



CHATHAM HOUSE

Chatham House, 10 St James's Square, London SW1Y 4LE

T: +44 (0)20 7957 5700 E: [contact@chathamhouse.org](mailto:contact@chathamhouse.org)

F: +44 (0)20 7957 5710 [www.chathamhouse.org](http://www.chathamhouse.org)

Charity Registration Number: 208223

## Transcript

# Southeastern Europe: The Road Forward

HE Rosen Plevneliev

President of the Republic of Bulgaria

19 March 2014

The views expressed in this document are the sole responsibility of the author(s) and do not necessarily reflect the view of Chatham House, its staff, associates or Council. Chatham House is independent and owes no allegiance to any government or to any political body. It does not take institutional positions on policy issues. This document is issued on the understanding that if any extract is used, the author(s)/ speaker(s) and Chatham House should be credited, preferably with the date of the publication or details of the event. Where this document refers to or reports statements made by speakers at an event every effort has been made to provide a fair representation of their views and opinions, but the ultimate responsibility for accuracy lies with this document's author(s). The published text of speeches and presentations may differ from delivery.

## **SOUTHEASTERN EUROPE: THE ROAD FORWARD**

### **HE Rosen Plevneliev**

My Lords and Members of the House of Commons,

Your Excellencies,

Ladies and Gentlemen,

Thank you for the opportunity to speak at one of the most respected global organizations specialized in the study and better public understanding of international affairs.

As most of you are well aware, the Balkans have traditionally been an arena of hostilities and tension. One hundred years ago, a shot fired in Sarajevo triggered the First World War. To the best of my knowledge, it is that carnage, inter alia, which motivated some of the best and brightest minds in London to establish a prestigious academic institution like the Royal Institute of International Affairs in an effort to rethink war and find ways to prevent it in future.

Today, southeastern Europe is on the right track towards stable peace and gradually increasing prosperity. The launch of this change would have been impossible during the Cold War. Until twenty-five years the then military doctrine of the Bulgarian Communist regime identified Greece and Turkey as the biggest threat to my country. When I was in the army, I was told every day: 'Soldier, remember well: Greece, Turkey, the United States and the United Kingdom are our worst enemies.'

Today Bulgaria and the UK are trusted partners and allies. We are part of a family of common values. Today Greece and Turkey are our good neighbours and allies. Ten days ago Professor [Ahmet] Davutoglu, the foreign minister of Turkey, was my guest. He then recognized that ten years after the announcement of his ambitious 'Zero problem policy', there is one neighbouring country with which Turkey has zero problems, and that is Bulgaria. Bulgaria's current relations with Romania and Serbia have never been better. I hope that after we soon sign a Treaty of Good-neighbourliness with the Republic of Macedonia are relations with that friendly nation would be on the same level as those with other countries in southeastern Europe.

May I also use the occasion to inform you that, in a spirit of remembrance, the countries from southeastern Europe plan to mark together this year the hundred anniversary of the First World War, which is a historic shift towards

reconciliation and enlightened European approach to history. In the same spirit I will welcome in early April in Sofia His Royal Highness the Duke of Kent with whom we will commemorate the British soldiers who fell a century ago on Bulgarian soil.

Ladies and Gentlemen,

My international partners often ask me: What is the recipe for the ultimate success of your region? What is the basic reason for this remarkable transformation on the Balkans in the wake of the Yugoslav crisis? Has it been thanks to one or two visionaries? Or was it because of the peoples of these countries?

In my view, it is primarily the will by the peoples in the region for European integration and Euro-Atlantic integration which has fuelled democratic change and the increasing economic interdependence. The expertise and assistance by leading European nations, including the United Kingdom, and by the United States have also played a crucial role in the consolidation of our democratic institutions, in the proper functioning of our market economies, in the provision of international guarantees for our national security. However, the nominal membership of NATO and the EU should not create a false sense of security since recent dynamics in the east of the continent could quickly change the democratic landscape of Central and Eastern Europe. Only through active Euro Atlantic partnership can the region defend against the threat of anti-democratic reversal. We need more active European engagement in our region. We need more visible presence of NATO in Southeast Europe.

