood countries</td>
</tr>
<tr>
<td>Information Society</td>
<td>Support for neighbors to take advantage of the information society</td>
</tr>
<tr>
<td>Research and Innovation</td>
<td>Opening of the European Research Area to partner countries</td>
</tr>
<tr>
<td>People-to-People Programs and Agencies</td>
<td>Promote cultural, educational, and general societal links between the EU and its neighbors</td>
</tr>
<tr>
<td></td>
<td>Gradual opening of certain Community programs in education, training and youth, research, environment, audio-visual, and culture</td>
</tr>
</tbody>
</table>

Table 1: ENP Policy Areas and Incentives

24 Table adapted from Kostadinova, “Construction of Borders,” 240-241. Original source: European
In drafting Action Plans to account for EU interests, it should also be pointed out that the Commission can draft these plans to intentionally ignore the interests of any partner state that might challenge the interests of Brussels or any European Union Member state. Given its place on the hierarchy of the global power structure, the European Union is at a considerable power advantage over smaller non-member states, such as Bosnia and Herzegovina, Belarus, or Moldova. This advantage, to some degree, allows the EC to draft policies that are to its advantage while disregarding demands or concerns of its ENP partner countries. Taking into consideration the ample amount of incentives that Brussels offers individual states through engagement in Action Plans and the ENP, smaller, less powerful states have little leverage to force the Commission to consider domestic interests.

As globalization flourishes, the significance of the international political economy increases, and the European Union becomes an ever daunting player in the global community, it becomes more and more difficult for states to pursue isolationist policies. The economic and political advantages offered through engagement with Brussels to non-EU member states in Southeastern Europe cannot be discounted. State sovereignty, however, remains at the pinnacle of international relations. Thus, when considering engagement with the European Union, whether through Association Agreements or Action Plans and the European Neighbourhood Policy, it is critical that East European governments balance the demands of international interests, in this case EU interests, with domestic interests.

As specific case studies will show, engagement and positive relations with Brussels offer sizeable incentives. As the incentives of table one suggest and the chapters of the Stabilization and Association Agreement indicate, cooperation with the European Commission promises significant economic benefits. With varying degrees of integration into the European market, states are guaranteed systemic change that includes higher growth rates and an increase of donations and payments from the EU. In political terms, states have the opportunity to align themselves with an international powerhouse, and culturally, countries have to chance to integrate and be a part of the Western value system. With these incentives of political order, economic and social development, and cultural inclusion come intimidating consequences. All stages of engagement with the European Union present some threat to state sovereignty. Whether as a partner in the ENP, potential candidate, candidate, or ascending country attempting to secure membership, or a full member of the European Union, sovereignty is eroded on both an institutional and attitudinal level. From economic austerity measures, to a loss of self-determination, these consequences must be analyzed along-side the incentives to determine what is in the best interests of the government, society, and culture of the country in question. Are the interests of these small Southeast European states optimized through increased cooperation with and possible membership in the European Union, the pursuit of independent, national policy, or through a third option, strengthened relations to the powerhouse to the East – the Russian Federation?

Chapter 2: Russian regional Policy and bilateral relations

Built on the foundation of one of the world’s greatest empires, the Russian Federation is the largest country in the world. Pursuing massive campaigns of territorial expansion under Tsars Peter and Catherine the Great in the 18th Century and standing as a looming Communist threat during the bulk of the 20th Century, Russia has long been a powerful actor in the international arena. From before the fall of the Romanov dynasty and the end of the Russian Empire and the building and collapse of the Union of Soviet Socialist Republics (USSR), to the establishment of the Russian Federation of the present, the actions and policy goals of the Russian state have been a concern of Russia’s regional neighbors. The advent of the Cold War, the development of the atomic bomb, and the era of globalization only increased the span of the Kremlin’s power on the global stage. It is the manifestation of this power and the regional pursuit of Russian interests that are relevant here. As the European Union expands further into Eastern and Southeastern Europe, Russia’s regional policy and bilateral relations with its western neighbors have great implications for both the near to medium term future of individual states and the continuation of an EU-sponsored agenda of East European development.
Russian challenges to Brussels’ programs in Southeastern Europe and the European Neighbourhood, as well as case studies dissecting the impact of Russian interests and policy with regard to individual states will be examined in chapters three and four. This chapter will attempt to lay a general foundation of the whys and hows of Russian regional policy and bilateral relations. Two topics will be analyzed. First, this chapter will explain the Kremlin’s approach to regional and foreign policy, and the dictating principles of this approach. Secondly, the interests of the Russian Federation in Eastern and Southeastern Europe will be discussed.

Before delving into the Russian Federation’s current approach to international relations, in an attempt to provide greater clarity it is necessary to touch on Russia’s communist past. International relations during the post-World War II era were dictated by the power structures of the Cold War. The global power structure was bipolar, with the United States and the USSR firmly established as the world’s superpowers. This period was dictated by both parties’ pursuit of policy that attempted to unseat the other from its perch of power. The 1991 collapse of the Soviet Union created a massive power vacuum that allowed the United States to become the world’s lone superpower, and global power structures became unipolar. With the growth and expansion of the European Union, the economic development of China, and the decline of the US economy in the last decade, the world has become more multipolar. Analysts debate whether or not today’s world is unipolar, multipolar, or something altogether different. An examination of Russia’s international relations and foreign policy suggests that the global power structure is concurrently both unipolar and multipolar.26

Whether one subscribes to Shambough and others assertions about ‘uni-multipolarity,’ a common misconception has been woven into people’s understanding of Russia’s foreign and regional policy approach since the end of the Cold War. Many people, individual citizens, intellectuals, and policy makers, view the Kremlin’s actions and policy interests as vying to disrupt the balance of global power structures and reestablish the Russian Federation as a global superpower. These opinions were recently exemplified when Republican Presidential candidate Mitt Romney asserted that, “Russia is not a friendly character on the world stage…..” He went further to state that Russia “is without question [the United States’] number one geopolitical foe.”\textsuperscript{27} Opinions such as Romney’s appear to be shared by many Americans. A GALLUP poll asking the US population its overall opinion of Russia suggests that public opinion of Russia is actually worse than it was during the Cold War. In 1989, fifty-five percent of the population felt mostly favorable towards Russia. In 2011, however, only forty-six percent felt the same. Similarly, the percentage of these that felt mostly unfavorable towards Russia in 1989 (twenty percent) has increased, with thirty-three percent of the US population feeling mostly unfavorable towards Russia in 2011.\textsuperscript{28} These opinions and the mistaken belief that Russia is attempting to shift global power structures is rooted in Cold War thinking. The Cold War is over, and today’s power structures are no longer shaped by a communist superpower in the east.

\textsuperscript{27} “Mitt Romney: Russia is America’s ‘Number One Geopolitical Foe,’” \textit{Telegraph Media Group}, 27 March 2012, accessed 3 April 2012, \url{http://www.telegraph.co.uk/news/worldnews/us-election/9168533/Mitt-Romney-Russia-is-Americas-number-one-geopolitical-foe.html}.

\textsuperscript{28} GALLUP, “Russia,” \url{http://www.gallup.com/poll/1642/russia.aspx}. 
With the end of the Cold War and the collapse of the USSR, Russia as it once was came to an end, and its approach to both domestic and foreign policy changed. The Russian Federation of today is not the same, nor does it have the same interests, as the Russian Republic of the USSR once did. During the Soviet era, the USSR’s position of power rested on hard power (military might and the possession of nuclear weapons), or, as the ruin of the Soviet Union that was exposed after the collapse exposed, the illusion of hard power. Having lost all of its tools of hard power, the Kremlin’s current policy goals aim to build Russia’s soft power and set up the state as a regional power player. Russia’s intent is not to displace the balance of the global power structure’s unipolarity. Rather, it simply maneuvers to secure its place of power.

It is this interest of setting up and maintaining the Russian Federation as a regional power that dictates the Kremlin’s actions in Eastern Europe. Currently the sixth largest economy in the world, with a gross domestic product adjusted for purchasing power parity of 2.819 trillion USD in 2010 that is based on fossil fuel extraction and export, Russia’s primary tool of soft power is monetary. With such a large economy and one of only six European countries that ran a budget surplus in 2011, Russia takes full advantage of offering monetary support to its allies to assure that its interests are being maintained across the region. The Kremlin’s use of economic incentives will be discussed in more detail in case studies of the Republic of Serbia and Ukraine in chapters three and four.

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The Russian Federation’s place in international institutions also allows the Kremlin to assert its interests across the region. Sitting as a permanent member of the United Nations Security Council since its inception, Russia’s veto power on the Security Council establishes the state as an enduring and unquestionably significant actor on the world stage. Thus, securing and maintaining a positive relationship with Russia offers allied states a sort of protection, both economic and political, against pressures from other powerful international actors or organizations. For example, as long as Russia refuses to recognize Kosovo as an independent state and Serbia continues to rely on the Kremlin for support in its demands for territorial integrity, the independence of Kosovo will continue to be a problem. Similarly, in spite of international sanctions, Iran continues to maintain a certain level of legitimacy and international affirmation as long as Russia continues to support it in its nuclear pursuits. Further, in spite of the Kremlin’s recent shift in policy that calls for reform, the Russian Federation’s continued affirmation of the sovereignty of the Syrian government of Bashar al-Assad, regardless of the regime’s treatment of its people, will leave the international community struggling to take firm action to stop the killing of innocent civilians.

It is through these two forms, economic and political backing, that Russia exercises its interests in Eastern Europe. Although multilateralism is a vital implement of its foreign policy and Russia relies a great deal on its ability to exercise its power and leverage through membership in international institutions, such as the Commonwealth of Independent States (CIS), the Organization for Security and Cooperation in Europe

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(OSCE), and the United Nations (UN), the Kremlin most commonly exercises its policy interests in Eastern Europe through bilateralism, or direct political, economic, and cultural relations between two individual sovereign states. Bilateralism is not only stressed with individual states, but Russia also demands that its relations with the European Union be designed and implemented separately from other states. This preference was manifest in the early 2000s when Brussels began implementing its European Neighbourhood Policy. Initially, the European Commission intended to include Russia in this ‘Wider Europe’ initiative, but Russia demanded that its relations with the EU be managed on an individual track.\(^{32}\)

In addition to the use of soft power, seen in economic and political support as it is implemented through bilateral relations, both with Brussels and individual governments, the Russian Federation’s relations with other states and the international community are dictated by the Westphalian principle of sovereignty. The significance of this principle will be exemplified in chapter three; however, in order to grasp the implications of sovereignty in the context of international relations and Russian policy in its European region, it will be briefly examined here. The idea of sovereignty came into usage during the 17th Century with the Treaty of Westphalia following the end of the Thirty Years’ War. The principle of sovereignty attempted to address the economic, political, and demographic chaos that was a result of the war, and it declared that every state in the international community gains its legitimacy and place within international society through governance by an absolute ruler (sovereign) that watches over his domain. Since

\(^{32}\) Kostadinova, “Construction of Borders,” 236.
Westphalia, sovereignty has been the cornerstone of international society.\textsuperscript{33} Although scholars debate the fixedness of state sovereignty, the Kremlin views sovereignty as absolute and the pinnacle determinant of how states should pursue their own foreign policy, and how they should respond to the domestic and foreign policy actions of other governments.

