

## Chapter 5

# From Confrontation to Unequal Partnership: Germany and its Policy towards Serbia

*Jelena Volić-Hellbusch – Marko Savković*

### 1. Introduction

The aim of this paper is to understand how the relationship between Germany and Serbia has changed over the course of more than 25 years, constituting the end of the 20<sup>th</sup> and the beginning of 21<sup>st</sup> century. We argue that Berlin's tacit support of the political changes of 2012 has gradually given Serbia access and clout that is perhaps unrivalled in Serbian history. To understand how the two countries got to this point, we have analysed foreign, development and economic policy, giving special emphasis to those events we consider to be "formative" (bringing about a change or announcing a new stage in the given relationship). Ultimately, we ask how thought through, coherent and legitimate – from the point of view of Serbia as recipient – were the policies being pursued.

The relationship between Serbia and Germany is first and foremost unequal at all levels: one is a big country, with over 80 million inhabitants, the other a small one, with just over 7 million. One is a powerful economy, while the other is a developing one. Germany is a Central European country, considered to be the backbone of the European Union (EU), while the other is situated at Europe's unstable periphery, only a candidate for membership. Finally, the first is a great (again, European) culture, speaking the language of Goethe, while the other belongs to a small culture that has shrunk further as the 20<sup>th</sup> century came to a close. Moving to the realm of politics, Germany has reached unification, while Serbia as a political entity has gone through successive dissolutions. The greatest discrepancy, however, Serbia and Germany show with regard to interpreting their own relations through history. While the Serbs "see themselves" as victims of history, Germany's establishment is the one that has acted and continues to act today, by proposing new initiatives, formats for cooperation, along with policy demands that produce very concrete consequences.<sup>1</sup> These factors, all taken together, have made mutual understanding difficult.

Due to weakness and neglect of historiography, Serbia is incapable of making its own perception of history relevant in a European context. Serbia is still not able to develop its own, integral historical consciousness. On the other hand, the economic and political might of Germany and the role it has in international affairs means it will focus on those partners

---

<sup>1</sup> It should be said, and will be elaborated further, that the civil society is more and more the actor providing advice within this process.

it finds relevant, partly ignoring historical relations with others. In turn this enables creative freedom, with historical facts now being interpreted in accordance with short-term interests. This is a phenomenon seen not only in the practice of German–Serbian relations, but also in relations between Germany as a power, and other less relevant countries belonging to the European cultural circle. Such a relationship has allowed for the reawakening of supposedly forgotten prejudices and a rise of resentment in countries that came out from the 20<sup>th</sup> century – objectively or subjectively – as victims.

In our analysis of how relations between the two countries evolved over 25 years of history, we start with considering formative events, move on to dominant perceptions, then present policy mechanisms and initiatives utilised by Germany. Methodologically, we set the priorities on identifying the main “bone of contention” in the relations of the two countries today, further pointing out and focusing on two of Germany’s key interests and finally conclude with an estimation of policy legitimacy, coherence and continuity.

## 2. Formative Events in the Relationship of the Two Countries

Over the past two centuries, the Serbian state and society have encountered grave challenges: numerous conflicts, frequent changes of borders and political and social upheaval. In the 19<sup>th</sup> and first half of the 20<sup>th</sup> century, the Serbian elite felt as part of a European social and spiritual space, and was striving towards European liberal and democratic principles, values and ideals. Not only through acceptance of political ideals and models (TRGOVČEVIĆ 2003, 32–41), but also through its own work in the fields of science, art and literature, it overcame existing political and cultural borders and barriers of deep-entrenched historical and religious prejudice, thus keeping in with dominant European social and cultural movements.

During the 20<sup>th</sup> century, relations between Germany and Serbia were by and large defined by conflict, the two countries going into war three times albeit not knowing of such traumatic experiences for decades before. In both the Great War (WWI) and Second World War (WWII) Germany was the one that invaded Serbia (Kingdom of Yugoslavia in 1941). Although initially the German army defeated their Serbian opponents, ultimately the German state was defeated, while Serbia found itself on the side of victors. Historical analysis of relations between Germans and Serbs cannot avoid discussion of war(s) and consequences of resulting antagonism. The scope and character of the conflict and its implications has inevitably left a deep imprint in the consciousness and collective memory of both nations, Serbia in particular (PETRANOVIĆ 1992, 739). WWII, which for Serbia started when German aviation mercilessly bombed Belgrade on 6 April 1941, with the German Wehrmacht being the chief occupation force that conducted unprecedented reprisals against the civil population,<sup>2</sup> has resulted in strong animosity and deep-rooted mistrust in Serbia towards Germans (known under the somewhat derogatory nickname “Švabe”, Schwaben).

<sup>2</sup> Out of these, the one that has stayed the longest with the Serbs’ collective memory is most definitely the “100 for 1” policy of reprisal, where, starting soon after the beginning of the German occupation, the Wehrmacht – aided by local collaborators – shot the civilian population in a well-organised (and documented) way. For one of the most disturbing, and moving recollections (in Serbian), written on the 70th anniversary of the massacre in Šumarice (Kragujevac), see GLIGORIJEVIĆ 2011.

Following the end of WWII, as it quickly recuperated, the German economy became one of former Yugoslavia's most important trading partners. However, in the period immediately following 1945, relations were to a significant degree conditioned by the Cold War, and the existence of two separate and ideologically opposed German states since 1949. A peace treaty was never signed, rather Yugoslavia ended the state of war by announcing it unilaterally in 1951 (MILOSEVIC 2010), with the goal of establishing official relations. However, when Socialist Yugoslavia recognised the German Democratic Republic, Bonn activated the so-called Hallstein Doctrine, breaking diplomatic relations in October 1957 (Deutsche Welle 2007). Nevertheless, economic cooperation continued: Germany's need for foreign workers opened the door for many Yugoslav citizens, leading to the renewal of diplomatic relations in 1968. Real normalisation of relations between the two countries was reached in 1973, following successful negotiations between Josip Broz Tito and Willy Brandt ending in the signing of the Brioni Agreement<sup>3</sup> (ĆIRKOVIĆ 2011).

