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SOURCES, TOOLS AND IMPACT OF EXTERNAL NON-EU-ENGAGEMENT IN
SOUTHEASTERN EUROPE
PART II – TURKEY

FINAL CONFERENCE REPORT

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INTRODUCTORY SESSION AND KEYNOTE SPEECH

The conference took place as part of a series of events organized by the Southeast Europe Association in cooperation with the Stability Pact for South Eastern Europe focusing on external actors' engagement in Southeast Europe (SEE). The discussions on the 5th and 6th of June 2019 in Berlin addressed the interplay of the EU and Turkey in the region.

The overarching question of the conference was the following: Does a more assertive Turkish engagement with Southeast Europe across economic, cultural and political domains run counter to EU strategies in the region, and can it be balanced with the country's involvement in Euro-Atlantic institutions? The debates were guided by four key questions that have been deemed crucial by the expert community for a comprehensive 'reality check' of both the EU and Turkish policies in the region:

- How has the Justice and Development (AK) party's coming into power shaped Turkish policies towards Southeast Europe?
- What are the trends and key aspects of Turkish policy towards particular SEE countries?
- What is the effect of Turkey's economic challenges, for example depreciation of the lira, on the country's presence in the region?
- How does Ankara shape the EU's response to the increased migration flows?

The panels were preceded by a keynote speech by Dr. Dimitar Bechev, research fellow at the Centre for Slavic, Eurasian and East European Studies at the University of North Carolina at Chapel Hill and senior fellow at the Atlantic Council. His presentation alluded to several crucial issues. Firstly, the sheer amount of human and cultural contacts between Turkey and SEE make the former an **'insider' in the region**. Turkey is by no means an 'external player'. There is a strong constituency among the Turkish society and policy makers that is deeply involved in the region, bearing in mind that up to 30% of the Turkish population have some family connection to Southeast Europe. Moreover, several key personalities in the history of the Ottoman Empire and modern Turkey came from the Balkans, underpinning ties between Ankara and the region. Secondly, the necessity to understand the **complexity of contemporary Turkish politics** was repeatedly emphasized. Dr. Bechev highlighted that Turkish foreign policy faces the challenge to balance engagements in several world regions, e.g. the Middle East, Syria, and the Caucasus. Hence, Turkish foreign policy cannot be reduced to focusing on just one regional cluster. Thirdly, the amount of **tension that exists between the EU and Turkey is often exaggerated**, Ankara's actual role in the region is more supportive towards the EU than commonly portrayed. Obviously, differences that do exist in the domain of governance, political rights or education practices should not be downplayed. However, a 'black and white' picture of EU-Turkey relations in the region precludes any nuanced analysis and does disservice to the understanding of both sides' legitimate interests in the region.

What are shared goals of the EU and Turkey in Southeast Europe? Turkey has been a staunch supporter of the Euro-Atlantic perspective for SEE, a feature that has remained stable over the years and has not been weakened even by the somewhat ambiguous rapprochement between

Turkey and Russia. In addition, Turkey has always been in favor of territorial integrity in Southeast Europe as well as regional stability initiatives, including the Dayton Accords. Even the relationship between Turkey and Greece has been one of engagement rather than conflict. This is in spite of inter-state tensions over hydrocarbon fields in the Eastern Mediterranean and the occasional scramble dogfights between Greek and Turkish military pilots. In practice, both EU and Turkey have very similar security concerns in the region, which include but are not limited to issues of migration and border management. Even though Turkey is not equally active across all regional discussion platforms and security cooperation formats, Ankara's membership in a wide range of such organizations provides a strong springboard for developing win-win solutions for EU-Turkey cooperation in the SEE region.

Bearing in mind that EU and Turkish goals in the region overlap, why is there a tendency to exaggerate rivalry between Brussels and Ankara in SEE? According to Bechev, this can be largely explained by the limitations of the EU's transformative power in relations with the candidate states from the SEE region as well as Turkey. If a decade ago comprehensive democratization and EU accession of the SEE states were considered a likely scenario, currently this seems less plausible. The EU's own commitment to enlargement seems less credible, while opening accession talks with North Macedonia and Albania may not necessarily find equal support among all EU member states. Yet, the relatively 'bad shape' of the region is not only the result of EU omissions, it is also owed to domestic authoritarian tendencies. Regional governments only formalistically address EU accession criteria, but in practice are far removed from EU norms and ideals. While in the socio-economic domain Southeast Europe may be converging with the EU, in the political sphere many countries develop worrying similarities with Hungary under Victor Orbán's rule. Serbia, for example, has been classified 'partially free' by the Freedom House 2018 report, while Montenegro has effectively been run by the same political personality since 1994. Turkey expresses similar tendencies and has de facto become a semi-authoritarian regime. Consequently, EU-Turkey relations are increasingly based on a quid-pro-quo bargaining model, rather than on shared norms and values.

Despite the EU's concern about the potential ramifications of Turkey's democratic backsliding for SEE, according to Bechev, **a negative spillover is unlikely**. Turkey may develop its policy in the SEE region parallel to the EU, yet, this does not necessarily imply rivalry and conflict. Firstly, Turkey (similar to Russia) does not provide the region with a political offer in terms of a transformation and integration program. Secondly, the evidence shows that SEE leaders require no external advice on how to consolidate power by authoritarian means. Thirdly, the EU remains the key economic partner of all countries from Southeast Europe; Romania, Bulgaria, and Greece being crucial export destinations for regional economies. In practice, recent tensions between Turkey and the EU had more to do with Erdoğan's inability to directly address the Turkish diaspora in Austria and Germany through mass rallies during his election campaign; not with some systematic geopolitical rivalry between Brussels and Ankara.

The presenters agreed that Turkish foreign policy has become more assertive and more unilateral. Yet, it is arguably only in Southeast Europe that Turkey has largely stuck to the 'zero problem approach' – coined by the former foreign affairs minister Davutoğlu – and therefore could expand its presence in the region. Bechev also highlighted a surprising element

of Turkish policy towards Southeast Europe: using religious and cultural institutions to promote Turkish influence, while harboring concern with the growing presence of Gulf states in the region, have guided Ankara's action even before the Justice and Development party came to power.

Ultimately, the introductory session highlighted that Turkey's role in SEE is more positive than often portrayed. Rivalry between the EU and Turkey in the region should not be exaggerated.

