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The difference leadership makes

Lessons from Croatia's EU accession process

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In the end it seemed almost inevitable. Croatia submitted its EU membership application to the Greek EU presidency in early 2003. At a referendum in January 2012 two thirds of Croatian voters supported their country's accession to the European Union as its 28th member. The referendum came after national elections in December 2011 in which all of the main political parties had backed EU membership. Although some observers noted that less than half of all eligible voters participated in the referendum, given the large number of "dead souls" in the voting registry and the fact that many Croatians living abroad did not vote, the percentage of resident voters who participated appears to have been above 61 per cent.¹ Turnout was thus considerably higher than in Hungary (46 per cent) and comparable to Slovenia (60 per cent) and Poland (59 per cent). The January 2012 referendum concluded a decade in which successive Croatian governments had all assumed that there was no credible alternative to meeting the conditions put forward by the EU to become a full member.

But there was nothing inevitable about Croatia's evolution: it took significant political leadership, as well as courage and perseverance, to repudiate the values and policies of the 1990s. It also took, at key moments during this period, smart EU interventions. The Croatian experience, as well as the lessons it holds for the rest of the Western Balkans, is worth exploring in more detail.

The EU, Croatia and its neighbours

Current EU Balkan policy appears clear and straightforward. On the one hand, it is about telling Western Balkan countries that their future lies in the EU; on the other hand it is about reassuring Western publics that any applicant only moves towards membership gradually, meeting specific and ever more demanding conditions along the way. There is a sense of a clear destination: eventually all Balkan Serbs, Albanians, Bosniaks, Macedonians and Montenegrins will live and trade in a common economic space under the roof of the EU. There will be no physical borders between them as members of the Schengen Area. A return to the bloody conflicts of the 20th century will be as inconceivable in the Balkans as it already is in Western or Central Europe. As French Foreign Minister Bernard Kouchner and his

¹ *Vecernji list*, "[Stvarno stanje: U Hrvatskoj je glasalo 61, a ne 43,5 posto građana](#)", 24 January 2012.

Swedish counterpart Carl Bildt wrote in *Le Figaro* in 2008, “It is certain that Serbia will soon be a member of the EU, because there is no alternative. This is in tune with the march of history.”²

It is a compelling vision, but how credible is it in 2013? There may well be no alternative to Serbia’s membership in the EU, but it took nearly six years since the article in *Le Figaro* appeared for accession negotiations to actually start. Macedonia has been an EU candidate since 2005, but still has not received a date for opening negotiations. Albania, Bosnia and Herzegovina and Kosovo are even further behind. Do EU policymakers mean it when they promise eventual accession to all Balkan countries? And do regional elites actually see this as a sufficiently strong incentive to carry out difficult reforms for the sake of a reward that lies in the very distant future? Is the EU’s power of attraction and transformation as strong now as it was during previous waves of enlargement?

The accession of Croatia offers arguments for Balkan enlargement optimists and pessimists alike. Optimists note the obvious: Croatia’s path shows that the road to full membership remains open. Pessimists point out that Croatia may well be regarded as a special case. It is richer than all other Balkan countries aspiring to membership. It submitted its application in early 2003, while Bosnia and Herzegovina and Kosovo have not done so yet. Its accession, they conclude, rather than being the first of many, is very likely the last, at least for a long time.

A June 2010 cover story in the Croatian weekly *Nacional* claimed under the headline “Europe halts Serbia” that the EU has decided to halt further enlargement after Croatia: “This will not be because countries aspiring to membership, such as the countries of the former Yugoslavia and Albania, will not be ready, but instead because the European Union has made a firm decision to not accept any new members. And this decision was made at the initiative of Europe’s most influential politician, Angela Merkel.”³ Such enlargement pessimism easily turns into a self-fulfilling prophecy: Why make serious efforts for a distant, uncertain goal, regional leaders may ask. EU politicians might respond: And why be serious about accession as long as Balkan leaders do not make serious efforts?

Croatia’s recent experience offers suggestions on how to break the vicious circle of low mutual expectations. It also shows where the initiative must come from. The path Croatia took was, above all else, the result of a decade of sustained political effort and leadership. It shows that some forms of conditionality work best *once* an accession process is actually launched. The EU, therefore, has every reason to launch such processes with other Western Balkan countries. Croatia’s experience can help inspire and fine-tune the accession process for others.

