In a year when Albania went through significant changes in its internal political environment and its EU progress, SEESOX was very fortunate to host Prime Minister Edi Rama who delivered the keynote lecture of the academic year in a full College auditorium on Albania’s path towards democracy, growth and Europe. In his speech, Prime Minister Rama analysed the past of the region, and presented the vision and approach of the Albanian Government in building a European value system in the Balkans.

He also restated his commitment for regional cooperation in South East Europe, in the spirit of the EU. “I am fully aware that we cannot be alone in this journey. I know that regional cooperation is a key factor in the integration process and, to ensure successful integration and contribute to the future of the EU, we are committed to work as hard as we can with all our neighbours”.

What was particularly exciting during this event was the question and answer session where the audience put numerous questions to the Prime Minister, ranging from particular and concrete governmental policies to wider issues of regional and European integration to which the Prime Minister responded with impressive frankness.
SEESOX reaches out

In an effort to bring the vibrant community of scholars of South Eastern Europe together, SEESOX organized its first social mixer on the 4th December 2014. Over fifty students, faculty and research fellows with an interest in any topic related to South Eastern Europe gathered during this informal event to share their research focus and ideas on the study of the region. All invited guests briefly spoke about their links to SEE or research interests. As the first of its kind, the mixer is envisaged to become an annual event in order to maintain links with scholars and students across departments and colleges interested in SEESOX activities.

SEESOX News Bites

- The new SEESOX/A.G. Leventis visiting fellow for the academic year 2014-15 will be Dr Eirini Karamouzi. Eirini has a background of previous fellowships at LSE, Princeton and EUI in Florence, and while at SEESOX will be working on Greece’s socialist government during the 1980s.
- SEESOX intensified its cooperation with the Political Economy of Financial Markets (PEFM), directed by Max Watson, through numerous joint activities and work by Academic Visitors, such as Adam Bennett, Russell Kincaid and Francisco Torres.
- Jessie Hronesova, a DPhil student working on Truth and reconciliation in Yugoslavia joined SEESOX and contributes impressively to the academic and social life at SEESOX.
- Othon Anastasakis was awarded a fellowship from the Onassis Foundation (USA) University Seminar Programs and will be giving lectures in Universities in North America in Michaelmas 2014 on EU and Greek politics.
- Last year was a very successful year for Kerem Öktem who was appointed Professor of South East European Studies at Graz University. SEESOX congratulates Kerem on his major achievement, and shall continue to work closely with him in his new capacity.
- Next year, SEESOX will offer a course on South East Europe: Politics, economics and society, taught during Hilary 2015 by Othon Anastasakis, to MPhil students reading Russian and East European Studies.
- Last year was another successful year of partnerships with academic institutions such as the LSEE at the London School of Economics, Simon Fraser University in Vancouver, Sacramento State University in the US, EL Cano Institute in Madrid, and Anatolia College in Thessaloniki. We thank our sponsors for the financial support of joint activities including the European Bank for Reconstruction and Development; NATO Public Diplomacy Division; the European Commission; the A.G Leventis Foundation, the National Bank of Albania, the Central Bank of Bosnia and Herzegovina; the Tsakopoulos Foundation; the Foreign and Commonwealth Office; and, in Oxford, St Antony’s College and the Department of Politics and International Relations.

Letter from the Director

2014 is a combination of anniversaries, relevant in one way or another with the region of South East Europe. As a start, it is the 100th anniversary of the outbreak of the First World War and as such it is a very opportune time to reflect on what happened then, and what the legacies are from the collapse of the Austro-Hungarian, Russian and Ottoman Empires on our region. Indeed, the face of the region changed irrevocably and the end of the War was the start of a new era of national states as well as issues, some of which are still with us, surprisingly, today. As a tribute to this big anniversary, SEESOX called upon distinguished historians to reflect on the legacies of the Great War on South East Europe.

2014 is the 25th anniversary of the collapse of communism and the start of transition and unification of Europe. In a series of workshops and seminars, SEESOX in cooperation with some of its partners, debated and analysed the state of transition in South East Europe, the progress in the political, economic or social environment. The central question “what happened to transition 25 years after that memorable year?” has generated interesting and exciting debates. The picture is certainly mixed with some progress in competitive politics and some signs of recovery from the recent recession but it is by and large a challenging environment struggling with its recent past, with citizens protesting against the state, important problems with democratic governance and with economies that are still struggling with high unemployment and lack of convergence with Europe.

2014 is the 10th anniversary from the first accession of post-communist countries and while only two of the South East European countries (Cyprus and Slovenia) were part of the first wave of post-communist EU accession, this anniversary has been an inspiration for SEESOX to consider the EU present and future of individual countries such as Serbia or Albania both countries having progressed in the EU ladder but also the obstinate problems in Bosnia or Kosovo.

The map of events which is presented in this newsletter shows that the SEESOX team has performed impressively in producing outstanding output and quality analysis. Here is a taste of what happened during the academic year 2013-14!

Othon Anastasakis, Director of SEESOX
Greekovery?

An insider’s view of Greece’s Euro Crisis: Why the road to redemption must also be paved with skilful intentions

Constantine Papadopoulos, Secretary General for Greece’s International Economic Relations 2010-2012, spoke at a SEESOX seminar on 14 October. The Greek economy’s adjustment on the basis of the Memorandum with the Troika represented a massive structural transformation intended to make the Greek economy more outward-looking and export-oriented. Fiscal consolidation and recovery from financial mismanagement were also important; but structural changes were crucial to the long-term survival of the Greek economy. Greece’s future lay in the euro. The failures of the last years did not do justice to the improved performance of the Greek economy. Greece was an extreme example of a wider phenomenon affecting the West: debt-fuelled growth and low savings. The country had learned lessons.