PANEL I: SOUTHEAST EUROPE IN CURRENT TURKISH FOREIGN POLICY

The 1st panel was dedicated to the assessment of Turkey's foreign policy objectives and instruments in Southeast Europe. The discussion revolved around economic relations, political interests, and Turkey's ability to effectively wield soft power. Panelists assessed the trajectory of Turkey's engagement as well as its foreign strategy vis-à-vis other external actors in the region. In addition, an outlook was presented concerning the future developments of Turkey's influence in SEE in light of a changing foreign and domestic political context.

For the past two decades, Turkey's **economic investments in SEE have been on the rise**. This development was met with increasing attention on the side of the European Union. But how much power does Turkey exercise through economic influence in SEE? How does it compare to other foreign actors' activity in the region? And what priority does SEE have in Turkey's overall foreign policy?

Turkey's economic presence rests on two central components: Financial development aid is the first aspect of the country's commercial engagement in SEE. The last two decades have seen a rapid increase of development financing from 0.2% of Turkey's gross national income in 2001 to 1 % in 2017. The Turkish Coordination and Cooperation Agency (TIKA) acts as an intermediary for Turkey's development expenditure. Founded in 1992, TIKA administers Turkish public foreign investments. Funds are primarily directed to countries with which Turkey identifies 'shared values'. OECD data from the period between 2008 and 2017 discloses that SEE received 11.3% of Turkish overall financial aid, with a peak in 2014. Bosnia-Herzegovina is the main recipient of Turkish development assistance in the region. Since 2015, funds have also been increasingly assigned to Albania, Kosovo, North-Macedonia, and Romania, while financial aid to Montenegro and Serbia has stayed at a comparatively low level. It was underlined that in contrast to EU foreign aid, no conditions are set for Turkey's development financing. Nevertheless, despite the growth of Turkey's financial support, numbers fall short of EU funds allocated to the region.

Foreign direct investment (FDI) constitutes the second aspect of Turkey's economic power in SEE. Turkey's FDI is predominantly facilitated by Turkish banks that have entered the region during privatization in the aftermath of the Yugoslav secession wars. Since 2001, Turkish state-owned banks have rapidly extended their share in the region, representing a viable competitor to other foreign stakeholders. Additionally, private banks have penetrated the market, pressing ahead with aggressive monopolization strategies. For example, Turkish private banks have already replaced Raiffeisen Investment in Kosovo and Albania. The impact of Ziraat Bank's recent entrance into Montenegro remains to be seen. Turkish banks pave the way to further

capital expenditure in the region. Between 2001 and 2017, Turkish FDI in SEE exceeded the FDI expansion levels of each of the EU member states. Turkish investors mainly opt for ‘brownfield investments’ into key businesses of the recipient country. Accordingly, areas of economic engagement are rather diversified, covering, amongst others, the banking sector, as well as the energy, construction, and textile industry. With the sole exception of Bulgaria, Turkish and Russian businesses seem to be careful not to invest in the same country. Some panelists interpreted this as a sign of competition between Moscow and Ankara.

Despite of these numbers, panelists stated that Turkey has failed to establish itself as key economic player in SEE. Turkish FDI continuously falls below the investment levels of the EU-28, except in the cases of Albania and Kosovo. Yet, with regard to Turkey’s overall foreign investments, the SEE market appears to be of minor interest. In 2017, only 4.5% of Turkish FDI was allocated to the region. The conclusion was drawn, that Turkey’s main objective in SEE is less directed at establishing a strong regional presence. Instead, **SEE seems to serve as a ‘springboard’ towards stable economic relations with the EU.**

There was some disagreement whether Turkey’s constrained economic power in SEE also translates into limited **political influence**. Panelists underlined that it is not the size of Turkey’s financial presence that matters, but its ideological dimension. There was a common understanding that relations between Turkey and SEE are framed through a cultural paradigm. Turkey’s financial assistance to the region is strongly guided by religion. Economic ties, therefore, should be comprehended as a complementary measure to Turkey’s political agenda. Yet, **cultural connections are not emphasized by Turkey alone**. In recent years, states with a decidedly Muslim identity have established closer alignment with Ankara. This outreach can only be understood in the context of global political configurations: Hostile US-foreign policy towards large parts of the Islamic world, on the one hand, as well as perpetual delays in the EU-accession process, on the other, left Muslims of the region in search for external alliances. Perceptions of Turkey as a regional powerhouse resonate with the country’s self-proclaimed role as a protective power for SEE Muslims, especially Bosniaks. Panelists consider this self-image to be in stark contrast to that of other external investors, e.g. USA and China, that are less prone to closely align with a particular country or identity group in the region.

Panelists pointed out the ambiguity of comprehending Turkey as an external power. Challenges to the concept can be seen in Turkey’s geographic proximity as well as its historic connection to the region. Across centuries, complex cultural, family, political, and economic ties between Turkey and SEE have been formed. Up to 30% of Turkey’s population originates from SEE. Approximately 150,000 Turkish citizens currently reside in the region. These factors have facilitated economic, cultural, and political cooperation to the present day.

Having established the political dimension of Turkey’s presence, the question was raised as to how Turkey uses **soft power** and whether changes in its foreign policy objectives can be noted across time? Soft power in foreign relations is commonly understood as the ability to persuade a partner of a respective policy without the use of sanctions, force, or coercion. The market liberalization and political opening endorsed by Turgut Özal in the 1980s laid the groundwork for Turkey’s ability to exert soft power via cultural and economic relations. In 2002, Turkey entered the political scene of SEE. The **evolution of its objectives towards the region** can be

divided into **three different periods**, each reflecting political reconfigurations within Turkey's domestic realm:

- Between 2002 and 2010, Turkey's aspirations towards SEE were formulated through the multilateral scheme of **EU-integration**. Given the stalemate in the Turkey-EU pre-accession process, Turkey increasingly opted for a more unilateral approach.
- Since 2010, Turkey's foreign policy towards SEE is marked by an emphasis on **cultural, religious, and historical connections**. This phase was accompanied by a growing personalization of power under prime minister Recep Tayyip Erdoğan along with the promotion of a new political Islam.
- The AKP's break with Fethullah Gülen in 2013 ushered in the third phase. The nascent tendency to **drive Gülenist networks out of SEE** intensified following the coup attempt in 2016. Ever since, Turkey has urged regional partners to close Gülen-associated institutions and extradite their personnel. In 2018, Turkish intelligence even went so far as to abduct six individuals residing in Kosovo who were allegedly involved in the 2016 coup attempt.

