

The Soft, Normative and Transformative Power: EU and the Reconciliation of the WB

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1. Introduction

Hello, my name is Goran Ilik, and I'm an associate professor and Dean of the Faculty of Law at "St. Kliment Ohridski" University in Bitola (North Macedonia). And I'm going to talk to you today about the soft, normative and transformative power of the EU and the reconciliation of the WB.

The EU, and the promise to be part of it, has become the most important tool of regional stability, acting as the gravitational centre of public policy.

Historical discussion surrounding the pacification of Europe has underlined the Balkans as a cornerstone to consolidate peace in the continent. This argument has been mentioned many times by European Commission President Jean-Claude Juncker on its strategy for the future of the EU, most recently during his "State of the Union," in September 2018. From Juncker's perspective, all sides would benefit from this enlargement.

Almost 20 years of the integration process in the WB have muted the ethnic conflicts, paving the road to regional cooperation and stability.

Since 2001, in an effort to strengthen the rule of law, enhance institutional capability, and boost social and economic development, the EU has allocated approximately 20 billion Euros. These funds have been allocated under CARDS (Community Assistance for Reconstruction, Development and Stabilization) and IPA (Instrument of Pre-Accession) I and II.

Nearly 45% of the financial assistance from these two major programs has sustained the first component, Assistance for Transition and Institution Building. Meanwhile the Berlin Process, WBIF (Western Balkan Investment Framework), CEFTA (Central European Free Trade Agreement), and RCC (Regional Council of Cooperation) have spurred regional cooperation, which is one of the main goals of the enlargement process.

The EU has chosen the path of legal transformation, institutional capability, and regional stability to manage enlargement. In this regard, this research discusses two elements. The

first element is the need for a new integration dynamic, as the normative power focused on the implementation of the EU model has had no significant achievements, apart from keeping this area out of conflict. The second element is the normative transformation, which has proven difficult to implement due to a low level of development and a lack of functionality on the part of the public administrations. Consequently, a new strategy, based on less normative and more “spillover” mechanisms, would keep open the path of accession.

From the perspective of the EU Member States, the strength of rule of law has been the headline of the process. However, the lack of a common voice among them regarding enlargement is one of the reasons for their enlargement fatigue. The “fatigue” has affected the efficiency of the normative power of the EU, leading to the politicization of the Copenhagen criteria by some of the regional Member States, including their foreign and domestic policy, in this process. Other member states such as France, the Netherlands, and Denmark perceive further enlargement as a step that could complicate the reformation of the EU.

The main point is that the EU has worked to impose a model of enlargement based on normative transformation, rather than on regional economic and social spillover mechanisms. The lack of these mechanisms has slowed down regional cooperation in the economic field, affecting the social development of the Western Balkans.

As a first step, I will briefly introduce the significance of EU integration and reconciliation, and also the concepts of soft, normative and transformative power. Next, I will speak about the Europeanization through conditionality, and integration through values and interest. Also, I will try to emphasize the lack of spillover in the WB and the prerequisites for a new EU governance strategy.

2. EU integration and reconciliation

Reconciliation is seen as an ambivalent concept with flexible scope and limits. The political dimension of reconciliation mainly consists of offering a context that enables victims to access justice, while also eliciting the benefits of present and future cooperation and assuaging possible disagreements without demonising the other party.

The history of EU integration offers an example of successful reconciliation, even if it has taken a long time to achieve and is an ongoing process. The word reconciliation does not feature in the Schuman Declaration of 1950, as Robert Schuman and Jean Monnet

considered that practical cooperation would produce long-lasting peace and, eventually, reconciliation between former enemies. They saw reconciliation much more as the product of cooperation than as a theoretical premise. In the case of France and Germany, the main acts of reconciliation, such as the Elysée Treaty of 1963, the creation of the French-German Youth Office in 1963 and the famous 1984 photograph of President Mitterrand alongside Chancellor Kohl at Verdun, happened thanks to the two countries' decision to enter into various forms of political and economic cooperation.

