

# Kremlin Suffers Setbacks in the Balkans



Featuring Nataliya Bugayova and George Barros

---

MAY 15, 2020

*Russia, the US, the EU, and NATO all consider the Balkans to be a region of significant strategic value. Despite the Kremlin's best efforts to the contrary, the region is currently swinging toward the West, with North Macedonia recently joining NATO and several other Balkan states making progress toward EU membership. In this episode of *Overwatch*, ISW Russia Team Lead Nataliya Bugayova and Research Assistant George Barros discuss the past, present, and future of this historically volatile region.*

**Kim Kagan:**

This is *Overwatch*, a podcast brought to you by the Institute for the Study of War.

**Natalia Bugayova:**

Hello. I'm Natalia Bugayova, Russia Team lead here at the Institute for the Study of War. And I'm with my colleague, George Barros, a research assistant on Russia Team. Today, we're talking about the Kremlin's campaign to preserve and expand its influence in the Balkans, which we're watching closely.

The Balkans remain an important effort for Vladimir Putin. The Kremlin, however, has been recently losing the initiative in several Balkan States. North Macedonia joined NATO this year despite Russia's efforts to prevent it. Russia's strategic partner, Serbia, is increasingly vocal about its aspirations to join the EU. And other Balkan states are curbing Russian influence.

George, before we dive into the assessment, could you please give our listeners some context about the Kremlin's objectives in the Balkans?

**George Barros:**

Sure, Natalia. The Kremlin seeks to expand and preserve its leverage in this strategic region. This includes Russia's economic leverage, especially energy, military ties and its cultural influence, including influence through the Russian Orthodox Church. Preventing the expansion of Western structures, namely NATO and the EU, in the Balkans, is a core objective for the Kremlin.

Another major Kremlin objective is to deny Kosovo international recognition, because the Kremlin considers NATO's military intervention against Serbia in 1999 illegitimate. Kosovo and Serbia are currently setting conditions for normalization talks, which, if successful, would open a path for both states' EU membership. The talks stalled in 2018 when Serbia reportedly blocked Kosovo's bid to join Interpol. In response, Kosovo levied a 100% tariff on Serbian goods.

**Natalia:**

Thanks. Let's start with talking about the Kremlin's positions in Serbia, which Russia considers a strategic partner. Could you update us on the ongoing Serbia-Kosovo talks?

**George:**

The EU intensified its outreach to the Balkans. Earlier this year, the European Commission proposed a new enlargement procedure on the Western Balkans, calling the region their top priority. An enlargement procedure is essentially a tailored plan for an EU member candidate to fulfill the criteria for joining the EU. Senior EU officials met with Serbian President Aleksandar Vučić in Serbia in February.

French President Emmanuel Macron pledged unconditional support for Serbia's pursuit of its European path

in April. Macron also reversed his opposition to EU expansion talks with Albania and North Macedonia. Most recently, the EU held a summit on the Western Balkans on May 6, and passed a declaration reaffirming its support for the Balkans' European perspective and defined areas where Balkan states can deepen its, their cooperation with the EU.

These developments suggest a likely consolidating political consensus in the EU on expanding outreach to the Balkans. President Vučić is responding positively to the EU's outreach, and Kosovo might be setting conditions to renew talks with Serbia. In January, Vučić said that the Serbian people don't see a real alternative to joining the EU. Vučić expressed support for the EU's new enlargement procedure and met with Kosovo's president and other top U.S. officials in Washington D.C. in March.

While in Washington, Vučić called for compromise on Kosovo that should result in guarantees for a much better future. During the May EU summit, Vučić confirmed his commitment to EU membership. One caveat is that, Vučić has historically balanced relationships between Russia and Europe for years. But right now, him doubling down on his pro-European rhetoric, might indicate that the Kremlin likely underestimated the extent to which it can curb Serbia's European aspirations.

Kosovo has also recently indicated a willingness to resume talks. On April 1st, Kosovo lifted its 100% tariff on Serbian goods, a major impediment to Kosovo and Serbia's normalization talks. All this matters because Serbia and Kosovo's normalization of relations is a precondition for the EU accession of both countries.