In light of Turkey's inner-political fragmentation, economic decline, and – not to forget – the rising political tension between Turkey, Russia, and the USA, the subsequent discussion evolved around the question of how economic and political relations between Turkey and SEE might develop in the future. Participants agreed that **in SEE only marginal ramifications are to be expected from Turkey's economic crisis**. After all, the EU remains the most important political as well as economic factor within the region. So far, there is no indication of Turkey's withdrawal from investments in SEE, but it was concluded that Turkey could be economically replaced by other actors in the event of an economic downturn. In terms of religion and culture, however, Turkey is thought to be irreplaceable: The complex ties between the Turkish and SEE societies are considered to be able to resist even profound economic destabilization. Moreover, Turkey is the most important country for the education of Islamic authorities for the Muslim communities in the region. In general, a shared concern was voiced regarding Turkey's current political course. In light of Turkey's inner-political personalization combined with current foreign political tensions, reliable predictions of the country's future seem extremely difficult.

PANEL II: TURKEY'S SOFT POWER IN SPECIFIC COUNTRIES: RELIGIOUS AND CULTURAL LINKS

Following the discussion of the major lines of Turkey's foreign policy in SEE, the 2nd panel focused on Turkey's soft power in the region and especially in Sandžak/Serbia, Albania, and Bosnia-Herzegovina. On the basis of case study insights, panelists considered Turkey's areas of interest as well as Turkey's appeal within the respective countries.

The panel reached **three main conclusions** about Turkey's soft power in the region:

- Firstly, **Turkey's objectives in SEE seem to have somewhat changed** in line with the country's rising inner-political polarization. It was argued that Ankara has 'exported its conflict' with the Gülen-movement, urging regional partners to assist in the persecution of its followers. Where partners omitted the extradition of Gülen-associated personnel, Ankara has exercised takeovers of affiliated institutions.
- Secondly, the **cultural and political legacies of each country determine the feasibility of Turkey's soft power**. Where local cooperation is rooted in historical and cultural connections, higher compliance with Turkey's aims is to be expected. On the other hand, domestic configurations can also obstruct Turkey's search for stable and reliable alliances.
- Finally, despite contrary expectations, **Turkey's choice of local cooperation partners seems to be less guided by religion than by pragmatism**. The case of Sandžak exemplified that Turkey preferred the partnership with the Serbian national government over regional actors, notwithstanding Sandžak's predominantly Bosniak population.

What are the determinants of Turkey's soft power in the single (country) cases?

Sandžak is a historic region divided by the border between Serbia and Montenegro. According to census data, Bosniaks, who are mainly concentrated in the East of Serbian Sandžak, constitute the overall majority. In recent years, the region has seen moderate Turkish investments. Among other projects, TIKA has funded infrastructure development, education, and health care centers. The Turkish presence is welcomed by the majority of Bosniaks, to whom Turkey has remained an important point of reference. The panelist illustrated the population's outward-looking perspective by recourse to Sandžak's evolution within a broader political scope.

The Berlin Congress of 1878 concluded Sandžak's status as a *corpus separatus* with its territories divided between the Austro-Hungarian and Ottoman jurisdiction. In the course of the Balkan Wars and the First World War, Sandžak repeatedly changed hands between Austria-Hungary, Serbia, and Montenegro. By the end of the Second World War, Yugoslavia absorbed Sandžak into its federal state, sealing its demise as an autonomous political entity. The 20th century was marked by discriminatory politics against the Turkish and Bosniak population of Sandžak, stipulating a vast emigration to Turkey. Numbers rose to a historic peak during the Yugoslav dissolution wars when Muslims of Sandžak fell victim to the annihilation and expulsion politics under Milošević. Today, more Bosniaks from this area live in the diaspora than in their native territory. Turkey alone has given home to approximately five million Bosniaks. The region's legacy still weighs heavily on the relations between Sandžak and Serbia's central government. To the present day, the latter refuses to acknowledge the genocide among Bosniaks on the territory of former Yugoslavia during the 1990s dissolution wars and denies any responsibility for war crimes. Furthermore, Serbian nation-building excludes the Sandžak region, dominant narratives frame political divisions in religious rather than political terms. Local efforts to strengthen the regional administration are portrayed as an endeavor to reunite historic territories and, therefore, subvert the nation state.

From a foreign policy perspective, attention was called to the EU's failure to address the tensions between the Serbian government and Sandžak authorities. It appears that the Sandžak issue has been greatly overshadowed by the EU's mediation efforts between Serbia and Kosovo. Consequently, the population of Sandžak builds high hopes on Turkey's interference, from which they expect improvements to the region's status within Serbia. This hope, however, finds little ground in Turkey's engagement. Investments in Sandžak fall short behind Turkey's economic activities in overall Serbia. Furthermore, the cooperation between the states is predominantly channeled through the central government. Despite the large support for EU-integration among Sandžak's population, the panelists established that the continuing political divisions pose a risk to Serbia's political and economic integration. Foreign partners, therefore, must express greater sensitivity and be careful not to contribute to political polarizations.

The second case study, **Albania**, has caught international attention as a rising sphere of Turkish influence in SEE in recent years. At first sight, this impression seems to be confirmed by the recent construction of monumental mosques in Tirana and Shkoder funded by Diyanet and TIKA, as well as the restoration of Ottoman and Islamic monuments on the territory of Albania. Yet, the panelists assess Turkey's alleged leverage through religious channels as somewhat exaggerated. For example, Albanian authorities have only shown minimal compliance with Turkey's demands to combat Gülenist networks within Albanian borders. The reasons for this can be seen, firstly, in the country's secular identity, providing limited common ground in terms of religious principles among Albania's and Turkey's leadership, and secondly, in Albania's fragmented Islamic community which presents Turkey with a cumbersome challenge to foster domestic alliances.

Albania's national identity, first and foremost, is grounded in linguistic commonalities rather than shared faith. This is due to the society's religious diversity as well as the trajectory of Albanian Islam. Following the country's detachment from the caliphate in 1923, religious communities oriented towards the West, contributing to an increased identification with the notion of European Islam. The rigid secularizing policies during state-socialism reinforced the disentanglement of religious and national identities. Enver Hoxha's antireligious doctrine additionally undermined the organization of Albania's Muslims into an overarching community. To the present day, **the inherited fragmentation renders religious authorities ineffective for a comprehensive enforcement of religious and political directives**. In the wake of the 2016 coup attempt against Turkey's government, Ankara has urged Albanian officials to extradite personnel associated with the Gülen-movement and close down affiliated institutions. However, in light of Tirana's non-compliance Turkey has devoted much of its energy into counterbalancing the alleged Gülenist visibility through the expansion of the Maarif Foundation's scope. Yet, some participants considered these activities to be rather directed at the Erdoğan-critical Muslim Community of Albania, since 1923 under the independent authority of the grand muftiate of Tirana, because claims of an extensive Gülenist presence are not backed by reliable evidence.