It is within the absolute parameters of sovereignty that Russia exercises its interests internationally and in its near abroad. In pursuing Russian interests in Southeastern Europe, the Kremlin not only respects state sovereignty, but it also works to align its policy goals with the individual, case specific goals of other states. With the overarching intent of maintaining and improving the Russian Federation’s place as a global power, Russian leadership also works to achieve regional stability and security. Not only is it in Russia’s best interest to form positive relationships with other countries to enable them to improve their position in the international community, but working to help construct politically stable and economically flourishing states along its borders and in its region decreases both real and potential threats to the political and economic success of the Russian Federation.

If Russia can ally itself with other states that will allow the Kremlin to position itself as the dominant actor of the relationship, while simultaneously respecting the sovereignty of the allied government, it sets itself up at a regional advantage when it faces challenges from other powerful actors. For example, if the Kremlin can secure the firm support of a handful of states in Southeastern Europe, such as Belarus, Ukraine, and Serbia, it significantly decreases Brussels’ influence in the region. Taking this approach

in its policy pursuits also provides the Russian Federation with a physical buffer zone between itself and other states that might pose a threat.

By offering economic support to lesser developed and newly industrializing countries, the Kremlin improves its position in the global power structure; it builds regional stability; it offers Russia greater security, and it advances pro-Russian political structures and systems of government. With Russia’s reasons for promoting its political system obvious, it causes liberal democratic states and institutions, such as the United States and the European Union, great concern. As Western governments work to establish meaningful well-functioning democracies across Eurasia and the rest of the world, Russia’s increasing global and East European influence, particularly in the political sector, undermines the construction of democracy.

This undermining of democracy stems from the post-Soviet style of Russian governance. Following his 2000 election, rather than working towards building a pluralist democracy as the state had strived for under Boris Yeltsin, during his first tenure as president Vladimir Putin maneuvered to build a system with a “centralized, authoritarian hierarchy.” This strategy and system of governance, referred to as the “power vertical,” continued during Dmitry Medvedev’s time as President and remains intact today as Putin once again serves as Russia’s President. This vertical distribution of power, in which Putin and Medvedev have taken alternating turns sitting at its head, runs contrary to the horizontal distribution required in a well-functioning democracy. Hence, the Kremlin’s policy maneuvering and endorsement of particular actors and political parties in other

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35 Rutland, “Civil Society,” 90.
states in its European region suggests that one of Russia’s intents in Eastern and Southeastern Europe is to enable the mirroring of Russia’s “sovereign democracy” in allied states so as to advance its own regional policy goals, improve stability, and enhance the Federation’s influence across the region.36

Finally, Russia pursues a regional policy that works to entrench historical relationships into the future. With its foundations beginning in an empire that began in the 6th Century, the territory that is now the Russian Federation has waxed and waned. Once spanning far further west, south, and east, many ethnic groups and states of the modern era have historical ties to Russia. As the map in figure three indicates, at its largest, the Russian Empire reached as far northwest as Finland, as far west as Poland, and as far south as to encompass the entirety of modern day Central Asia. Considering that such a large handful of states that are independent today were once part of Russia, it is quite understandable that these regions might now have individuals and population groups that have an ethnic connection to or feel a bond with Russia.

Figure 1: Russian Empire Expansion

Ethnic ties or bonds that were developed during the Russian imperial period may have been further solidified during the Soviet period. Existing as the power broker and legislative center of the Union of Soviet Socialist Republics, the Kremlin continues to maintain great political and economic clout in the former Soviet states. As the map in figure four shows, in addition to Russia, fourteen former Soviet Republics are now individual states. Although several Eastern European states have become members of the European Union, and others, such as Georgia, have done their best to separate themselves from the Kremlin, many of them continue to rely on Russia for economic and political support.

A third root of historical relationships from which Russia gains political and economic advantage from today is discussed at length in chapters three and four. As one of many countries founded and populated predominately by Slavs, Russian policy has attempted to coincide with the domestic and international interests and help alleviate the weaknesses and disadvantages of its Slavic brothers in other states. The Slavic states include Russia, Ukraine, Belarus, Bulgaria, Macedonia, Serbia, Montenegro, Bosnia-Herzegovina, Croatia, Slovenia, Slovakia, Czech Republic, and Poland, and despite the fact that many of these states have separated themselves politically from Russia, a handful of them continue to pay great allegiance to their ethnic Slavic roots and remain

unwilling to sever ties with Russia. It is through this connection of Slavic brotherhood that Russia entwines its own regional interests with the domestic and regional concerns of other states in the East European region.

Whether driven by the existence of historical ties, the desire to promote regional stability, security concerns, or Russian interests in solidifying its position as a regional power player, it is clear that the Kremlin’s regional policy and bilateral relations both directly and indirectly impact individual states in Eastern Europe. Regardless of the government’s attempts to respect state sovereignty and align its own interests with those of the countries with whom it forms alliances, the policy goals of the Russian Federation encounter competing interests of other international actors, such as the European Union, and it faces roadblocks that present themselves in the domestic concerns of other states. As global powerhouses like Russia and the EU compete for greater influence and the ability to dictate the functioning of Eastern Europe, smaller, less powerful states across the region work to establish themselves on the European political and economic stage, while simultaneously grappling with and attempting to address domestic issues. The next two chapters will analyze this interaction of the international, represented by the European Union and the Russian Federation, and the domestic, exemplified in the cases of the Republic of Serbia and Ukraine. The interaction between international policy and domestic concerns in both Ukraine and Serbia suggests that in the near to medium future both Ukraine and Serbia will work to improve and strengthen relations with Russia while also pushing to establish strong independent states that work towards achieving the demands of their individual populations.
Chapter 3: The Republic of Serbia: Pro-Europe, Pro-Russia, or Nationalist?

More than two decades after the fall of Communism and more than a decade since the brutal Yugoslav and Kosovo Wars, the Republic of Serbia continues working to find its place in the post-socialist European community. An examination of its relationship with Brussels, its EU sponsored development, and its path to membership in the European Union compared to its relations with the Russian Federation presents the Republic of Serbia as an interesting case for analysis. A brief study of the specifics of the EU-Serbia relationship and Serbia’s membership initiatives contrasted with Serbian-Russian relations highlights the significance and impact of international actors and their interests in the creation and carrying out of domestic policy. An analysis of international interests in Serbia calls attention to domestic interests and concerns that both operate alongside and challenge international interests. Comparing international interests with domestic interests generates perplexing questions regarding Serbia’s near to medium term future. Will the Republic of Serbia continue progressing in its ascension process; will it gain ascending country status to eventually become a full member of the European Union? Will it establish stronger ties with the Russian Federation as a result of frustration with EU policy and its lack of progress towards membership, or will it fall back into its nationalist past, pursuing a more isolationist policy, that will build an independent, united, and nationalist Serbia?
The first step to shedding light on these questions requires a general understanding of its history and the current status of the Republic of Serbia’s economic, political, and social development. In comparison to many other newly industrializing and lesser-developed countries, after a tumultuous decade following the collapse of the communist state, Serbia appears to be advancing well along its path of development. With a gross domestic product (GDP), adjusted for purchasing power parity (PPP) of 78.9 billion USD, a GDP per capita (PPP) of 10,700 USD (United States Dollar), and a two percent growth rate in the midst of a global economic downturn, economically speaking, Serbia achieves steady development. The country is also doing relatively well socially. It has a relatively low and stable infant mortality rate.³⁹ Taking into consideration health, education, income, inequality, poverty, gender, sustainability, and demography, Serbia’s Human Development Indicators (HDI) index is currently 0.766, ranking the state fifty-ninth out of 187 countries. The location of Serbia’s HDI above the current European and Central Asian regional average suggests that the country is progressing well in its economic and social development.⁴⁰

The apparent success of Serbia’s development is further substantiated in the political sector. Freedom House ranks the Republic of Serbia as free with a continuing upward trend arrow. It has a political rights score of two and a civil liberties score of two on a scale of one to seven, with one symbolizing most free and seven least free.⁴¹ Peaceful transitions of government since the advent of democracy in 2000 and the recent

May 2012 parliamentary and presidential elections that the Organization for Security and Cooperation in Europe (OSCE) called “open and competitive” give further credence to its political progress, stability, and normalization. Based on a comprehensive picture that considers positive growth in both the political and economic sectors, and the improvement of social services, Serbia appears to be progressing well along its path of development that will allow it to move into a position that is more in line with the free market, democratic states of the European Union. It is clear that efforts taken to establish a level of development necessary to secure European Union membership have been fruitful. However, the tenuous and uncertain relationship between the EU and Serbia continues to make the future inclusion of the Republic of Serbia doubtful, and Serbia’s alliances with Russia continue to call into question what the country’s future holds.