Tudjman’s European vision

To assess how far Croatia has come it is important to remember just how bad its relations with the EU used to be not long ago, i.e. when Franjo Tudjman was the country’s president. Tudjman, who referred to himself as “supreme leader” (*Vrhovnik*), was obsessed with history. In 1994 he ordered the construction of an Altar of the Homeland on the hills near Zagreb. Tudjman tried to ensure that posterity would see him as he saw himself: as a heroic father of

² *Le Figaro*, [“Lettre a nos amis serbes”](#), 12 March 2008.

³ Maroje Mihovilovic, [“Europe Halts Serbia – Merkel: EU will accept Croatia and no one else”](#), *Nacional*, 29 June 2010.

the nation. He commissioned films and books on his life. He recorded all of his conversations in the presidential palace.

For a few years after 1995, when the war in Bosnia and Herzegovina ended with the Dayton Peace Agreement, Tudjman did indeed appear to be the big winner of the Yugoslav conflict. He had led newly independent Croatia through four years of war. By 1998 he had restored Croatian control over all of its territory.

For Tudjman, however, Croatia's "historical and natural borders" extended beyond those of 1991, and included significant parts of Bosnia and Herzegovina, as well as parts of Vojvodina.⁴ According to Hrvoje Sarinic, one of the late Croatian president's closest aides, Tudjman considered Bosnia "historically absurd".⁵ Tudjman was surprised that his former allies expected him to stop funding Croatian extremists in Herzegovina. He had been an early supporter of the International Criminal Tribunal for the Former Yugoslavia, convinced, as he once explained to his interior minister, that "those who won wars have never been tried."⁶

The vision of Croatia as an EU member, on the other hand, did not appeal to Tudjman. His nationalism bred a suspicion of all supra-national organisations. Tudjman rejected the EU's demands to cooperate with his neighbours. In his eyes, Europe, having failed to support Croatia in its hour of need in the 1990s, owed it a moral debt. As he put it in a 1996 speech, Europe and the rest of the world had left "barehanded, helpless Croatia at the mercy of the superiority of the Yugoslav Army, then considered one of the strongest military powers in Europe."⁷ To put on trial Croatia's generals for war crimes was unethical, he claimed.

In 1998 and already ill with cancer, Tudjman realized that the International Criminal Tribunal for the former Yugoslavia (ICTY) was investigating atrocities committed by his forces, as well as his own involvement. "Even now The Hague (ICTY) prepares indictments against you, against us," he explained in a December 1998 speech at the military academy. In the face of this, he said, Croatia needed "a united military and people." Perhaps it was better, a bitter Tudjman concluded, to pursue an alternative course as a self-sufficient regional power.

While leaders in Slovenia, Bulgaria, Romania or Slovakia struggled in the second half of the 1990s to catch up with their Central European neighbours, Tudjman's Croatia charted its own course. In 1997 the prime minister of Bulgaria, Ivan Kostov, told his parliament that his country would make every effort to join the EU within a decade. (Bulgaria did so in 2007). Croatia did not follow. Tudjman chose isolation instead.

Tudjman died in 1999, just before he would have been indicted by the ICTY. With the exception of the Turkish president, no head of state of any EU or NATO member attended his funeral. The tapes of his conversations in the presidential palace ended up not as proof of his historic greatness but as evidence in the war crimes trials in The Hague. In one of the ICTY's most recent verdicts Tudjman was described as having been part of a "joint criminal enterprise whose goal was to permanently remove the Muslim population from [the Croat quasi-state] Herceg-Bosna."⁸

⁴ Tudjman in interview to *Polet*, 27 October 1989, pp. 22-23.

⁵ Ivica Rados, *Tudjman izbliza*, Profil International, 2004, pp. 101f.

⁶ Ivica Rados, *Tudjman izbliza*, Profil International, 2004, pp. 121f.

⁷ Quoted in: Dejan Jovic, "Croatia and the European Union: a long delayed journey", *Journal of Southern Europe and the Balkans*, April 2006 pp. 85-103, p. 91.