As the 20<sup>th</sup> century came to a close, the intellectual and political elite of former Yugoslavia proved unprepared to face the radical change of the constellation of powers following the fall of the Berlin Wall and the end of the Cold War in 1989. New circumstances led to a situation where the interests of Yugoslavia, its former republics and that of the great powers diverged. In the 1990s Serbia found itself participating in successive wars (from 1991 to 1995 and in 1998–1999) as its international isolation grew. Such a course of events resulted in a series of negative consequences for the state, the social stability and the economic development.

The dissolution of Yugoslavia most certainly represented the first low point in recent relations between Germany and Serbia. The German Government was the one to insist on the recognition of Croatia and Slovenia in late 1991, as the war was raging on. Here the role played by German Foreign Minister at the time, Hans-Dietrich Genscher, is often considered to be of paramount importance. "Loved by the Croats, hated by the Serbs", Genscher insisted on the right of self-determination for both Croats and the Slovenes (RATHFELDER 2016). The nascent countries' diplomatic offensive was greatly aided by Belgrade's instrumentalisation of the Yugoslav People's Army, whose indiscriminate shelling of Dubrovnik and Vukovar turned the public opinion decisively against Milosevic and his allies. Thus Erich Rathfelder concludes: "The role Genscher played in this conflict is certainly being exaggerated on both the Croatian and the Serbian side. A faster reaction from the West could have prevented much of the hostilities. However, if Serbian politicians today claim that recognition of Croatia had triggered the war in Yugoslavia, one must ask the question: who and how started the war [...] Genscher certainly did not destroy

---

<sup>3</sup> This "gentleman's agreement" (labelled as such by Vladimir Ivanovic, due to the fact that no original form in writing has ever been disclosed to the public) resolved some of the most pressing issues surrounding the relationship between Yugoslavia and West Germany, namely the upkeep of military and civilian cemeteries, cooperation on the prosecution of political extremists in Brandt's country who were Yugoslav émigrés, possibility for West Germans to invest more in the Yugoslav economy and the rights of Yugoslav citizens working in West Germany (*gastarbeiters*). Two issues were resolved implicitly, by not being elaborated at all – the issue of restitution (Germany accepting that it had to pay for what it did in WWII in some way) and the Danube Germans.

Yugoslavia” (RATHFELDER 2016). Ivan Ivanji<sup>4</sup> recalls: “Genscher approached his Yugoslav counterpart [at the time], Budimir Loncar, suggesting if Yugoslavia is going to break apart, it should be done peacefully, as it was the case with the Soviet Union [which was just going through a mostly peaceful disintegration]. He first came to Belgrade, where he talked to [Ante] Markovic, [Slobodan] Milosevic and [Budimir] Loncar and then flew to Zagreb and Ljubljana [...] but his airplane was intercepted by aircrafts of the Yugoslav Air Force and escorted out of Yugoslav airspace. He then had to land in Graz, [Milan] Kucan and [Franjo] Tudjman were there too; furious, he gave up being a peace broker” (Radio Television of Serbia 2016).

In the spring of 1999, a new generation of German political leaders would initiate one of the most controversial foreign and security policy decisions made post-WWII. Berlin decided to join the NATO bombing campaign in order to pressure Serbia (at the time Federal Republic of Yugoslavia) and Milosevic as its President to cease hostilities in Kosovo, and accept the West-brokered ceasefire, which would imply some kind of international presence. This was the second low point. The German Government making this decision was composed of left-wing parties, the Social Democrats (led by Gerhard Schröder) and the Alliance 90/The Greens (with Joschka Fischer as leader and Foreign Minister). After 78 days of targeted strikes, which left – by accounts of the Humanitarian Law Centre – 758 people dead (Humanitarian Law Centre 2012), and with the agreement signed in Kumanovo hostilities ceased as the Yugoslav (Serbian) forces prepared to leave Kosovo. German forces were among those who entered it on 11 June 1999, as part of NATO’s KFOR (Kosovo Force); Berlin is still contributing to KFOR, almost 20 years later, with some 200 soldiers.

Milosevic’s ousting from power in October 2000 meant a break with the practices of the 1990s within the society, as well as in international relations. Changes helped place Serbia once again on the map of global and European politics, announcing the long-awaited start of normalisation and (foreign) policy alignment with the new geopolitical reality, as well as with rules and values of the international community, which was at the time dominated by “the West”. Comparing international relations with a natural environment in which there is too much upheaval (famous for his metaphors, late Prime Minister Zoran Djindjic used the expression “storms”) and too little moral thinking and consideration, Djindjic said how for “one state’s incapability to orientate itself you cannot blame its surroundings” (KOVACEVIC 2018, 180–182). He continued by emphasising how, if “we” (as Serbian nation and society) want to be more successful than we were in the past (20<sup>th</sup>) century, we must, by analysing global trends, try and understand how our environment has been changing, which would then inevitably lead to a redefinition of our relationship towards ourselves and our environment. His warning is still valid today: the post-2008 global economic crisis and recession, coupled with the Eurozone crisis has led to new changes in the international (global, European and regional) context Serbia is facing. Without support from the EU, and in particular Germany as one of its key members, it would face new difficulties in its

<sup>4</sup> Ivan Ivanji (1929) is a Jewish–Serbian author of many internationally renowned novels. He was held in Auschwitz and Buchenwald during 1944 and 1945. He was Secretary General of the Yugoslav Writers’ Union from 1982 to 1988. His most recent book is a fictionalised account of his pre-World War II experiences in the town of Zrenjanin (Betschkerek) in the Banat.

political and economic development; which is why cooperation with Berlin must be one of the priorities for Belgrade, as it strives towards EU membership.