There was disagreement between panelists and participants as to how much potency Turkey's soft power holds in Albania. While some underscored the prominence of Ankara's interference in Albania's politics since 2016, exerted through TIKAP, Diyanet, and the Maarif Foundation,

others pointed to the lack of robust data that would exhibit the impact of Turkey's soft power as well as the *de facto* presence of Gülen-affiliated institutions.

Finally, **Bosnia-Herzegovina (BiH)** represents Turkey's most important sphere of soft power influence in SEE. Panelists termed the country an 'experimental ground' for the 'testing' of Turkey's foreign policy strategies. Following the successful trial in Sarajevo, organizations such as Diyanet, TIKA, and the Maarif Foundation were exported into other world regions. Intensive ties between Turkey and BiH are, moreover, exemplified by an AK party branch in Sarajevo, close relations between the Bosniak and Turkish political leadership, and connections between the Muslim authorities in both countries. Similar to developments in other SEE countries, Turkey has urged Bosnian officials to decommission Gülen-associated institutions. Apart from that, Ankara appears to seek greater control over Bosnia's Islamic community, promoting Mufti appointments by Diyanet.

Overall, **Turkey's intensified interference in political affairs begged the question whether the concept of 'soft power' is any longer applicable to Ankara's foreign policy.** The term was challenged on two grounds:

- Firstly, Turkey has increasingly complemented soft power instruments with political pressure in relation to the persecution of the Gülen-movement. Hence, some participants opted to classify Turkey's engagement by the term '**smart power**', that more adequately reflects the combination of 'soft' and 'hard power' instruments in place.
- Secondly, the concept of soft power, in its common use, encompasses the actor's intention to appeal to a broadly defined audience. The last decade, however, has seen a shift in Turkey's outreach towards an **exclusive focus on Muslim communities**. This development can also be ascribed to misconceptions of the religious composition of the SEE countries. In the long run, some participants believe Turkey's overemphasis on religion to unfold a detrimental effect on Ankara's influence in the region.

PANEL III: TURKISH BUSINESS AND INVESTMENTS IN SPECIFIC COUNTRIES

The 3rd panel assessed the economic relations between individual countries in the region and Ankara. Panelists illustrated investment strategies as well as the development and nature of trade relations with Turkey, taking examples from Albania, Serbia, and Kosovo. Moreover, the discussion evaluated the significance of Turkey's economic presence for SEE, the intertwining between Turkish and EU interests, and the chances and limits of investing in the region.

Turkey has established free trade agreements with all countries in SEE. Similar to its foreign policy approach, **Turkey utilizes strong personal relations with regional leaders to facilitate trade and capital expenditure.** The discussion of the individual country cases revealed that despite Turkey's high visibility, its economic power is limited. In terms of trade, countries of the region first and foremost rely on the EU market, followed by regional commercial relations within the framework of CEFTA. Trade interactions between Turkey and SEE display imbalances with a significant deficit on the latter's side. Processed goods from Turkey are predominantly traded for non-processed or semi-finished products from SEE. With

regard to capital investments, it was stated that Turkish investors do not target a specific niche, nor do acquisitions seem to be guided by religion. Instead, Turkish businesses aim at underdeveloped markets with the objective of establishing a monopoly. Economic presence is realized primarily in the form of 'brownfield investments' that entail only a restrained transfer of knowledge and technology. Participants repeatedly highlighted the role of the SEE diasporas in Turkey as an enabler for local business ties.

Panelists expressed a common understanding of Turkey's supportive stance towards Southeast Europe's integration into the EU. Concerned with the region's economic stability, Turkey encourages legislative harmonization in line with the EU *acquis* and stronger regional cooperation. Turkey's main economic objective in SEE, panelists agreed, is to seek rapprochement to the European market. In this respect, SEE represents a 'vital lifeline' connecting Turkey to the EU and an opportunity to shorten production routes. Business models, therefore, often entail the development of regional infrastructure and strategically important projects. Panelists emphasized that Turkey's presence contributes to regional exchange of knowledge and promotes future foreign investments. On a less positive note, business models tend to install regional dependencies in terms of manufacturing. Furthermore, informal structures within the target countries, a lack of transparency in privatization processes, and the absence of robust competition clearly skews the 'playing field' in favor of external investors.

Albania signed the free trade agreement (FTA) with Turkey in 2006. Since 2013, custom tariffs no longer apply for industrial products traded between the countries. The institutional dialogue is facilitated through the ministries of economy and finance, as well as through the joint Albanian and Turkish trade industry chamber established in 2013. Turkey ranks the third most important market for Albanian exports, right after Italy and Kosovo. Products typically comprise agricultural or crude goods, such as copper, aluminum, or zinc oxide. Italy, Greece, and Germany dominate imports to Albania, followed by Turkey on the fourth position. Turkish imports include medical and sanitary products, as well as woven textiles and clothing. In 2018, the trade volume between Albania and Turkey reached 440 million Euro. Turkish investments account for an annual average of 2.5 billion Euro, compared to 760 million by China. The main sectors of interest comprise the infrastructure, transport, telecommunication, banking and health sectors, tourism, and the energy market. In recent years, Turkey has shown heightened interest in investing into Albania's hydro power sector. Direct aid from Turkey is predominantly allocated to education, infrastructure, and religious institutions. In 2018, the Turkish Maarif Foundation acquired the Tirana-based New York University and the Canadian Institute of Technology, formerly owned by the Gülen-movement.

Trade between **Serbia** and Turkey is institutionalized through the Turkey-Serbia Business Council, headed by each country's chamber of commerce. Turkey takes up the 19th place among Serbia's export partners, accounting for 3.8% of Serbian overall exports. In the last year, the amount of Serbian export to Turkey has risen by 50%. In 2017, the mutual trade volume was approximately one billion Euro with a deficit of 37% on the side of Serbia. This is in spite of the Turkey-Serbia Free Trade Agreement that allows an annual tariff-free export of approximately 70,000 tons of agricultural goods to Turkey. But due to insufficient production of livestock, Serbia fails to exhaust its agreed export limit. From 2010 to 2018,

between 100 and 200 million Euro of Turkey's foreign direct investments were directed to Serbia. In 2018, Turkey ranked the third largest external investor in Serbia, only surpassed by Germany and Italy. On account of its potential for infrastructure development, southern Serbia is a favored site by Turkish businesses. Moreover, Serbia offers strong incentives for investments into deprived areas. Sandžak, for instance, shows the highest density of foreign businesses compared to Serbia overall. Turkey's economic activities are concentrated in the textile and automotive sector, which are both connected also to the German market.