The next stage of our road forward should be underpinned by the achievement of two priorities.

First, further and deeper integration into Euro-Atlantic structures.

All the states in the region, having fulfilled the membership criteria, should join the NATO. Current members should actively participate in all NATO initiatives such as Smart Defence, NATO Connected Forces 2020 and the Framework Nation Initiative. All states must have a clear perspective for EU membership as well.

The issue of EU enlargement should come back on our agenda more seriously against the background of the events in Ukraine. South Eastern Europe needs more of the soft power projected by the European Union. Special mention should be made of the success of the EU and of its High Representative for Foreign and Security Policy Baroness [Catherine] Ashton

in facilitating the agreement between Belgrade and Pristina. Any failure on the part of the EU for deeper involvement in the Balkans may make the countries from that region additionally vulnerable to unfavourable external influences from factors outside the Euro-Atlantic community.

Current member states should use the EU single market the eventual Transatlantic Trade and Investment Partnership (TTIP) with the United States in order to integrate steadily into major European and US economic clusters.

Second, the improvement and better promotion of our regional identity and the regional approach.

From a European perspective we are in the periphery of the continent, but if you look at Europe and Asia taken together, we are right in the middle. We have always been strategically positioned, a crossroad of civilizations. For example, UNESCO statistics prove that Bulgaria is the fifth richest country in Europe in terms of historical monuments, with Thracians, Romans, Byzantines, Ottoman, Russians and many other cultures having left their impressive legacy there.

Southeastern Europe should enlarge its physical regional links and infrastructure. We are striving to achieve adequate synergies. In the aftermath of the economic crisis and given the limitations of our resources, regional cooperation becomes even more acutely important. The more connected we are, the more investors come to our region. The more companies come to our region, the faster we move down the road to sustainable development and prosperity. Let me give another telling example. For a long time we competed with Romania, trying to secure investments in our respective automotive sectors. Now the big factories of Ford and Renault went to Romania. However, Bulgaria benefitted, too, because more than ten factories of sub suppliers were built on our territory. So, we have evolved into a regional cluster for this segment of the automotive industry. Also beginning to emerge are regional clusters in pharmaceuticals, human health industries, tourism, agriculture and food production. In southeastern Europe, we share the same banks, the same insurers, the same telecom operators, the same gas and energy suppliers. We have already invested a great deal of time and efforts to position ourselves jointly in the global market as part of global supply chains. Most of the trans-European corridors pass through our region which also helps in the first stage of what we call the Third Industrial Revolution.

Underpinning it all however should be trust and good inter-personal communication. One of my main aims during my frequent travels in Southeast Europe is to develop a network of contacts who are representative of the

interests uniting twelve states with a total population of one hundred and fifty million people the virtual boundaries among which are no longer separating them.

Ladies and Gentlemen,

The world is moving from mass production of standardized items to made-to-order products for individual needs. Everything will be customized – your phone, your car, your medicine. You know well Mini Cooper, the British icon. Some of you might be surprised to learn that the leather seats for the future models will be produced in Bulgaria. And they will be customized.

Customization will transform the global economy, and provide new opportunities for both the developing and the developed world. That is where we find a huge niche for Southeast Europe, too. There is every prerequisite for industries and factories to come back to Europe and, specifically to Southeast Europe. The jobs of the future will be as much lawyers and financiers as designers and engineers. Southeastern Europe boasts one of the best educational potentials in terms of intelligence coefficient, talent, creativity, language skills and diversity. And most importantly, a high awareness that reforms and investment in education and new skills can be the game-changer for the region. As president of Bulgaria, I am pushing that educational reform in my country. We are starting the first innovation eco systems, and as a result Google and MIT are among those willing to participate.

Dear friends,

In the past 25 years the biggest achievement of southeast Europe is the steady return to the path of democracy and European values. However our region is in immediate proximity to the Eastern neighbourhood of the European Union. One important friendly country in that neighbourhood is Ukraine.