It took several generations for post-war societies to heal their wounds; this process was reinforced by the fact that European institutions and lasting peace offered a framework for reconciliation fostered by politicians, artists, activists and civil-society organisations. In the Western Balkans, the EU faces a new challenge: promoting pre-accession cooperation and reconciliation at a time when EU accession is still only a distant prospect and tensions continue.

3. The Soft, Normative and Transformative Power

The most influential analyses of the EU's role in its neighborhood and further afield have developed the concepts of soft, normative and transformative power. In this section, these three concepts will be briefly discussed and the role of norms, ideas and communication of the EU's model will be highlighted.

In his seminal article about soft power Joseph Nye argued that soft or 'co-optive' power means 'getting others to want what you want' and that whoever possessed it would be able to influence other countries' preferences by means of 'intangible factors such as ideology, culture and institutions'. Being able to establish international norms close to their own norms, he claimed, would make states able to co-opt others. Soft power, in his definition, would also entail having attractive culture or ideology and creating institutions attractive to other states and capable of constraining their actions (Nye 1990: 166-167). Following Nye's assertion that developing norms to be accepted by other states as universal is an instrument of soft power, we can claim that when the EU spreads norms related to democracy and human rights which were accepted by many states in Europe, through the enlargement process in the late 1990s and early 2000, the Union was exercising its soft power.

A decade later, Ian Manners (2002) developed the concept of 'normative power Europe' that focused even more explicitly on the EU's dissemination of international norms as a way to define 'normal' in international relations (Whitman 2013). Initially the discussion

of the Union as a normative power appeared to be an answer to critics focusing on the weakness of the EU in military terms, but it quickly developed into something more, generating scholarship studying the EU's normative identity and how it defined its actions in the international arena. Manners argued that norms, especially legal norms, have been part of the EU's constitutive foundations and more important for the Union than for any nation state. The combination of the historical context in which the EU arose, its hybrid character and legal constitution ensure, according to Manners, that the EU places universal principles and norms (such as human rights or rule of law) at the centre of its relations with the member states and third states. The key norms EU stands for are defined by Manners as peace, liberty, including economic aspects, rule of law and human rights, supplemented by social solidarity, anti-discrimination, sustainable development and good governance (Manners 2002: 242-243). In later work, Manners has emphasized the ideational nature of EU power, as opposed to material incentives. Normative power, in this definition, is rooted in legitimate principles, exercised through actions involving argumentation, persuasion, naming and shaming and, socialising in its impact (Manners 2009). The question to what extent the EU can make an impact as a normative or soft power is linked to the question how others perceive the Union. Even though they have developed separately, literatures on the EU as a normative power and studies investigating perceptions of the EU address two sides of the same coin (Larsen 2014). From the growing group of studies that have asked the question whether others recognise the EU as a normative power, some recent findings suggest that beyond its eastern and southern neighbourhoods, the EU is not strongly perceived as a normative power (Chaban et al. 2016).

In the 1990s, as the EU guided candidates from Central and Eastern Europe through extensive transformation and adaptations to prepare for full membership, the EU's role was so important, that it was hailed as a transformative power. The mechanisms that played a role in moving candidate states to accept the EU's conditions and rules were mixed, involving both normative socialization and (material) incentives and costs (Schimmelfennig and Sedelmeier 2005).

Analyses of the EU as a transformative power are, by and large, based on the EU's impact across multiple spheres of influence in candidate and neighbouring states. Therefore, transformative power is rooted implicitly or explicitly in an integration model whereby the EU influences states which would like to join the EU or develop closer ties (Dimitrova and Pridham 2005). The reach of the EU as a transformative power is thus limited to its neighbours and potential candidates, whereas soft and normative power may be projected further afield. The success of the EU as a transformative power depends on a number of conditions, such as the possibility to include a membership perspective for the countries it

tries to influence and the fit with preferences of local elites (Börzel and Ademmer 2013; Börzel and Lebanidze 2016; Dimitrova 2016).