Kosovo signed a free trade agreement with Turkey in 2013, the only FTA Kosovo has ever closed with an international partner. However, due to an inner-political stalemate, the agreement has yet to be ratified by Kosovo. Consequently, trade between Kosovo and Turkey remains at a comparatively low level of approximately 200 million Euro annual trading volume, although data from Kosovo and Turkish sources shows some discrepancy. This leads to the peculiar situation that, despite the FTA, Kosovo primarily purchases Turkish goods from Serbia at a lower price. In recent years, imports from Turkey have been on the rise while export quantities remained stable, adding to Kosovo's volatile inflation. Turkish investments are, first and foremost, directed at the banking, energy, health, construction, and infrastructure sectors. Presence of Turkish banks is welcome but the fact that they hardly provide credit to SMEs limits the potential of Kosovo's economy. Foreign aid is predominantly assigned to the construction of religious buildings. Apart from trade barriers, panelists identified Kosovo's high level of informality as a major hindrance for financial stability and economic growth. For instance, privatization tenders are vastly plagued by opacity, limiting the competition between contenders.

In the subsequent discussion, **consent** was expressed **on the following points**:

- The interest of regional and foreign actors should be directed towards the **fostering of transparent economic interactions** that would encourage competition, reduce monopolization, and bolster national economies.
- In contrast, the current degree of **informality and personalized political structures** within the SEE states have so far primarily benefited the small groups of privileged domestic actors and restricted participation of other stakeholders.
- Legislation needs to be harmonized between the SEE states and mobility restrictions reduced in order to **increase intra-regional collaboration**.

In many respects, Turkey's development of local infrastructure paves the way for future investments and trade across as well as within the region. At the same time, current trade contracts expose regional economies to greater vulnerability, as the overemphasis on non-processed exports hampers market flexibility. Speculations as to how the Lira's decline will affect regional economies remain to be clarified by future developments.

PANEL IV: TURKEY'S POLITICAL INFLUENCE – SELECTED COUNTRIES AND ISSUE AREAS

After having addressed the questions of Turkish 'soft power' and economic activity in SEE, the 4th panel evaluated the opportunities for Turkish political influence. Panelists considered examples from Serbia, Bosnia-Herzegovina, and Bulgaria. In addition, they addressed the

questions of whether the Turkish diaspora abroad can be mobilized as a conduit for Ankara's official policies and whether Turkey's initiatives in the region provide the Party of Justice and Development (AKP) with additional electoral benefits.

Turkey's foreign policy in the region is increasingly focused on building strong personal connections with regional political leaders (e.g. Vučić, Rama, Thaci, Izetbegović) and supporting a plethora of Muslim grassroots organizations as well as official Islamic communities. The discussion of the specific country cases showed, however, that several important factors have to be kept in mind: Firstly, in contrast to dominant depictions, SEE countries do have agency vis-à-vis Turkey. Turkey's influence in the region is crucially based on resource distribution and patron-client relations with local leaders. Such a system is bound to collapse if Ankara is not able to deliver both symbolic and material benefits. Secondly, there is often a disconnect between rhetoric and practice. Despite the narrative of strong emotional and cultural connections, Turkish policy does not seem to translate into strong tangible benefits for the SEE general public. At the same time, increased Turkish activity in the region is presented as a threat by some nationalistic politicians, for example in Bulgaria, although the Turkish presence remains in reality limited to economic investment and cultural programs.

Bosnia-Herzegovina (BiH) seems to be a straightforward case for Turkish influence. As panelists have noticed, there is always someone in the BiH federal government who acts as a middleman between the political elites of the two countries. Overall, the Party of Democratic Action (SDA) and the Izetbegović family enjoy close personal ties to Erdoğan and the Justice and Development Party. For example, members of the Izetbegović family have allegedly profited financially from the projects of the Turkish Cooperation and Coordination Agency (TIKA). The SDA and AKP have also collaborated in youth exchange programs. Yet, Turkey invests little in the country and the benefits of the bilateral cooperation do not necessarily spread beyond the political elite. Participants stated it was difficult to portray a 'typical' supporter of Turkey in Bosnia-Herzegovina. Overall, SDA voters are not likely to express a critical stance towards Turkish domestic politics.

The perception of Turkey in **Bulgaria** is also rooted in deep historical and emotional connections. Since its independence and until the end of the communist regime, Bulgaria has applied very harsh assimilation measures to its Turkish minority. Even if Bulgarian prime minister Boyko Borisov has tried to be a mediator in EU-Turkey relations during the Varna summit in March 2018, diplomatic initiatives seem to matter relatively little for internal domestic politics. Discussants did not agree on the impact of the Varna summit in March 2018 that dealt with various aspects of EU-Turkey relations. Some argued that it concluded irreconcilable differences on the EU-Turkey enlargement track, while others praised it for keeping an open channel of communication between Brussels and Ankara. Within the domestic Bulgarian political agenda, the issue of Turkey is primarily connected to the Movement for Rights and Freedoms party as well as to the access of Muslim religious organizations to public funds. The latter relates to the unsuccessful attempt to remodel the system of public funding for all religious organizations in Bulgaria. In spite of severe criticism, the Chief Muftiate in Bulgaria managed to retain its right to receive funding from abroad. This as well as the

expansion of Turkish language classes raises critique from nationalistically minded Bulgarian politicians.

The Movement for Rights and Freedoms (MRF) party has de facto monopolized the votes of Bulgarian Turks: the removal of Lyutvi Mestan from the party's chairmanship and the creation of the alternative Democrats for Responsibility, Solidarity and Tolerance did little to change the situation. Even if so-called 'voter tourism' from the US or Turkey causes political frictions, MRF remains a niche party and is very unlikely to expand its electorate.