Compared to other Central East European and Southeast European countries’ relationship with Brussels after 1989, Serbia’s association with the European Union has always been unique. In large part due to a lack of democracy under former president Slobodan Milosević, ethnic conflict, and territorial disputes, Serbia’s relationship with the EU during the 1990s was far from positive and was dominated by sanctions and the enforcement of carrot and stick policies. Following the ouster of Milosević and the first successful democratic parliamentary elections, albeit later than any other former Yugoslav country, Serbia began its process of EU integration in 2001. Although negotiations for a Stabilization and Association Agreement began in 2005, Serbia’s relationship with the EU was marred with problems and suffered from a lack of

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meaningful internal support until Boris Tadić’s Democratic Party (DS) and G17+, another pro-European party, secured a parliamentary majority in 2007. After finalizing the terms of its SAA in September 2007, Serbia pushed for further development and work towards EU membership; however, Serbia failed to convince EU member states that it was adequately meeting the conditions necessary to secure the ratification of the SAA by all member states. The state’s inability to address targeted issues such as the strengthening of rule of law and administrative capacity, the managing of economic crisis, the improvement of freedom of the media, and full cooperation with the International Criminal Tribunal for the former Yugoslavia (ICTY) again stalled Serbian prospects of EU membership.\(^4^3\) In spite of economic concerns and Serbia’s failure to detain four war criminals still at large at the time, the EU signed the SAA in April 2008 as a sign of goodwill, a move that was deemed necessary because of an eighteen percent decline in domestic support for Serbia’s integration into the European Union between 2006 and 2011.\(^4^4\) This diminishing of popular support not only poses obvious problems concerning domestic intent to continue pursuing EU membership, but it also suggests that in lieu of strengthening the state’s ties to Brussels, both the Serbian government and its people might be more inclined to improve alliances with the Kremlin, or pursue more isolationist policies.

Since solidifying the terms of the Stabilization and Association Agreement, Serbia has made great strides in both its development and it fulfillment of EU


membership requirements. Much of the success in fulfilling EU demands has been made possible through financial aid packages from and trade with the EU. In 2011, the Republic of Serbia received over 201 million Euros of aid through Brussels’ ‘Cross-border Cooperation’ and ‘Transition Assistance and Institution Building’ funds. The EU is also Serbia’s largest trade partner, accounting for 63.6 percent of the state’s trade and amounting to over eleven billion Euros in 2010. These financial flows have done much to motivate Serbia to achieve the goals set forth in its SAA.

With the state’s failure to arrest and turn over wanted fugitives of the Yugoslav Wars standing as a major obstacle to EU accession, Stojan Župljanin and Radovan Karađić, two of the four remaining war criminals of the Yugoslav wars, were both arrested in the summer of 2008 and have since been tried in The Hague. In the hopes of proving to Brussels that it has achieved meaningful economic and social growth beyond the place that the EU gives the country credit for and that it has the advanced administrative capacity to meet EU requirements, the Serbian government published and approved the National Programme for the European Union Integration of Serbia (NPI) in June of 2008. Coming into force while Serbia was still a potential member country, the NPI is significant and positioned Serbia as superior to other countries vying for EU membership in several ways. By outlining targeted economic and political conditions, the intended future adoption of laws, and standards of trade, agriculture, environmental protection, and infrastructure, the NPI parallels with the Copenhagen Criteria and establishes a plan for implementation of each condition. The NPI is further significant in

that in all other cases of countries attempting to gain EU ascension legislation like this has not been prepared until candidate status is secured. Serbia, however, generated this legislation of the state’s own accord while its membership status was still only that of a prospective country. While the establishment of the NPI of the state’s own volition is in and of itself a positive sign and signifies a meaningful attempt to align domestic policy with international interests, Serbia’s NPI has done little to improve Brussels’ attitude towards EU membership.\footnote{Ristić, “Integration Process,” 117.}

Continuing steady progress in meeting membership goals in 2009, Serbia passed significant legislation that furthered its development and progress towards EU membership. This legislation, such as the improvement of conditions for non-governmental organizations and the expansion of autonomy for Vojvodina, together with continual cooperation with the ICTY, led to the European Union’s elimination of visa requirements for Serbian citizens traveling in the Schengen Area and the formal submission of Serbia’s EU membership application in December.\footnote{Freedom House, “Serbia.”} Although such marked improvement ought to breed results, Serbia’s journey towards European Union integration continues to move at a snail’s pace.

Regardless of Serbia’s unrelenting attempts to gain a positive position with the EU through the achievement of targeted indicators in both its SAA and NPI, the promise of a future place as a member of the European Union seems unattainable. The EU continues to flag problems with corruption, insufficient cooperation with the ICTY, and economic concerns. Analysis highlights the hollowness of these claims. On a scale from zero to ten, with ten being very clean and zero being highly corrupt, Transparency...
International’s Corruption Perceptions Index (CPI) rates Serbia’s CPI at 3.3. This score is equal to that of Bulgaria, an EU member country since 2007, and is only one tenth of a point less than the CPI of Greece, a member of the EU since 1981. Nearly all economic indices, with the glaring exception of an unemployment rate of 23.7%, suggest that Serbia’s economy is stable and on a trajectory of positive growth. Serbia’s continued unwillingness to recognize Kosovo as an independent state stands as an obvious obstacle to membership, but the government persists in its efforts to bring stability to the region and find an answer to the EU-Serbia impasse regarding Kosovo.

Despite its promotion to the status of candidate country in March 2012, Serbia has seen little progress in the improvement of its relationship with Brussels. While transitioning from potential candidate to candidate country is significant and is generally a positive indicator of advancement in the accession process, Serbia’s relationship with Brussels remains largely unchanged. Just as the European Union signed Serbia’s SAA in 2008 as a sign of goodwill, Brussels’ promotion of Serbia from potential candidate to candidate country was more a token gesture than a signifier of change. After Serbia arrested Ratko Mladić and Goran Hadzić, the remaining criminals wanted by the ICTY, in May and June of 2011, Brussels had little choice but to promote Serbia to candidacy status. Given that the state’s failure to hand over Mladić and Hadzić had been Brussels’ reason for stalling negotiations with Serbia, the EC would have faced significant backlash from the Serbian populace if the country’s actions were not recognized by the EU.

Perpetually recurrent roadblocks to Serbia’s eventual integration into the European Union

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50 Central Intelligence Agency, “Serbia.”
and the EU’s apparent stalling with Serbia, urge many to question whether or not Brussels will ever grant the Republic of Serbia EU membership.

On the ground indicators, such as marked improvement of the state’s political and social systems that fail to gain recognition from Brussels, and elements of EU legislation underscore the possibility that, regardless of it being a candidate country, Serbia’s SAA may never lead to membership. Article 1-7a of the Lisbon Treaty speaks of the Union’s general relationship with neighboring countries, alluding to association agreements with no intent of accession. Thus, it might be argued that Serbia is the first of many to fight for EU membership that will never be attained. Other countries vying for EU membership, such as Turkey, a candidate country, and Kosovo and Albania, both potential candidates, also suggest that Brussels uses the promise of membership to impact the domestic policy of individual states with no intention of granting membership.

Time will determine Serbia’s fate with the European Union; however, Serbia’s continued positive relationship with the Russian Federation suggests that the state will not find itself in a terrible position internationally if EU integration continues to be delayed or even fails. As it establishes closer ties to Europe and the west, the Serbian government continues to maintain a positive rapport with Russia, effectively preserving balanced East-West relations. According to Serbia’s current Foreign Minister and pro-European DS party member Vuk Jeremić, “Serbian and Russian relations were traditionally close and have lasted over centuries. Russia is one of our most important economic and trade partners and probably the loudest and strongest supporter of Serbia in

51 Bechev, “Power and Powerlessness,” 418.
the international arena with regard to our diplomatic struggle for Kosovo.”

Sentiments such as this, coming from political actors and citizens on both the left and the right, and balanced public support for maintaining positive ties with both Russia and the European Union, suggest that just as Ukraine and other states are unwilling to give up attachments to Russia in exchange for EU accession, the Republic of Serbia will not step away from Russia. Jeremić goes on to say, “I repeat that we are oriented towards EU membership and we will not back away from the achievement of that strategic-political goal. We will become a member of the European Union, but I think that that will not come at the cost of the exceptionally good relations that we have with Russia.

Serbian ties to Russia date back to the sixth century. Both descended from Central European Slavic roots, Serbia and Russia’s Slavic brotherhood has dictated their relations for centuries. Since formally declaring itself “the natural protector of the Orthodox … Christians under Ottoman domination,” at the Congress of Vienna in 1815, Russia has been an active protector and supporter of Serbia, its people, and its policy. Excluding the period of 1948-1955 during the Yugoslav-Soviet split, from alliances between Serbian King Alexander Karageorgevich and Tsar Nicolas I in the nineteenth century, to the Kremlin’s staunch support of Serbia and the policies of Slobodan Milosević during the Yugoslav and Kosovo Wars during the nineties, Russia’s relationship has been unwavering for generations, and it will likely continue to be significant into the future.

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53 Ibid, 117.
54 Ibid, 106.
56 Ibid, 228.
In contrast to the formalities of Serbia’s relationship with Brussels, as dictated by its SAA and NPI, the state’s relationship with the Russian Federation is less formally dictated and far more flexible. Russian-Serbian relations are regulated through bilateral engagement shaped by each party’s domestic and regional policy concerns. Just as Brussels considers the potential inclusion of Serbia into the European Union and what Serbian membership means for the Commissions’ continuation of East European regional stability and security, the Kremlin seeks to uphold a relationship with the Republic of Serbia that will continue to bolster its own regional interests, while reinforcing it broad international and domestic policy.

As chapter two outlines, the Kremlin’s predominant domestic, regional, and international policy concerns focus on the promotion of Russian interests and the maintenance of the Federation’s place as a regional power. Widely considered to be what Nina Khrushcheva calls an “absolutist” country, Russian policy has long been dictated by the principle of Westphalian sovereignty.\(^57\) Viewing sovereignty as being “absolute, fixed, and immutable,” the Kremlin’s bilateral interaction with other states is shaped by the principle of nonintervention.\(^58\) Consequently, the principles of sovereignty have long shaped the Kremlin’s relations with the Republic of Serbia.

Whether led by Boris Yeltsin, Vladimir Putin, or Dmitry Medvedev, the post-Soviet Russian Federation’s foreign policy interests in Serbia have been dictated by the importance of state sovereignty. Above all else, the Kremlin has remained unwavering in its support of the policies of the Serbian government and for the people of Serbia. Many cases can be drawn upon to exemplify this reality, but the circumstances surrounding the

\(^{58}\) Haukkala, “Norm-Maker or Norm-Taker?” 38.
Kosovo War of 1999 stand out as a poignant example. Throughout the entirety of the war, amidst international demands calling for Belgrade to stop fighting and the NATO (North Atlantic Treaty Organization) bombing of Serbia’s capital, the Kremlin tirelessly stood by in support of Serbian sovereignty. As Brussels, the United States government, and countless European governments condemned the actions of the Serbian government, Russia remained a strong ally. Similarly, after the 2008 declaration of independence of the Republic of Kosovo, backing a united Serbia, the Russian Federation refuses to recognize Kosovo as an independent state.

