CURRENT TURKEY–SERBIA RELATIONS

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Preface

Turkey and Serbia share a common history as the two important countries of the region. Notwithstanding the ups and downs in this long relationship throughout the history, we are pleased to observe that our relations have reached the highest level in the recent years. Now, we are talking about “strategic partnership” objective and consider each other as neighbors, in the absence of common border between our countries.

Within this spirit, SAM and IIPE (Institute of International Politics and Economics) of Serbia decided to organize the workshop titled “Current Turkey-Serbia Relations” in Belgrade, on 17 June 2015. The event was a very good opportunity to evaluate Turkish-Serbian bilateral relations as well as convergences and divergences of the foreign policies of the two countries towards the region.

In this book, you will find three articles written by prominent academics on the subject from Turkey and Serbia who made presentations during the workshop.

Thanking our partner Serbian organization, IIPE, for their warm hospitality and contributions to the workshop and this book, I hope the event and this publication will serve the friendship of Turkish and Serbian peoples and help develop further our relations aimed at peace, stability and prosperity of the two countries and the region.

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Reconsidering Turkish-Serbian Ties within the Context of Balkan Politics: Identity Perceptions and Impact of Global, Regional and National Levels

Birgül DEMİRTAŞ*

For the first time in their contemporary history Turkey and Serbia have in the 21st century been sharing similar foreign policy goals and aspiring to become full members to the same regional organizations. They are located in the same regional governance structures and share similar regional concerns.

Considering the historical background of bilateral relations, one should note important differences as well as similarities. During the First World War the two were allied with different countries. During the Second World War Yugoslavia was occupied by the Axis countries, whereas Turkey was able to keep itself out of the war. On the other hand, they were members in different blocs leading to different foreign policy orientations within the bipolar international system. Turkey chose to be part of the Western bloc by being a member of NATO, however Yugoslavia under Joseph Broz Tito became one of the leading countries of the Non-Aligned Movement. This basic difference, however, did not prevent them from coming together in various forms of regional cooperation schemes. Governments in Ankara and Belgrade cooperated in the framework of the Balkan Entente in 1934 and the Balkan Pact in 1954.1 Hence, even under different regimes and with different foreign policy orientations, both countries were able to cooperate in the regional context, especially when they perceived similar challenges in the neighborhood and global scene. In sum, in their

* Assoc. Prof., TOBB University of Economics and Technology, Department of International Relations. In writing this article the author benefitted from her research as a fellow at the University of Westminster in May 2014 within the framework of TÜBİTAK 2219 Post-Doctoral Research Scholarship.
history, both countries had the experience of cooperating under different international systems.

However, since the changes in Serbia's political structure in October 2000, Belgrade has made important adjustments in its foreign policy. Since that time, Ankara and Belgrade have started sharing more commonalities in their perception of the international and regional systems. The start of the Europeanization process in Belgrade and the speeding up of that process in Ankara in the first half of the 2000s led to closer ties between the two countries at different levels. Similarly, their approaches toward other Balkan countries started carrying more similarities—though certain differences, like those on Kosovo—persisted, without substantially harming the state of bilateral affairs.

I argue that in our contemporary world there are again some regional and global challenges that are encouraging both countries to act together, ranging from their mutual disappointment with a slow EU integration process, and Russian foreign policy in the neighborhood, to failing states in the Middle East and repercussions of the threat of terrorism in regional countries, as we have already witnessed in Zvornik in Bosnia Herzegovina and Kumanovo in Macedonia.

This study aims to focus on Serbian and Turkish ties with the Balkan states by analysing the issue at different levels of analysis. It will shed light on the two countries' general approach toward regional politics, without looking at their relations with each and every country. It will start by concentrating on identity perceptions in both countries. The hypothesis of the study is that in order to understand any country's international relations, we first need to grasp its identity perceptions. Second, it will look at how the global system affects both countries' foreign policies. Then, it will analyze the general state of affairs at the regional level and its impact on both countries. Lastly, it will focus on their foreign policy approaches at the national level. The study will conclude by explaining its main findings.

Multiple Identity Perceptions

Historically speaking, Turkey and Serbia both have multiple identities ranging from West to East. Belonging to multiple
identities has been evident both at the governmental and public levels. Even when they have strategic alliances with the western countries, both have chosen to improve their relations with their eastern neighbors as well. Although the reasons for having multiple identities can not be dealt with here at length, it should be noted that their historical experiences and geographical positioning have encouraged the leaders and publics of these two countries not to stick to just one regional identity.

An important sign of their multiple identities is the metaphor of “bridge” that is used by decision-makers in both countries. A bridge between East and West has been a classical concept defining both countries’ foreign policy orientations. This metaphor has been used by politicians belonging to different political spectrums. Serbian President Tomislav Nikolić stated that “Serbia is and should be a bridge between the East and West” because of its “favorable geographical position”, since it is located “between east and west.” Similarly, former Prime Minister Mirko Cvetković stated that Serbia is “a geostrategic bridge between East and West.”

In addition, Serbia pursues a balanced foreign policy between the EU and Russia. Despite being a negotiating country with the EU, Belgrade did not join the sanctions regime of the West after the Crimean crisis. Also, the fact that the Serbian Parliament ratified the Stabilisation and Accession Agreement with the EU on the same day as it ratified an energy treaty with Russia is another proof of this balanced foreign policy.

The same discourse is evident in Turkish decision makers as well. For example, Süleyman Demirel stated that “Turkey… is a bridge to West Asia, to the Middle East.” He also stated that “After the collapse of the Soviet Union, … Turkey has turned into bridge.” A similar discourse on multiple identity is seen in the discourse of İsmail Cem, Foreign Minister between 1997-2002, who stated that Turkey was both European and Asian. Therefore, the bridge metaphor has repeatedly been used by Turkish decisionmakers irrespective of their ideological positioning.

Former Foreign Minister and current Prime Minister, Ahmet Davutoğlu, also emphasises Turkey’s multiple identities in his publications and speeches. Davutoğlu stated that Turkey’s most important characteristic is its possession of a multidimensional geography. He stated his belief that Turkish foreign policy
can never be unidimensional and that Turkey can not ignore Europe, the Black Sea, the Mediterranean, the Caspian, the Gulf, Africa, Latin America, the Atlantic Alliance as well as Asia.8

In a similar way, both countries emphasise their role as a logistical connection point between East and West in terms of pipelines. The concept of “energy hub” has emerged in post-Cold War Turkish foreign policy as Turkey has become the meeting point of oil and gas pipelines. A similar discourse is evident in Serbia, as seen in the discourse of former Prime Minister Cvetković, when he stated that Serbia is “crisscrossed by modern transport routes, by oil and gas pipelines, a hub of contemporary connections.”9 Very similar discourse can be seen in Turkish foreign policy. Turkey aims to become a reliable transit country between producer and consumer countries and is launching initiatives to become a dynamic energy terminal.10

In sum, in the current global system, both countries have similar multiple identity perceptions that allow them to shape their international relations accordingly. In a similar way, both countries perceive themselves as having a central place in energy issues between producer and consumer countries. After analysing both countries’ identity perceptions, the following sections will dwell on how the international system affects their international relations.

**Impact of the Global Level: The Balkan Political BRICS**

We can argue that after long years, the composition of the international system now allows both countries to cooperate in different realms. After the decades of the Cold War, in which Ankara and Belgrade chose to take part in different international political constellations, at least since 2000, both countries have similar foreign policy aspirations, such as membership in the European Union.

During the bipolar world era, states had to act within the boundaries of an international system that constrained their abilities to have independent initiatives. Only within the limitations of the international system could regional actors like
Turkey and Yugoslavia develop their global and regional policies. At that time of ideological rivalries and subsequent perceived threats, both countries had to formulate their regional policies in a restrained manner.

However, after the dissolution of the Soviet Union, with radical changes taking place at the global system, Turkey’s and Serbia’s roles in the global and regional system changed considerably. In our contemporary world they now have the necessary maneuvering space to formulate their Balkan policies independently in accordance with their perceived national interests.

The concepts of emerging powers, pivotal states, rising states, and near-BRICS states are all used to describe those states that aspire to play a greater role in the international system and have the necessary hard and soft power to do it.11 I argue that both Turkey and Serbia have been playing that role in the Balkans. In other words, they can be called “Balkan Political BRICS”. Their policies in the region are so crucial that without their contribution no outside actor can argue to be able to shape its Balkans policies. A regional organization, if it wants to make any positive change in regional affairs, must first gain the whole-hearted support of these two countries.

In terms of power parameters like geography and population, both countries are greater than their regional neighbors. Turkey has the biggest geographic size and is most populous country in the region. In addition, Turkey has the 17th biggest economy in the world and hence has a GDP greater than all the Balkan states combined.12 Meanwhile, Serbia has the biggest population and geographic size among all the West Balkan countries.

In the current global system, whether we call it a unipolar system or an emerging multipolar one depending on our interpretation, we can argue that regional powers, like Turkey and Serbia, have more opportunities to establish regional cooperation initiatives and create solutions for the current problems. In other words, the existing global conjuncture allows both countries more maneuvering place to determine their Balkan policies. Whether they will be able to achieve to help solve the regional problems or not will depend not only upon the ability of the political
leaders, but also on the peoples of those countries, and on how the country’s policies are perceived by the regional countries.

After elaborating on why these two states can be called regional political BRICS, we can now focus on the impact of the regional level on both countries’ Balkan policies.

Impact of the Regional Level: Current Challenges and the Ambivalence of Europeanisation

The Zeitgeist at the regional level has an impact on the foreign policies of both countries. We can analyse the impact of the regional level by looking at two important factors: regional security issues and the Europeanisation process. In this section, first regional security problems will be considered and then the impact of Europeanisation on both countries’ regional policies will be examined. In addition, the section will shed light on the controversial state of affairs with the EU.

Although the wars in the Balkan peninsula came to an end in the late 1990s, a durable peace has still not been achieved. Due to the existence of a variety of critical security problems we can only talk about a fragile regional peace. The most pressing problems can be summarised as follows: First of all, ethnic nationalism is still a fact of life in many regional countries, as seen in their legal and political structures. The Dayton Peace Accord has created an ethnicity-oriented political system in Bosnia Herzegovina in which each ethnic community mostly votes for the political parties representing their ethnicity. Similar voting preferences are valid in Macedonia as well, where Macedonians and ethnic Albanians vote for their own political parties.

The second problem relates to the economic problems and existence of organized crime in the region. Still affected by all problems related to transition economies, the Balkan countries were also affected by the European economic crisis. Many of the regional countries suffer from high levels of unemployment, ranging from 15-35 per cent. In Macedonia the unemployment rate is 27 per cent, whereas in Bosnia Herzegovina it is about 27.5 per cent. Youth unemployment is even higher in every country, in the case of Bosnia Herzegovina reaching to 57 per cent.
Under such challenging political and economic conditions, the European Union perspective is not crystal clear. Considering the Euro-zone economic crisis and difficulty of absorbing recent members,

European Union leaders are not in hurry to speed up the accession process of the Western Balkan states or Turkey. The European Union’s current policy preference is to offer intermediate rewards, like visa liberalisation policies, rather than full membership perspectives. Therefore, although the Union has been seen as the greatest example of inspiration, it does not offer a clear perspective to the regional countries.

One can in fact argue that both countries have a love-and-hate relationship with the EU. On the one hand, they share the ultimate aim of full-membership, on the other hand, they also share a similar type of frustration with Brussels. In the Turkish case, after many reforms were carried out between 1999-2005 following the granting of candidate status, the process of Europeanisation then stalled. Still, there has already been an important impact of the Europeanisation process on Turkish foreign policy towards the Balkan countries. Turkish-Greek rapprochement since 1999, Turkey’s use of different instruments as well as Turkish mediation initiatives, all bear the influence of the EUisation process. This has been evident in the discourses of Turkish politicians. For example, in the early 2000s the then Prime Minister Recep Tayyip Erdoğan referred to the importance of the EU in improving the ties between Ankara and Athens:

“If Turco-Greek rapprochement is possible today, it is because we have a common ground through which mutual perceptions are formed most accurately. That common ground is the EU… I would like to draw your attention to the fact that Turkey’s own policies and suggestions to the Turkish Republic of Northern Cyprus based on the Annan Plan have been in parallel to the EU.”