The close relationship between **Serbia** and Turkey since 2014 can be puzzling given the historical legacy of both countries. Although both Serbian and Turkish governments have appealed to respective religious norms and values, cooperation is surprisingly pragmatic. For example, close personal ties between Vučić and Erdoğan help the former channel Turkish investment to the economically lagging southern Serbia and Sandžak, contributing to Vučić's electoral success. The 'honeymoon' in the countries' relation has even resulted in the creation of the Serbia-Turkey council chaired by both presidents and in the cooperation of police forces. Such a flurry of activity, panelists agreed, should not hide the fact that the collaboration does not necessarily have a long-term vision. Moreover, the amount of Turkish influence should not be exaggerated. For example, even if the Serbian government exercised pressure on the Gülen movement's supporters at Ankara's request, no arrests were executed. It is interesting that even in the case of Bosnia-Herzegovina, where Turkish influence is allegedly stronger, the crackdown on the Gülen movement has not gone as far as Ankara had required.

There has been some disagreement amongst the panelists as to whether Turkey and the Justice and Development Party provide SEE actors with a **role model**. Most participants argued that such a political model does not exist, although others mentioned that in practice Turkey's evolution towards an authoritarian neo-patrimonial regime provides some SEE leaders with an attractive alternative to emulate. The majority of discussants considered that rising authoritarianism and increased power concentration in both SEE and Turkey follow similar trajectories. Yet, these processes are driven primarily by domestic factors, and do not express a conscious strategy to promote authoritarianism. Even though one cannot talk of a direct transfer of the 'Turkish model' to the region, one important disclaimer should be made: Neo-patrimonial relations are dominant in contemporary Turkish domestic politics and increasingly become a foundational principle of Turkey's relations with Southeast Europe. For example, regional governments and official Islamic organizations are expected to publicly denounce the Gülen movement and show solidarity with Ankara as otherwise financial benefits and assistance may be withdrawn.

The feasibility of exporting the Turkish economic model was briefly addressed, yet, it was mentioned that such a model presumes the ability of political leaders to secure personal benefits through exerting pressure on businesses. The viability of such a model for the region's economic development was openly questioned.

Most participants agreed that the current impasse of the EU-Turkey membership negotiations is not likely to trigger rivalry between the EU and Turkish 'models'. Even though Turkey's

path towards EU membership is stalled, **it remains supportive of others' Euro-Atlantic perspective**. A partial exception to the picture could be North Macedonia: Ankara has demanded to hand over several alleged Gülenists, implicitly threatening to use the ratification process of North Macedonia's NATO accession protocol as a bargaining chip. Nevertheless, Turkey's course of action is primarily a tactical rather than a strategic objection: participants found it almost impossible to think of a scenario where Turkey would block Euro-Atlantic integration. Overall, contacts with the EU remain a source of credibility and international standing for both Turkey and SEE countries, regardless of their political regime.

Ultimately, maintaining good relations with the EU is part of Turkey's focus on peace and stability in its SEE policy, a feature that predates the AKP's rise to power. Some participants were skeptical whether Turkey could be considered a 'status quo' power, given its active foreign policy. Accordingly, the argument that 'peace and stability' remain guiding principles of Turkish foreign policy was debated. Panelists have tended to agree that although Turkey has attempted to change the international balance of power, e.g. in Syria, it has shown no similar attempts in Southeast Europe. This is mostly owed to the fact that Turkey is not in the position to offer a political alternative. Hence, future tensions in Turkish-EU relations are much less likely than between the US and Turkey.

There has been a general agreement that Turkish policy has been careful not to provoke any **ethnic tensions** in the region. Ankara's representatives have taken great care to avoid any statements that would highlight ethnic difference or put interests of the Muslim community in the region at the expense of other religious or ethnic groups. For example, Erdoğan repeatedly mentioned that no separatist movement will be supported and that minority issues are to be addressed through international structures and the EU – a clear signal to any potential movement in the Sandžak region. In addition, Turkey has made sure that any assistance provided to the Sandžak region goes through international platforms that involve, among other stakeholders, Serbia and Germany. Therefore, close personal ties between Erdoğan and regional leaders deem ethnic mobilization in those countries even less likely. New cleavages appear predominantly within the Muslim community, featuring attitudes towards secularism and Erdoğan as the main dividing lines.

Even if Turkish foreign policy has become more active, Turkey has consistently opted for a multilateral approach to solving **regional disputes**. Turkey positions itself as mediator between regional stakeholders. For instance, Turkey participated in the Peace Implementation Council for the Dayton Peace Agreement and sided with Germany's negative stance towards the land swap between Serbia and Kosovo. Participants also alluded to Turkey's involvement in trilateral meetings with Serbia and Bosnia-Herzegovina, highlighting that the collapse of this format was not only due to Milorad Dodik's intransigence. Moreover, Turkey has stipulated trilateral meetings between Croatia and Bosnia-Herzegovina. The panel agreed that such formats have been able to achieve limited but tangible results, such as the opening of an ambassadorial position of Bosnia-Herzegovina in Serbia, the adoption of a declaration on Srebrenica by the Serbian parliament, and the establishment of a trilateral trade committee between Bosnia-Herzegovina, Serbia, and Turkey.

The ability of the **Turkish diaspora** in the region to foster Turkish interests is questionable. The diaspora remains rather amorphous and divided, hence it is difficult to control as well as to coordinate its activities. Throughout the 1990s, Turkish foreign policy in SEE was predominantly kin-based, focusing on the remaining Turkish communities in Bulgaria, Greece, Kosovo, and North Macedonia. Since 2015, it seems kin or religious affiliation have given way to political loyalty as the main cleavage and identification criterion within the Turkish diaspora in Southeast Europe. Attitudes towards the AKP and Erdoğan play an ever-greater role.

On the other hand, Turkish citizens of SEE origin establish their own associations and NGOs. Although, some would argue, Turkish organizations in the region are mostly under Erdoğan's control. At the same time, direct contact between Turkish municipalities and representatives of the SEE region are increasingly fostered. At the current state of affairs, it is difficult to predict whether this process is driven by the AKP. Anecdotal evidence suggests that municipalities led by AKP politicians do not coordinate their international activities with municipalities headed by representatives of other parties, such as CHP and MHP. Nevertheless, there is a clear trend towards greater international outreach of Turkish municipalities: Before AKP's rise to power, only three municipalities had an external relations department, while today there are 23. It appears somewhat paradoxical that while Turkey becomes increasingly centralized, local governments' move up their activity to the international arena. Nevertheless, it is clear that Turkey's involvement in the region goes well beyond governmental contacts, citizens and NGOs also play a role that cannot be reduced to immediate material transactions and power rationales.