In terms of the differences, soft power stresses more what an actor (the EU) might project (ideas, ideology, institutions and norms), while normative power emphasizes what it is (see also Nielsen 2013: 728). Transformative power is linked to the integration of candidates or external governance towards countries engaged in various forms of regional integration with the EU and so geographically limited. In addition, transformative power includes the use of specific policy tools to support specific, pre-defined reforms linked to the EU model of integration in third states, chief among these being conditionality.

As we are interested in ideas, principles and norms, but also in economic interdependence and economic incentives from the EU to its neighbours, soft power appears to be the overarching concept that can be used to cover references to these different aspects of influence. When conditionality and incentives for reforms are provided in the context of a process that can lead to a country's eventual EU membership, we can speak of transformative power. When the EU emphasizes its norms and values, we can refer to its normative power aspects.

4. Europeanization through conditionality

Europeanization is a structural part of the EU, and furthermore of the integration process for the WB. Since the origin of the European project, Europeanization, reconciliation and integration have been elements of paramount importance. This overcomes theoretical conceptualization being a meta- theoretical element, a fusion of neo-functionalism and intergovernmentalism, which is evident in the political, economic, and normative process of the EU. Although Europeanization lacks a unanimous definition, it is usually related to the implementation of common legislation, multilevel governance, or the transfer of powers (Olsen 2002).

According to Olsen, there are four characteristics of Europeanization: the export of the European model beyond its borders; the strength of governmental institutions at the supranational level; the supranational element giving influence to national and sub-national levels; and intensifying the process of unification of the EU.

Another technical aspect of Europeanization is the “discharge” of directives and regulations at the national level. One of the most important facets of normative power and the discharge of the EU model, through external action, is the attempt to Europeanize the

concept of the state and its functionality. This requires not only the implementation of the *Acquis Communautaire*, but also the acceptance and absorption of the EU's values.

Normative power has led European integration (EI) in the WB through the implementation and acceptance of communitarian rules. Seen as part of soft European power, conditionality is the hardest instrument applied in the WB. This mechanism tends to diminish regional disputes and heal political dialogue by using the EU's gravitational attraction to impose its model and policy. Conditionality is a vertically and horizontally dissuasive tool against the barriers that, state or sub-state entities, ideologies or nationalism, can represent on the path to EI. This dynamic goes beyond the framework of good governance, insisting on: the process of decision-policy making; regional stability; and democracy.

WB states, though not members of the EU, conform to the exigencies of Brussels, shifting their loyalty towards the new sphere of influence, competing with geostrategic and economic rivals like the USA, Russia, and China. This shift has been institutionalized by the effects of the SAA (Stabilization and Association Agreement), the SAP (Stabilization and Association Process), and by the promise of accession. The benefits, but also obligations, of the free trade agreement and financial assistance have placed these national governments under the watchful eye of Brussels. The focus of Brussels is mostly on the rule of law and regional cooperation, the very first stages of EI. Due to the enlargement process, the EU's Common Foreign and Security Policy (CFSP) in the region has been perceived, not only as a mere "presence", but as an effective actor, and probably as the most important diplomatic interlocutor in WB. Since its creation on the Treaty of Maastricht, the WB has been the CFSP's first priority, and a challenge for its efficiency. [bookmark9](#)

On the policy of enlargement, Europeanization is a branch of normative power. As part of this process, the EU encourages dialogue within the new partners at a vertical and horizontal level.

Conditionality, as an endogenous factor of EU policy, has been one of the most effective tools to strengthen the regional cooperation and the democratic transformation. Through this mechanism, the enlargement process has become an effective policy to the Europeanization of the region (Ugur and Tovas 2004). Metaphorically in terms of incentives and conditions, the "Stick and Carrot" Policy (Grabbe, 2002, Zoukui, 2010) has targeted those segments that have been an impediment to European policy in the region, restricting in many cases the sovereignty of these states. Their smaller economic weight,

their independence from the European economy, and their aspirations to become a member turn these states into targets of conditionality.