An important indicator of how EU policies were emulated is the initiative that Turkey launched to establish a visa-free area in the neighbouring regions, including the Western Balkans, essentially to create a Turkish-style Schengen area. As Davutoğlu himself stated, Turkey started to employ a European Neighbourhood Policy (ENP) in the neighbourhood and tried to achieve maximum cooperation with all regional countries.
The fact that Serbia was accepted as a candidate state by the EU in 2012 and started negotiations in 2014 has had an enormous impact on Serbian foreign policy. The most important effect can be seen in its relations with Kosovo. Since 2011, Serbia and Kosovo have been negotiating with each other under EU mediation. So far, the dialogue has resulted in important agreements on recognition of university diplomas, customs stamps, border management, and the establishment of an association of Serbian majority municipalities in the northern part of Kosovo.\(^\text{18}\)

Catherine Ashton, the then EU High Representative for Foreign Affairs and Security Policy stated that the first agreement signed between Belgrade and Prishtina on 19 April 2013, on principles governing the normalisation of relations, marked “a step away from the past, and for both of them, a step closer to Europe.”\(^\text{19}\)

Inspired by neo-functionalist theory Brussels tries to create a dialogue between Serbia and Kosovo in order to encourage them to take steps to normalise their relationship, although there is no prospect of recognition by the Serbian side. So far, the positive steps are worthy of praise, but still the relationship between the parties remains fragile, as seen in the latest events occurring in Kosovo’s internal politics, as some opposition parties are protesting the negotiations with Serbia.

However, this is only one part of the coin. Both countries suffer a love-hate type of relationship with the European Union. One can find many examples from the speeches of politicians in both countries.

In June 2015, Serbian Prime Minister Aleksandar Vučić stated “Still, Serbia is being blackmailed with Kosovo… [the] screening process is done, but still none of the chapters are open [in Serbia’s EU accession talks], because some countries in Europe are waiting for finalization of some issues regarding Kosovo.”\(^\text{20}\) This rhetoric is a demonstration of Serbia’s frustration with EU policies. Since Serbia and the EU have different priorities with regard to the ties between Belgrade and Prishtina, the result may be at least partially disappointing for some parties.

In fact, this rhetoric of frustration with the EU resembles Turkey’s disappointments along the long road of the Turkish accession process, which has its roots back in the 1963 Ankara Association Agreement. Turkish leaders have long been criticising the EU’s policies towards Turkey for several reasons: First of all, the EU’s
reluctance to give Turkey a clear full membership perspective has become an important thorny issue. Second, the Cyprus dispute has led to further deterioration of bilateral ties. In 2004 there was a referendum in Cyprus. The Turkish Cypriots approved the so-called Annan Plan for the solution of the Cyprus dispute with a great majority, whereas the majority of the Greek Cypriot side rejected it, however at the end of the day, the Greek Cypriot side became a full member of the European Union, with Turkish Cypriots left aside. The EU did not fulfill its promises with regard to Turkish Cyprus after the referendum. Recep Tayyip Erdoğan, then Turkish Prime Minister, in a speech in 2013, questioned whether the Union acts in accordance with the principle of pacta sunt servanda and criticized the EU for its pursuit of ideological policies. Turkish foreign policy makers also have the impression that whatever Turkey does, the Union will always find an excuse not to take Turkey into the Club. This is just an example how Turkey and Serbia have been sharing similar concerns and experiencing similar problems in their relations with Brussels. They share the same feelings of injustice and disappointment.

Although the Kosovo issue and the Cyprus dispute are totally different matters, how Belgrade and Ankara interpret EU policies do have some similarities.

Although the EU’s relationship with both countries has been controversial for different reasons, one can not disregard the fact that Turkey and Serbia are both important regional countries in the Balkans. First, both countries have proven able in the past to create systems of governance in an important part of the region, namely the Ottoman Empire and the Kingdom of Serbians, Croatians and Slovenes, later Yugoslavia. They were the ones that formed the type of power constellations in order to create systems of governance. The Ottoman Empire and Yugoslavia established different types of governance systems. Second, they still have the capability to be influential in those areas that they once ruled. Without the contribution of Turkey and Serbia, it is not possible to reach durable peace and stability in the region. Third, the fact that they have kin groups in the neighbouring states make their regional roles even more important. There are Turkish minorities in different Balkan countries, from Bulgaria to Greece and from Macedonia to Kosovo. Similarly, there are Serbian populations from Bosnia Herzegovina to Kosovo, from Montenegro to Croatia. The existence of these groups makes the roles of both homelands, Turkey and Serbia, crucial in the
creation of regional peace and stability. In sum, because of their governance roles in the past, their continuing influence, and the existence of kin groups, Turkey and Serbia are both extraordinary actors in the region.

As was the case in the interwar era and during the Cold War, in order to be able to create any regional system of governance, their will, acceptance and cooperation are thus vitally needed. In other words, whatever the Zeitgeist is, Ankara and Belgrad maintain their key position in the regional politics.

In other words, as the region has been witnessing all the impacts of the global and European economic crises, struggling to pass from the stage of procedural democracy toward substantial democracy, and as long as the EU does not offer a clear membership perspective for the Balkan countries, Serbia and Turkey do have substantial potential to contribute to the solution of the problems.

In recent years, both countries have succeeded in making positive contributions to the solution of various issues, especially when they have acted together. The trilateral mechanism with regard to Bosnia Herzegovina is an important step ahead. The fact that the leaders of three countries have been coming together at different levels in order to create solutions for the problems in Bosnia should be considered a major breakthrough. At a time when external actors have lost their interest in the Balkans and are largely focused on other regions, the regional countries have come together and worked on finding their own solutions. That is an important example of regional ownership and inclusiveness. Although there are still serious problems in Bosnia Herzegovina, this trilateral consultation mechanism has had some concrete results. The next section will concentrate on the impact of the national level on both countries’ ties with their Balkan neighbours.

**Impact of the National Level: New Initiatives**

The Turkish initiation of two trilateral mechanisms has been an important sign of the relaunch of an active foreign policy. Within that framework, there have been regular gatherings of the foreign ministers and presidents of Turkey, Bosnia Herzegovina and Serbia, as well as the foreign ministers of Turkey, Bosnia Herzegovina and Croatia. As a result of that initiative, the foreign ministers of Turkey, Bosnia Herzegovina and Serbia have come
together nine times and the foreign ministers of Turkey, Bosnia Herzegovina and Croatia have gathered four times since 2009. In addition, the leaders of Turkey, Bosnia Herzegovina and Serbia have come together three times. The summit in Istanbul produced the Istanbul Declaration on 24 June 2010, which is considered an historic document since it guaranteed the territorial integrity of Bosnia Herzegovina.\textsuperscript{23} This summit has broader historical importance because for the first time Serbian President Boris Tadić and Bosnia Herzegovina President Haris Silajdžić came together.\textsuperscript{24}

Considering the failure of the Butmir process organised by the EU and the USA, that Turkey’s initiatives have borne some early fruits is noteworthy and can be considered a success, though limited. First, as noted above, the recognition of Bosnian territorial integrity by Belgrade at the Istanbul summit is of historical importance. Second, as a result of Turkey’s active engagement, Bosnia Herzegovina sent an ambassador to Belgrade following a three year interruption. Third, in 2010 the Serbian parliament adopted a declaration condemning the crimes in Srebrenica.\textsuperscript{25} Furthermore, Turkey also tried its best to facilitate Bosnia Herzegovina’s membership to NATO in order for Sarajevo to be accepted into the Membership Action Plan.\textsuperscript{26}

It is notable that although the Butmir process initiated by the EU and the US resulted in failure, Turkish initiative has had some success. That is mainly because of the fact that Turkish mediation was based on trust building measures between the parties.\textsuperscript{27}

In recent years there has been a rather astonishing improvement in relations between Turkey and Serbia. In fact, although the Ankara-Belgrade relationship witnessed tough times in the 1990s immediately following the end to conflicts on the Yugoslav territories, both sides did try to mend relations. But it never reached the current level. It has been emphasised by the leaders that the Turkish-Serbian relationship has been enjoying a golden period and is in the best shape ever. The rhetoric used by the decisionmakers, that although Turkey and Serbia do not have common borders they are still neighbours, is an important indication of the degree of the rapprochement.\textsuperscript{28} The fact that good ties have continued following the 2012 Serbian elections despite the election of a more nationalist group, has shown that the bourgeoning ties are not dependent on a particular party or government.
An important feature of Turkey’s Balkan policy in the last decade has been its emphasis on soft power. In a continuation of the foreign policy approach of the Turgut Özal years, economics is important in Turkey’s foreign relations. Emphasising the liberal view that increasing economic relations will lead to an improvement in political relations and economic interdependence, Ankara has been advocating better economic ties with regional countries. However, as it is not the state but the private sector that is expected to increase trade and investment, the basic aim is to facilitate and encourage an increase in bilateral trade relations. The practice of taking businesspeople on the foreign trips of key decision makers was started during the Özal era; however, it was suspended during the coalition governments that followed. This practice was resumed by the Justice and Development Party (JDP) after it came to power in 2002. It can be considered as an indication of the impact of a “trading state” approach in Turkish foreign policy. There are also some indications that Turkish companies are being affected by the dynamism of Turkish foreign policy and have started to use similar rhetoric. For example, the General Director of Ziraat Bank, Turkey’s largest public bank, Can Akın Çağlar, stated that they aim to transform the “local power” of the bank into a “regional power,” and they want to be “big player.” Hence, the multi-dimensionalisation of Turkey’s foreign relations is visible in the sphere of economics as well.

It is also important that in recent years this trilateral cooperation mechanism has started focusing on technical issues as well. For example, there are attempts to open the horizon for establishing a trilateral trade committee and trilateral trade mechanism. It should also be emphasised that at the Ankara Summit in 2013, the presidents of Turkey, Serbia and Bosnia Herzegovina stated the importance of energy as well as “a functioning institutional framework of regional cooperation.” Energy dependence is another issue for all the regional countries. Turkey and Serbia do have the potential to act as bridges in order to bring together energy supplying and energy demanding countries.

Hence, we can argue that the concept of functionalism started playing a key role in regional ties since the trilateral consultation mechanism has emphasised not only political, but also technical cooperation.

There are, of course, also some disagreements in the bilateral relations, as we have seen in their Kosovo policies. However, one
should admit that both countries proved that when they have different priorities and even contested stances, they can agree to disagree. They do not allow these issues to cast a doubt on their cooperative relationship in many other fields. Davutoğlu stated that controversial areas should not take bilateral relations hostage.33

Although state-to-state relations still dominate the agenda, we can argue that non-state or non-central state actors have been gaining importance as well. This is mainly because of the current international climate. The contemporary global system and the trend of globalization have also created possibilities for agencies other than central states, to be able to have their voices heard. From the Turkish case several examples can be given. For instance, we have the case of municipalities in different parts of Turkey developing their own foreign relations. Different municipalities have been establishing cultural centers, children’s playgrounds, and Ramadan activities in different parts of the Balkans, as well as providing different services for different Balkan countries ranging from vocational courses for young people to different sports events.

Businesspeople have also been contributing to foreign policy in different ways. As stated above Turkey has been in the process of becoming a trading state since the early 1980s, and as such, businesspeople and organizations have more influence in the foreign policy making process, and have started taking initiatives in the foreign policy field. As one recent example, in late 2015, the Turkish Union of Chambers and Commodity Exchanges (TOBB) brought together representatives of the Kosovo and Serbian Chambers of Trade and Industry in Ankara. The Turkish Union argued that it would try to perform the role of facilitator and expressed its belief that trade can play a role in the solution of disputes. Such an example is important in showing how non-state actors can come together, take initiative and help generate solutions for disputes.

Serbia has also been improving relations with its Balkan neighbours. The common aim of EU membership has been the main driving force in setting up a base from which to construct a new type of relations. Serbia-Kosovo relations have already been discussed, but relations with Albania have also witnessed important positive changes.34 Despite the crisis that erupted during the football match between the Albanian and Serbian national football teams in 2014, relations have continued to
develop with the help of historical mutual visits. Albanian Prime Minister Edi Rama visited Belgrade in November 2014, the first such visit in 68 years. Serbian Prime Minister Vučić paid an official visit to Tirana in May 2015, representing the first visit ever by a Serbian Prime Minister to Albania.