### 3. Dominant Perceptions of Germany and Its Policies

There is awareness that cooperation with Germany is of crucial importance for Serbia: as we shall see, it is today firmly in the elites' narrative. However, on the path towards improvement of relations stand certain obstacles, political and historical by character. European integration and German companies' investments are not the only points of reference for this relationship; history has a role to play too, one that should not be so easily dismissed. Observed from this latter perspective, the two countries share deep historical antagonism(s). Researched in Serbia, but not in Germany due to lack of interest, these are now growing in importance, as understanding of conflicting interpretations of the past has actually comprised an important dimension of post-WWII reconciliation. Let us observe for a moment the Franco–German rapprochement, today considered a cornerstone of European integration: where were Paris and Berlin in 1945, and where only 20 years later? As we witness the “grand return” of history to mainstream discussions on the future of Europe (NOUGAYREDE 2018) we need to consider how positive it would be to reach common interpretations of events and problems. Here we would have to concentrate our attention, first and foremost, on Germany's role in the break-up of former Yugoslavia, as well as its establishment's point of view taken in the two decades of searching for solutions in the post-Yugoslav space.

The first and most dominant perception would be that of Germany as a “respected enemy”; one that has fought against Serbia “three times” – first in the Great War, then in WWII, and finally in 1999 when its air force participated in the NATO bombing campaign. In a revealing interview, Predrag Markovic, an influential historian and politician,<sup>5</sup> endorses such views by saying how “the Germans” have provided more help in (to) Bosnia and Herzegovina and Kosovo, then in (to) Serbia; adding how “since 1991 not a single decision [by Germany] was made in favour of the Serbs”. He went back to the events of 1941, stressing that the German military government permitted refugees from the so-called Independent State of Croatia to enter Serbia (thus completing the ethnic cleansing that was going on at the time). “They say”, goes on Markovic, “we are providing help, and here you are angry with us for breaking-up your country” (sic!). Germany has not showed a single friendly gesture towards Serbia. They have provided assistance to other countries in the region, and I find the argument somewhat humiliating. Assistance cannot match all the destruction and damages” (ANOJČIĆ 2013). Markovic is joined by political analyst Miodrag Radojevic, who believes there is a stereotype where we [the Serbs] respect and think highly of the Germans, but do not have an emotional attachment of any kind: “In two world wars we were bombed by German aircraft, and then again in 1999. They caused the breakup of Yugoslavia and were first to recognize Slovenia and Croatia. Even Chancellor Merkel's visit [in August 2011] is best remembered by her ultimatum that Serbia will not progress in European integration unless it recognizes Kosovo” (ANOJČIĆ 2013). Radojevic concludes

<sup>5</sup> Vice President of the Socialist Party of Serbia, which is part of the ruling coalition.

his point by repeating a common speculation that Germany has not forgotten defeats in two world wars, which is why it is “vengeful” towards Serbia.

Sociologist Milan Nikolic shares a more balanced view. He believes that Serbs today see Germany as “someone” who “disciplines, conditions and punishes” (ANOJČIĆ 2013). At the same time, citizens are not informed of the scale of assistance that is being provided. Here we have another generalisation: Germans as holders of expertise and efficient managers, and Serbs as spiteful, conflict-prone and disorganised.

Berlin’s tacit support to the political changes of 2012 – when the Democratic Party lost power to the Serbian Progressive Party – gradually gave this country access and clout that is perhaps unrivalled in Serbian history. Once it became clear that the Boris Tadic-led Democratic Party will not “deliver”<sup>6</sup> on Kosovo, the political machine under the control of CDU started its approach to the Progressives. Following the Progressive Party’s consolidation of power in March 2014 (by winning the Belgrade local elections), the two countries established a “special partnership” of their own. Without much thought, Germany had become a “role model” for the Serbian political elite to follow; but what they considered was not its vibrant media scene, civil society, political culture or pluralism; rather, certain aspects of its economic model, translated into flagship initiatives. For instance, changes in approach to vocational training, by introducing aspects of the German “dual education” system, have become one of the government’s main “vehicles” for wider reform of the education.<sup>7</sup> Germany’s (rational) support to Serbia developing alternative sources of energy has been translated into state subsidies for selected businessmen. The model image of Germany is also supported by the incumbent Prime Minister, Ana Brnabic (“For many people in Serbia, Germany is an example of ideal state”, Deutsche Welle 2017), who – to her credit – apart from economic prowess, has included “respect for human rights and the rights of minorities as well as the values of a modern society” (Deutsche Welle 2017) in her reasoning.

However, in the words of Ivan Ivanji, one of the foremost living authorities on Germany in Serbia, “too much flattery to Germany and German politicians, from Adenauer to Merkel, may be counterproductive, as at times it looks almost comical” (Kurir 2017). One of the most recent points of contention concerns the monument to Danube Germans, who – as active collaborators of Nazi regime in occupied Vojvodina (and Serbia) – were taken prisoners, kept in inhumane conditions (with many dying) and expelled post-1945. Under Prime Minister Vucic, the descendants’ long-standing initiative to mark one of the places of their suffering was accepted and a monument was inaugurated on 6 May 2017, in the village of Backi Jarak. There, under the command of the new Yugoslav Government a camp was created in which, from December 1944 until 16 April 1946, 6,500 people, mostly women

<sup>6</sup> “Deliver” – the term most frequently used within the policy community – translates to some sort of agreement that in exchange for continuing and eventually completing its European integration, the political leaders of Serbia would be prepared slowly to relinquish the last instances of its sovereignty in Kosovo.

<sup>7</sup> Examples where “dual education” is presented as a sort of a panacea for Serbia’s ills are numerous. For instance: “Vucic: Dual education is the most important topic for the future, 150,000 young people are neither getting their education or working” (Blic 2016); or “Vucic: Dual education for meaningful and thorough change of Serbia” (Radio Television of Serbia 2017). It should also be said that apart from Germany, Austria and Switzerland – both with significant investments in Serbia – are also supporting and advising the government’s actions in this regard.



and children, died. Upon unveiling it, German Ambassador Axel Dittmann conveyed the gratitude of the German Chancellor to Serbia's Prime Minister, without whom "erecting the monument would have not been possible" (N1 2017a).