**Natalia:**

Thanks, George. So how's the Kremlin responding to this potential loss of influence in Serbia given the intensified EU outreach?

**George:**

The Kremlin is mitigating the situation by increasing its military and diplomatic outreach to Serbia. Russian defense minister, Sergey Shoygu, met with Serbia's defense minister on February 17th. The Russian Air Force sent at least 87 military specialists with medical equipment to Serbia to counter the COVID-19 pandemic in April. We assess the Kremlin may exploit its influence among hardline Serbian defense officials to set conditions for resistance against the expansion of Western structures in Serbia.

Russia's ambassador to Serbia met with Vučić on May 7th, the day after the EU Balkan summit. The Russian ambassador emphasized Russia and Serbia's brotherly relationship, and on May 11th, the ambassador said that any deal between Kosovo and Serbia that deviates from the current United Nations Security Council resolution 1244, that is the 1999 basis of the Kosovo settlement, would necessitate a new United Nations Security Council resolution, which the Kremlin may use its veto power to block.

**Natalia:**

Thank you, George, for this update. Now, let's talk about the status of the Kremlin's campaigns and outreach in other Balkan states.

**George:**

The Kremlin faced setbacks in North Macedonia, Bulgaria and Montenegro. The Kremlin was unable to stop the NATO accession of North Macedonia when it joined NATO as the alliance's 30th member on March 27th. The Kremlin tried to block North Macedonia's NATO accession through an information operation to disrupt the process of North Macedonia's renaming in 2018. This was a condition for North Macedonia's NATO accession.

The Kremlin similarly, tried and failed to stop the NATO accession of Montenegro in 2017. The EU compelled the Kremlin to cut gas prices to Bulgaria. Russian state-owned gas operator, Gazprom, cut gas prices to Bulgaria by 40% to comply with a European Commission antitrust ruling in March. Bulgaria is the latest of eight European states to agree on a gas price cut with Gazprom under this brand new European Commission ruling. Bulgaria, like other European actors, is diversifying its gas imports away from Russia, eroding a key point of Russian leverage within Europe.

Finally, the Russian Orthodox Church risks losing its influence in Montenegro, which is a member of NATO and a EU membership candidate. Montenegro adopted a law in December that can strip the Serbian Orthodox Church of hundreds of religious sites. The Serbian Orthodox Church is allied with the Russian Orthodox Church, a Kremlin foreign policy tool. Montenegro's president accused the Serbian Orthodox Church of promoting policies that undermine Montenegro. A loss of Serbian Orthodox Church influence in Montenegro will likely decrease the Kremlin's influence in Montenegro, where the Kremlin is attempting to undermine the state's EU membership aspirations.

***Natalia:***

Thank you, George. Why do these developments matter for the U.S. national security, and where do you see the situation heading?

***George:***

The Kremlin seeks to undermine the expansion of Western structures. The Kremlin also likely seeks military basing in Serbia to expand Russia's military footprint through the deployment of air defense systems, which would enable Russia to pressure NATO from within its geographical boundaries. Now, as we've discussed, the Kremlin is failing to achieve its strategic objective of preventing NATO and EU expansion in the Balkans.

That said, the EU's success is not set in stone. The process of Kosovo's and Serbia's talks is vulnerable to disruption, and it depends on EU consistency in moving it forward. The Kremlin will likely continue exploiting various opportunities to stall the deal between Serbia and Kosovo. The COVID-19 pandemic might also slow the talks, which would support the Kremlin's objectives.

That said, these converging pressures of the COVID-19 pandemic and falling oil prices are starting to highlight the limits of the Kremlin's value proposition across the board, which might further limit the Kremlin's influence inside the Balkans.

***Natalia:***

Thank you very much for this update, George. You can read ISW's Russia Team full assessment of the Kremlin campaign in the Balkans at [understandingwar.org](http://understandingwar.org).

***Kim Kagan:***

Thank you for listening to this episode of Overwatch. We look forward to your feedback on this episode and previous ones. Visit [www.understandingwar.org](http://www.understandingwar.org) to learn about ISW's work and to sign up for our mailing list.

**Contact us:** For press inquiries, email [press@understandingwar.org](mailto:press@understandingwar.org)