Serbia has friendly relations with Macedonia except for the remaining dispute between the Serbian and Macedonian churches. Ties have been increasing between Serbia and Bosnia Herzegovina as exemplified above. Serbian-Croatian ties have experienced several problems, mainly due to refugee issues, missing persons, and prosecution of war crimes, though they continue to cooperate in the EU accession process. In general, Serbia has friendly relations with its Balkanic neighbours.

**Concluding Remarks**

This study argues that Turkey and Serbia have been sharing a similar foreign policy identity since the early 2000s. This shared multiple identity characteristic out of different civilizations has been affecting their foreign policy. In the current global political system, regional actors, like Serbia and Turkey, have maneuvering space in their foreign policies. Their recent history of foreign relations have proved that when they recognize their common interests and act accordingly, they can have concrete results which then bring advantages to both countries.

This study argues that despite all their existing differences on several issues, Serbian-Balkan friendly relations will be the key to bringing about durable peace in the region. The words of the founder of the Republic of Turkey, Mustafa Kemal Atatürk, voiced during his speech at the Balkan Conference in Ankara on 25 October 1931, are worth remembering: “The basis and target of Balkan cooperation is to work together in the economic, cultural and civilizational realms based on the respect for political independence. If we achieve this, it will be praised by the whole civilized world.”
End Notes

1 For a historical background of Turkish-Serbian ties see Didem Ekinci, “A Chronicle Evolving Turkish-Serbian Relations A Century After the Balkan Wars”, Uluslararası Suçlar ve Tarih, No. 14 (2013), pp. 7-36.


3 Ibid., p. 706.


6 Ibid., p. 537.

7 For a comprehensive discussion on the identity of Turkish foreign policy see Ahmet Davutoğlu, Stratejik Derinlik, Türkiye’nin Uluslararası Konumu, İstanbul, Küre, 2001.


9 Quoted in Savić, “Where is Serbia?...”, p. 706.


12 Turkey’s GDP was 799.5 billion USD in 2014, while GDP of all Balkan states combined was 677 billion USD. See http://data.worldbank.org/ (last visited 16 December 2015).

13 For an analysis of the security issues in the Balkans see Birgül Demirat, “Balkanlar’da Güvenlik Meseleleri”, in Şaban Çalış and Birgül Demirat...

15 Speech by Prime Minister Recep Tayyip Erdoğan, ‘Why the EU Needs Turkey’, University of Oxford, 28 May 2004, http://www.sant.ox.ac.uk/esc/docs/Erdogan1.pdf (last visited 15 May 2014).

16 The ENP was initiated by the EU to improve its relations with the countries in the neighbouring regions that do not have any chance of being full members in the foreseeable future. For a comprehensive evaluation of the ENP, see Bezen Balamir-Coşkun and Birgül Demirtaş-Coşkun (eds), *Neighborhood Challenge: The European Union and Its Neighbors*, Universal Publishers, Bota Raton Florida, 2009. Also see Sevilay Kahraman, “Turkey and the European Union in the Middle East: Reconciling or Competing with Each Other?”, *Turkish Studies*, Vol. 12, No. 4 (2011), p. 708; Senem Aydın Düzgit and Nathalie Tocci, “Transforming Turkish Foreign Policy, The Quest for Regional Leadership and Europeanisation”, CEPS Commentary, 12 November 2009.


19 Quoted in Ibid., p. 146.


22 The author benefited from the following article in writing this section: Birgül Demirtaş, “Turkey and the Balkans: Overcoming Prejudices,


34 For an analysis of Serbian-Albanian relations see *Serbia and Albania. Preparing for a New Start*, ISAC Fond and Friedrich Ebert Stiftung, Belgrade, 2011.


36 The original statement in Turkish is as follows: “Balkan birliğinin temeli ve amacı, karşılık siyasal bağımsız varlığa saygı ile dikkat ederek 265 iktisadi alanda, kültür ve uygarlık yolunda işbirliği yapmak olunca, böyle bir eserin bütün uygar insanlık tarafından övgüyle karşılanacağına şüphe edilemez.” Quoted in Atatürk’ün Söylev ve Demeçlerinden Seçmeler, http://www.ata.tsk.tr/content/media/01/soylev_ve_demecleri.pdf (last visited 1 December 2015)
The Future of the Trilateral Cooperation among Bosnia and Herzegovina, Turkey, and Serbia

Đorđe PAVLOVIĆ*

Introduction

Turkish engagement in the Balkans has attracted the attention of both politicians and scholars, due to its numerous results and interesting development in an unstable international surrounding. The trilateral cooperation among Bosnia and Herzegovina (B&H), Turkey, and Serbia is a unique mechanism of Ankara’s foreign policy created in 2009, which at first aimed at improving the political relations of Sarajevo and Belgrade, with Turkey as a facilitator in the trilateral dialogue. After initial political achievements, this multilateral forum established its economic dimension, while the political layer experienced growing difficulties. In order to anticipate the future of the trilateral cooperation, the author of this paper will compare the state of affairs before the creation of this multilateral forum, and after the first five years of its existence. The mechanisms that initiated and propelled the trilateral cooperation are also presented, singling out the greatest barriers to mutual collaboration. The paper concludes with a determining of the main factors that have influenced the prospects of the trilateral cooperation, and makes suggestions for improving both the political and economic aspects of this multilateral format.

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Political Achievements of the Trilateral Cooperation

Since the beginning of the trilateral cooperation in October 2009, the initiative has had three institutional multilateral forms: a trilateral consultative mechanism (foreign ministers’ trilateral meetings), trilateral summits (trilateral conferences of the heads of state), and trilateral gatherings of economy and trade ministers. The first format has represented a forum for making arrangements for the trilateral summits, while the latter has been the central body of the trilateral cooperation. The third institutional form of cooperation, comprised of the ministers in charge of economy and trade, evolved into the trilateral trade committee. It took five trilateral consultative mechanism meetings to prepare the first trilateral summit, whereas the second and the third required only one foreign ministers’ session each to arrange.¹

The first trilateral summit took place on 24 April 2010 in Istanbul and was hosted by Turkish president Abdullah Gül. Serbian head of state Boris Tadić and the Chair of the Presidency of Bosnia and Herzegovina, Haris Silajdžić, also took part in the summit. The fact that the Bosnian side was not represented in full capacity, with the Serbian and Croatian members of the Presidency of B&H missing, raised some critique, which led to the presence of the complete Bosnian head of state at the subsequent trilateral summits. The participants of the first summit recalled the first achievements of trilateral cooperation reached by the three foreign ministers: after several months of delay, B&H had been given an agrément for her ambassador to Belgrade, the Serbian National Assembly had passed a resolution condemning the crimes of Srebrenica, and the President of Turkey had paid a visit to Belgrade, the first in 23 years. The three leaders adopted a declaration setting guidelines for trilateral cooperation development, and accentuating the need for further institutionalization of this multilateral forum. Therefore, the declaration envisaged that the trilateral summits would be held regularly, every 8th month in the period to come, and that there would be an extension of trilateral cooperation to the sectors of economy, environmental protection, culture, energy and traffic. Agreement was also reached providing for the presence of the three leaders at the 15th anniversary of the crimes in Srebrenica.
The second trilateral summit, on 25 April 2011 in Karađorđevo, Serbia, assembled five leaders: Tadić, Gül and all three members of the Presidency of B&H – Haris Silajdžić, Nebojša Radmanović and Željko Komšić. The main conclusions of the meeting concerned mutual support in the European integration process, and a commitment to the improvement of relations between Serbia and B&H. In that context, Serbian President Tadić declared that he would not support a referendum that would endanger B&H territorial integrity, while the Bosniak member of the Presidency of B&H distanced himself in advance from eventual support for the autonomy of the Raška region (Sandžak) in the southwest of Serbia. The leaders reiterated once more the need for the inclusion of issues of economy, culture, sport, education, interreligious dialogue and science in the trilateral cooperation.

The first meeting of economy and trade ministers was held on 11 April 2013, and represented an introduction to the third trilateral summit in Ankara on 14/15 May 2013. Namely, during the summit, another meeting of the economic dimension of the trilateral cooperation resulted in the adoption of the Declaration on economic and trade cooperation and the Protocol on the establishment of the Trilateral Trade Committee. A business forum of the three states was also arranged along with the third summit, which further emphasized the focus on economic matters. The trilateral summit participants agreed to organize their future meetings once a year, and called for the creation of a parliamentary dimension of the trilateral cooperation.

Economic Achievements of the Trilateral Cooperation

The establishment of the trilateral cooperation has significantly improved trade exchange among the three states. In order to present the complex business-related cooperation among B&H, Turkey and Serbia, the following section will use official figures describing their trade relations, along with major investments, and a short history of the economic dimension of the trilateral cooperation.
**Trade Statistics**

On 26 October 2009 a free trade agreement for industrial products was signed between Serbia and Turkey, which increased the volume of trade between them by several times, although the global economic crises had a negative effects on it. In fact, Serbian-Turkish trade exchange increased more than two times in the observed period: from $338.9 million in 2009, it rose to $819.7 million in 2014.\(^5\) Serbian exports to Turkey expanded five times in the same period (from $45.1 to $230 million), while at the same time Turkish exports to Serbia doubled (from $293.8 to $589.7 million). In spite of the fact that Serbian exports showed bigger growth, the Serbian trade deficit with Turkey has continually increased since 2011 (Serbian export coverage ratio with Turkey totalled 45.2% in 2011, falling to 39% in 2014). The biggest growth in Serbian-Turkish trade was seen after the conclusion of the mentioned free trade agreement (trade volume between the two countries increased by 42.5% in 2011 alone), but the growth started slowing due to the fact that the agreement left numerous goods out of the free trade regime. The trade growth decrease to 4.7% in 2012 and 9.3% in 2014 could be explained by the effects of the global economic crisis, as well as by the limits of the present Serbian-Turkish free trade agreement.

Trade exchange between Turkey and B&H has also expanded, but with the improvement of the Bosnian trade balance. The trade volume between the two countries in the period 2009-2014 rose from $278.7 to $493.4 million, with Bosnian exports to Turkey more than tripling (from $52.1 to $171.4 million), while Turkish exports to B&H increasing by 40% (from $226.6 to $322 million).\(^4\) Contrary to the Serbian case, Bosnian exports succeeded in decreasing the country's trade deficit with Turkey (trade ratio coverage in 2011 totalled 23%, whereas in 2014 it amounted to 53.2%). The biggest growth in Bosnian-Turkish trade exchange was noticed before the global economic crisis (in 2011 the growth amounted to 21.1%), and after the decision of the Turkish Government to allow the imports of 15,000 tonnes of beef from B&H in 2014 and 2015. In 2014 Turkey was the second largest trade partner of the Brčko District and the 8th of the Federation of Bosnia and Herzegovina (FB&H), while she wasn’t on the list of the first eleven trade partners for the Republic of Srpska (RS).\(^5\)
Trade between Serbia and Bosnia also expanded in the mentioned period, with the surplus on the Serbian side. Namely, the trade volume of the two countries increased by nearly 30% (from $1.48 to $1.85 billion). At the same time, Bosnian exports to Serbia rose by a quarter (from $432.2 to $534.6 million), while Serbian exports to B&H grew by almost 30% (from $1.02 to $1.32 billion). The trade deficit remains on the Bosnian side, keeping in mind that the Serbian surplus in bilateral exchange amounts to 2½ times (the Serbian trade ratio coverage in trade with B&H is 246.8%). It is worth noting that the Serbian trade structure with the entities inside B&H in 2014 was directly opposite to the Turkish case – Serbia was the first trading partner of the RS and Brčko Districts, and the fifth of the FB&H.