The importance that the Kremlin places on upholding state sovereignty not only pertains to the principle of nonintervention as was manifest during the Kosovo War, but it also translates into the most basic bilateral interactions. As mentioned earlier, the roots of Serbia and Russia’s shared Slavic brotherhood establishes an unwavering interest on the part of both states to enable the success of the other. In this regard, the Kremlin asserts itself as a power-player in Eastern Europe by fostering Serbian development and growth, whether economic, political, or social. Three point two percent of Serbia’s trade imports or exports, accounting for approximately 593 million Euros, were exchanged with the Russian Federation. Although Russia is only Serbia’s fifth largest trade partner, falling behind the European Union, Bosnia-Herzegovina, Montenegro, and Croatia, through a positive trade relationship and political backing, Russia exists as an unwavering supporter of the Serbian government and the people of Serbia. In the case of Serbia’s efforts towards EU accession, if Brussels continues to drag its feet in granting membership or ultimately refuses membership, shared ethnic ties guarantee that Serbia can always fall...

59 DG Trade, “Serbia Trade.”

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back on Russia for economic and political backing. The permanence of this alliance with the Kremlin not only provides Serbia with a sense of security and relevance in Southeastern Europe, but it assures that the Russian Federation will continue to be a major power broker in the East European region.

Regardless of the above reasons for Russia’s continued engagement with Serbia and Brussels’ interests in continuing to work towards Serbian ascension, one issue presents itself as both stalling Serbia in its quest for EU membership and as strengthening its ties to the Kremlin. The issue of an independent Kosovo presents itself as the intersection of the international and the domestic in the case of Serbia. As the epic poem *The Battle of Kosovo* vividly depicts, Kosovo has been a battleground and foundation of the South Slav state since the fourteenth century. Kosovo’s location, as seen in the map below, allows for a clear understanding of the origins of the issue.

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Surrounded by Albania, Montenegro, Serbia, and the Former Yugoslav Republic of Macedonia, and once part of the former Yugoslavia, the Republic of Kosovo has long been populated by ethnic Albanians. Despite the long existing population differential between ethnic Albanians and ethnic Serbians, or Slavs, the nation of South Slavs and the roots of Serbia began in the Kosovo region. It is because of the past that Kosovo

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represents, the origins of the Serbian state, that the Republic of Serbia is unwilling to recognize Kosovo’s independence. However, given the majority Albanian population in both the government and polity, after decades of ethnic tensions and the 1999 Kosovo War with Serbia, Kosovo formally declared its independence in 2008. Despite both Serbia and Russia’s continued refusal to recognize Kosovo as independent, the Republic of Kosovo is recognized by well over half of the United Nations’ member states and it is a member of both the World Bank and the International Monetary Fund. It is in this struggle for recognition that the international interests of Brussels, on the one hand, and, on the other, the domestic interests of the Serbian state, its citizenry, and their Russian allies collide.

Brussels has given countless indications that the Republic of Serbia will never become a member of the European Union if it does not formally recognize and allow for an independent Kosovo. Serbia’s unrelenting refusal to recognize Kosovo and put a stop to violence along its border not only taints international opinion regarding the state’s ability to adequately govern, mitigate turmoil, and establish peace within its borders, but it also gives Brussels the indication that Serbia is unwilling to alter its policy in order to become a part of the European moral community, a community that upholds democratic values of governance and human rights, and condemns ethnic abuse and sectarian violence.

Diverging from these demands that the Republic of Serbia recognize Kosovo, the Kremlin not only supports Serbia in its unwillingness to acknowledge Kosovo’s independence, but it will not join the international community in upholding Kosovo’s statehood. The reasons for Russia’s support of Serbia on the issue of Kosovo are
threefold. On the most basic level, Russia supports the Serbian government in the position it has taken on Kosovo because to do otherwise would compromise Serbian state sovereignty. Secondly, the fact that Serbia grew out of the Kosovo region, that the state was originally formed there, plays to the significance of Russia and Serbia’s Slavic brotherhood. Just as shared Slavic roots pushed Russia to sponsor Serbia in its independence from the Ottoman Empire in the 19th Century, these roots similarly demand that the Kremlin back the Republic of Serbia in their intent to maintain territorial integrity.

The third and possibly most significant reason that the Kremlin unwaveringly supports Serbia in its Kosovo policy pertains to this issue of territorial integrity. Just as Serbia is unwilling to allow Kosovo to be independent, the Russian government struggles to prevent the Republic of Chechnya from gaining independence. A centuries old and very complex issue, Chechnya has been a thorn in the Russian government’s side since Peter the Great began his territorial expansion into the Caucasus Mountains in 1722. A distinct ethnic group, further separated by clan and religions divides, the people of Chechnya have tirelessly called for an independent state of Chechnya, and although the issue of Chechen independence has been more or less squelched since the First and Second Chechen wars, fought during 1994-1996 and 1999-2002, the Kremlin is occasionally reminded that Chechnya presents a dormant threat to Russia’s territorial integrity. Just as armed clashes and ethnic violence highlight that the stability of Serbia’s

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border with the Republic of Kosovo is frequently in turmoil, violence perpetrated by Chechen separatists, such as metro bombings and hostage situations, prevent the Kremlin and the people of the Russian Federation from forgetting that many in Chechnya still want an independent state. The similarities of these situations of challenges to Serbian and Russian territorial integrity demand that the Kremlin support the maintenance of Serbia’s territory, just as it struggles for the preservation of its own territory. In so doing, Russia furthers its own policies and domestic interests by supporting the similar policy pursuits and domestic interests of Serbia.

Having drawn out the conflicting interests that present themselves in the issue of an independent Kosovo, it is clear that both the European Union and the Russian Federation promote particular interests in their relations with the Republic of Serbia. Similarly, the Serbian government and its polity have certain domestic interests that the state must consider as it engages with international actors and establishes domestic policy. While the survival of the state requires that it consider both international and national concerns, its success also depends on its ability to gauge, account for, and respond to the needs and desires of its citizenry. Does the populace call for the strengthening of ties with Russia; are public demands best served through improved relations with Brussels; or do the people call for a more isolated and nationalist Serbia?

An examination of political party platforms and public opinion polls suggests that the Serbian populace’s interests regarding the state’s near to medium term future as it

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pertains to relations with both Brussels and the Kremlin are varied. Looking first at public opinion polls, GALLUP Balkan Monitor data suggest that public support for Boris Tadić’s pro-European government is low and declining. With 33.4 percent of the population approving of Tadić’s leadership of the country and 50.2 percent disapproving in 2006, four years later, only 22.2 percent of those polled approved of the government leadership’s job performance under Tadić and 65.3 percent of the population disapproved of Tadić’s leadership.\textsuperscript{66} Given that Boris Tadić is Serbia’s most popular pro-European politician, these data may suggest that pro-European domestic support is declining. This claim is further substantiated by public opinion on whether or not EU membership would be good or bad for the Republic of Serbia. With a decline of nearly seventeen percent, 60.8 percent of the population believed that Serbian membership in the EU would be good in 2006, compared to only 44.1 percent feeling positive about EU membership in 2010. During the same period the percentage of those viewing membership in the European Union as bad increased from 9.8 percent to 16.9 percent.\textsuperscript{67} Similarly, polls taken by the Serbian European Integration Office (SEIO) also suggest that popular support for Serbian ascension into the European Union is declining. In September 2006, 69.9 percent of the Serbian populace supported EU ascension, while 12.3 percent were against membership. Just five years later, in December 2011 only 51 percent of the population would vote for Serbia to join the European Union if given the chance, while


\textsuperscript{67} Ibid.
28 percent would vote against it.\(^6\) Although just over half of Serbians support EU membership, the significant decline of pro-European popular support is of note.

Despite the reality that declining support for EU integration might suggest that the Serbian populace feels more positively towards Russia, polls indicate otherwise; popular opinion towards Russia is also declining. In 2009, 61.9 percent supported Russia and its leadership. Declining significantly in just one year, 54.6 percent of those polled in 2010 supported Russia.\(^6\) While these numbers indicate that the Serbian population continues to support Russia over the EU by a small margin, domestic public opinion towards both international actors is diminishing.

Although not necessarily incompatible, in interesting contrast to diminishing numbers for a pro-Russian or pro-European Serbia, polls indicate that the Serbian populace is increasingly identifying with their own country. With 65 percent of those polled in 2010 identifying either extremely (35.5 percent) or very (29.5 percent) strongly with the Serbian state, up from 58.4 percent in 2008, it seems that the Serbian populace may be more in favor of a nationalist Serbian state that will pursue its own domestic interests, rather than European or Russian interests.\(^7\) Further supporting a more nationalist Serbia, public opinion polls indicate that the population’s attitudes towards Kosovo are becoming more negative. In 2006, prior to Kosovo’s 2008 declaration of independence from Serbia and the UN Security Council’s formal recognition of Kosovo under Resolution 1244 in 1999,\(^8\) 48.5 percent of the Serbian population viewed Kosovo

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\(^6\) GALLUP Balkan Monitor. “Insights and Perspectives.”