⁸ ICTY, Jadranko Prlic et al. (IT-04-74), [Judgement Summary](#).

Obstacle course

After Tudjman's death his party, the Croatian Democratic Union (HDZ), lost power. A pro-European reformist government under the leadership of Ivica Racan took over. With Stipe Mesic, Croats elected a new president willing to break with Tudjman's legacy.

In order to put Croatia on the path towards EU and NATO membership, many of Tudjman's policies had to be abandoned. Both domestic and foreign policy had to be overhauled.

The need for a change in foreign policy concerned in particular Croatia's role in Bosnia and Herzegovina, where hundreds of thousands of people had acquired Croatian passports and where Tudjman had long played a decisive (and destabilising) role. It also concerned relations with other Balkan neighbours. Preventing regional co-operation had become an obsession under Franjo Tudjman, who even inserted an article (141) in the constitution making it illegal: "It is prohibited to initiate any process of association of the Republic of Croatia with other states, if such an association would or could lead to restoration of a Yugoslav state community or any new Balkan state union in any form."

The process of transforming Croatia's Balkan policy began with the Racan government in 2000 and continued under its successors. Playing a constructive regional role earned Croatia a huge amount of international good will. Zagreb's decision to host a November 2000 EU summit on the Balkan region sent an immediate signal that the country had disowned Tudjman's policy. Making it clear that it sought to be part of regional solutions instead of being a source of problems, Croatia cleared its path towards the launch of EU accession talks in 2005 and NATO membership in 2009.

An even bigger challenge concerned co-operation with the ICTY, the war crimes tribunal in The Hague. Tudjman had been adamant. There could only be very limited co-operation with the ICTY concerning crimes committed by Bosnian Croats, he insisted, and no co-operation whatsoever in investigations of crimes committed by Croatian forces inside Croatia. Tudjman was prepared to risk new UN sanctions to defend his stance.⁹ He was not alone. In 2000, a group of Croatian generals penned an open letter protesting the arrests of their army colleagues on suspicion of war crimes. At a rally in Split in February 2001, more than 100,000 protesters exhorted the government and president Mesic not to cooperate with the ICTY and not to hand over the soldiers. General Ante Gotovina, indicted in 2001, went into hiding in order to escape arrest. Janko Bobetko, the former chief-of-staff of the Croatian army, was indicted in August 2002 and refused to surrender. War veterans threatened to defend him by force of arms. In the end, Bobetko died in his home in May 2003. Songs were written about the "crucified homeland" with titles such as *Hag* (the Hague) and *Sude mi* (They are judging me). A survey organized by a popular television show in early 2005 indicated that only 8 per cent of the show's viewers would report Gotovina in case of an encounter, while 92 per cent would help him evade arrest.

It was only after Gotovina's capture in Spain in 2005 – facilitated by a new government led Ivo Sanader, the new president of Tudjman's HDZ party – that this issue became less prominent.

A third challenge concerned minority relations inside the country. Here too, new leadership delivered change. President Tudjman had declared in the summer of 1995 that "there will

⁹ Dejan Jovic, "Croatia and the European Union: a long delayed journey", *Journal of Southern Europe and the Balkans*, April 2006, pp. 85-103, p. 93.

never be a return to what used to be here before, when, in the midst of Croatia, they [Serbs] had planted a cancer which destroyed the Croatian national being.” Serbs, he noted, “disappeared from [the town of] Knin and these lands as if they had never been here.”¹⁰ In Tudjman’s view, European criticism of Croatia’s domestic politics was hypocritical. “Some other European states dare to teach us lessons on how to treat minorities,” he said, “but they forget that a democratic France, for example, does not even recognise the existence of minorities (on its soil).”¹¹ In 1997 Tudjman told then US Secretary of State Madeleine Albright that it would be “insane” to repatriate all Serbs who had fled.¹²

In 2000, despite attacks by a nationalist opposition, the Racan government set out to reverse this policy. Four years later, HDZ leader Ivo Sanader invited the main Serb minority party into his new government coalition. He greeted Croatia’s Serbs publicly on Orthodox Christmas. Later, he helped them recover or seek compensation for property lost or destroyed during the war. The Croatian Serb party was to remain in government. Milorad Pupovac, one of its leaders, was to play a key role throughout the accession process, convincing sceptical foreign governments that the situation of the Serbian minority had improved.