Even before the establishment of the trilateral cooperation, visits to the important fairs in certain sectors took place among the three countries. Probably the best example of this is the Turkish products fair, which has been held in Sarajevo since 2003. The last such fair was held in May 2015, with the attendance of around 60 Turkish companies from various economic sectors. Generally speaking, Serbian and Bosnian firms had demonstrated modest participation levels at international fairs in Turkey. In order to change such a tendency, the Bosnian example was followed in Serbia, which made it possible to organize three events. The first one was the Serbian-Turkish business forum, which has taken place once a year since 2010, with a fluctuating number of Turkish companies, ranging from 26 to as many as 76. The second event is the textile companies fair Balkan Textile, which has occurred since 2012 in Novi Pazar, Serbia, with the participation of companies from Turkey. The third example was the Congress of Turkish producers and distributors of pharmaceuticals and cosmetics Days of Good Opportunities, organized by Hedef Alliance in Belgrade from 3-15 August 2015. The event represented the largest occasion of congressional tourism in Serbia in that year, with 75 Turkish companies present. Aside from that, the first trilateral business forum was held along with the third summit in May 2013.

The Most Important Investments

Given that the Turkish economy is by far the largest of those included in the trilateral cooperation, Belgrade and Sarajevo
have expected a greater presence of the Turkish companies in Serbia and B&H. Even though the ratio of Turkish investments in the Western Balkans in comparison to other regions is very low (around 0.9% or $1.3 billion in 2013), Serbia and B&H managed to attract an important part of that sum.

Concerning Turkish investments, Serbian vice Prime Minister and Minister for trade, tourism and telecommunications, Rasim Ljajić, said that there were around 70 Turkish companies working in Serbia in August 2015. A clearly positive example is the textile enterprise Jeanci Serbia, which has three factories in Leskovac and one in Krupanj. The company expanded its production capacities in Serbia in 2014/2015, and it now employs a little over 1,000 workers in Serbia. The Turkish producer of domestic appliance and consumer electronics, Beko, opened its Balkans hub in Belgrade in June 2015, which is in charge of the markets in Serbia, B&H, Montenegro, and Macedonia. One of the latest privatizations in Serbia is the purchase of the textile enterprise Štofara in Paraćin by Turkish Fiset International in July 2015. Speaking about the development activities of the Turkish Cooperation and Coordination Agency (TIKA) in Serbia, they were focused on the south-western part of the country, inhabited mainly by the country’s Muslim population. In 2013, TIKA invested $6.06 million in Serbia, for the reconstruction of schools and hospitals, as well as for several agricultural projects.

On the other hand, the presence of Turkish enterprises is of greater importance for the Bosnian economy, having in mind their positive impact on B&H’s trade balance. Kastamonu Entegre, a part of Turkish Hayat Holding, bought in April 2005 the paper company Natron in Maglaj. It managed to expand the factory production and now employs around 840 workers. Another successful example of privatization is Fabrika sode Lukavac, which was purchased by Turkish chemical enterprise Soda Sanayii in 2006, which invested more than $150 million. The Turkish company Cengiz İnşaat was also present in the Bosnian economy, winning several tenders for road construction. In the agricultural sector, Turkish Sezer group invested in the Bosnian Lijanovići company after its founders were charged with fraud. The latest investment of Turkish company Kirlioglu kimya sanayi ve ticareti in August 2015 made it the majority shareholder of the Bosnian enterprise Pobjeda-Rudet, which produces electronic detonators. In the education sector, two Turkish universities
opened branches in B&H - Burch University and the International University of Sarajevo. Speaking of TIKA development aid, in 2013 a little over $22 million was invested in B&H, but mostly for the reconstruction of cultural and religious buildings closely connected with Islam or with the former Turkish Empire.\textsuperscript{13}

An informal precondition for a substantial inflow of Turkish investments in the Western Balkan countries is the presence of Turkish banks. Given that the Turkish \textit{Ziraat Bank} has been operating in B&H since 1996, could explain the earlier arrival of companies from Turkey into the Bosnian economy. Apart from that, it could be noted that Turkish enterprises are focused on FB&H, which corresponds to the business network of \textit{Ziraat Bank}. The last credit line of the bank, amounting to 50 million Euros, was created in May 2015, and is dedicated to small and medium-sized companies. On the other hand, Turkish \textit{Halkbank} has been present in Serbia since March 2015, when it became the majority shareholder of Čačanska banka, which illustrates the rise in Turkish investments in the Serbian economy in 2015.

One of the positive economic effects of the trilateral cooperation is the rise of air traffic among the three countries. When it comes to flights between Turkey and Serbia, on 6 April 2014 a cargo line Istanbul-Belgrade was reintroduced on a regular basis after 25 years. Even though more passengers than goods are transported by air between Serbia and Turkey, \textit{Turkish Cargo} intends to set up a transport centre at Belgrade Airport Nikola Tesla, and to improve its own network of road traffic lines to the airport.\textsuperscript{14} Turkish companies \textit{Corendon Airlines}, \textit{Bora Jet Airlines} and \textit{Turkish Airlines} obtained half of the total number of permissions for charter flights to Serbia in 2015,\textsuperscript{15} while Air Serbia got the approval to conduct charter flights to Turkey in the same year,\textsuperscript{16} which demonstrates potential for future development. Turkish \textit{Pegasus Airlines} expressed its intent to organize flights from Niš Airport,\textsuperscript{17} which could lead to further development of the business environment in Serbian southern regions, where Turkish firms have already established their presence. Moreover, the Turkish Government’s decision on duty free beef imports from B&H led to the development of cargo transport from Sarajevo and Banja Luka airports. The latter has been particularly successful in expanding its capacities by constructing a cold storage at the airport, and by developing standard in and out procedures for such kinds of goods. The air cargo transport lines between
Istanbul and Banja Luka are run by two Turkish companies – Sky Airchartering and MNG Airlines. Bosnian Trade and economic relations minister, Mirko Šarović, announced the improvement of the Tuzla and Mostar airports’ capacities in order to be fully fledged for beef transport to Turkey.

The Establishment of the Economic Dimension of the Trilateral Cooperation

The number of international agreements among the three countries was considerably expanded in the field of economy during the first five years of trilateral cooperation. The first document with economic implications was the Agreement on Cooperation in Tourism, concluded by B&H and Serbia on 13 April 2010. The visit of Turkish Prime Minister Recep Tayyip Erdoğan to Belgrade followed on 12 July 2010, when the visa regime between Serbia and Turkey was abolished. On the same occasion, five international agreements in the field of infrastructure were signed by the representatives of the two countries. On 27 June 2012, Turkey and B&H concluded in Ankara the Agreement on Agriculture and Rural Development. In the sector of defence industries, the same states signed a cooperation treaty on 7 May 2013. The latest international economic agreement in the course of the trilateral cooperation was concluded between Turkey and B&H on 20 May 2015, concerning road traffic of passengers and goods.

The trilateral cooperation established its economic dimension in 2013, charging the Trilateral Trade Committee with guiding activities in that field of cooperation. After the two initial meetings in Ankara, the three economy and trade ministers met on 18 August 2015 and adopted the Rules of Procedure of the Trilateral Trade Committee. The main topic of this session was the possibility of extending the free trade regime among the three countries. In that context, the Turkish economy minister, Nihat Zeybekci, suggested that the sectors of services, public government, agriculture, food and tourism should also be included into the free trade agreements. Along with that, he expressed Turkey’s readiness to finance the opening of a joint Serbian-Bosnian trade representation office in Istanbul. Priorities of the trilateral economic dimension set on that occasion were: the energy sector, infrastructure, agriculture, food production and
tourism. The latest meeting of the Trilateral Trade Committee took place in Belgrade on 19 October 2015, and its main result was the Midterm programme of trade and economic cooperation for the period 2016-2018. On that occasion the ministers announced that the Serbian-Bosnian representation in Istanbul was to be opened in a month, and that they expected even more fruitful collaboration among the three countries in the future.\textsuperscript{21}

The Main Challenges to the Trilateral Cooperation

If one observes the first five years of the trilateral cooperation, it is possible to identify two major political crises, and a number of diplomatic incidents that had a negative impact on this multilateral format. There were also several unfavourable tendencies in the economic relations among the three countries, which increased lack of trust and lowered the level of Turkish investments in B&H and Serbia.

Political crises of the trilateral cooperation

The first crisis of this multilateral process arose due to political discord between the newly elected Serbian President Tomislav Nikolić, on one side, and the Bosniak member of the Presidency of B&H, Bakir Izetbegović, and Turkish Prime Minister Erdoğan, on the other side. Namely, Nikolić’s announcement on 1 June 2012 that there had not been a genocide in Srebrenica, but “a grave crime”, disturbed the Bosnian-Serbian relations. The objections of the Bosnian side regarding this announcement were unexpected in Serbia, having in mind that even the previous Serbian administration hadn’t used the term “genocide” when speaking about the Srebrenica event. On the other hand, Nikolić’s positive attitude towards cooperation with Ankara was endangered by Erdoğan’s statement that the late Bosniak leader Alija Izetbegović had entrusted Turkey with B&H. This declaration caused much criticism among Serbian and Croatian politicians in B&H, and the representatives of Serbia as well.\textsuperscript{22}

Due to these developments, the previously arranged trilateral summit was postponed, and Bakir Izetbegović made new objections to the statements made by Nikolić to the Italian and
Macedonian press. The Bosniak member of the Presidency of B&H disapproved of the fact that Nikolić visited Banja Luka before paying a visit to Sarajevo. At the same time however, the Office of the Serbian President explained that the trilateral summit had been canceled due to Nikolić’s overbooked agenda.

The second crisis of the trilateral cooperation started with Erdoğan’s statement of 23 October 2013 in Prizren that “Turkey is Kosovo, and Kosovo is Turkey”, which caused many negative reactions in Serbia. As a result, on 26 October 2013, Serbian president Nikolić decided to freeze his participation in the trilateral cooperation until Turkey apologized for this “aggression without weapons”.23 At the same time, the Serbian Government withdrew three international agreements with Turkey from parliamentary procedure, and decided to refuse Turkish donations for reconstruction of the Lađevci airport. Further complications among the three countries came with several events that followed, causing the complete blockade of trilateral summits.

In July 2014, the Turkish and Bosnian Defense Ministries planned a naval military exercise in Neum, the only Bosnian sea harbour. The visit of two Turkish military vessels was arranged in this context, but after the objections from Croatian and Serbian representatives in the central administration, the Bosnian Government decided not to allow the entry of the Turkish ships, which raised tensions in political relations in B&H. One of the causes for these objections was the fact that one of the ships was named after the famous Turkish Grand Vizier, Mehmed Pasha Sokollu, who was Serbian by origin. This was received unfavorably among Serbian and Croatian politicians in B&H, because it was a symbolical hint of Neo-Ottomanism.

Relatively bad relations between Nikolić and Izetbegović deteriorated further in June 2015, when a Bosniak member of the Presidency of B&H withdrew the invitation given to the Serbian President to officially visit Sarajevo. Izetbegović justified this decision by pointing out the Serbian war crimes indictment against one of the Bosniak army commanders, Naser Orić, which led to his arrest in Switzerland. Interethninc tensions were additionally raised due to British insistence that the UN Security Council should pass a resolution on Srebrenica, which came to an end by Russian veto in July 2015. Namely, Belgrade had asked Moscow to veto the British proposal, which led to significant objections by the Bosniak side.
The next incident took place at the Potočari Memorial on 11 July 2015, and represented a follow up of the previous negative developments. After the arrival of Serbian Prime Minister Aleksandar Vučić, a group of extremists took advantage of poor security organization at the event and physically attacked the Serbian delegation. At the same time, diplomatic protocol of the event made a major oversight by not giving the Serbian Prime Minister the same treatment as to his Turkish counterpart, Ahmed Davutoğlu. It is worth noting that the relations between Sarajevo and Belgrade were recovered, thanks to the Presidency of B&H’s visit to Belgrade later that month.

The latest disturbance in the political dimension of the trilateral cooperation included the text on the official website of the Turkish Embassy in Belgrade elaborating its territorial scope. Namely, Serbian official objections were put forward because the text separately stipulated that the Embassy was in charge of Sandžak and Vojvodina, even though they are an integral part of the Republic of Serbia. After an official complaint from the Serbian Ministry of Foreign Affairs, the Turkish Ambassador to Belgrade claimed it was only a matter of a technical mistake, and the controversial text was removed from the website.