\(^7\) Ibid.

as hostile towards Serbia, 18.2 percent described the state as neutral, and 17.8 percent considered Kosovo friendly. By 2010, 59.6 percent of those polled felt that Kosovo was a hostile neighbor and declining numbers of 17.3 percent and 12.6 percent considered Kosovo to be either neutral or friendly.72

With elections to the National Assembly having been recently held on 6 May 2012, the political party structure of Serbia’s current government also indicates that the citizenry of the Republic of Serbia are becoming increasingly more interested in a right-leaning, nationalist Serbia. This inclination of the people of Serbia is further reinforced by the results of the presidential run-off election held on 20 May 2012. Not only was current Serbian President Boris Tadić’s center-left, pro-European party, the Democratic Party (Демократска странка – DS) ousted from its position as holder of the largest proportion of seats in the parliament, but Tomislav Nikolić, head of the Serbian Progressive party (Српска напредна странка – SNS), was elected to become the next president of Serbia.73 With a nationalist, right-wing, pro-Russian politician due to become president and Dragan Todorović’s Serbian Radical Party (Српска радикална странка – SRS) now controlling 73 of 250 seats in the National Assembly, there is some uncertainty regarding what Serbia’s near to medium term future will entail.74

Regardless of flux that may take place once Nikolić takes office, much can be inferred from party representation in the National Assembly. The SRS’s move from the third ranked party to the first ranked party in the National Assembly is particularly significant because of the contrast of its political platform compared to that of the

72 GALLUP Balkan Monitor, “Insights and Perspectives.”
Democratic Party. A far-right, nationalist, Euro-skeptic, and anti-globalization party, SRS is one of the most conservative of Serbia’s many political parties. Not only do its nationalist inclinations indicate that there is domestic opposition to Serbian EU ascension, but the Russophilia of the party further suggests that many would rather that the state rely on Russia for economic and political support than become closer to Brussels. Now sitting as the second party in parliament, Boris Tadić’s party holds sixty-seven seats. Also a meaningful change, the third largest proportion of seats (forty-four) in the National Assembly is now held by Ivica Dačić’s Socialist Party of Serbia (Социјалистичка партија Србије – SRS). A centre-left nationalist party calling for democratic socialism, the SRS is of interest because it is the party of former Yugoslav and Serbian President Slobodan Milošević. Considering the devastation suffered by Serbians and their former-Yugoslav neighbors because of the policies and rhetoric of Milošević and his ultra-nationalist supporters, popular domestic support of the SRS suggests that nationalist sentiments in Serbia are strong and possibly on the rise. Also noteworthy, the translation options of the Socialist Party of Serbia’s website allow the reader to view the website in Serbian (Cyrillic or Latin), English, and Russian. The electorate’s support of nationalist parties implies that the Republic of Serbia’s domestic and geopolitical strategy is shifting towards being more concerned with the promotion of Serbian interests. In addition to this increased support for the promotion of Serbian interests, the language options of the SRS website suggest that the government will become increasingly more aligned with Russia.

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Envisioning a future Serbia that is aligned with the Russian Federation and becoming less integrated with the European Union might lead one to think of an increasingly less democratic Serbia. The current state of democracy (or non-democracy) under the Putin-Medvedev tandem in Russia encourages the imagining of a decline in the principles of democratic governance in Serbia if economic and political support from the Kremlin were to increase. However, it is important to note that regardless of the Republic of Serbia’s future with both the European Union and the Russian Federation, the party platforms of at least the parties examined here suggest that that people of Serbia consider it in their best interests to establish meaningful democracy. While stressing the importance of territorial integrity, Nikolić’s Serbian Progressive Party calls for a modern democratic state with a free market economy.\textsuperscript{77} In the same way, as the Democratic Party defends the legitimate right of Serbia in Kosovo, it strives to carry out important political and economic reforms to the highest standards of the European model.\textsuperscript{78} Thus, international and regional actors concerned about the stability of Southeastern Europe might find reassurance in the possibility that regardless of the nature of Serbia’s relationship with either the European Union or the Russian Federation, as long as the state heeds the concerns of its populace, Serbia is likely to continue progressing in its efforts to establish a democratic state with a stable and thriving economy. 

It is essential that these Serbian domestic interests that demand the solidification of a meaningful democratic state, the entrenchment of a stable market economy, and the continuation of the country’s territorial integrity are taken into account when dissecting


\textsuperscript{78} Demokratska stranka, “Demokratska stranka ukratko – o nama,” accessed 26 January 2012, \url{http://www.ds.org.rs/o-nama}.
the incentives for and consequences of the Republic of Serbia’s international engagement. On the most basic level, a meaningful incentive for increased engagement with both the European Union and the Russian Federation is economic development. Economic growth continues to be tremendously important to Serbia. With a GDP per capita (PPP) of 10,700 USD in 2011, worse than all but a small handful of European countries, the survival and success of the Serbian population depend on continued economic activity and growth. Thus, Serbia’s continued upward development is dependent on the economic support of either Brussels or the Kremlin. It should be stressed here that considering the magnitude of both the Russian economy and the EU’s economic community, positive relations with either international actor provides Serbia with the economic access that it needs.

A second incentive for Serbia’s continued international engagement also ties into the ability to access monetary support. Just as the government focuses on economic growth, the state works to improve its social systems, i.e. healthcare, education, employment, housing, and demographics. Serbia’s ability to improve social systems rests on two things: funds to support social development and functioning government bodies that can design and implement social policy that will improve the lives of the people of Serbia. While positive relationships with either Brussels or the Kremlin address the issue of funding, the quality of social systems across the European Union are better than those in Russia, and developed EU countries have more efficient and effective governmental institutions. Therefore, it is likely that not only will Brussels be more interested in

working with Serbia to improve its social and political systems, but relations with the
European Union also give Serbia access to countless resources and experts that specialize
in the improvement of political institutions and social programs.

These positive aspects that Serbia benefits from in working with Brussels to
achieve the Commission’s development goals in Eastern Europe must be considered
alongside competing negative factors of the state’s association with the EC. In order to
achieve the political, economic, and social benchmarks that the European Commission
sets for Serbia, countless compromises and sacrifices must be made on the part of the
state and its people. For example, in pushing for economic growth, the EC demands that
the Serbian government establish extensive economic austerity measures. The intent of
these measures is to enable Serbia to operate under a healthy budget; however, economic
austerity measures, which typically require that social spending be reduced, often have a
tremendously negative impact on the population. As noted previously, with a sizeable and
increasing unemployment rate of 23.7 percent, economic austerity measures present a
significant threat to the lives of the people of Serbia.

The economic, social, and political benchmarks established for Serbia by Brussels
require that the state achieve certain goals to continue receiving economic support from
the EC and to continue to be considered for future EU membership. Given that Brussels’
extpectations and plan for Serbia’s economic and political future are designed by the
Commission, not the Serbian government or its citizenry, a positive relationship with the
EU comes at a great cost to Serbia’s sovereignty. This compromising of state sovereignty
is another negative consequence that the Republic of Serbia must bear if it continues on
its current path of EU accession. Improving its relationship and strengthening alliances with the Kremlin, on the other hand, will do little to undermine Serbian sovereignty.

Lastly, the most significant consequence of international engagement relates to the issue of the Republic of Kosovo. It is safe to speculate that the Republic of Serbia will never become a member of the European Union if it maintains its unwillingness to recognize Kosovo as an independent state. Thus, if Serbia ever hopes to join the EU, it will have to sacrifice its sovereignty to the greatest degree by compromising its territorial integrity. Rather than making this forfeit of Kosovo and yielding sovereignty to Brussels, the Republic of Serbia is likely to step away from the European Union and bolster its relations with the Russian Federation. Not only will this move allow the state to continue protesting the international recognition of an independent Kosovo, but it will allow the Serbian government to remain uncompromisingly sovereign.

Although positive relations with Brussels offer sizeable incentives to the Republic of Serbia, from continued economic growth, support for the realization of democracy, functioning and efficient social systems, and the promise of European Union membership, this analysis of Serbia’s relationship with both the EU and the Russian Federation, an examination of domestic interests, and a breakdown of the incentives for and consequences of international engagement suggests that over time, the state will move away from the European Union and begin strengthening its ties with and relying more on Russia. In so doing, the Serbian government will gain access to the monetary backing that it requires for sustained growth, without compromising its sovereignty. Moving closer to Russia will also bolster Serbia’s claims of legitimacy in Kosovo, and it
will allow the state and its polity to construct its own democratic, Serbian political system.
Chapter 4: Ukraine: Pro-Europe, Pro-Russia, or a United Ukraine?

An analysis of its relationship with Brussels, the Kremlin, its own domestic interests, and its current path of development exposes Ukraine as a suitable and fascinating case for consideration. Examining EU and Russian interests in Ukraine, domestic concerns and policy demands, and the incentives for and consequences of international engagement suggests many possibilities for the trajectory of Ukraine’s future. While this study generates unanswered questions regarding Ukraine’s future development and its ties with both the European Union and Russia, details suggest that in the near to medium-term future, particularly under the current president, Viktor Yanukovych, Ukraine will continue efforts to strengthen ties with the Kremlin. However, while improving relations with Russia, the state will work to maintain a positive balance in its interaction with Brussels. Simultaneously, the Ukrainian government will do its best to improve the lives of its polity. In working towards improved economic and social development, the state will uphold a meaningful pro-Ukraine approach in its policy.

In comparison to many other newly industrializing and lesser-developed countries, after a tumultuous period following the collapse of the Soviet Union, suffering from sizeable economic downturns and grappling with the Orange Revolution and its demands for democracy, Ukraine currently appears to be advancing positively along its path of development. With a GDP of 327.4 billion USD, GDP per capita of 7,200 USD, and a 4.7 percent growth rate in the midst of a global economic downturn, economically
speaking, Ukraine continues to progress. Since the end of state socialism, the country’s social development remains acceptable. Although the state’s infant mortality rate is relatively low and stable, considering the size and positive growth of its economy, there is much room for improvement. Ukraine’s life expectancy of approximately sixty-eight years also suggests that social policy changes must be made.\(^8^0\) Although its HDI of 0.729 is below the European and Central Asian average, steady improvement in the human development indicators of health, education, and income casts Ukraine’s social and economic development in a positive light.\(^8^1\)

Unfortunately, Ukraine’s upward economic and social development is not mirrored in the political sector. Freedom House ranks Ukraine as only partly free with a downward trend arrow. It has a combined political rights and civil liberties score of three point five on a scale of one to seven, with one symbolizing most free and seven least free.\(^8^2\) Despite peaceful transitions of government and the successes of the 2004 Orange Revolution, Ukraine has seen a contraction of political freedoms, civil rights, and democracy since the 2010 election of pro-Russian president Victor Yanukovych. This retrenchment of political freedoms says a great deal about the future of Ukraine and the significance of international and domestic influences.

With the historical roots of Russia stemming from the Kievan Rus in the ninth century, existing as brother nations in the Russian Empire, and thriving as neighboring republics during the Soviet period, Ukraine’s ties with Russia have always been

significant.\textsuperscript{83} It was not until the 1991 collapse of the Union of Soviet Socialist Republics (USSR) that the question of improving ties with the West became meaningful. Finding itself in a state of tumultuous transition throughout the 1990s, the success and development of Ukraine and its government depended on improving relations with the United States and Western Europe. However, its historical past and Slavic roots kept Ukraine tied to its neighbor to the east. The post-Soviet presidential terms of Leonid Kravchuk and Leonid Kuchma were a delicate balancing act that sought much needed economic support from the West, on the one hand, and political endorsement from the Kremlin, on the other. Previously stating intentions to improve democracy, it was not until the 2005 election of President Victor Yushchenko that the Ukrainian government worked hard to strengthen democracy, the rule of law, and meaningfully improve relations with Brussels and the West.