5. European integration between values and interest

Deeper or wider integration is nowadays part of the European debate.

Two of the six former republics of Yugoslavia are members, while four, including Kosovo, are on the path to membership. What we have learned from the enlargement policy in the Balkans is that being excluded from the process can predict destabilization. In other words, for many state and non-state actors, membership in the EU signifies a perpetual peace.

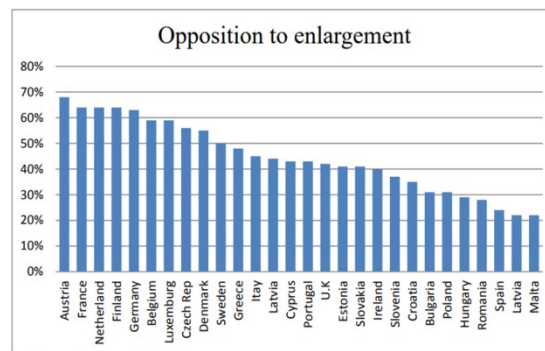
Opposing perspectives regarding the enlargement policy have led to the politicization of the Copenhagen Criteria. Member States most linked with the process do not have a common view of these standards, ascribing different connotations to these criteria. It is easy to prove that the rule of law, or the guarantee a free and independent judiciary system, is a challenge for these states.

Despite the state of the rule of law in this region, Balkan member states of the EU have managed to use enlargement as a tool for their foreign policy. Interests of member states compete with the “values” of the integration process. In this context, the initiative of the Enlargement Commission is evaporated by member states who, through this process, are bypassing the EU's values. Regional states, such as Greece, Bulgaria, Croatia, and Slovenia have cited the enlargement policy as a “threat” to their foreign and domestic policies:

- Greece blocked North Macedonia from the EU and NATO for 13 years, due to diplomatic dispute over the name, and to a lesser extent, Albania, due to claims for the rights of a Greek minority;
- Croatia blocked Serbia over minority rights and collaboration with the International Criminal Tribunal for the former Yugoslavia;
- Slovenia blocked Croatia before its membership, due to the dispute over the maritime borderline;
- Bulgaria blocked North Macedonia’s EU accession negotiations and questioned the identity of the ethnic Macedonians

Generally, public opinion in Western Europe is against the enlargement. This chorus is led by Austria, with 68% of its population in opposition to accepting new states. Surprisingly, the Austrian government, despite public opinion and having in the conservative coalition, the far-right Freedom Party, is backing a new enlargement. After Germany, Austria has

been a leading voice in support of the integration of the WB. East and Central European member states, contrary to western conservative policy, are broadly in favor of accepting WB membership. Despite the opposition to accepting refugees, and even with the high Muslim population of the WB, these member states support WB accession to the Union.



Source: Eurobarometer 88

Graph 1.

Germany, as the promoter of the integration of the region, has used the enlargement policy as a reaffirmation of its foreign policy, in accordance with the escalation of German power on European policy. Germany was a key country in dealing with the national and regional challenges in the region; the deal between Greece and North Macedonia over the name of the ex-Yugoslavian Republic; the political dialogue and reformation of the Albanian judiciary system; and the dialogue process between Kosovo and Serbia. Germany was the most important promoter of the Berlin Initiative, also overcoming EU policy resistance in the area.