**Political isolation of the RS from the trilateral cooperation**

The majority government in the RS and some Serbian opposition parties (until 2012) condemned the readiness of the Serbian Government to draw closer to Turkey, due to their belief that the trilateral cooperation would badly affect the relations between Serbia and the RS. In that context, the first trilateral summit drew the greatest criticism from the Serbian member of the Presidency of B&H Radmanović, who claimed that Silajdžić had not had a clear mandate to sign the Istanbul declaration. Moreover, Radmanović announced he would vote against the declaration if it came to the agenda of the Presidency. On the other hand, President of the RS, Milorad Dodik, restrained himself from making harsher comments about Serbian participation in the trilateral cooperation, although he pointed out that one of the goals of this multilateral forum was the political isolation of Banja Luka.
The RS representatives’ aversion towards Turkish activities in B&amp;H was based primarily on Ankara’s continuous support of Bosniak political subjects and to the centralisation processes in B&amp;H. Those tendencies have been aiming at the revision of the present Bosnian constitution by establishing unitary state organisation of B&amp;H, along with the dissolution of the RS as an entity with its own competences.25 Even though Turkish representatives endeavour to demonstrate that there are no barriers to the cooperation between Turkey and the RS, numerous facts indicate that Ankara is predominantly working in the interest of the FB&amp;H. Aside from the aforementioned trade statistics, the most important Turkish investments were realised in the Bosniak-Croatian entity, and Turkish Ziraat Bank has only one branch in the RS (Banja Luka), while the other 28 are located in the FB&amp;H.26 At the same time, the focus of TIKA activities in B&amp;H stood within the Bosniak-Croatian entity, except for rare examples, such as the Višegrad bridge reconstruction,27 the restoration of the Ferhat Pasha Mosque in Banja Luka,28 and an agricultural project in Srebrenica.29 The latter case generates concerns about the sincerity of Ankara’s intentions to cooperate with the Serbian entity in B&amp;H, having in mind that the only real economic project of TIKA in the RS supported the return of only Bosniak families in the Srebrenica municipality.

Therefore the number of contacts between Turkish representatives and those of the RS has been limited and has been followed by political disturbances. During the only visit of the Turkish Minister for Foreign Affairs Davutoğlu to Banja Luka in January 2011, Serbian member of the Presidency of B&amp;H Radmanović cancelled his meeting with him because the Turkish side demanded the flag of the RS be removed from the conference room.30 The alleged statement of Turkish Prime Minister Erdoğan in July 2014 caused huge objections in the RS, because he said that a hundred million Turks would protect Bosniaks in B&amp;H if they were attacked. In order to demonstrate a concord of political views regarding this issue, an urgent meeting between Serbian Prime Minister Vučić and RS President Dodik was arranged.31 The last in this series of political incidents between Ankara and Banja Luka was Turkey’s refusal in April 2015 to allow President of the RS Dodik to fly over Turkey on his way to an Armenian ceremony commemorating 100 years from the genocide during the First World War. In that case, Dodik was kept waiting at the
Burgas airport for permission, and after four hours he decided to fly back to Banja Luka. Shortly after his plane landed in the RS, Turkey officially granted him the needed document.32

Intending to express their commitment to partnership with the RS, officials from Serbia decided to continue the process of parallel cooperation with the Serbian entity in B&H. The new format of that collaboration was joint session of the two governments. Seven such sessions were organized, paving the way for cooperation in the sectors of agriculture, infrastructure, energy, water management, public administration, tourism and culture. Numerous agreements were signed on those occasions, focusing mainly on the development of border regions along the Drina. Another form of collaboration between Belgrade and Banja Luka is the Cooperation Council of Serbia and the RS, with two meetings held during the first five years of trilateral cooperation.

**Challenges to the economic dimension of the trilateral cooperation**

The economic dimension of the trilateral cooperation has experienced fewer problems than its political activities. There are three major negative economic factors affecting this multilateral format: limits of the free trade regimes among the three countries, many unrealized Turkish investment announcements, and negative examples of privatization.

The limits of the free trade agreements concerns mainly the agricultural sector, and primarily meat and meat products. As we could see in the previous part of this paper, the Bosnian-Turkish free trade agreement does not include duty free imports of meat to Turkey. However, the Turkish Government allowed duty free imports of certain quantities of beef, as a form of humanitarian support for B&H after the floods in May 2014. This measure not only improved the development of Bosnian agriculture, but generated income for the Sarajevo and Banja Luka airports, and for Turkish air companies as well. Inspired by the successes of the Bosnian economy, Serbian Vice Prime Minister Ljajić announced he would ask for such a concession for Serbia.33 A similar statement was given by Turkish Economy Minister Zeybekci following the Trilateral Trade Committee meeting in
August 2015, when he said that the present Serbian-Turkish free trade agreement includes only industrial products, while there is a need to develop it further in order to include sectors of services, public administration, agriculture, food and tourism.

Relatively frequent reunions of businessmen of the three countries have resulted in increased numbers of plans for future cooperation. However, a certain number of investment announcements were not realized at all or at least not within the planned timeframe, which raised dissatisfaction in the business circles, along with periodical lack of trust. An example of one of the most extensive unrealized investments concerned over one thousand goat farms in Serbia and B&H, which were scheduled to have been built by a Turkish consortium starting in 2012. Moreover, in 2013 a Turkish energy and construction company made plans for several projects worth millions of dollars in order to build hydro and thermal power plants in Serbia, and none of them has been realized so far."Two Turkish investment announcements in 2014 regarding a dairy and a furniture factory were also not carried out in the declared time framework.36

Unsuccessful privatizations have not been common among the Turkish investments in Serbia and B&H, but even a small number of them have caused certain mistrust on all sides. BH Airlines is an indicative illustration of this, where Turkish Airlines bought 49% share in the company in 2008. After more than three years of partnership and 25 million Euros investments, the Turkish company decided to end its engagement in BH Airlines in 2012, because it experienced many managerial problems with local authorities. Another example of unsuccessful privatization could be found in Kruševac, Serbia, where the Turkish firm Erste Company tried to set up PVC carpentry production, but the scope of investment was significantly smaller in comparison to Turkish Airlines. The latest negative example was the attempt of Turkish Jolly tekstil to invest in Udarnik in Zrenjanin, but after initial problems, the investor withdrew from the engagement in that Serbian enterprise.39

Prospects for the Trilateral Cooperation

The continuity of the trilateral cooperation depends on several factors, which do not affect the three countries in an equal way.
The following section singles out four factors that are going to predominantly influence the future development of this multilateral format.

At the first place we can put the unsettled questions that burden the relations among Ankara, Sarajevo and Belgrade. As can be seen in this paper, those issues led to both crises of the trilateral cooperation: the nature of the Srebrenica crime propelled the first one, while the status of Kosovo and Metohija triggered the second crisis. The characteristics of the latter are more serious, considering that the Kosovo issue, as a problem that is not going to be solved in a short period of time, was placed as a barrier to the future of the trilateral cooperation. On the other hand, this multilateral forum was created by Turkey through a successful mediation, and the second crisis emerged when the mediator initiated a conflict, which called mutual trust into question and undermined the prospects for further cooperation.

International and internal political problems that attract significant resources of the three countries and the attention of their leading figures constitute the second factor. Examples of those issues are the crisis in Syria, emigrant waves as its consequence, the negotiation process between Belgrade and Priština, or an eventual political crisis in B&H. Election procedures usually slow down the tempo of the trilateral cooperation, and the year of 2014 is demonstrative evidence of that tendency (parliamentary elections in B&H and Serbia, as well as presidential and local elections in Turkey).

The third factor is the question of flexibility of the institutional mechanism of the trilateral cooperation. Having in mind relatively bad relations between some of the participants of the trilateral summit, the possibility of their reunion is called into question in the short term. This negative tendency could be reversed by establishing a new format of the trilateral cooperation - meeting of the three Prime Ministers. This should bring a new impetus at the political level among the three countries, and it would make trilateral cooperation more efficient, given the competencies of the Prime Ministers. This possibility was already discussed by the three Foreign Ministers at the Trilateral Consultation Mechanism meetings in September 2014 and again in September 2015.40

The fourth factor is the scope of questions in which the trilateral cooperation could prove successful. Namely, apart from political
issues that have dominated the collaboration of the three countries so far, there are other fields of trilateral cooperation which deserve greater attention and elaboration in this multilateral forum. The economy was already discussed in this paper, so the inclusion of humanitarian assistance into the scope of the trilateral cooperation will be discussed below.

After the severe floods in May 2014 that hit Serbia, B&H, and Croatia, a huge amount of miscellaneous assistance was delivered by Turkey. In addition to donating $2 million to B&H and $1.36 million to Serbia at the Brussels Donor Conference on 16 July 2014, Turkey delivered relief worth millions of dollars to the most endangered municipalities in Serbia and B&H. Humanitarian aid to these two countries was sent by numerous Turkish nongovernmental organizations and companies, as well. Another means of direct assistance was the arrival of 46 Turkish experienced firefighters and rescuers, who helped in the terrain clearance in B&H, along with the members of the Turkish contingent in EUFOR. On the topic of direct assistance to Serbian and Bosnian economies after the floods, duty free imports of certain quantities of beef from B&H to Turkey should be again mentioned. In Serbia, that kind of aid came with the decision of Turkish company Jeancy to open a factory in Krupanj (one of the most heavily affected municipalities). Having in mind positive aspects of this kind of cooperation, it would be useful to additionally improve the coordination of humanitarian assistance among the three countries, and that possibility is already provided for in the present treaties (e.g. Serbian-Turkish Technical and Cooperation Agreement from 2009).

**Conclusions**

The trilateral cooperation has significantly changed the relations among B&H, Turkey, and Serbia in both political and economic terms. This multilateral forum was established after a turning point in Turkish contemporary foreign policy - Serbia was recognized by Ankara as an important subject of Balkan relations. That decisive point was made possible by the appointment of Ahmet Davutoğlu as Turkish Foreign Minister. Another precondition for the development of the collaboration of the three countries was the election of Bakir Izbegović as Bosniak member of the Presidency of B&H, given his moderate political views in
comparison to his predecessors’. If we observe the first five years of the trilateral cooperation, we could single out two periods of rise (October 2009-May 2012 and January-October 2013) and two crises, the second one being more serious. Since May 2014 we could trace positive tendencies in the economic dimension of the trilateral cooperation, which might lead to the revival of the political dimension, as well.

Acknowledging Turkish interests, the trilateral cooperation was a successful way for Turkey to present herself as a mediator between B&H and Serbia, improving her prestige and influence in those two countries. The positive image of the trilateral cooperation in the EU and the USA should also not be overlooked. If we take a broader look at this multilateral forum, one may claim that the trilateral cooperation was the implementation of two operative principles of the Turkish foreign policy drafted by Davutoğlu: zero problems towards neighbours and proactive and preemptive peace diplomacy. But, the developments presented in this paper have demonstrated the need for certain adjustments to Davutoğlu’s foreign policy strategy as elaborated in his book “Strategic Depth”, predominantly his attitudes towards Serbia and the RS. Namely, Ankara could be more constructive towards Belgrade and Banja Luka, taking their interests into account, if it wants the trilateral mechanism to progress in the future. As an example of this, we have seen that the attempt to politically isolate the RS from the trilateral cooperation resulted in the development of parallel collaboration between Belgrade and Banja Luka, while weakening Serbian involvement in the trilateral cooperation.

Serbia’s main benefit from this multilateral format has been the normalization of relations with B&H, especially with Bosniak political subjects. Probably the most significant achievement in that regard was the Bosniak representatives’ acceptance of cooperating with Belgrade even though Serbian officials have not used the term “genocide” when referring to the crimes committed in Srebrenica. Another important achievement was Silajdžić’s explicit dissociation from eventual support of separatism in the Raška region (Sandžak). Speaking in economic terms, Serbia profited more from the cooperation with B&H than with Turkey; even though Serbian exports to Turkish markets did grow five times for the first five years of the trilateral cooperation. It is worth mentioning that the trade between B&H and Serbia still represents more than a half of the total trade among the
three countries, which is an indicator that Turkey still has not established greater economic presence in these two countries. The essential shortcoming of the multilateral collaboration for Belgrade’s position has been Serbia’s readiness to intensify the cooperation with Turkey, while at the same time Ankara has boosted its political, economic and militarily support to Priština. Serbia changed this attitude only after Erdoğan’s controversial statement, which led to a serious decrease in activities concerning political dimensions of the trilateral cooperation.