#### **4. Policy Mechanisms and Initiatives Utilised by Germany**

For a number of reasons, the key framework for the policy relationship between Germany and Serbia has been the European integration process. It remains and will remain the common denominator, that constant, which, with multilateralism, today forms the backbone of Germany's foreign policy. Development and strengthening democracy, peace and security, coexistence and cooperation with neighbours, overcoming the past and consequences of the events from the near past, along with creating preconditions for reunification were among the reasons why Germany decided in 1949 to tie its fortunes to Europe's. Reasons for Serbia to do the same are more or less identical.

Germany pursues its interests in Serbia through a number of policy mechanisms and initiatives. First and foremost, there are state visits and meetings at the highest level. For instance, President Vucic has met Chancellor Merkel 12 times over the course of six years (Blic 2018); which means that he has met his German counterpart on more occasions than any political leader in Serbia's history.

Then there are negotiations leading to the country's accession to the EU; taking place, chapter-by-chapter, in Brussels, but discussed when necessary at (European) Council meetings. This framework is set to become even more important with the mechanisms announced in the new Western Balkans Strategy: "detailed action plans" and "advisory missions"; existing – "operational cooperation on migration"; "investment framework" (European Commission 2018, 10–12); and planned – as the Commission starts working on six of its "flagship initiatives" which should give it an upper hand in vying for influence in the region.

Furthermore, there are programs led by the German Agency for International Cooperation – GIZ. Originally a government agency, since 2013 a federal enterprise and "implementing partner" of the German Government, GIZ employs some 150 people in Serbia, working on 23 projects, worth 84 million Euros. The Agency's portfolio in Serbia ranges from education, over energy (with specific emphasis on renewable sources), water supply and sanitation to "government and civil society" which includes administration, judiciary, and European integration in general. These programs are of great importance, as they require significant "buy-in" from the state, granting access to the implementing agency itself (in this case GIZ) and keeping Serbia and its elites engaged within what is undoubtedly a framework for reform.

In the fourth place, Germany was instrumental in launching what is today called "the Berlin Process", back in 2014. Following the European Council summit that was held in Thessaloniki in 2003, it was planned that a separate EU–Western Balkans meeting would take place annually. This, however, never came to be and as the years passed, the "European perspective" seemed ever more distant. Understanding the risks that may come out of neglecting the region, official Berlin – aided by a community of experts and friends of the enlargement – came up with a format which was meant, from the beginning, not as

a “substitute”, but a “facilitating mechanism”, “encouragement” for regional cooperation and ultimately, integration into the EU (NIKOLIC et al. 2015, 20). Here Germany did not work alone, though; several countries interested in the region, for example Austria, France, Italy and the United Kingdom (U.K.), and to an extent Slovenia and Croatia, provided support. Concluding this year, the Process will amount to five conferences (Berlin in 2014; Vienna in 2015; Paris in 2016; Trieste in 2017 ending with London in July 2018). The highest levels of decision-makers attended each of them, be it heads of state or foreign ministers. In Trieste last year, Angela Merkel was joined by her French and Italian counterparts, Emmanuel Macron and Paolo Gentiloni, sending – again – messages of encouragement. Finally, economic and civil society fora, timed to coincide with the main event, augment the Berlin Process. However, what will happen with the Process after London is anyone’s guess; no country has applied for taking over the helm from the U.K. It is said in the aforementioned Strategy that, following the Western Balkans summit in Sofia in May 2018, “cooperation [...] would be supported by increased participation of the Western Balkans in informal Councils as well as regular Ministerial level contacts” (European Commission 2018, 9). Where does this then leave the Berlin Process, remains unclear.

Of particular interest and importance must also be the role played by the European Parliament’s Special Rapporteur for Serbia, Member of the European Parliament (MEP) David McAllister. Born in Berlin to a British father who was an official in the British Army, raised bilingually in German and English, McAllister started his rise in CDU’s ranks as a member of the Lower Saxony Parliament from 1998 to 2014. On 1 July 2010, he was elected Prime Minister of Lower Saxony, an office that he held until 2013. As a regional chair of CDU in Lower Saxony, he was the party’s lead candidate in the European Parliament elections in 2014, becoming a MEP. Furthermore, he was elected vice president in two important party groupings: the International Democratic Union (IDU) and the European People’s Party; the latter of particular importance for Serbia’s Progressives. In the European Parliament, McAllister is Chair of the Committee on Foreign Affairs, and member of delegations for relations with both the United States and NATO. Trusted by Chancellor Merkel, he has occupied the symbolically important – and influential – position of Special Rapporteur, underlining Germany’s special relationship and interest for Serbia. Next to the reports prepared by the European Commission through its local delegations, rapporteurs’ insights are one of the indicators of a country’s success in meeting accession criteria and conditions, but also, to the general disposition towards its leadership. Both the opposition and parts of the civil society criticised McAllister for leniency and apparent lack of criticism directed at the government (N1 2018b).

Another important tool for Germany (and Serbia) to use could be policies pursued by individual states. One such example concerns the state of Baden-Württemberg, an industrial powerhouse, and the Autonomous Province of Vojvodina. Initiated in 2007, it never met its full potential; the reason why being a perfect illustration of the complexities surrounding the relationship between Belgrade and Berlin. When learning of the initiative, President Tadic insisted that he himself should sign the agreement formalising it; thus causing an issue of order of precedence that has not been resolved until today. Every few years – and for the last time in March 2018 – a delegation would come to visit Serbia, but without any practical outcome. What would be exchanged instead were many good wishes for increased cooperation. As of 2015, no actual framework for cooperation was established and even



then, Vojvodina's Secretary for Regional Cooperation was only speaking of setting up teams that would initiate concrete projects (AP Vojvodina 2015). Three years and one change of government later, the Committee for Agriculture of the Vojvodina Assembly will finally visit Baden-Württemberg in June 2018, while the province itself will be the "special guest" at the International Danube Festival in Ulm (RTV Pannon 2018).