A fourth challenge concerned misgivings among parts of the Croatian public about the EU’s alleged bully tactics and double standards. Two examples stand out. In 2003 Croatia declared an Ecological and Fisheries Protection Zone in the Adriatic Sea. Following Italian pressure, it delayed implementation. When it decided to finally implement the zone starting from January 2008, the EU pressured it to reverse the decision two months later. Croatia had every right to declare such a zone, as other EU members had done so elsewhere, but in the end its government decided not to pick a fight that could have delayed EU accession talks.

Croatia did not steer clear of escalation, however, when it came to a bilateral dispute with Slovenia concerning land borders, the demarcation of the sea border in the Piran Bay, and access to the high sea. Slovenia’s blockage of 14 negotiation chapters throughout most of the year 2009 infuriated Croatian public opinion and threatened to derail the accession talks. The Croatian political elite and most of the public were convinced that Croatia was being subjected to unprincipled blackmail. In the end, however, and with support from the EU Commission and the Swedish EU presidency, it was possible to hash out a solution. The Croatian government accepted the Slovenian demand of a political compromise instead of strictly legal arbitration. Remarkably, the parliamentary opposition refrained from exploiting the issue for short-term political gain.

Addressing EU concerns about corruption and the rule of law was also an enormous challenge. After 2009, Croatia saw many senior officials, many of them closely tied to the governing HDZ party, pursued by an aggressive independent chief public prosecutor, arrested, tried and convicted. The cases involved a former head of the country’s Privatisation Fund, a former minister of defence, managers of state owned companies, a former head of the state electricity company, managers of the state run Croatian motorways, the head of a state bank, a deputy prime minister, a former head of the customs service and HDZ party treasurer, a former head of Croatian railways, and above all Sanader himself. The former HDZ leader and prime minister was sentenced in late 2012 – in a first instance ruling – to ten years imprisonment.¹³

¹⁰ Speech available at: <http://www.predsjednik.hr/Knin26.8.1995>.

¹¹ Official website of the President of Croatia, “[Interview Predsjednika Republike dr. Franje Tudjmana glavnim i odgovornim urednicima hrvatskih javnih glasila](#)”, 22 October 1996.

¹² CNN, “[Albright gets touch on Croatia](#)”, 31 May 1997.

¹³ Reuters, “[Croatia jails ex-PM Sanader for 10 years over graft](#)”, 20 November 2012.

Finally, there was the “normal” challenge of opening and closing 35 negotiating chapters, adopting new legislation, building new institutions, and changing realities across the country: from the quality of landfills to food safety standards in agro processing companies. Croatia’s negotiating framework, set in place after the rejection of the EU’s constitutional treaty in France and the Netherlands in order to placate European concerns about lax standards, was more demanding than that of any previous applicant. Croatia had to conclude its negotiations, train civil servants, and build new institutions against the backdrop of a global economic crisis and budgetary austerity.

Leadership

Even if the prospect of membership remained throughout, there was nothing predetermined about the length of Croatia’s journey towards the EU. In 2001, after the Serbian government of Prime Minister Zoran Djindjic delivered Slobodan Milosevic to The Hague, it appeared conceivable that a determined Serbia would move ahead of Croatia in the EU accession queue. But this is not what happened. Djindjic was assassinated. The man who replaced him, Vojislav Kostunica, decided to play for time with regard to the extradition of suspected war criminals. In Croatia, meanwhile, Racan gave way to Ivo Sanader, who continued to pursue the EU agenda and intensified co-operation with the ICTY. Breaking free of the legacies of the 1990s, Croatia moved decisively ahead of Serbia between 2002 and 2005. Serbia, struggling to hold on to Montenegro and Kosovo, and unwilling to address the concerns of the ICTY, backtracked.

So why did Croatia’s leaders persist? Why did a government led by the HDZ, Tudjman’s party, choose to cooperate with the international criminal court after 2003? How did the national consensus on the need to implement reforms survive periods of delay, EU prevarication, and what appeared to be, at least to the Croats, European double standards?