Sarajevo also politically benefited from improving relations with Serbia, and Belgrade’s official confirmation of Bosnian territorial integrity. Also, B&H had more gains from economic cooperation with Turkey than Serbia, because Sarajevo has lowered its trade deficit with Ankara, and TIKA invested far more financial means in B&H. However, the Bosniak elite have been the major beneficiaries of the trilateral cooperation, with Ankara overtly working in their interests, and especially providing support for the revision of the Bosnian constitution in order to create a unitary state organization in B&H. Needless to say that this development would be in full accordance with Davutoğlu’s agenda as elaborated in his “Strategic Depth”.

The prospects of the trilateral cooperation depend on both structural and political factors, which dictate the possibilities for future development of the collaboration among the three countries. This multilateral forum is going to remain dependant on broader political circumstances (both internal and international) that attract more attention in the three capitals than the trilateral. Having in mind present problems in the work of the trilateral summit, there is a need to make the institutional structure of the cooperation more flexible by introducing a new format of cooperation - trilateral meetings of Prime Ministers. Another improvement would be the establishment of some form of humanitarian assistance coordination, given that the three countries have already successfully collaborated in this field. If this is realized, the trilateral cooperation would have three functional pillars: political, economic and humanitarian.
End Notes

1 For further details see: Đorđe Pavlović, “Trilateral saradnja Srbije, Bosne i Hercegovine i Turske”, Međunarodna politika, No 1153-1154 (2014).

2 Throughout this paper the term “Bosniak” shall be used to denote a member of the Muslim population in B&H. On the other hand, the term “Bosnian” will have a geographical meaning, i.e. it will be used as a possessive form of the state of Bosnia and Herzegovina.

3 All data on Serbian-Turkish trade were found in different publications of the Statistical Office of the Republic of Serbia (http://webrzs.stat.gov.rs/Default.aspx).

4 Data on trade between Turkey and B&H are taken from several publications of the Foreign Trade Chamber of Bosnia and Herzegovina (http://komorabih.ba/en/).


6 Data on Serbian-Bosnian trade were found in different publications of the Statistical Office of the Republic of Serbia (http://webrzs.stat.gov.rs/Default.aspx).


13 Turkish Development Assistance 2013, TIKA, p. 93.


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23 http://www.predsednik.rs/node/948, 20/12/2013; (last visited 1 October 2015).

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31 http://www.novosti.rs/vesti/naslovna/politika/aktuelno.289.html;50079-Vucic-i-Dodik-Neka-se-Turska-ne-igra-sibicom; (last visited 1 October 2015).


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Evolving Turkish–Serbian Relations:  
Political and Economic Opportunities and Prospects*

Didem Ekinci SARIER**

In the twin Balkan Wars in 1912 and 1913, the Ottomans and Serbs went through a bitter struggle that most overtly exposed the prevalent nationalist sentiment against the dwindling Ottoman state in the region. The Balkan Wars ended with more Ottoman territorial losses. The two adversaries once again found themselves on opposite camps in World War I. Although Serbs fought for an “independent Serbia”, this did not come about. The outcome by 1918 was a new kingdom in which Serbia would share a common political space with its kin: the Kingdom of Serbs, Croats, and Slovenes (KSCS).

After the formation of the KSCS in December 1918, relations between Turkey and this Balkan neighbour remained mostly

* The current article is the abbreviated and updated version of the article titled “A Chronicle of Evolving Turkish-Serbian Relations a Century after the Balkan Wars”, published in International Crimes and History, Vol.14, 2013, pp. 7-36. The author would like to thank the editorial staff of International Crimes and History as well as SAM for permitting revised publication.

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cordial until the war in Bosnia broke out in 1992. In the aftermath of World War I, Yugoslavia began to pursue a friendly foreign policy towards regional states, including Turkey. During Turkey’s War of National Liberation (1919–22), Britain asked for Yugoslavia’s support against Ankara. However, this was turned down by Belgrade and a copy of the letter explaining the refusal was also sent to Mustafa Kemal (Atatürk), who reciprocated with the gesture of allotting land for the Yugoslav embassy in Ankara. In the course of the War of National Liberation, Mustafa Kemal also stated that Turkey would not enter a secret or an open alliance against Yugoslavia. The two countries tried to improve bilateral relations during the interwar period in a multilateral framework, by signing the Balkan Entente (1934) in an effort to form a bloc with security concerns in the volatile region of the Balkans.2

During World War II, Yugoslavia fell to the Axis powers in April 1941, but expelled the enemy in 1945, while Turkey successfully remained out of the war. The efforts to revive the Balkan cooperation of 1934 were brought to pass once again in the 1950s with the Balkan alliance, when it was seen by 1948 that Yugoslavia would remain socialist, although not in the Soviet orbit. As Turkey and Yugoslavia sought to formulate a cooperative framework during the Cold War, three factors shaped their efforts: Yugoslavia is located on Turkey’s trade routes to Europe, there is a long shared history with the peoples of Yugoslavia, and cordial relations existed, although within the limits, due to the Cold War.

However, after the war in Bosnia broke out, relations between Ankara and Belgrade became rocky. Although the components of economic relations - the most important dimension of their relations - were there, they eventually fell victim to power politics with the war. As Slobodan Milosevic’s latent designs came to the surface and ethnic problems appeared in Yugoslavia with Milosevic’s assumption of power, ensuing developments forced Turkish–Yugoslavian relations to a precarious situation.

After a brief historical account of bilateral relations, this article seeks to explain how diplomatic/political and economic relations have evolved between the two states since the end of the Cold War and seeks to find answers as to whether the relations between the two states have entered a normalization process given the memory of ethnic cleansing in Bosnia, the twin crises of Kosovo,
and the independence bestowed upon Kosovo. The article argues that the pattern of political/diplomatic relations and behaviour throughout the whole ordeal has been different from reality. Even after the war, despite the occasional bleak rhetoric employed by both sides, sometimes verging on the inimical, and withdrawal of or denying agreement to ambassadors, relations have survived. Why this is the case will be explored in the following sections. Currently, the dynamics shaping relations can be seen as offering a prospect to talk about a new momentum for improvement in relations.

Turkey and Yugoslavia: Common Timeline until 1990

As two new states of the 1920s, Turkey and Yugoslavia signed the Treaty of Peace and Friendship in 1925. In 1934, the two states, along with Greece and Romania, signed the Balkan Entente, aimed at guaranteeing the signatories’ territorial integrity and political independence against threat by another regional state. Despite fluctuations in domestic and foreign policy, Belgrade preserved its political solidarity and continued dialogue with Ankara throughout the 1930s.3

During World War II, Britain put forward the idea of another combination of states against the German threat in the Balkans: a bloc to be established by Turkey, Greece, Yugoslavia and Bulgaria. This was welcomed by Turkey, but somehow did not yield any results. Yugoslavia turned down the idea since it saw it as a provocative move against Germany. By 1941, the Axis powers invaded Yugoslavia as well as Greece.4

During the initial phase of the Cold War, Turkey’s quest for membership in NATO disturbed the Soviet Union, a sentiment most clearly evident in two verbal notes sent by Moscow in November 1951. Although NATO stretched into the Balkans, it did not include Yugoslavia. Yugoslavia was not included in the Soviet bloc, either. Therefore, it would be easier to invite Yugoslavia into a new alliance system at a time when a rapprochement had started between Turkey and Yugoslavia, and the Greek foreign minister visited Turkey in early 1952, which would be followed by further mutual visits. It looked as if the Balkan Entente of 1934 was to be revived with these mutual visits and Yugoslavia was also
part of these contacts. Consequently, the Treaty of Friendship and Collaboration was signed by Turkey, Greece and Yugoslavia in Ankara in 1953 and the subsequent signing of the Balkan Alliance became possible in 1954. During talks in Ankara, the parties reached a compromise that it was time to sign an alliance agreement and that Yugoslavia’s not being a NATO member did not constitute an obstacle for alliance. Eventually, a treaty was signed on August 9, 1954 in Bled, Yugoslavia. This was a military agreement that recognized all parties’ liabilities concerning the United Nations (UN) as well as Greece and Turkey’s liabilities vis-à-vis NATO. This was not an alliance agreement per se, yet it was an important step to that end, geared mainly by the USA. The agreement envisaged economic, cultural and security cooperation. In accordance with Article 6 of the agreement, the parties would not engage in any alliance or any act which was against the interests of one another.5 The pact did not last since the Soviet Union reconciled relations with Yugoslavia after Stalin’s death in 1953 and the Cyprus problem destroyed Turkish-Greek relations as of 1955. In the 1960s, Turkey saw that Yugoslavia (and Bulgaria) supported Greek arguments concerning Cyprus. During Todor Zhivkov’s assimilation campaign against the Turks of Bulgaria in the late 1980s, Yugoslavia criticized Bulgaria and gave asylum to Turks who escaped from Bulgaria and granted them refugee status.6

The chronicle of the two countries’ relations was shaped by dynamics that did not put them in adversarial camps during the Cold War, although they were in different blocs. Yet, a serious blow in relations was to come with the war in Bosnia in 1992, which had an enduring impact on bilateral relations and exacerbated ties even further with the war in Kosovo in 1999.

Post-Cold War Diplomatic and Political Relations

Slobodan Milosevic Period: the 1990s

After the declaration of independence by Croatia and Slovenia in 1991, Yugoslavia tried to be on good terms with Turkey so that Ankara would not support the secessionist movements in Yugoslavia. Subsequently, Milosevic came to Ankara in January 1992, one week after the former Yugoslav republics of Croatia
and Slovenia were recognized by the international community. Milosevic stated that “Turkey had shown that it followed a responsible policy by acting in accordance with the general international attitude that hoped to see Yugoslavia intact.” Milosevic was met by Deputy Prime Minister Erdal İnönü and taken to Çankaya to meet with President Süleyman Demirel, which would be the last meeting between Demirel and Milosevic. In a 2000 interview, Demirel stated that the message given to Milosevic during this one-day meeting was plain and clear: He expressed Ankara’s concerns and warned Milosevic that Belgrade would not be able to bear the results of bloodshed – if that should happen. The visit was not planned; Milosevic was not invited, either. However, it appeared that the Serbian President came for the purpose of expressing Belgrade’s concerns more than listening to Ankara’s views regarding the situation. Milosevic expressed his appreciation of Turkey’s non-interventionist attitude, which in fact did not last long. Demirel argued that Ankara saw certain developments as alarming. However, it appeared that Milosevic did not seem to have imbibed the message given by Turkey as the subsequent bloodshed in Bosnia upon Milosevic’s return showed.

The Yugoslav government withdrew its Macedonian-origin Ambassador to Ankara in June 1991. From then on, Turkey’s relations with Yugoslavia displayed a dual course: while the relations were strained due to the war in Bosnia and the anti-Turkish attitude of the ultranationalist Serbian leadership, the fact that Yugoslavia was the gateway for Turkish trade routes to Western Europe was the primary concern in Turkey’s policy formulation. Equally importantly, Turkey made efforts to avert any perception of Orthodox–Muslim conflict in the region and was careful not to antagonize Serbia’s main ally, Greece, when the two states already had strained relations due to constant bilateral conflicts. While most criticism came from religious–nationalist circles, the official viewpoint in Turkey maintained that the developments should be attributed to the Serbian government and not the Serbian population, and that a differentiation should be made between them.