After making great strides in the economic, social, and political sectors, building an open dialogue with the European Union, and improving democratic freedoms under Yushchenko’s presidency, Ukrainian policy began to move more towards favoring Russia just before and following the election of current president Viktor Yanukovych. Since Yanukovych took office, the state has increasingly moved away from embracing democratization and institutional structures that foster a positive relationship with Brussels. Despite the positive indications that civil society remains vibrant and the media is still independent, Ukraine’s judicial framework and independence, national democratic governance, and the electoral process have all declined.\textsuperscript{84} Elections leading up the 2004

Orange Revolution and Russia’s backing of candidate Viktor Yanukovych and alleged involvement in two assassination attempts of opposition candidate Viktor Yushchenko stand out as a glaring examples of the compromising of Ukraine’s democratic governance and electoral system. While these indicators suggest that Russia has gained significant clout in Ukrainian politics and the functioning of the state, and the Kremlin’s continued support of current President Viktor Yanukovych suggest that Russia continues to influence Ukrainian politics, understanding the European Union’s and Russia’s interests in and relationships with Ukraine are crucial to building a full understanding of Ukraine’s current and future place in the Eurasian geopolitical community.

Long known as the “crossroads between Europe and Asia,” Ukraine exists in a tremendously significant geopolitical location that has been the “backyard of one power or the other since Antiquity.” Once part of the Byzantine, Ottoman, Russian Empires, and later a critical republic in the USSR, global and regional powers have long been interested in gaining and maintaining power in Ukraine. European Union and Russian interests, in large part, stem from similar historical geopolitical factors. Looking first at EU interests in Ukraine, it is clear that Brussels’ concerns predominantly pertain to economic and political security and stability. Maintaining a stable relationship with Ukraine is essential for the European Commission (EC) to be able to continue its project of greater European stability.

Brussels’ ability to mitigate several regional threats to European stability and security depend on Ukraine’s development and continued positive relationship with the EU. Though these threats are numerous and complex, several of them should be touched

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86 Ibid, 9.
on here. The first of these threats pertains to transnational crime. Sitting as the crossroads of Europe, Ukraine has become a main transport hub and origin of the trafficking of guns, drugs, and people into Europe. Unless Brussels is able to pressure change in Ukraine’s infrastructure, corruption, and management of crime, trafficking will continue to flourish inside Ukraine and across the Black Sea region, leading to rising crime in the European Union, and ultimately threatening long-term security and stability across the EU.

Additionally, maintaining clout in Ukraine is necessary because of volatile security threats posed by Russia. With its 2002 refusal to participate in the EU’s European Neighbourhood Policy, the Kremlin made it clear that it had no intention of cooperating with the Commission’s plan for greater European stability. Russia’s continual support of governments that European Union members oppose, such as Iran and Syria, pose a threat to EU policy. Further, the Kremlin’s treatment of regional issues, such as its 2008 war with Georgia, and its refusal to recognize Kosovo as an independent state, cause the EC great concern regarding Russia’s unpredictability and willingness to take military action against perceived threats. Thus, maintaining a stable and positive relationship with Ukraine not only allows for the continual pursuit of EU policy interests, but it also

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establishes a security boundary between Russia, the Black Sea region, and Southeastern Europe.  

Before delving into the final and arguably most significant issue demanding that Brussels preserve a positive relationship with Ukraine, Russia’s interests with and in Ukraine should be discussed. Just as the European Union works to conserve its sway in Ukrainian politics, Russia maneuvers to increase its influence in the functioning of the Ukrainian state. On a basic level, the Kremlin views Ukraine as a valuable ally because it exists as a buffer against physical threats to Russia. Positive relations with Ukraine continue to be necessary for Russia to gain access to a warm water port on the Black Sea. With its southern naval fleet docked in Sevastopol in the Crimea, the Kremlin would face a significant blow to its regional power and military strength if it were to lose the right to dock in the Crimea. As alluded to previously, Russia’s relationship with Ukraine has, over time, continued to be tremendously significant because of their historical ties and Slavic heritage. The intertwining of the past has established cultural ties between Ukraine and Russia that some argue are unbreakable. Russian continues to be the primary language of much of Ukraine, and many Ukrainian citizens, particularly those living in the east, continue to consider themselves to be Russian. In addition to holding on to these legacies of the past, after the collapse of the USSR, shared histories and cultural heritages developed into economic ties that have become important to the success of both Ukraine and Russia. Accounting for 31.6 percent and nearly twenty-seven billion Euros in 2010,  

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94 Ibid, 7.
Russia is Ukraine’s largest trade partner. From free trade of basic goods, such as cheese and chocolate, to the free movement of citizens across borders, Ukraine and Russia have both become dependent on a positive relationship with the other.

Although this positive relationship is key to Russian security in the Black Sea region and a shared past indicates that relations between the Kremlin and the Ukrainian government will continue to be strong long into the future, one issue is of critical importance to both parties. This issue, energy security – oil and natural gas flows, is also of crucial significance to the European Union. Thus, it has become a vital concern and problem of great contention between Russia, Ukraine, and the European Union. For each party in question, the subject of natural gas is imperative to the stability and success of Europe and Eurasia. It is because of this issue that the Kremlin and Brussels fight diligently to maintain both political and economic sway in the design and implementation of Ukrainian domestic and regional policy. Similarly, the issue of natural gas has become an important matter around which the Ukrainian government has made its own interests clear. Hence, the contending interests of the international, seen in the concerns of the EU and Russia, and the domestic, Ukrainian concerns, are exemplified quite well through an examination of the issue of the supply, demand, and transport of natural gas in Europe and Eurasia.

Currently the world’s leading exporter of natural gas, there is no question that assuring that these flows continue is tremendously important to the continued economic

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success of Russia. Owning fifty-one percent of Gazprom, Russia’s gas monopoly, the state’s success and Russia’s economy is dependent on natural gas exports. Similarly, since 2005, fifty percent of natural gas imports to the European Union have come from Russia. In this regard, not only is the European market dependent on Russia for its supply of natural gas, Russia is also dependent on the European market. Given these numbers, the EU’s and Russia’s interests in the issue of natural gas are clear. The image below highlights why natural gas is not only important to Ukraine, but also why Ukraine’s cooperation is critical to the success of natural gas transport across the region.

Figure 4: Natural gas pipelines to Europe

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As the above figure visualizes, with only one pipeline running into Belarus, Ukraine is the primary route for the transport of natural gas into Eastern and Western Europe from Russia. Thus, each state’s interests are clear. Put simply, Russia has it; Europe wants it; and Ukraine is stuck in the middle. This reality came to a head in 2006 when negotiations between Russia and Ukraine regarding the price that Ukraine would pay for natural gas failed. Subsidizing Ukrainian gas prices since the collapse of state socialism, Russia attempted to raise prices to be more in line with the market price of natural gas. When Ukraine refused to pay full market price, in large part because the government was not able to sustain the economic burden, and negotiations broke down without an agreement, Russia turned off natural gas supplies to Ukraine. This move effectively halted eighty percent of the natural gas flowing to EU member states.

Initially, Brussels judged Russia’s attempts to raise natural gas prices to be a result of political factors and strategic interests in gaining more regional power. However, after similar natural gas disputes between Russia and Belarus took place in early 2007, it became clear that Russia’s interests did not lie in political manipulation, but rather the Kremlin and Gazprom were interested in free market competition. Taking this as a positive indication of potential improvement to relations between the EU and Russia in the future, Brussels did little to leverage its interests in natural gas transport through Ukraine. It was after a second major gas dispute between Gazprom and Ukraine’s state-owned natural gas company, Naftogaz, halted Russian gas transport into Ukraine that Brussels began to actively pursue their own interests in assuring continual flows of natural gas into Europe. With Naftogaz unable to pay on its accrued debts to Gazprom,

99 Light, “Russia and Europe,” 93.
100 Ibid.
the supply of natural gas to Ukraine and much of the European Union and Southeastern Europe stopped for thirteen days in the coldest months of winter in 2009. Unable to withstand winter without heat, Brussels pressured the Ukrainian government to find a resolution to its problems with Russia, and simultaneously began negotiations with Russia to increase natural gas supplies to Europe through routes that cut Ukraine and other non-EU member states out of the equation. With construction of the Nord Stream (from Northern Russia through the Baltic Sea into Germany) and the South Stream (from Southern Russia through the Black Sea into Bulgaria) pipelines underway, Brussels and the Kremlin have found an effective way to bilaterally pursue individual natural gas interests, but the EU remains unconvinced by Russian intentions. Further, European dependence on Russian oil and natural gas leave the European Union vulnerable to economic and political security threats that the Kremlin poses.  

Pressured by both the European Union and Russia while also dealing with protests from a very cold Ukrainian populace, the Ukrainian government found itself at a crossroads: pursue a policy that aligned itself with Europe, give in to Russian demands and fully ally the state to the Kremlin, or follow a new road of isolationism, building a Ukraine that places Ukrainian interests at the pinnacle of the state’s policy agenda. It was at this point, during the natural gas crisis of January 2009, that Ukraine began its turn towards Russia. Negotiations between then Ukrainian Prime Minister Yulia Tymoshenko and Russian Prime Minister Vladimir Putin stabilized the flow of natural gas to Ukraine, but the cancelation of a large portion of Naftogaz’s debt to Russia demanded that Ukraine improve and further its ties with Russia.

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101 Light, “Russia and Europe,” 95.
Since 2009, Ukraine is ever-increasingly aligning itself with Russia. Pro-Russian Viktor Yanukovych was elected president in a highly contested election against pro-European Yulia Tymoshenko, former prime minister and co-leader of the Orange Revolution. After being elected to office, his party, the Party of Regions, very quickly gained a majority share of seats in the Verkhovna Rada, Ukraine’s parliament. Cementing his place in power, Yanukovych and his government quite efficiently removed Yulia Tymoshenko from the political scene through her conviction and sentencing to seven years in prison for her misuse of power during negotiations of the 2009 gas deal with Russia.\(^\text{102}\) In the midst of these changes, Yanukovych continues to increase trade with Russia and quietly supports the Kremlin in the pursuit of joint Ukrainian and Russian regional policy, while he declares to the people of Ukraine that he is taking the country down a path that best serves the interests of Ukraine.