The pro-Erdoğan rallies organized in Sarajevo in 2018 were more directed towards Turkey's domestic polity and the president's own constituency than at societies of the SEE region. Nevertheless, Turkey's active foreign policy in the SEE region does not seem to bring any additional **electoral benefits** for the AKP or any other political party. Such activities remain largely symbolic, **without discernable direct repercussions for Turkish domestic politics**. For example, issues related to the SEE region never showed up in any local election campaign in Turkey, experts agree that Turkey's policy in Southeast Europe was never guided by some form of domestic public pressure. Moreover, so far there has been no precedent that Turkish voters have punished the country's leadership for seemingly quick and poorly explained oscillations of Turkey's foreign policy, e.g. with regard to Syria. Ultimately, Turkish foreign policy is almost exclusively defined by the executive, while the ability of domestic NGOs and other non-governmental stakeholders to influence official decision-making on the international arena is negligible.

PANEL V: MIGRATION POLICY AND THE BALKAN ROUTE

Only two years ago, refugees arriving in the EU via the so called 'Balkan Route' dominated the day-to-day political debates of the European Union and its member states. In March 2016, the **EU-Turkey Statement** was reached. The objective was to control migration to the EU and improve the conditions of admission in Turkey. The 5th panel discussed the mechanisms of migration management, the protection of human rights, and the governmentality of the EU's

external borders. Drawing on insights from the situation in Turkey and the Aegean Islands, panelists assessed whether or not the EU-Turkey Statement can be considered a sound instrument to regulate refugee migration. The debate focused on issues of regional cooperation, local capacity building, and principles of solidarity and humanity.

The straightforward approach to evaluate the EU-Turkey agreement is to compare its objectives with the status quo of their implementation. In 2016, the five most important aims laid down in the statement were, firstly, to halt the number of irregular migration across the sea, secondly, to end the drowning of refugees, thirdly, to improve the conditions for asylum seekers in Turkey, fourthly, to enable the re-settlement of refugees from Turkey to the EU, and finally, to collaborate in the control of the EU's external borders.

Which of these five objectives have been reached so far? In the twelve months preceding the agreement's ratification, one million people had reached the EU and 1,152 people had drowned in their search for refuge, compared to 26,000 new arrivals and 81 deaths in the following year. One provision of the statement was the EU's assistance to refugees in Turkey. Three billion Euro were promised to Turkey for 2016/17, and three billion Euro for 2018/19, of which two billion have been committed and three billion Euro contracted through humanitarian assistance, health care, education, and infrastructure projects. Currently, 1.5 million refugees residing in Turkey receive monthly payments through a cash card system in the framework of the largest humanitarian project ever funded by the EU. Another regulation of the EU-Turkey Statement entails the resettlement of Syrian refugees from Turkey to EU member states on the grounds of a voluntary admission scheme. Out of the 3,6 million Syrian refugees hosted by Turkey, only 18,094 were successfully resettled. Numbers significantly lie below Turkey's expectations, but an official target was never set. Furthermore, the EU-Turkey statement aimed to facilitate the return of Syrian refugees from the Greek islands to Turkey where they enjoy temporary protection. From its implementation in March 2016 until December 2018, 1,806 people were returned to Turkey, that is only 2% of the 84,210 refugees who had arrived on the Greek islands. 38,358 Syrians were declared inadmissible e.g. on the basis of vulnerability, physical condition, and trauma. The chance of a forced return to Turkey is only one percent for the three highest ranking nationalities of arrival. Thus, why have not more people attempted their journey to Europe? Insights from Turkey and Greece may disclose some of their reasons.

How did the EU-Turkey Statement advance Turkey's management of the refugee crisis?

In 1945, Turkey became party to the Geneva Convention followed by its adoption of the Protocol to the Refugee Convention in 1967. However, until recently mechanisms for the integration of refugees were not in place. Since 2011, the country had gradually adopted asylum directives in line with EU accession requirements. Still, it was not before 2013 that Turkey's first ever asylum law was endorsed by the national parliament. With the arrival of the first Syrian refugees in 2014, Turkey's government reacted by building emergency camps. Due to the lack of capacity and foreign assistance, the camps failed to accommodate the arriving two million Syrians. As people continued their way across the Greek islands, the EU opened negotiations about the crisis' management. Today, four million refugees reside in Turkey, of whom 3.6 million are of Syrian origin. Turkey has made major efforts to improve living

conditions, e.g. by reducing the size of camps to only 103,000 inhabitants and modernizing asylum procedures. The acquisition of a refugee status is crucial for the access to education, health care, and entrance into the labor market, as well as for the eligibility to the electronic card system. Panelists report that with the help of EU assistance, 700,000 children could receive education. Yet, it was emphasized that a great number of people remains excluded from the support system. Asylum seekers, therefore, are driven into informal markets where they are left vulnerable to exploitation. Housing shortage and the current economic crisis jeopardize the refugee management, ultimately stipulating the reoccurrence of irregular emigration to the Greek islands.

How did the EU-Turkey Statement affect refugee management in Greece? At the peak of the refugee crisis in 2015, more than one million people were passing unregistered through the Aegean Islands. Until 2016, the EU failed to reach internal regulations to sufficiently assist Greece. The Greek asylum system could not encapsulate the excessive demand, arrivals were faced with discriminatory procedures and largely left to their own devices. Three years after the statement, an efficient asylum process has been established. Following an individual evaluation, asylum seekers can now be returned to secure third countries. Yet, criticism was raised that the statement had done little to effectively address this particular objective: Only 2% of arrivals have been sent back to Turkey, but larger numbers account for voluntary returns owed to the devastating conditions on the islands. Greece still lacks necessary support from the EU to meet the challenges of refugee migration. Emergency shelters are overcrowded, great numbers of people are housing in tents, exposed to the environment and without access to psychological support. Panelists described the circumstances as fragile and at the constant risk of collapse in the face of a renewed increase of migration.

The discussion concluded that despite the achievement of many of its goals, the EU-Turkey Statement cannot serve as a long-term instrument to manage refugee migration. For the first part, participants alerted to the devastating humanitarian conditions in Turkey and on the Greek islands. None of the two countries is currently equipped to provide basic social services to the entire number of asylum seekers, let alone future arrivals. Instead of the current system, suggestions were made to initiate a new cooperation scheme between Turkey and the EU with a special focus on the development of social support systems. There was some disagreement regarding the question whether the EU and Turkey should reinforce external border control. Participants raised the objection that the push-back of refugees violates the principles of the Geneva Convention. Rather, new instruments need to be found that are in line with the protection of human rights. Closely related to this, participants expressed mixed views regarding the return of refugees in line with the Dublin System. As some highlighted, the authority to designate secure third countries does not rest with the EU, but with its individual member states. Germany, for example, does not consider Turkey to be a secure third country. Some even questioned whether Greece was able to live up to this status considering the current humanitarian conditions.