During the war in Bosnia, Yugoslavia’s policies were hinged on Serbian nationalism based on an anti-Turkish and anti-Islamic attitude. According to Ivo Banac, this anti-Turkish and anti-Islamic attitude had its roots in the fall of individual South Slavic
national elites and states to Ottoman rule, a process that began in 1389 with the Battle of Kosovo and ended in 1459 with the abolition of the vassal Serbian despotate.\textsuperscript{13} Serbian uprisings against the Ottomans in the 19th century assumed hostility towards religious and national diversity,\textsuperscript{14} and were in fact not very different from other uprisings in the Balkan Peninsula at that time. Through the end of the 20th century, the opposition to diversity and the pursuit of homogenization was materialized in the attempt to establish ethnic unity, the initial signs of which were evident in Milosevic’s speech in Kosovo on the occasion of the 600th anniversary of the Battle of Kosovo:

I ... ask the critics of homogenization, why are they disturbed by the homogenization of peoples and human beings in general if it is carried out on the basis of just, humane, and progressive ideas, in one’s own interests, and is no harm to others? Is this not the meaning, the aim, to which humanity has always aspired? Surely, the sense of the human community is not to be inhomogeneous, divided even when its aspirations are progressive and humane?\textsuperscript{15}

The unity Milosevic had in mind was opposed to Muslims and Turks in the region. Therefore, it was difficult to understand Yugoslavia’s policies, which were simultaneously based on Turcophobia and Islamophobia while having close relations with states such as Iran.\textsuperscript{16} The official Yugoslav argument in the first half of the 1990s was based on the belief that the USA wanted to help establish a new Ottoman state through Turkey, which laid the basis of NATO attacks to build the alleged “green corridor” – the line densely populated by Muslims crossing Bosnia, Sandjak, Kosovo, Macedonia and Western Thrace.\textsuperscript{17} By 1992, Milosevic stated that Muslims in the Balkans were getting more and more fundamentalist as Alija Izetbegovic, the President of Bosnia-Herzegovina between 1990 - 1992, was in cahoots with radical Islamic states such as Iran, Libya, and Sudan. He accused Izetbegovic of being a fascist fundamentalist, “who was jailed in 1947 for his membership in the underground organization ‘Young Muslims’ and his sympathies for the Grand Mufti of Jerusalem (…). We call it the Green Snake of Islam. It is crawling westward through the Balkans via Turkey, Kosovo and Macedonia.”\textsuperscript{18}

Still, Turkey did not pursue a policy which would antagonize Serbia and it did not label the war as a “Christian-Muslim conflict” but rather as a humanitarian crisis in all international
platforms. It repeatedly stated that it was against any unilateral intervention that would be outside the UN framework. It made serious diplomatic efforts to convene the parties for a negotiable solution. Most significantly, it was the first state to devise and submit to the UN an “action plan” as early as August 1992, the essence of which was seen in the eventual NATO military operation modus operandi.

After the Dayton Peace Accords were signed, Serbia and Turkey tried to make amends in relations, although this remained at minimum levels until at least four years after the signing. Bilateral contacts resumed in 1996 and Onur Öymen, then Undersecretary of the Ministry of Foreign Affairs, went to Belgrade. The Turkish delegation touched upon the statement by the Office of the Chief-of-Staff stating that Serbia appeared on the list of countries providing the terrorist organization PKK with missiles. The Yugoslav officials said they were prepared and willing to cooperate against terrorism. The second and equally important issue on the agenda of this visit was the economy, whereby Turkish officials expressed their hope to see transit passages facilitated through Serbia. This visit was interpreted as being part of new openings within the framework of regionalism in foreign policy that had been introduced by former President Turgut Özal. Ostensibly, there was no reason that could potentially impede the normalization of relations between Ankara and Belgrade given that the war in Bosnia had ended and that it was seen that the Milosevic government wanted to open a new page in bilateral relations. Senior Turkish diplomats also confirmed that the Serbs were willing to hold further high level contacts.

Turkey also invited Serbia to join the Black Sea Economic Cooperation Organization (BSEC). Prime Minister Mesut Yılmaz’s talks with Milosevic during the 1997 Balkan Summit in Crete gave signals of normalization in relations. However, relations were strained once again when the crisis broke out in Kosovo in 1998, putting Turkey and Yugoslavia in opposite camps. Turkey saw the Kosovo crisis as another grave mistake of the Serbian government, although Ankara did not articulate the matter as fervently as when it called for international support during the war in Bosnia, due to Turkey’s own sensitivity to the issue because of the importance it attaches to territorial integrity.

This policy received criticism from different circles in Turkey and also from the Kosovar Albanians. First, critics asserted that
Kosovo would already be an independent state based on US policies about restoration and aid plans toward the region. Second, it was argued that Turkey tied itself too much to the view that Serbia was Turkey’s trade gateway to Europe. Third, Turkey conducted much self-restraint so as not to be seen as attempting to revive the Ottoman heritage. The critics alleged that Kosovo was already swayed into bloodshed while Turkish officials emphasized the importance of its territorial integrity. The content and relevance of these arguments were debatable but what was not was the crisis had intensified even more.

As the crisis deepened, Yugoslavian Foreign Minister Zivadin Jovanovic described relations between the two countries as quite ‘normalized’ in economic, cultural and scientific venues but not as much in the political venue. It seemed that the PKK problem resonated in bilateral relations as print media pointed to an alleged ‘Serbian–Greek–PKK’ alliance in 1998; the claim being that terrorists were financed and equipped with the provision of missiles and weaponry in Greece and Serbia, and later sent to Damascus after being trained. It was alleged that IGNA missiles were obtained by the PKK owing to close relations between Milosevic and Abdullah Öcalan, the PKK’s leader. Since relations had already been in a precarious condition, alleged links between Serbia, Greece and the PKK concerning the most sensitive security issue for Turkey served to add another negative dimension to bilateral relations.

Another sensitive issue was Kosovo and the two states’ respective stances towards the issue. When the Kosovo crisis peaked in 1999, Darko Tanaskovic, the former Yugoslav Ambassador to Ankara, stated that although there were approximately 30 places in the world similar to Kosovo, the West had chosen to point its finger at Kosovo and that the entry of the Turkish Army to Kosovo after 300 years was not something to be desired. According to Tanaskovic, if there was a commonality to be established between Kosovo and Southeastern Turkey, terrorism was the only issue common to both cases. Although Tanaskovic refuted analyses in news reports that reflected his views of seeing a full similarity between the situation in Kosovo and Southeastern Turkey, it was not clear whether he compared the two regions in terms of the existence of secessionist acts, geographical/administrative status, level of development or in terms of all of these factors.
If NATO’s inevitable response to Bosnia was too late, it was too soon for Kosovo. Turkey participated in the Kosovo operation with a relatively cautious attitude when compared to the war in Bosnia due to the preparedness of the international community in the latter case to take harsh measures. In any case, given Turkey’s attitude during the war in Bosnia, Turkey could not be expected to display a different course in the case of Kosovo.

Post-Milosevic Period: the 2000s

Following mounting public and political opposition against him, Milosevic was ousted in 2000 and Vojislav Kostunica was elected president the same year. This raised hopes and expectations in bilateral relations about a fresh start, given that Kostunica was an opponent of Milosevic and his policies. The first contact between the two states took place in October 2000 at the unofficial meeting of presidents and heads of government during the Southeast European Cooperation Initiative (SECI) in Skopje. After holding contacts with Kostunica, Turkish Prime Minister Bülent Ecevit stated that regional states were willing and ready to support Belgrade, to which Kostunica reciprocated by stating they also wanted to see improvement in bilateral relations. It seemed that there was consensus at least in the verbal exchanges.

Kostunica’s participation constituted the most important aspect of this meeting by way of which Belgrade showed that it was willing to integrate with the rest of Southeast Europe. It was also argued that if there were troubled relations between Belgrade and Ankara, this stemmed from Milosevic’s unilateral policies and that bilateral relations had indeed been friendly since the end of World War I. Whether Ankara shared this view was questionable.

Eventually, relations came to the verge of breaking pursuant to NATO attacks in which Turkey also took part, and the new period of conciliation took two years, beginning with Foreign Minister İsmail Cem’s visit to Belgrade on March 2, 2001. It was the first high level visit after October 5, 2000, when Milosevic was ousted. Diplomatic sources stated that the invitation extended to Cem by Kostunica for a separate meeting was interpreted as a sign of cordiality. Although in Turkey this was interpreted as a “new white page” in relations, it did not prove to be overly
effective, due mostly to the fresh memory of the war in Bosnia and Kosovo.

Approximately a year later, in April 2002, Foreign Minister Goran Svilanovic paid an official visit to Ankara, a trip that was seen as part of Serbia’s efforts to erase the vicissitudes of the Milosevic period and to become a member of international community. When asked how to remedy the memories of Bosnia and Kosovo, two issues which shadowed relations, Svilanovic had positive expectations as he said the two states had preserved economic relations even during the war. According to Svilanovic, it was time to take economic relations even further. Svilanovic visited Turkey again in early February 2003 to hold contacts with Prime Minister Abdullah Gül and Foreign Minister Yaşar Yakış.

Similar rhetoric was employed also by the new President of Serbia and Montenegro, Svetozar Marovic, during his visit to Ankara in early December 2004. Marovic pointed out Turkey’s important imprint on Southeast Europe and argued that Serbia and Montenegro and Turkey had common strategic priorities, such as EU membership, which could be accelerated if the two states made joint efforts. In fact, the EU-related themes were something common in Turkey’s relations with the Balkan states after 1995, and those with Serbia and Montenegro were no different: Turkey supported the integration of every Balkan country into Euro-Atlantic structures for the consolidation of stability in Europe.

Contacts continued in 2005 during Foreign Minister Abdullah Gül’s visit in Serbia and Montenegro which took place following a visit to Kosovo which had been administered by the UN and NATO since 1999. President Boris Tadic and Gül discussed the situation in Kosovo, EU integration and other topics. Given that Serbia and Montenegro wished to retain at least formal control over Kosovo, Tadic stated that Kosovo should remain part of Serbia and Montenegro and called for protection of all minorities in the province. The official stance of Serbia and Montenegro was affirmed by Tadic’s statement that an independent Kosovo would have serious implications for the region. Turkey wanted Kosovo to have a democratic and multiethnic structure, in which everyone was fairly represented. For further improvement of economic relations, Gül and his counterpart Vuk Draskovic signed two agreements on the prevention of double taxation and
on social security. In the final analysis of the policy agenda at that time, the Kosovo issue would prove to be the most sensitive topic in the two states’ relations in the ensuing years.

Regarding, European integration, there remained a set of issues awaiting solution on Serbia’s road to the EU and the rest of Southeast Europe. The EU declared in early October 2005 that there were still some obstacles to start accession negotiations with Serbia and Montenegro (and the prospective membership of Serbia and Montenegro was pronounced as 2010). In Turkey, this was interpreted as too early a date when compared to Turkey’s relevant experience and expectations. Belgrade’s foreign policy had to resolve two major issues: 1) its Kosovo policy and 2) the 2006 separation of Montenegro from Serbia. Last but not least, there was overwhelming pressure and criticism towards Serbia and Montenegro concerning the handover of war criminals such as Ratko Mladic.

As far as the status of Kosovo was concerned, most Western European actors and the USA were supportive of independence while calling upon the Albanians to give Serbs minority rights. Turkey continued to contribute to the security and stability in Kosovo through its participation in the Kosovo Force (KFOR) and Organization for Security and Cooperation in Europe (OSCE) missions with military existence and police force. Serbia, on the other hand, wished to retain at least formal control over Kosovo. After Kosovo’s declaration of independence in 2008, Serbia was prompted to reshape its Kosovo policies. Domestically, it exacerbated the rift between the pro-EU and conservative groups in the Serbian parliament, which resulted in early elections in May 2008. Internationally, it divided many of the actors influential in the region. Turkey was among the first states to recognize Kosovo’s independence while trying not to strain relations with Serbia and Russia over the issue, which undisputedly, was a daunting task.

The second and equally important matter for Belgrade was the separation of Serbia and Montenegro. In accordance with the agreement between Serbia and Montenegro dated March 14, 2002, both states were entitled to hold a referendum for independence as of February 2006. Accordingly, Montenegro submitted an official proposal of separation in February 2006 stating that the union did not function effectively and its
The draft document, signed by the Montenegrin President Filip Vujanovic and Prime Minister Milo Djukanovic, said that Montenegro favored a new, permanent and more stable model which would eliminate the shortcomings. Prime Minister Gjukanovic further stated that due to its previous problems related to nationalism and the Kosovo issue, Serbia overshadowed the efforts of Montenegro to join the EU. While the EU preferred to see a union in which the two states took part on the eve of the referendum, the USA supported an independent Montenegro, since from Washington’s viewpoint, the union would not work with more than one prime minister and foreign minister and with internal borders. By March 4, 2006, all of the 68 members of parliament present out of 75 at the session voted for a referendum to be held on May 21, 2006 in Montenegro. Polls before the referendum showed that 41.4 per cent of the population supported independence; 32.2 per cent were against; 14.9 per cent abstained and 11.4 per cent did not comment on the issue.