There is support to programs bringing together "next generation leaders", helping them to get a more prominent role in Serbia's society while strengthening their ties to Germany. One outstanding example, certainly engaging some of the best and brightest young minds concerns the work of the Foundation Zoran Djindjic, which, for over a decade now, has been implementing a program of internships in major German companies – in cooperation and with financial support of the German Government. Starting with the 2017 budget, the Foundation's activities have been financed by the Government of Serbia (Istinomer 2016).

Finally, when it comes to the interests of Germany, a consensus seems to be forming. Serbia (and to a lesser extent, Bosnia and Macedonia) is to become one of the "workshops" for Germany, providing cheap(er) but adequately qualified labour; in the words of Dusan Reljic, an "elongation of its production cycle" (RELJIC 2017). Numbers substantiate his claim. As of 2017, Germany has become the leading exporter to Serbia; and second in terms of imports (Ekapija 2017). This is a culmination of a trend that, according to Serbia's Chamber of Commerce started in 2011. The value of goods imported from Germany to Serbia reached approximately 2 billion Euros in 2017, with 1.6 billion Euros of goods exported (Statistical Office of the Republic of Serbia 2018). German companies (or, companies with German nationals as majority shareholders) with production and retail sites in Serbia employ little over 30,000 people in what is in many ways a scarce labour market. The German–Serbian Chamber of Commerce (AHK) lists over 300 companies as its members. Therefore, it comes as no surprise that German companies are seen as "most desirable investors" in Serbia, according to an AHK's survey conducted in April 2017. When asked why, citizens list "a well-developed economy and industry", "reliability", "quality of product", "efficiency" and "accuracy" (N1 2017b). One notable example concerns the growth of the automotive industry, initiated by FIAT's takeover of "Zastava automobili" Kragujevac plant in 2008. In several mid-size cities that are also important regional centres, investors such as Drexelmaier have all but drained the available labour market of qualified workers by offering comparatively better pay; with locals running small and medium enterprises (SMEs) left to complain: "These are [...] foreign companies encouraged and subsidized from our country to invest here and of course this leaves small business owners, employers in a unfavourable position. The big ones are being favoured over the small" (N1 2018a). The company's director in Serbia replied that they have not been receiving subsidies since 2012, and how, despite that, they were able to double their workforce.

## **5. The "Kosovo Issue" as the Main Bone of Contention in Foreign Policy**

Following the approach taken by the West, throughout the past decade Germany has considered the following as key conditions for Serbia's European integration process:

1. delivering those indicted for war crimes to the International Tribunal in the Hague;

2. reconciliation and building of good neighbourly relations between the countries of former Yugoslavia; and 3. internal reforms, alignment of legislation, establishing the rule of law, fight against corruption and crime. The first two conditions were necessary steps in the process through which Serbia, seen by Germany and most of the international public as the main culprit behind the wars of the 1990s, had to go through in order to meet the EU's expectations and enable full democratisation of its state and its society. In setting these conditions, Germany was led by its own historical experience.

These good neighbourly relations within the region of the Western Balkans include, among others, the resolution of the "Kosovo Issue", which a prevailing majority of analysts today understand as a key obstacle on Serbia's path towards European integration. Berlin's official point of view is that Kosovo's independence is an undeniable – and irreversible – fact, especially since the opinion issued by the International Court of Justice on 22 July 2010, in which it is claimed that Kosovo's independence is in line with international law. Nevertheless, Serbia has persisted on what its consecutive leaders insist is the defence of its territorial integrity and sovereignty. In doing so, they have continued to enlist the support of Russia and China, two permanent United Nations' Security Council (UNSC) members who insist that Kosovo's independence did in fact constitute a breach of international law. Here is one aspect of Serbia's foreign policy where the two countries frequently collide, as Germany, together with other permanent members of the UNSC, is a supporter and promoter of Kosovo's independence.<sup>8</sup>

As of 2018 and after several years of stalemate, the "final settlement" has come down to one known possible outcome, and two more or less unknown. First would be the "two Germanys" model, first proposed by Wolfgang Ischinger at the negotiations that were leading up to Kosovo's (unilateral declaration of) independence. An agreement akin to the one reached in 1972 would exclude formal recognition, but stipulate exchange of diplomatic representatives and opening of diplomatic missions; Serbia would not object to Kosovo's membership in the United Nations and other international organisations. In turn, Serbs in Kosovo would be granted personal autonomy through the "Association/Community of Serb Municipalities", first agreed on back in 2013 as part of the Brussels Agreement.

However, as both sides seem to be less enthusiastic about implementing what was agreed five years ago, another option – dreaded by Germany – has taken centre stage; and that is the partition of Kosovo followed by an exchange of territories with Serbia. Numerous reasons have contributed to this option resurfacing: the failure of integration of the Kosovo Serbs; that the North Kosovo region was never under Pristina's control to begin with; protracted efforts at increasing the number of the so-called "recognisers" of Kosovo's independence; the lack of capacity – or willingness – of the Kosovo elite for effective governance; shifting balance of power with Russia, Turkey and China being more assertive in the region of the Western Balkans; and a general perception that the idea of a multi-ethnic state in Kosovo is failing. For Germany, this option is unacceptable as, in the words of

<sup>8</sup> For instance, Germany is among the most respected members of the international community calling for Kosovo's membership in various international organisations while Serbia tries to oppose this. UNESCO and Interpol membership for Kosovo constitutes one such example. However, to the best of our knowledge, to avoid the risk of alienating Belgrade, Germany does not exert direct pressure on Serbia itself to cease its opposition.