From the perspective of the anti-enlargement group, the enlargement process is considered an obstacle to reforming the EU. This consideration is part of the argument that new states may affect political stability, fearing a strong reaction from the euro-skeptic part of the government coalition. In the Netherlands, the Christian Union party is a part of the coalition with a euro-skeptic vision; likewise, in Denmark, the Conservative People's Party holds similar views. Throughout the Brexit campaign, the enlargement process was used as an argument to leave the union, as enlargement could spark a new wave of jobseekers from the WB. France, since Emmanuel Macron became president, is urging prudence on enlargement. Macron poured cold water on the Copenhagen criteria, by making the following remark during the Summit of Sofia:

What we have seen over the past 15 years is a path that has weakened Europe

every time we think of enlarging it. I don't think we do a service to candidate states or ourselves by having a mechanism that in a way no longer has rules and keeps moving forward more enlargement. I am not in favour of moving toward enlargement before having all the necessary certainty and before having made a real reform to allow a deepening and better functioning of the EU.

6. The lack of spillover in the WB

The narrative of EI has demonstrated how the neo-functionalism debate over the new mechanism to connect Europe politically and economically was made possible by integrating different economic sectors. The dilemma of this strategy is that one of the facets of normative transformation is to keep the region attached to the accession perspective, while additional indicators are added along the path to EI.

The attempt to regionalize the WB is also an example of what happened in Europe after WWII. The devastation of the war created the necessity to build more cooperation between Balkan states, extending these effects on economic grounds, while matters of security were advanced with mutual dialogue, peace-building, and the enlargement of NATO towards the WB. On the economic front, several initiatives took place, of which the most important today are the CEFTA and Berlin Initiative.

Institutionally, the RCC was the embryo of intergovernmentalism in the region. The creation of the RCC was forced by the international community, particularly the EU, to set up regional dialogue and development, spurring regional security as part of the spillover strategy. Therefore, the CEFTA, the RCC and the SAP are the core of this approach, while the Berlin Initiative added additional value in keeping the European perspective alive.

The level of trade within the area and networks of communications show the lack of the “spillover” mechanisms. According to the RCC 2020 Strategy, a part of its scope was to increase the intra-regional trade up to 14% of the regional GDP. Until 2016 intra-regional trade was reduced by 15% compared to the baseline of 2010, remaining at 10.1% of the regional GDP. The target for the total trade of goods and services for 2020 is 120.500 million Euros, but until 2016 this volume was 78.621 million Euros, when the baseline in 2010 was 54.686 million Euros. [bookmark15](#) The RCC secretary, whose responsibility it is to ensure the realization of the strategy, underlined in 2018 that it was impossible to reach the targets on FDI, renewable energy, government effectiveness, and GDP per capita. Trade and connectivity paved the path to EI, and in this regard a spillover mechanism is needed to regionalize and integrate this part of Europe. Initiatives like the Regional Market

Energy, Western Balkans Regional Economic Area (REA) and the inclusion of the WB on the agenda of the European TEN-T projects on infrastructure can incentivize the spillover mechanism and reduce regional disputes.

During the Summit of Trieste in 2017, part of Berlin Initiative, Western Balkans Regional Economic Area was promoted by the EU and enthusiastically backed by Serbia as the main exporter of the area. However, past reminiscences still condition the implementation of this idea. From the view of EC, this is a key factor to put the region on the track of supranationalism and economic integration. Although the EC has shown empathy for this project, the WB's states are still sceptical on how this idea can be implemented, before or after settling regional and cross-border disputes.

7. Time for a new governance strategy?

Multiple models of states, from the centralized model like Albania, Serbia, Montenegro, to a consociational-democracy model of North Macedonia, to the co-federal example of Bosnia and Herzegovina, and the parallel states structures in Kosovo, make it difficult to implement the legal transformation led by the EU.

In this panorama, European rules are difficult to pursue because in some cases the authority of the state is diminished by the efficiency of public administration, and in others by the failure of the state to execute its power. Both cases are in the same paradigm of the state functionality and good governance. According to the European model, the duty to deliver good governance relies not only on the central government, but also on the local governments and other public powers.

Good governance as a target of normative transformation is a crucial factor in the development and quality of democracy.