While Viktor Yanukovych claims to be working to improve Ukraine’s place in the East European community and on the global stage, the government’s approach to handling the incarceration of former Prime Minister Yulia Tymoshenko has raised questions regarding Ukraine’s concern for human rights and its desire to maintain positive relations with Brussels. It is possible that these questions, being raised predominantly by European Union member states and the United States, and the international awareness that they have raised are undermining Ukraine’s efforts to achieve the state’s and its citizens’ goals of building a prosperous Ukraine. Since her October 2011 sentencing and incarceration in a prison in the Eastern Ukrainian city of Kharkiv, Tymoshenko has suffered from health problems that have generated a great deal

of attention and from her Ukrainian supporters, Western governments, and the international media. Western pressure on the Yanukovych government has been significant since the time of her arrest, but support for Tymoshenko escalated after she claimed to have been beaten in prison. Following the publication of images of her bruises in the media, the former prime minister began a hunger strike on 20 April 2012 that lasted for nineteen days. It was during this period that outcries from EU governments escalated.

With the Union of European Football Associations’ (UEFA) European Football Championship (EURO 2012) scheduled to take place in Ukraine and Poland in June 2012, a handful of European leaders have threatened to boycott games scheduled to take place in Ukraine. Given the importance of soccer in Ukraine and the significance of the EURO Championship across Europe, this threatened boycott has raised great domestic concern. This public disquiet poses considerable problems for the Ukrainian Government. Yanukovych’s government already suffered embarrassment after thirteen EU countries pulled out of a summit of European leaders that was scheduled to be held on Friday, 11 May 2012 in the Ukrainian Black Sea town of Yalta. If European governments choose to boycott EURO 2012, not only will it be an enormous embarrassment to Ukraine, but President Yanukovych is likely to face significant backlash from the people of Ukraine. Moreover, having invested vast sums of money in preparation for the tournament, the

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106 Harding, “Ukraine Postpones.”
state will suffer a sizeable economic loss. In addition to dealing with domestic protest, if Yanukovych continues to pursue policies that oppose European values, more specifically, if the Ukrainian government does not address Western, particularly EU, concerns regarding the imprisonment and treatment of Yulia Yymoshenko, Ukraine’s relationship with Brussels is in jeopardy.

These realities that Ukraine is currently dealing with unmistakably exemplify the state’s need to balance domestic interests with international interests to secure popular support of voters and successfully achieve Ukrainian prosperity. Difficulty presents itself, however, in what ‘Ukrainian prosperity’ entails. Although sometimes compatible, differing opinions create dissimilar pictures of what Ukrainian prosperity looks like. Naturally, pro-European sections of the public and the state support stronger ties with Brussels and improved dialogue and cooperation with the EU, while others support further improved relations with Russia. A third group sees a prosperous Ukraine that sets its own agenda, pursuing a future based on and driven by the pursuit and implementation of economic, political, and social policy that addresses domestic interests. Gauging these domestic concerns, as exemplified through political parties, public opinion, and civil society and responding appropriately to private and public demands is crucial to the long-term success of government in any country. Additionally, an understanding of these domestic concerns provides a perspective into what the short to medium-future trajectory of a state entails. It also allows one to gauge what actor, whether domestic or international, has the most clout or power to sway the state’s future.

Looking first at public opinion polls, it appears that the Ukrainian public feels more favorably toward Russia than toward the European Union. According a 2011 poll
taken by the Pew Research Center, 72 percent of Ukrainians felt favorably towards the EU, a decline of five percent since 2007.\textsuperscript{107} During the same period, 84 percent of Ukrainians held a favorable opinion of Russia, a three percent increase since 2007.\textsuperscript{108} Further supporting the indication that Ukrainians favor strengthening alliances with Russia, rather than the EU, a December 2008 Razumkov Centre poll suggests that approximately 51 percent of Ukrainians favor making Russian foreign policy a priority for Ukraine, while only 27 percent support Brussels’ foreign policy.\textsuperscript{109} In general, this is quite telling, but it speaks volumes concerning specific foreign policy issues such as energy security and the structuring of political institutions. The Ukrainian public is more likely to support its government to pursue alliances with Russia when it comes to energy policy and the functioning of Ukrainian politics than it is to favor increased cooperation with the EU. This suggests that domestic concerns are more in line with Russian interests than they are with the interests of the European Union.

Although apparently pro-Russian, as of October 2011, only ten percent of the Ukrainian populace fully supports pro-Russian President Viktor Yanukovych, while approximately fifty-four percent do not support him, and thirty percent support some of his actions.\textsuperscript{110} These opinions might suggest that the public holds a negative opinion of current president Yanukovych; however, when compared to public opinion towards former pro-European President Viktor Yushchenko, it is quite apparent that the populace

\begin{itemize}
\item \textsuperscript{107} Pew Research Center, “Opinion of the EU,” \url{http://www.pewglobal.org/database/?indicator=28&country=229}.
\item \textsuperscript{108} Pew Research Center. “Opinion of Russia,” \url{http://www.pewglobal.org/database/?indicator=27&country=229}.
\item \textsuperscript{109} Razumkov Centre, “Which foreign policy direction should be a priority for Ukraine?” \url{http://www.uceps.org/eng/poll.php?poll_id=305}.
\item \textsuperscript{110} Razumkov Centre, “Do you support the actions of Viktor Yanukovych?” \url{http://www.uceps.org/eng/poll.php?poll_id=90}.
\end{itemize}
favors the current pro-Russian President over others. As of October 2011, approximately seventy-eight percent of Ukrainians do not support Yushchenko, only twelve percent supports some of his actions, and just below two percent supports him.\textsuperscript{111} Despite the presence of negative opinion, these polls clarify that the Ukrainian public favors its pro-Russian president over pro-European politicians, and they view Russian interests to be more in line with current Ukrainian interests than those of the European Union.

Despite the majority of Ukrainian citizens favoring a pro-Russian Ukraine, this is not the case in all domestic sectors. The initiatives of two of Ukraine’s largest and most successful civil society organizations, Ukrainian Helsinki Union\textsuperscript{112} and the International Women’s Rights Center, the Ukrainian arm of La Strada International,\textsuperscript{113} align themselves almost in parallel with the development work of the European Union. Working for the establishment of human rights, women’s rights, and equality, the efforts of both of these organizations parallel the pro-democratic political and social changes that the European Union demands for states to be considered for membership. Although it is not overtly stated anywhere on their websites, it is likely that the domestic supporters of these civil society groups are more inclined towards supporting EU interests over Russian interests in Ukraine. However, FEMEN,\textsuperscript{114} a women’s civil society movement and third civil society group worth consideration, offers an entirely different perspective on the competition between international and domestic. The protests and activities of FEMEN suggest that as a group these women are concerned with nothing but domestic, Ukrainian

\textsuperscript{111} Razumkov Centre, “Do you support the actions of Viktor Yushchenko?” \newline [http://www.uceps.org/eng/poll.php?poll_id=89.]
\textsuperscript{112} Ukrainian Helsinki Union, [http://helsinki.org.ua/en/].
\textsuperscript{113} La Strada Ukraine, International Women’s Rights Center, [http://lastradainternational.org/?main=lastradaoffices&section=ukraine].
\textsuperscript{114} FEMEN, [http://femen.org/].
interests. They stand against anything that they consider to be a threat to the Ukrainian state and the prosperity of the people of Ukraine. Depending on the issue, FEMEN activists protest against their own government, Russian regional policy, and EU cooperation initiatives. Recent cases of FEMEN activists protesting against the Ukrainian government, Russian policy, and interests of the European Union call attention to Ukrainian women’s right to abortion, Russia’s ‘gas terror,’ and the World Economic Forum’s disregard for the poor. Regardless of their interests, it is evident that a somewhat vibrant civil society exists in Ukraine, and it will not hesitate to disagree with the state or general public opinion.

Lastly, in attempting to gauge the tone and interests of domestic opinion in Ukraine, it is necessary to consider political party platforms. Looking at political parties sheds a great deal of light on the current trajectory of the country and the influence of Russian, EU, and isolationist or nationalist interests on political activity and state policy. Three political parties will be discussed here. The first of these, the Party of Regions, is currently holds the greatest number of Ukrainian parliamentary seats. It is led by President Yanukovych, and holds 175 of 450 seats in the Verkhovna Rada. Ideologically, the Party of Regions is pro-Russian, regionalist, and authoritarian. The All-Ukrainian Union or “Fatherland” party holds the second-most seats in Ukrainian parliament, and is led by Yulia Tymoshenko. Overall, the party is liberal, supports liberal nationalism and

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solidarity, and is pro-European. Finally, the third most powerful party in parliament is the
Our Ukraine party of Viktor Yushchenko.\textsuperscript{118} Although its initiatives are similar to those
of the Fatherland party, Our Ukraine is more right-leaning. It is pro-European, nationalist,
socially conservative, and economically liberal. It is noteworthy that Ukraine’s three
most powerful and popular parties’ platforms are rooted in internationalism. This
suggests that the direction of Ukraine is not isolationist at all; Ukrainian interests either
align with or complement those of Russia or the European Union.

Also very telling are the languages of each party’s website. The Party of Regions’
website’s default language is Russian. Although the website is available in Ukrainian and
English as well, the default Russian language setting is indicative of the sympathies of
this party. With the bulk of its support coming from Eastern Ukraine, the Party of
Regions sponsors the use of the Russian language in government and schools, rather than
Ukrainian. There is also a small fraction of the party that supports the formal alliance of
Russia and Ukraine in a common union. Interestingly, however, by making the website
available in both English and Ukrainian, as well as Russian, it is clear that this party does
not want to alienate any fraction of the populace or international readers. Providing a
stark contrast, the Our Ukraine Party’s website’s default language is Ukrainian, with a
few segments of the site available in English, and the Fatherland party’s website is
available only in Ukrainian. Considering that both the Our Ukraine Party and Fatherland
party are pro-European and are likely to have the highest proportion of English speaking
readers, it is odd that neither party seems to be taking efforts to expand its support base.
Further, by not making their websites available in Russian, they are alienating a sizeable

\textsuperscript{118} Our Ukraine, \textit{Наша Україна}, http://www.razom.org.ua/.
segment of the Ukrainian polity. Regardless of whether or not these parties are pro-Russian or pro-European, it is likely critical to their domestic success and long-term survival that they recognize that a large portion of Ukrainians only speak Russian.