While Serbia and Montenegro made efforts to restore the country’s image and become integrated into the international community, the news that Milosevic was found dead in his cell where he was on trial in The Hague evoked various arguments as to divine justice, total defeat of Serbia, and the elevation of Milosevic to hero status. It is dubious whether the tribunal in The Hague had any considerable effect upon the ultranationalist Serbs, bearing in mind that Milosevic remained a symbol of Serbian nationalism for some societal factions so much so that Kostunica, whom the opposition swept into power, initially balked at handing him over to The Hague. Just as there are people in Russia nostalgic for Stalin and those in Germany nostalgic for Hitler, Milosevic also still has supporters, although few.

As the last shred of former Yugoslavia, Montenegro declared independence, forming a new state and separating on June 2, 2006. The independence ceremony was not attended by any Serbian officials and Prime Minister Kostunica did not congratulate Montenegrin leaders on the results. With Milosevic dead, there was the possibility that Milosevic supporters would not miss the chance to elevate him to national hero status. That implied a remaining threat to the security of the Balkans, particularly in respect of Kosovo’s independence, which Turkish foreign policy-makers duly took into account. Serbian reaction came forth
with attacks on the Turkish embassy in Belgrade after Kosovo’s declaration of independence in February 2008. Ankara chose to downplay the incidents.

Relations continued with a new discourse— the “strategic partnership” of 2009. In this context, Turkey has tried to play a pioneering role by initiating a trilateral mechanism involving Turkey, Bosnia-Herzegovina and Serbia, and advocating the idea that such a process would greatly contribute to the stability in the region and to the relations between Serbia and Bosnia-Herzegovina in particular. The first tangible outcome of this process was the decision to send an ambassador from Bosnia-Herzegovina to Serbia, which was regarded as a very important step towards the normalization of relations between the two states. However, by 2009, it was still too soon to expect Serbia to alter its Kosovo policies. Serbia was not likely to accept a unilateral declaration of independence but at least supported a dialogue process on the issue.53 This mechanism led to fruitful outcomes within the span of one year, including the decision to send a Bosnian ambassador to Serbia, and, maybe more importantly, Serbia’s apology in March 2010 for the Srebrenica massacre—even if the latter was done largely in order to restore Serbia’s image in the EU. 54 As an unexpected incident, Erdoğan’s statement during his Kosovo visit in 2013 “Kosovo is Turkey, Turkey is Kosovo” stirred much controversy and led to fierce criticism in Serbia. While Serbian President Tomislav Nikolic said that this was a scandal that would damage relations and suspended his participation in a planned meeting between Turkey, Bosnia-Herzegovina and Serbia, Ahmet Davutoğlu (as Turkish foreign minister at the time) said that the single statement was extracted from an entire speech purposefully to imply that Turkey had expansionist designs.55 Although the repercussions of the event soured relations, by 2014, the two states entered a visible rapprochement in the economic venue. Once again, this episode was consistent with the pattern of relations that continues to be observed: despite political/diplomatic hassles, economic links survive. The recent momentum that began in 2014 is clear evidence to this effect.

Post-Cold War Economic Relations

Turkey had sound economic relations with Yugoslavia even on the eve of the war in Bosnia. Indeed, the criticism that came
from conservative political factions in Turkey that Ankara did not take an active stance in the initial phases of the war contained this economic fact. Turkey had good economic relations with Yugoslavia as the country is situated on Turkey’s trade routes to the West. Economic cooperation between the two states was still on track shortly before the war in 1990, when State Minister Cemil Çiçek went to Belgrade to attend an economic meeting. Bilateral economic cooperation at the time was so advanced that it included possibilities concerning joint ventures to sell products to third parties. However, this potential was disrupted by the coming war. Economic relations were given a legal framework with the Agreement on the Prevention of Double Taxation (2003), the Agreement on Mutual Assistance between Customs Administrations (2003), the Agreement on Scientific and Technical Cooperation (2003), the Agreement on Cooperation in Tourism (2004) and the Free Trade Agreement (2010), among others.

Following the resumption of trade activities in 1996 with the lifting of the UN embargo on Yugoslavia, the Kosovo crisis came as the second episode in the deterioration of trade relations. Although there is currently no such crisis or violence to cause an impediment, current bilateral economic relations still do not reflect satisfactory levels. At about the time that the major export items are textile fibers and by-products, vegetables, fruits, metal products, electrical machines, tobacco while import items include iron and steel, textile fibers, rubber and by-products, leather, vitamins, antibiotics, medical equipment, vegetables, fruits. To give a few examples of Turkish investment, Efes Pilsen bought the Pancevo brewery for six million Euros in 2003 and the Zajecar brewery for 12 million Euros in 2004. Gıntas concluded an agreement with the Montenegrin government to build a trade center in Podgorica worth $30 million.

Representatives of the economic venue, both from business and from state agencies, came to acknowledge in various bilateral meetings, particularly between 2000–2005, that the two states are significant economic partners and that they should speed up the promotion of economic cooperation. The unsatisfactory bilateral trade volume was spelled out by the Serbia and Montenegro International Economic Relations Minister Branko Lukovac during a meeting held in the Serbian Chamber of Commerce in Belgrade. Faruk Cengic, the representative of the Turkish part
of the Business Council of Serbia and Montenegro and Turkey, conveyed the same message, stating that the existing trade volume did not reflect real possibilities of economic cooperation.61

Some Turkish businessmen, such as Şarık Tara, have been interested in taking part in the building of infrastructure in Serbia.62 Various Turkish companies have also shown interest in the privatization of large scale textile companies there, as can be seen in Turkish companies’ participation in the Textiles Fair and Leather and Footwear Fair in Belgrade in October 2006, where Turkish firms made up half of the companies from the participating 45 states. 63

Fields of cooperation remain to be developed given the fact that Serbian export possibilities are appealing for Turkey’s import possibilities. In addition to textiles, they include domestic appliances, automotive components, electronic items, and chemical products. There are large pharmaceutical factories in Serbia. Future projects can be launched for pharmaceutical production in Serbia for the Turkish market, which would decrease costs. Finally, hotels privatized in Montenegro may offer significant opportunities for Turkish tourism companies, if they are duly explored.64

The recent “strategic partnership” rhetoric on both sides since 2009 has heralded more investment prospects in Serbia by Turkish entrepreneurs. In October 2009, the two states signed an agreement on the reconstruction of a 66km road between Novi Pazar and Tutin, 85 per cent of which was to be financed by Turkish banks and the remaining 15 per cent by the Serbian budget.65

A large portion of industrial investments by the former Yugoslavia are located in Serbia and there are still privatization prospects for some of these facilities. If made, investment in Serbia is likely to have a double effect for Turkish entrepreneurs: they will not only have benefits in the country itself but since the country has a free trade agreement with Russia and Eastern Europe, they will be able to sell their products without customs obligations to Russia and Eastern Europe. The only obstacle, if there is one to be named, is Turkish entrepreneurs’ prejudice.66 It can be expected that the prospects offered by Serbia’s investment potential will outweigh the prejudices with more investment. Abolition of the visa regime and the operationalization of the free trade agreement
in 2010 had positive impacts on the volume of bilateral trade. This has led to a win-win outcome for both countries: while Turkey will benefit both through the free trade agreement and enjoy the opportunities that Serbia’s free trade agreements with Russia and Eastern Europe offer; from the Serbian perspective, Turkey can function as a springboard for Asian markets.

Most recently, Halkbank bought a majority stake in Serbian Cacanska Banka, Turkish textile firms have provided considerable employment in Leskovac, and Turkish businessmen have started to build resorts on the Serbian highway located between Europe and Turkey. With such progress, the trade volume, which is around $800 million, is expected to increase to a level of over one billion dollars. How the existing potential in the economic sphere will be used will depend on the competence of the entrepreneurs and the state support that they receive.

Conclusion

The war in Bosnia and the divergences over Kosovo stand as the two main factors that led to conflictual relations between Ankara and Belgrade after the Cold War. Currently, Serbia’s domestic and foreign policy agenda rests on the Kosovo issue, economic progress, EU integration, the handing over of war criminals, restoring relations with the Bosnia-Herzegovina, and restoring Serbia’s international image. In the light of these issues, Belgrade is making efforts for bolstering its place in local, regional and international politics. The main determinant in shaping the future course of relations towards either an enhanced rapprochement or a return to limited prospects will be the degree of political willingness on both sides, as well as how Serbia accommodates its policies towards Bosnia-Herzegovina and Kosovo. Given the current state-of-affairs, Turkish-Serbian relations seem to reflect a picture not totally free from political problems, whilst harbouring much potential for advancing economic links, which has begun being explored since 2014. How and when the two governments will be able to elevate the level of relations to at least those achieved between Turkey and other regional states remains to be seen in the medium term.
End Notes

1 The country was renamed as 'Kingdom of Yugoslavia' in 1929; 'Democratic Federal Yugoslavia' in 1943; 'Federal People's Republic of Yugoslavia' in 1946; 'Socialist Federal Republic of Yugoslavia' in 1963; 'Federal Republic of Yugoslavia' after disintegration in 1992; 'Union of Serbia and Montenegro' in 2003. Serbia and Montenegro became separate states in 2006. Throughout the study, the term 'Yugoslavia' shall be used.


5 Ibid., pp. 521-22. Celal Bayar was of the opinion that Balkan Entente had to be revived and launched a plan to this end. He thought the revival of the Entente would be a basis for a prospective Mediterranean pact. The idea of a regional pact was also supported by the USA; Yavuz Sezer, Demokrat Parti'nin İlk Yıllarında Balkan Politikası, [Balkan Politics in the First Years of Democrat Party], Unpublished Master's thesis, Dokuz Eylül University, 2006, pp.54-5.


8 Ibid.


10 Ibid.

11 Ibid.

12 Osman Karatay, “Milosevic Dönemi Yugoslav Dış Siyaseti: Başarısız Bir Mirasyedilik Olayı”, [“Yugoslav Foreign Policy in the Milosevic Era:


15 Ibid., pp.149-50.


17 Ibid.


29 “ABD Bölgeyi Karşıtırıyor”, [“USA, Muddying Waters in the Region”], Cumhuriyet, 27 June 1999. For a general account on territory and how it has come to shape the Serbian policies and identity, see G. White, ‘Place and Its Role in Serbian Identity’, in Derek Hall and Darrick Danta, Reconstructing the Balkans – A Geography of the New Europe, Chichester, John Wiley and Sons, 1996, pp.36-52.

30 Kut (2002), p. 112. Turkey participated with eighteen F-18s in the operation which began on 24 March 1999. It also opened its borders to host approximately 20,000 refugees.

31 “Dirsek Teması”, [“Close Contact”], Hürriyet, 26 October 2000.


36 “İstanbul’daki Bağış Ulaşı”; [“Svilanovic Becomes Minister of another State in Istanbul”], Milliyet, 6 February 2003; Svilanovic came to Turkey as the Foreign Minister of the Federation Republic of Yugoslavia. The name of the country was changed as Serbia and Montenegro on 4 February 2003. Svilanovic left Turkey as the Foreign Minister of Serbia and Montenegro.

37 “Kıbrıs’a Örnek Olabiliriz”, [“We Can be a Model for Cyprus”], Hürriyet, 12 February 2004.


42 “Sırbistan Karadağ Pazarlığı”, [“Serbia Montenegro Bargain”], BBC Turkish, 10 October 2005.

43 Live interview with Richard Holbrooke, on CNN International after Milosevic was found dead in his cell, 11 March 2006.

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51 Milan Panic, (a Serbian-American biomedical entrepreneur who was Prime Minister of Yugoslavia from 1992 to 1993), “For Serbs, Milosevic’s Death Removes a Stain”, International Herald Tribune, 15 March 2006; and Ferai Tınç, “Milošević, Ölümüyle de Sorun”, [“Milošević, Problem also With His Death”], Hürriyet, 13 March 2006.


54 The relevant voting in the parliament was carried out with 173 MPs out of 250. The motion was passed with a narrow majority of 127 showing how divisive the issue was at the parliament level. The motion was criticized by the Bosnian Muslims as well as Muslims in Serbia because it does not describe the events as genocide.


56 Türkiye, 8 May 1990.

57 Milliyet, 14 October 1990.