In my view, one of the fundamental reasons for the current Ukrainian crisis could be traced in the differences in the post-Soviet development of, say, Poland or any other of the Visegrad countries, on the one hand, and Ukraine, on the other. When in 2012 Ukrainians visited en masse Poland during the football championship they saw a neighbouring country which was quite different from their own – modern, dynamic, forward-looking.

Even though potentially richer in natural resources than some of them, Ukraine had sustained an economy dominated by oligarchs, corruption, dependent judiciary and controlled media. Ukraine kept over the last decades

the Russian economic model, while the Visegrad countries implemented brave reforms in promoting competition, regulating monopolies, ensuring transparent public tenders and strengthening democratic institutions. As a result a new, educated, strong middle class emerged in those countries building democratic and prosperous states.

The countries of southeastern Europe share, sadly enough, share some of the negative characteristics of the Ukrainian model. Analyzing the situation in Ukraine we have to draw lessons regarding our own roadmaps towards overcoming problems such as the neglect of the rule of law: the existence of oligarchs; the excessive concentration of media ownership; the degree of corruption; opaque governance and political decision-making. And last but not least, extreme nationalism whose manifestations we see today in Crimea and in Eastern Ukraine but also in many parts of southeastern Europe. The French president [Charles] de Gaulle once said 'Patriots are those who love their country, nationalists are those who hate the different.' We must stand against extreme nationalism through the means of moderate patriotism and interethnic tolerance, through education, through telling the truth about the past to the younger generation. History should be used as a foundation of modern non-aggressive statehood. It should not be manipulated for the sake of violent domination.

One of the potent tools against again the above phenomena is the enlargement and strength of civil society. For more than a year now civil society in Bulgaria has been organizing waves of spontaneous protests, demanding a change in the way our economy and democracy works. It has become one of the influential agenda-setters for politicians and businesses in my country. A nation's democratic consolidation needs to be aided by building stronger civil society networks – watchdogs, think tanks, campaign groups. Twenty-four years of transition have taught us that simply having democratic party-system, putting all the laws and institutions in place, is not enough to create long-term democratic stability. Only investment in longer term pillars of democracy can really bring maturity to the democracies of the region. Rule of law, independent and objective media; competitive market economy; independent and effective public institutions; a comprehensive e-government and open government policy; proper media regulation, administrative reform to standardize public procurement and make it 100 per cent transparent; the opening of the archives of the former security services of the former communist regimes in central, eastern and southeastern Europe – the attainment of all these goals is impossible without the pressure of a wide-ranging and competent civil society. The Ukrainian civil society, from the

historic moments on Maidan Square all the way to the possible, future membership of Ukraine in the European Union, should have a key role to play in this direction.

Of course, the Ukrainian crisis has not been generated by internal factors alone. Russia has been consistently pursuing a policy of restoring its sphere of influence in the post-Soviet space. We should have no illusions about the legacy of the Soviet Union, the KGB and the communist totalitarian state, about its repercussions on Ukrainian territory. While the EU and the United States seek diplomatic solutions, Russia has already occupied Crimea and could annex the region using as a pretext the results of an illegal local referendum. Therefore, the conflict in Ukraine is very dangerous and has long-term implications.

The only lasting solution is through a peaceful political process which guarantees the territorial integrity and sovereignty of the country in accordance with international law which prohibits armed invasions in sovereign states. In May there will be presidential elections and the Ukrainian people should be able to choose their own path. We cannot let non-European factors to return us to the years of the Cold War. The international community must make the necessary efforts to guarantee the integrity of Ukraine's territory and the pro-European democratic orientation of the country.

Ladies and gentlemen,

Shared destiny and good prospects in a predictable and democratic wider geopolitical environment – that is the future for Southeast Europe. The recipe seems clear and brings first positive results. The Balkan countries are already interconnected and interdependent. Every nation from the region and its leaders should continue to be committed to our common journey to European prosperity.

The word 'Balkans' comes from Turkish and is derived from two semantic components: 'honey' and 'blood'. For centuries blood dominated the Balkans. Now the time has come for the honey.

Thank you!