Christian Hellbach, Coordinator for South East Europe and Turkey in the German Foreign Ministry, “what would start in Kosovo [as partition] would end in Bosnia” (HELLBACH 2018).

And lastly, there is the third option, Serbia’s position being ignored altogether, with “the West” placing all its authority behind Pristina. This would undoubtedly end Serbia’s EU membership bid, alienate the country from the West and Germany in particular, and push it closer into the orbit of third powers we have mentioned, with the potential for renewed conflict increasing.

## **6. Conclusion: An Estimate of Policy Legitimacy, Coherence and Continuity**

Wars fought in the area of former Yugoslavia have contributed to a negative perception of Germans in Serbia, and to a lesser degree, Serbs in Germany. Apart from mainstream politics, media reporting played a role in this as well, reinforcing existing stereotypes. One of the most persistent concerns is Germany’s alleged decisive role in the dissolution of former Yugoslavia. Furthermore, German foreign policy is often interpreted as hegemonic, even firmly anti-Serbian. There remains a strong, and to a degree justified, impression that Germany, in every historically critical moment acted against Serb interests.

Reasons for the lack of trust we find in recent history. As Yugoslavia disintegrated, Germany did not act neutrally, as a mediator between warring parties. It never saw official Belgrade, or its Serbian leadership as sincere in its calls for “saving” the country through an (internal) military intervention. In providing support to Slovenia and Croatia, which strived towards independence, Germany for a time even went against views upheld by its closest allies – the United States, France and Great Britain. The timing of Germany’s recognition seriously undermined the efforts of the peace conference chaired by Lord Carrington and Cyrus Vance; though it was, once again, Milosevic who ended it (KOSTIC 2007). It would be, however, naïve to presume that Yugoslavia could have somehow be saved and led towards peaceful transition if only Germany had acted differently. A well-prepared conflict was under way; faced with the indiscriminate crushing of the armed rebellion and with repeated rejections of peace overtures, Germany accepted the “internationalisation” option, asserting itself in the international arena.

Berlin participated in the international embargo against Serbia (from 30 May 1992 until 2 October 1996) and contributed with its contingent to UNPROFOR in Bosnia and Herzegovina. German aircraft flew sorties in the 1999 bombing campaign and supported Kosovo Albanians in their quest for independence. For Germany therefore, the Kosovo War marked a turning point in its own right, as it was for the first time since 1949 that German troops took an active role in a conflict abroad. Germany has been a supporter and promoter of an independent Kosovo, an issue of greatest importance – symbolic and real – for Belgrade. Its troops were the ones that intervened when, on 27 September 2011 and 1 June 2012, local Serbs aided by various organisations<sup>9</sup> attempted to erect barricades in response to the Kosovo Police Service taking over one of the two administrative crossings with Serbia.

<sup>9</sup> These organisations were predominantly inspired by the ideology of nationalism and had strong ties to organised crime elements present in the north of Kosovo.

Finally, over the now almost two decades since the democratic changes, Germany has remained one of the countries insisting on Serbia meeting strict conditions in order to progress towards European integration, championing the EU's "conditionality policy". It was Berlin that stopped all talk of Serbia being granted candidate status in December 2011, despite the positive opinion of the European Commission. And it was Berlin again in September 2012 setting additional conditions for candidacy, reacting to Belgrade's unwillingness – or inability – to grant concessions over Kosovo. In Serbia's public opinion such a German policy was rationalised by its traditionally close relations with Croats and the Slovenes; but also, alleged revanchism for being defeated "by Serbian arms" (PETRANOVIĆ 1992, 740) in both the Great War and WWII. This is followed by what amounts to conspiracy theories, seeing Berlin's enormous economic clout as a new tool for the continuation of policies defeated in previous global conflicts. Nevertheless, following its significant political investment in the successive Progressive governments of Aleksandar Vucic, and Serbia's commendable approach to the migrant crisis in the summer of 2015, Germany today is indeed one of Serbia's closest partners in foreign policy.

For the time being, the Kosovo issue remains the greatest point of contention between the two countries. This however does not prevent cooperation in other areas; German–Polish relations were much more controversial, and yet have been to a large extent normalised, with facilitation and framework provided by the European integration process. Finally, Germany ended up being one of the strongest advocates for Poland's – and the entire Visegrád Group's – accession to the EU. There is a stream of thinking calling for applying similar logic to relations between Belgrade and Pristina; if only the political elite of Serbia would accept what many have called the "reality on the ground". This being unlikely, relations between Germany and Serbia are facing their toughest test yet.

## Bibliography

- ANOJČIĆ, Ivana (2013): Između Srbije i Nemačke talog istorije [Between Serbia and Germany, layers of history]. *Politika*, 15 April 2013. Available: [www.politika.rs/sr/clanak/254943/Politika/Između-Srbije-i-Nemačke-talog-istorije](http://www.politika.rs/sr/clanak/254943/Politika/Između-Srbije-i-Nemačke-talog-istorije) (Accessed: 13 March 2018.)
- AP Vojvodina (2015): *Saradnja između Baden-Virtemberga i Vojvodine u poljoprivredi može biti unapređena* [Cooperation between Baden-Württemberg and Vojvodina can be advanced]. Available: <http://region.vojvodina.gov.rs/Vesti/Saradnja-izme%C4%91u-Baden-Virtemberga-i-Vojvodine-u-privredi-i-pol%D1%98oprivredi-mo%C5%BEE-biti-unapre%C4%91ena> (Accessed: 06 March 2018.)
- Blic (2016): Vučić: Dualno obrazovanje je najvažnija tema za budućnost, 150,000 mladih se niti školuje, niti radi [Vucic: Dual education is the most important topic for the future, 150,000 young people are neither getting their education or working]. *Blic*, 12 September 2016. Available: [www.blic.rs/vesti/drustvo/vucic-dualno-obrazovanje-najvaznija-tema-za-buducnost-150000-mladih-se-niti-skoluje/05rtk2l](http://www.blic.rs/vesti/drustvo/vucic-dualno-obrazovanje-najvaznija-tema-za-buducnost-150000-mladih-se-niti-skoluje/05rtk2l) (Accessed: 13 March 2018.)
- Blic (2018): Merkel pozvala Vučića da se sastanu 13. aprila [Merkel invites Vucic to meet on 13 April]. *Blic*, 6 April 2018. Available: [www.blic.rs/vesti/politika/merkel-pozvala-vucica-da-se-sastanu-13-aprila/b6jl0hd](http://www.blic.rs/vesti/politika/merkel-pozvala-vucica-da-se-sastanu-13-aprila/b6jl0hd) (Accessed: 07 March 2018.)