Although the work of political parties and civil society groups does a great deal to address the interests of the populace and sway the direction of the state, international engagement and cooperation with the European Union and Russia have significant incentives and consequences that impact Ukraine, its government, and its citizens in numerous ways. These incentives and consequences must be considered when examining the direction that Ukraine is taking today. Looking first at Ukraine’s engagement with the European Union, it is necessary to have a basic understanding of the structures of the state’s current relationship with Brussels. Since the policy came into force in March 2003, Ukraine’s relations with Brussels have been managed under its ‘Wider Europe’ initiative and the European Neighbourhood Policy. The aim of the ENP includes, “strengthening stability, security and well-being for European Union member states and neighboring countries, and preventing the emergence of new dividing lines between the enlarged Union and its neighbors.”119 Moving beyond these general aims, the objectives of the ENP are to avoid establishing dividing lines in Europe, and “promote stability and prosperity within and beyond the new borders of the EU.”120 Effectively, the ENP attempts to assure that lines of cooperation are kept open. In so doing, Brussels invests in Ukrainian development in exchange for Ukrainian support and collaboration in the promotion of EU regional interests and security. Although currently falling under the ENP, if Ukraine begins drafting a Stabilization and Association Agreement (SAA), as

120 Ibid, 240.
rumors suggest it will, firmly setting the state up on a path to EU potential candidate status, the structures of Ukraine and the EC’s relationship with change drastically. With an SAA, relations will be managed under the European Union’s Copenhagen Criteria of 2002. Working within the nine chapters of the SAA, Ukraine’s relationship with the EU will be managed through, (1) political dialogue; (2) regional cooperation; (3) free movement of goods; (4) movement of labor, company founding, provision of services, capital; (5) harmonization of laws in certain areas; (6) cooperation in the areas of judiciary and internal affairs; (7) cooperation policy; (8) financial cooperation; (9) institutional agreement for implementing the [Stabilization and Association] Agreement.\(^\text{121}\)

Despite these nine chapters of the SAA being more stringent than the freer flowing, negotiable, and rather ambiguous components of the ENP, they provide an appropriate gauge of both the incentives and consequences of Ukraine’s engagement with the European Union. With the positives of support in areas such as political dialogue, the free movement of goods, cooperation in judiciary and internal affairs, and cooperation in policy there is a significant loss in the government’s ability to develop and design its own systems. For example, with political dialogue come requirements for the establishment of democracy and the rule of law. Although it is clear that certain elements of society support the establishment of democracy, it appears that the Ukrainian government is in favor of building a more Ukrainian style of democracy, possibly in similar fashion the Russia’s building of what Vladimir Putin calls ‘sovereign democracy,’ than Brussels deems to be appropriate. Further, with cooperation in judiciary and internal affairs there

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\(^{121}\) Đekić, “Transitional Priorities,” 328, 330.
are pressures for the state to modify its institutions to follow European norms. With this change, the government must also deal with pressures to carry out the rule of law in a way that Brussels deems fit.

Naturally, the economic incentives for cooperation with the European Union are significant, but the loss of pure self-determination that comes with access to European markets is a sizeable consequence that may be more significant than any incentives that the EC can offer. Further, in addition to demands for political change, drafting an SAA will require that Ukraine make significant changes to its social systems, such as education, healthcare, pension payments, and housing, as well, and as has been the case in nearly all countries vying for EU membership, economic austerity measures will be a sizable hurdle that both the government and the people of Ukraine will have to overcome.

Considering this loss of political autonomy that comes with improved relations and dependence on the EU, it makes sense that Ukraine is inclined to turn to Russia for support. Just as Brussels offers significant economic incentives, the Kremlin also has an interest in fostering Ukrainian development. Both members of the Commonwealth of Independent States (CIS), Ukraine and Russian trade relations are managed by CIS agreements. All other cooperation between the two countries is quite flexibly coordinated through bilateral relations. It is in this flexibility that Ukraine finds many of its incentives for increased engagement with the Kremlin.

Although Ukraine is not in a position of \textit{quid pro quo} politics, this analysis suggests that by working to improve relations with the Kremlin the Ukrainian government will gain more support and face fewer challenges in the pursuit of its own domestic interests. Most obviously, by aligning itself with Russia, Ukraine gains access
to sizeable economic markets, is assured energy security, and becomes a regional power-player via the secured protection of Russia, an international powerhouse. In exchange for these incentives, Ukraine must simply follow Russia’s lead in issues concerning energy and Russia’s Black Sea fleet. This does little to undermine or compromise the Ukrainian government’s management of its own internal affairs, institutions, and governmental programs. Additionally, Russia makes no demands when it comes to Ukraine’s political or social structures. Russia cares little about the progress of Ukraine’s rule of law, its healthcare system, pension payments, or corruption, and it staunchly supports the establishment of a Ukraine for Ukrainians. The Kremlin supports the firming of a relationship that has existed more or less positively for centuries. Russia supports Ukraine’s political autonomy while also attempting to help the country develop economically and establish itself on the regional and global stage.

It is because of this shared Slavic heritage, common regional interests, and assured political autonomy and self-determination offered by Russia that Ukraine is likely to continue to improve alliances with Russia rather than with the European Union. By cooperating with the Kremlin, the Ukrainian government is able to remain the unchallenged determiner of its own future while simultaneously reaping the economic and security benefits that come with a positive relationship with Russia. In this regard, it is clear that the Ukraine of the near to medium future will follow a trajectory that is pro-Russia and allows the state to pursue Ukrainian interests. Into the future, Ukraine will take advantage of its valuable geopolitical location by continuing to pursue balanced relations with Brussels; however, its overarching policy will align itself with Russian interests in an attempt to establish a Ukraine for Ukrainians.
Conclusion

Through the analysis of European Union enlargement policy, the European Neighbourhood Policy, Russian foreign policy and bilateral relations, and domestic interests and demands in the Republic of Serbia and Ukraine, this project has attempted to determine what actor has the most influence. It has aimed to address several questions. Who has the most power and ability to sway the future of Serbia, Ukraine, and Eastern Europe? Will alliances with Russia improve, giving the Kremlin regional advantage; will EU expansion continue, allowing Brussels to enlarge its authority; or will domestic voices prevail, setting up the state as steadfast and unchallenged determiner of its own future?

The case studies of the Republic of Serbia and Ukraine in chapters three and four have allowed for the dissection of these questions. It is clear that the future of Serbia, Ukraine, and Eastern Europe will be impacted by a tandem of international and domestic interests. Serbia and Ukraine’s futures will be shaped by the states’ attempt to balance the interests of Brussels, the Kremlin, and its population. As long as domestic interests and each state’s national character are not compromised, both Serbia and Ukraine will work to gain the fullest advantage from these two competing international actors. Similarly, the future of Eastern Europe will not be dictated by any one actor. Eastern Europe’s near to medium term future will consist of continued negotiation and work to find a way to balance the power and influence of both the European Union and the Russian Federation.
In this regard, Eastern Europe will continue to be more object than subject. However, regardless, of their subordinate positions of power, individual East European states will persist in their attempts to assert their own interests on the regional stage.

A close examination of the interaction between international and domestic interests and policies as they apply to Serbia and Ukraine highlights the complexity of East European regional relations and international relations in general. Although the policy approaches of international actors might deal with East European countries as if they are objects, the case studies of Serbia and Ukraine suggest that these states are not simply objects. They are also subjects. This reality can be further exemplified by examining the interaction of other more powerful actors, such as the United States and China, with smaller East European states. The limitations of this thesis project prevented a more comprehensive study of this topic, but it is clear that the cases studied here do not exist in isolation from other actors on the world stage. A plethora of extraneous factors impact the functioning and success of East European countries.

Not only must smaller and weaker East European states balance domestic interests with international concerns, but they must also deal with domestic complexities stemming from diverse and often divergent interests and policy preferences within a society. Moreover, the preferences and behavior of domestic actors are not static. Given that competitive elections are held, parties in power may change and bring with them quite different policy goals and stances toward international actors with whom they must deal. For example, once the Republic of Serbia’s newly elected, more pro-Russia, President Tomislav Nikolić takes office, Serbia’s near to medium term future trajectory
may change drastically, and the state’s relationships with the European Union and Russia may diverge significantly from what this thesis has described.

Although the fact of complexity and flux cannot be overstated, predictions about the future can still be made. In the midst of the efforts of states such as Serbia and Ukraine to better their position in the East European community, considering Croatia’s recent promotion to ascending country, it is likely that the expansion of the European Union will continue.\footnote{Bloomberg Business Week, “Croatia Signs EU Accession Treaty to Become Bloc’s 28th Member,” \textit{Business Week}, 11 December 2011, accessed 12 May 2011, \url{http://www.businessweek.com/news/2011-12-11/croatia-signs-eu-accession-treaty-to-be-bloc-s-28th-member.html}.} East European states will also continue to improve alliances with Russia that will allow for the Kremlin to better its position of regional power. However, the stability of Eastern Europe will not be called into question. As chapter two made clear, Russia is no longer a power-hungry menace to the east, and Cold War agendas are no longer relevant. As the European Union expands and Russia continues to be a significant and influential regional actor, the two powers will work to find equilibrium in the promotion of their policy goals. In the midst of international negotiation, domestic voices and the policy concerns of individual states will become increasingly important. Regardless of the advantage that smaller and weaker states can gain from aligning themselves with powerful international actors, governments and their populations will not compromise certain domestic interests for the promotion of their place on the East European regional or the global stage.

Although the above assertions cannot be concretely confirmed, the analysis put forth in this thesis has significant implications for international relations, policy makers, and the international community – state actors and individuals alike. The importance of
understanding the tenuousness of the balance between international and domestic cannot be overstated. As the cases of Serbia and Ukraine exemplify, the success of a state and its citizenry in its region and on the global stage depends on the government’s ability to further economic, political, and social development through the support of international actors while simultaneously acknowledging, managing, and addressing domestic concerns. The structures of international relations establish sovereignty as unquestionably significant; however, this examination makes it clear that there are cases that require the compromising of state sovereignty in order for any state to improve its place of power and influence in the global community.

As policy makers draft legislation and shape foreign policy and as individual citizens support particular agendas in domestic politics, they should consider both international and domestic interests as they pertain to the future of individual states. The work of this thesis is not only relevant to individuals and organizations interested in the international relations or politics of the European Union, Russia, the Republic of Serbia, or Ukraine. It also provides insights into the Russian Federation’s and Brussels’ foreign policy in other regions of the world, particularly Central Asia and the Middle East. The analysis put forth here can be applied on a much broader scale, and in this regard, it can be used to assess international relations on a global scale and the foreign policy of other states, both powerful, such as the United States and China, and weak, such as Kazakhstan or Yemen.
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