The use of conditionality is correlated with public pressure, which perceives the governing elites as an impediment to the accession and relates this caste to the main problems in their societies. This is probably one of the reasons why European governance and integration must provide more benefits for the citizens, addressing them more directly. European rules discharged by normative power create a legal framework when citizens can chase public benefits, but in societies where the *rule of law* is sluggishly implemented, citizens are outward benefactors of the integration process. It is in this field where sometimes the euro-skepticism, populism and nationalism are cultivated, even in states on the way to accession. The integration perspective, the direct and indirect benefits of being a favored partner on

the way to full accession, and eagerness to benefit from the 4 freedoms of EU membership make the EU one of the most important actors of multilevel governance. This was not an optional choice, but synchronization with the wave of Europeanization that took place at the same time as the technical process of enlargement started, mostly while negotiating the chapters of accession.

It is quite obvious that these “states” are more receptive than other Member States (Poland, Hungary) to the conditionality of EC. Some examples are: the case of Albania (reform of the judiciary system), Serbia (reform of the judiciary system and dialogue process with Kosovo), Kosovo (agreement with Montenegro over the borderline), and North Macedonia (implementation of Ohrid Agreement in 2001, and Prespa Agreement in 2018). As was shown during the migration crisis, Eastern European states have defied the instructions and obligations of the EC to face this crisis. Regarding the WB, all the states, except Bosnia and Herzegovina (due to the political and territorial fragmentation) and Serbia on foreign policy, have followed the EC guidelines to maintain the momentum of integration.

An additional factor that has delayed the efficiency of the normative transformation in the WB has been the difficulty in implementing the legal framework recommended by the EC in order to improve the rule of law and make the judiciary system more efficient. This reform was highly linked with the efficiency of all the branches of governance, political stability, and even the quality of democracy. In Albania, only 16 years after the launch of the association process, this reform took place, while in Serbia, the attempt to reform the judiciary system in 2006 did not fit with the European requirements. Serbia approved another strategy in 2013- 2018 to fulfil the EU standards and the negotiations of the chapters 23-34.

This might have been the reasons why CARDS, IPA I and II targeted the rule of law as one of the most important pillars of development and good governance. Even with this output, and almost 20 years after the beginning of EI, all the states of the region have more or less the same ranking on Transparency International’s scale of perceptions regarding corruption, freedom, and democracy.

In 2014, pushed by the Berlin Initiative, there was change in the normative and governance strategy focusing on the rule of law and economic governance. The agenda of connectivity (up to 1 billion Euros of investments in the regional energy market and transnational infrastructure), economic guidelines, and regional cooperation were the headlines of the EU policy. Member States with additional interests such as: Germany, Austria, and Italy, took part in this Berlin Initiative.

8. Conclusion

The soft, normative and transformative power of the EU is present in the public policy of the 6 states that are part of the enlargement policy. The EU, in its strategy, has chosen a normative transition to bring the WB closer to Europeanization, a process that will soon enter its third decade.

The EU, represented by common institutions and member states with direct interests in the region, has been successful in keeping this area on the track of stabilization, with full membership as a secondary priority. Integrating the WB through normative power appeals to European pragmatism to expand its border, beyond the political barrier of the consensus over the future of EU.

Member states have a strong argument to reject a new enlargement, due to the regional disputes and the weakness of the rule of law, democracy, and the culture of corruption.

This could be seen as the most difficult stage in which to become a member, implying an entire reformation of the legal system and acceptance of the EU's values.

The normative reformation has been an effective scheme in coping with the short-term challenges, a strategy that ponders the necessity in keeping the WB attached to the enlargement policy and the promise of accession.

From the perspective of the non-enlargement group, a fragmentation of the political union would cause more debate regarding its model for the future. The security and stability of the region are the primary grounds for this enlargement. It is clearly visible that in this case, European governance acts as a mechanism of pacification, considering the irrelevant economic weight of this area and the complexity of its variables like ethnicity and cultural diversity. Radicalism and the refugee crisis have identified the WB as a strategic partner capable of being a barrier to these threats surrounding Europe.