- ĆIRKOVIĆ, Ruža (2011): Šta su se dogovorili Tito i Brant [What did Tito and Brandt agree on]. *Danas*, 25 August 2011. Available: [www.danas.rs/ekonomija/sta-su-se-dogovorili-tito-i-brant/](http://www.danas.rs/ekonomija/sta-su-se-dogovorili-tito-i-brant/) (Accessed: 16 March 2018.)
- Deutsche Gesellschaft Für Internationale Zusammenarbeit – GIZ (2018): *Projects in Serbia*. Available: [www.giz.de/projektdaten/index.action?request\\_locale=en\\_EN#?region=4&countries=RS](http://www.giz.de/projektdaten/index.action?request_locale=en_EN#?region=4&countries=RS) (Accessed: 19 March 2018.)
- Deutsch–Serbische Wirtschaftskammer (2018). Available: <https://serbien.ahk.de/sr/> (Accessed: 02 March 2018.)
- Deutsche Welle (2007): *Halštajnova doktrina i nezavisnost Kosova* [Hallstein's Doctrine and the Independence of Kosovo]. Available: [www.dw.com/sr/hal%C5%A1tajnova-doktrina-i-nezavisnost-kosova/a-2680977](http://www.dw.com/sr/hal%C5%A1tajnova-doktrina-i-nezavisnost-kosova/a-2680977) (Accessed: 16 March 2018.)
- Deutsche Welle (2017): *Germany is a role model for us*. Available: [www.dw.com/en/ana-brnabic-germany-is-a-model-for-us/a-40550642](http://www.dw.com/en/ana-brnabic-germany-is-a-model-for-us/a-40550642) (Accessed: 12 March 2018.)
- Ekapija (2017): Spoljnotrgovinska razmena Srbije 28,47 mlrd EUR u prvih deset meseci 2017. – Promet robe u trgovini na malo veći za 3,9% [Foreign trade exchange of Serbia 28.47 Bn EUR in the first ten months of 2017 – trade of goods increased by 3.9%]. *Ekapija*, 30 November 2017. Available: [www.ekapija.com/news/1959189/spoljnotrgovinska-razmena-srbije-2847-mlrd-eur-u-prvih-deset-meseci-2017-promet](http://www.ekapija.com/news/1959189/spoljnotrgovinska-razmena-srbije-2847-mlrd-eur-u-prvih-deset-meseci-2017-promet) (Accessed: 02 March 2018.)
- European Commission (2018): *Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions: A credible enlargement perspective for and enhanced EU engagement with the Western Balkans*. Available: [https://ec.europa.eu/commission/sites/beta-political/files/communication-credible-enlargement-perspective-western-balkans\\_en.pdf](https://ec.europa.eu/commission/sites/beta-political/files/communication-credible-enlargement-perspective-western-balkans_en.pdf) (Accessed: 05 March 2018.)
- GLIGORIJEVIC, Jovana (2011): Lebac sutra nemojte poslati [Do not send bread tomorrow]. *Vreme*, 20 October 2011. Available: [www.vreme.com/cms/view.php?id=1015560](http://www.vreme.com/cms/view.php?id=1015560) (Accessed: 16 March 2018.)
- HELLBACH, Christian (2018): Remarks spoken at the *Sixth Belgrade Dialogues in Berlin: Belgrade and Pristina between frozen conflict and normalization*. Berlin, Robert Bosch Stiftung.
- Humanitarian Law Centre (2012): Ljudski gubici tokom bombardovanja SRJ [Human losses in the bombing of FRY]. *Fond za humanitarno pravo*, 23 March 2012. Available: [www.hlc-rdc.org/?p=19413](http://www.hlc-rdc.org/?p=19413) (Accessed: 17 March 2018.)
- Istinomer (2016): Finansiraćemo Fondaciju Zoran Đinđić iz budžeta [We will finance Foundation Zoran Djindjic from the budget]. *Istinomer*, 23 December 2016. Available: [www.istinomer.rs/ocena/3664/Finansiracemo-Fondaciju-Zoran-Djindjic-iz-budzeta](http://www.istinomer.rs/ocena/3664/Finansiracemo-Fondaciju-Zoran-Djindjic-iz-budzeta) (Accessed: 19 June 2018.)
- KOSTIC, Slobodan (2007): Raspadanje do Kosova [Breaking-up until Kosovo]. *Vreme*, 8 February 2007. Available: [www.vreme.com/cms/view.php?id=487261](http://www.vreme.com/cms/view.php?id=487261) (Accessed: 18 March 2018.)
- KOVACEVIC, Dusan et al. (2018): *Djindjic*. Belgrade, Vukotic media.
- Kurir (2017): Intervju nedelje Ivan Ivanji: Spomenik Nemicima u Kragujevcu? Može, ali... [Monument to Germans in Kragujevac? Yes, but...]. *Kurir*, 02 September 2017. Available: [www.kurir.rs/vesti/drustvo/2904071/intervju-nedelje-ivan-ivanji-spomenik-nemicima-u-kragujevcu-moze-ali](http://www.kurir.rs/vesti/drustvo/2904071/intervju-nedelje-ivan-ivanji-spomenik-nemicima-u-kragujevcu-moze-ali) (Accessed: 12 March 2018.)
- MILOSEVIC, Milan (2010): Snaga sedmog dela Mercedesa [The strength of the 7<sup>th</sup> part of the Mercedes company]. *Vreme*, 26 August 2010. Available: [www.vreme.com/cms/view.php?id=947133](http://www.vreme.com/cms/view.php?id=947133) (Accessed: 16 March 2018.)