Overall, participants pledged for more liability on the side of the EU. Whether or not Turkey can be considered a secure third country, Turkey should not be expected to assume the main responsibility for the management of refugee migration. Currently, Turkey hosts four million

refugees of whom 40% have no access to education. Should conditions not change, significant repercussions are to be expected for Turkey's future development. The conclusion was drawn that the EU must assume a greater share of the burden. Additional suggestions envisaged a new collaboration agreement that would extend the cooperation to partners in the Middle East.

PANEL VI: OUTLOOK ON FUTURE AVENUES FOR TURKISH-EU COOPERATION IN THE REGION

Speaking of **the perspective of EU-Turkey relations** in SEE, participants agreed that sustaining and developing a positive-sum game was essential. This is in spite of recent high-level meetings between Brussels and Ankara that have delivered no conclusive result on how and whether Turkish accession talks are going to proceed. Until autumn 2019, one cannot expect any major initiatives from the EU Commission, when the new membership of the College of Commissioners is finally set. In addition, it remains to be seen how the new composition of the European Parliament will affect the EU-Turkey dialogue.

Up until now, cooperation between the EU and Turkey has been largely successful, and Turkey's EU-friendly policy in SEE has paid off. Turkey is careful not to act as a spoiler of SEE's Euro-Atlantic integration. Bi-annual meetings of the EU member-states' foreign ministers are also attended by Turkish representatives, helping to build trust after several years of diplomatic turmoil. Should the Turkish leadership stick to the goals of its foreign policy and to the idea that Ankara represents no alternative to the EU in SEE, Turkey-EU relations are likely to continue in the same format. Although the expert community shares the opinion that Turkish 'expansion' in the region is exaggerated, the individual political leaders of the EU member states do not necessarily agree.

Nevertheless, **EU-Turkey relations in SEE** cannot be taken out of the broader context of potential Turkish membership of the EU. Turkey's EU-accession talks have been stalled in both political (compliance with Copenhagen criteria) and technical (modernization of the EU-Turkey customs agreement) aspects. Discussants highlighted, however, that the slow progress of accession talks has little - if anything- to do with growing Turkish activism in SEE. Ultimately, relations between Turkey and SEE countries were never a criterion for the European Commission's assessment of Ankara's readiness to join the EU. In that respect Turkish relations with Greece and the issue of Northern Cyprus played a much greater role for evaluating Turkey's membership credentials.

Despite the fact that Turkey's EU membership is improbable at the moment, cooperation between EU and Turkey is going to continue, although it can be described as 'conflictual'. However, tensions do not seem to preclude a total breakdown of relations, but rather limit the mutual exchange of favors. Officially, the Turkish enlargement perspective will remain on the table. For example, EU member states showed no signs of supporting an EP resolution demanding cessation of accession negotiations with Ankara, even if reasons might primarily be rooted in fears to exacerbate Turkey's current economic crisis. In practice, relations increasingly look like a 'strategic partnership', namely the exchange of mutual benefits with a

rather low normative component. There is no clarity as to whether any other EU member state will formally endorse the notion of ‘strategic partnership’ as the key format of relations with Turkey, although potentially such a policy stance could appeal to France and Germany.

Interestingly, **challenges to the EU-Turkey cooperation in SEE** do not directly stem from rivalry of these actors in the international arena, but rather from the limitations of Turkish foreign policy tools as well as tensions between Ankara and Washington.

Firstly, **Turkish policy in the region is largely based on personal ties** between Erdoğan and local political leaders. Participants agreed that such a pattern cannot provide the basis for an effective soft power approach. Personal ties are no substitute for the institutional capacity of foreign policy decision-making. In addition, personal ties cannot secure long-term growth of trade volumes. Participants agreed that in order for the Turkish foreign policy to be more effective in the SEE region, it has to go beyond a personalistic focus. Some speakers highlighted that reliance on the Maarif Foundation and Diyanet as the key instrument of Turkish foreign policy is a self-defeating strategy. “Building mosques is not power-enhancing”, as one of the panelists has aptly put it. Several participants mentioned that these foundations work primarily with Muslim communities, yet Southeast Europe is multi-ethnic, multi-confessional, and mostly secular. Participants have drawn parallels between the current Turkish approach of dealing with the multicultural SEE primarily via Muslim communities and the failed Turkish policy in Iraq during the 1990s. Discussants mentioned that Turkish authorities worked almost exclusively with Sunni Muslims, alienated the Kurds and focused only on Iraqi Turkmen, severely limiting their contact base in the region.

Secondly, **Turkish Atlanticism** and firm relations with Washington **cannot be taken for granted**. The immediate reason can be seen in Turkey’s insistence to go on with the purchase of S-400 missiles from Russia. Explanations for Turkey’s actions range from Ankara’s reliance on Russian assistance in Syria, to Erdoğan’s understanding of world politics as a great power game, and personal chemistry between Turkey’s and Russia’s presidents. Given the fact that Turkish leadership has already rejected the US offer to establish a working group in order to address the countries’ differences concerning the purchase of S-400 missiles, a positive resolution of the crisis is unlikely. The EU is also extremely negative about the potential purchase of S-400, but is concerned that harsh US sanctions could cripple the Turkish economy, and produce adverse effects for the already struggling economies of SEE. It is premature to speak of a comprehensive Turkey-Russia alliance, but a closer quid-pro-quo collaboration was not ruled out for the future. For example, attempts to discredit the opposition candidate during the recent local elections in Istanbul have been traced to media outlets associated with a Russian oligarch closely connected to Kremlin.

Considering the so far unexplored fields of cooperation, some discussants mentioned a potential for greater Turkish involvement in multilevel activities related to the EU enlargement in the SEE region. Collaboration efforts could entail the mediation in border disputes, as in the case of Kosovo and Serbia. Such an opinion was not equivocally supported. Even if regional leaders keep the communication channels with Ankara open, Kosovo and Serbia display little willingness to involve any party but the EU in the bilateral conflict resolution. In addition,

speakers considered that bringing Turkey to the table of Kosovo-Serbia negotiations could provide an excuse for inviting Russia as a mediator as well. On the contrary, opportunities for Turkish municipalities to expand their contacts in the region should be praised and supported as they allow Turkey-SEE relations to move beyond high-level official venues. Trade, establishment of joint-enterprises and counter-terrorism, - all these are areas offering ample opportunities for cooperation between the EU and Turkey in Southeast Europe.