To understand the perseverance of Croatia’s robust national consensus, one has to recall the isolation of the 1990s. Even after Tudjman’s death, Croatia’s EU accession was not inevitable. What made it happen was a succession of leaders who made strategic choices and took real political risks.

The first to do so was Stipe Mesic, president from 2000 to 2010. In his inaugural speech, Mesic clearly outlined the vision of Croatia’s EU accession. In September 2000, when some of Croatia’s most respected generals warned him that the prosecutions of wartime heroes for alleged war crimes should stop, he did more than just talk. Within hours, he stripped the generals of their posts. As he told ESI in late 2011 in Zagreb, “It was not easy to send generals into retirement when everybody was afraid of a coup. But nothing happened. With the army, there is no negotiation.”

Ivica Racan, Croatia’s last communist leader, became prime minister after Tudjman’s death. It was he who submitted Croatia’s membership application to the EU in 2003, even though it was far from clear how the EU would react. It was also Racan who took the crucial step of ending Croatian support for hardliners in neighbouring Bosnia and Herzegovina.

The most surprising role was played by Tudjman’s successor in the HDZ, the polyglot Ivo Sanader. In 2001, Sanader had spoken out at a huge rally in Split against co-operation with the ICTY. He had also opposed ratifying the association agreement with the EU. Once in power, however, his government turned its back on Tudjman’s legacy. Sanader intensified co-

operation with the ICTY. He handed over all indictees still wanted by the tribunal, including senior generals. One of the earliest and strongest images of his rule showed him congratulating Croatian Serbs on Orthodox Christmas. Sanader continued to support Bosnia's territorial integrity. He made EU integration the overriding priority for his government and stuck with it.

Sanader's successor as prime minister, Jadranka Kosor (also HDZ), also faced a strategic choice. Kosor accepted the EU's demands for serious reform of the judicial system and empowered Croatia's public prosecutor. In 2009 a spectacular series of arrests and trials began, including of Sanader himself. Investigators also caught up with the HDZ itself.

In 2011 Vesna Pusic, a long-time advocate of EU integration in the Croatian parliament, and now the country's foreign minister, noted that "if you look at Croatia the way it was ten, eleven years ago and the way it looks now, it is a different country in every aspect. I can say with absolute certainty that it is a different country because of the EU accession process."¹⁴ Pusic also stressed that "our experience is that it is almost impossible for somebody to help you if you cannot help yourself first."¹⁵

Crucially, voters also backed the changes made after 2000. Both Mesic and Sanader won a second mandate. In 2010, two years before they made their choice for the EU, Croatians elected Ivo Josipovic, a Zagreb university law professor, as president. His election marked a generational change. Josipovic was the first president of independent Croatia who had not been a prisoner under communism. One of his first trips as president was to neighbouring Bosnia, where he apologised for massacres committed by Croatian forces in 1993. The willingness to acknowledge the darkest chapters in independent Croatia's young history was central to its transformation and to its new international image.

When conditionality works best

What the Croatian experience shows is that the path to EU accession requires perseverance and leadership, as well as an ability to forge a broad consensus and to resist populist temptations. Herein lies a key lesson for the current elites of the Western Balkans.

At the same time, however, Croatia's story contains key lessons for the EU. The most important of these is that the EU is better off opening accession negotiations sooner rather than later. Launching negotiations in 2005 made it a lot easier for Croatia to deal with corruption by 2009 and to resolve bilateral disputes amicably (as with Slovenia) as the prospect of accession neared. It also made it considerably easier to cope with the challenge of implementing difficult reforms.

Take the EU negotiation chapter on the environment, one of the most demanding hurdles in the accession process. Croatia opened the chapter in February 2010 and closed it at the end of 2010. Formally, this took less than a year. Yet the ground had been prepared much earlier. Under the so-called "screening" process, both sides had already examined and outlined what needed to be done for Croatia's environment policies to be in line with the EU's. By the time the chapter was officially opened, much of the hardest work had been accomplished.

¹⁴ ESI, [Vesna Pusic – Crusader for a European Croatia](#), 20 January 2012.

¹⁵ Ibid.

Croatia shows that when it comes to EU accession nothing can make up for the lack of vision and political leadership. At the same time, once political leaders embark on a clear path, a credible accession process strengthens reformers and helps overcome unexpected obstacles.