- N1 (2017a): Spomenik Podunavskim Svabama u Backom Jarku [Monument to Danube Germans in Backi Jarak]. *NI*, 06 May 2017. Available: <http://rs.n1info.com/a247004/Vesti/Vesti/Spomenik-Podunavskim-Svabama-u-Backom-Jarku.html> (Accessed: 13 March 2018.)
- N1 (2017b): Nemačke firme najpoželjniji investitori za građane Srbije [German companies most desirable investors for citizens of Serbia]. *NI*, 14 November 2017. Available: <http://rs.n1info.com/a342021/Biznis/Nemačke-firme-najpoželjniji-investitori-za-gradjane-Srbije.html> (Accessed: 02 March 2018.)
- N1 (2018a): Privrednici: Drekslmajer nam 'otima' radnike visokim platama [Businessmen: Drexlermaier is 'stealing' our workers with high salaries]. *NI*, 16 May 2018. Available: <http://rs.n1info.com/Biznis/a388379/Zrenjaninski-preduzetnici-se-zale-na-visoke-plate-u-kompaniji-Drekslmajer.html> (Accessed: 19 June 2018.)
- N1 (2018b): Izveštaj Mekalistera ne prikazuje razmeru problema [McAllister's report does not show the full scale of the problem]. *NI*, 14 June 2018. Available: <http://rs.n1info.com/a396325/Vesti/TS-Izvestaj-Mekalistera-ne-pokazuje-razmeru-problema.html> (Accessed: 19 June 2018.)
- NIKOLIC, Goran – ARANDJELOVIC, Predrag – JOVANOVIĆ, Nikola (2015): *Srbija i Nemačka: od podozrenja do pomirenja* [Serbia and Germany: From Suspicion to Trust]. Available: <http://library.fes.de/pdf-files/bueros/belgrad/12485.pdf> (Accessed: 05 March 2018.)
- NOUGAYREDE, Natalie (2018): Europe's future now rests on who owns the story of its past. *The Guardian*, 13 February 2018. Available: [www.theguardian.com/commentisfree/2018/feb/13/europe-future-past](http://www.theguardian.com/commentisfree/2018/feb/13/europe-future-past) (Accessed: 14 March 2018.)
- PETRANOVIĆ, Branko (1992): *Srbija u Drugom svetskom ratu 1939–1945* [Serbia in the Second World War 1939–1945]. Beograd, Vojnoizdavački i novinski centar.
- Politikas (s. a.). Available: [www.bos.rs/politikas-eng](http://www.bos.rs/politikas-eng) (Accessed: 14 March 2018.)
- Radio Television of Serbia (2016): Genšer – nemački ujedinitelj i asistent raspada Jugoslavije [Genscher – German unifier and assistant in the break-up of former Yugoslavia]. *Radio Television of Serbia*, 1 April 2016. Available: [www.rts.rs/page/stories/sr/story/9/politika/2267192/genser--nemački-ujedinitelj-i-asistent-raspada-jugoslavije.html](http://www.rts.rs/page/stories/sr/story/9/politika/2267192/genser--nemački-ujedinitelj-i-asistent-raspada-jugoslavije.html) (Accessed: 17 March 2018.)
- Radio Television of Serbia (2017): Vučić: Dualno obrazovanje za suštinsku i dubinsku promenu Srbije [Vucic: Dual education for meaningful and thorough change of Serbia]. *Radio Television of Serbia*, 6 February 2017. Available: [www.rts.rs/page/stories/sr/story/9/politika/2620126/vucic-kod-nas-je-filozofija-diplome-zamenila-filozofiju-rada.html](http://www.rts.rs/page/stories/sr/story/9/politika/2620126/vucic-kod-nas-je-filozofija-diplome-zamenila-filozofiju-rada.html) (Accessed: 17 March 2018.)
- RATHFELDER, Erich (2016): Genscher und die Balkankrise: Die Zerstörter-Legende. *Taz*, 2 April 2016. Available: [www.taz.de/!5291608/](http://www.taz.de/!5291608/) (Accessed: 17 March 2018.)
- RELJIC, Dusan (2017): Opening remarks provided at the *Fifth Belgrade Dialogues: Serbia in a Geopolitical Cramp*. Aero club, Belgrade, Republic of Serbia.
- RTV Pannon (2018): Produblјivanje saradnje sa Baden Virtembergom prioritet Vojvodine [Deepening cooperation with Baden-Württemberg a priority for Vojvodina]. *RTV Pannon*, 16 March 2018. Available: <https://pannonrtv.com/rovatok/vesti-na-srpskom/produblјivanje-saradnje-sa-baden-virtembergom-prioritet-vojvodine> (Accessed: 06 May 2018.)
- Statistical Office of the Republic of Serbia (2018): *Spolјnotrgovinska robna razmena, konacni podaci za 2017* [Foreign trade, final data for 2017]. Available: [www.stat.gov.rs/sr-Latn/vesti/20180716-spolјnotrgovinska-robna-razmena-konacno-2017](http://www.stat.gov.rs/sr-Latn/vesti/20180716-spolјnotrgovinska-robna-razmena-konacno-2017) (Accessed: 07 May 2018.)
- TRGOVČEVIĆ, Ljubinka (2003): *Planirana elita: o studentima iz Srbije na evropskim univerzitetima u 19. veku* [The Planned Elite: Students from Serbia in European Universities in the 19<sup>th</sup> Century]. Beograd, Istorijски institut.