The Greek debt restructuring: Implications for the future

Jeromin Zettelmeyer (EBRD) analysed the 2012 Greek debt restructuring on 11 November. The voluntary conversion by private holders of Greek government debt helped bring Greece back from the brink, and avoid a disorderly Grexit from the Eurozone. However, the “haircut” excluded official holders of government debt (e.g., the ECB) and private bond creditors of Greek banks (which had to be restructured at taxpayer expense). Because of this, some believed that the debt relief was not enough, and Greece would need another one in due course. This operation raised many questions, including: why wait until 2012, when it was obvious from the start that Greece’s debts were unsustainable, and should official creditors get away scot-free next time?

Taking them to task: Reflections on the Commission’s Task Force for Greece

Jens Bastian, former Task Force member, spoke on 13 November. Financial assistance programmes alone could not rescue Greece; structural reforms and a political consensus behind them were essential. The Task Force was there to work alongside the Greek administration, help provide know-how and best practice, and prepare Greece for the next EU financing cycle 2014-2020. Successes were the striking improvements in the absorption level of EU structural, cohesion and social funds; recapitalisation of the Greek banks; and the agreed reduction of the Greek share in co-financing EU-funded projects. There was some evidence of economic stabilisation, but talk of a definitive Greekovery was premature.

Greece: Taking stock - economic and financial changes since the onset of the global and euro area crises

On 17 February Eleni Dedrinou-Louri, Deputy Governor of the Bank of Greece, spoke at a SEESOX/PEFM seminar. She reported that the deficit at the run-up to the crisis was almost continuously above 5% of GDP, worsening considerably from 2007 onwards. The debt crisis was an accident waiting to happen. The first adjustment programme focused mainly on fiscal adjustment, mainly achieved through tax increases (60%). GDP contracted by 25% and unemployment rose from 8% to 27% between 2008 and 2015. Fiscal consolidation had been striking, with a positive primary balance achieved in 2013. Competitiveness was being promoted by structural reforms. There were reasons for optimism in the medium to long term.
Tryfon Bampilis—SEESOX/A.G. Leventis Visiting Fellow 2013-14

Tryfon Bampilis was the A G Leventis Foundation Visiting Fellow in Contemporary Greece for the academic year 2013/2014. Tryfon holds a PhD in Cultural Anthropology from the University of Leiden. He studied Social Anthropology and Social Policy at Panteion University in Athens and he obtained a Master in Science in Social Anthropology at UCL. During his fellowship term, he was researching the rise of the far-right in Greece in relation to migration and the current economic crisis. “The Leventis fellowship provided the ideal academic environment to carry on my research on far right extremism in Greece, discuss my material with leading scholars and explore various interdisciplinary paths of research. The large research networks and numerous events of SEESOX and the European Studies Centre, the excellent scholarship in St Antony’s College, and the world-class institutes and departments of the University of Oxford, gave me the opportunity to develop critically my ideas and become part of a unique community of renowned academics. Through the fellowship, I was able to begin work on my second monograph, and write several papers. I also organized various events and workshops. Most importantly I was able to make new alliances and expand my research network in the most cosmopolitan, social and cultural environment I have ever encountered.”

The future of the far right in Greece: Dawn or dusk?

In the light of recent events taking place in Greece, the seminar on 22 October 2013 examined how the far right extremist political party Golden Dawn has been systematically associated with criminal acts, murders and attacks against immigrants and other imagined enemies. The hierarchical structure of the organization, its past history, the ideological positions of the party and the practices of its members reveal a far right extremist party that has adopted various forms of symbolic and actual violence to promote its ideas. This predicament has deep roots in Greek society, national ideology and politics and there is no easy answer that could explain sufficiently the success of the party in Greece. By predicting the reconfiguration of the party, the presentation posited attention to the cultural roots of this phenomenon and the possible success produced by the victimization or heroization as a result of the ongoing trial. The success of the party in the European elections and the rhetoric adapted after the assassination of two members of Golden Dawn confirmed further some of the main arguments.

Far right extremism in crisis-ridden Greece and beyond

Scholarly analysis of the rise of the far right has mostly emphasized the effects of the current economic crisis and has not paid sufficient attention to the social/cultural local, national or transnational conditions that have propelled this phenomenon. By placing the emphasis on the similarities between neo-nationalism and far-right extremism, the workshop on 3 June examined in an interdisciplinary manner how institutionalized nationalism since post-authoritarian Greece has influenced the emergence of the far right, how the emphasis on Greek blood and authenticity has reproduced several dichotomies, how the fragility of the social contract has affected potential Golden Dawn voters and how the performative practices of the party have emotionalized and ritualized the social/political life. Several presentations highlighted the state and para-state networks of the extremists. Other panels took a comparative and interdisciplinary approach to central and Eastern Europe and stressed the populist rhetoric, the anti-capitalist discourse and the racist ideology existent in a number of cases ranging from Bulgaria to Hungary and Poland. Another panel emphasized the social and cultural pathologies as potential causes of the rise of the far right. Click on this link for more information: http://www.sant.ox.ac.uk/seesox/extremism.html
Androulla Kaminara—Academic Visitor 2013-14

Androulla Kaminara has worked for the European Commission since 1991. Before joining the Commission she was a senior consultant, and special adviser to two Cabinet Ministers in Greece. She holds a B.Sc. in Geology and Physics (Univ. London), Masters in Management Science (Imperial College, London) as well as Maîtresse in International Politics (ULB - Brussels).

“The opportunity to continue my research into the geopolitics of energy for a second year at St Antony’s College was enormously rewarding. The rapid and fundamental changes in the global energy map, as well as the drastic changes in the geopolitical developments and their link to energy, have been a fascinating topic to research and to write about (akaminara.wordpress.com). One of my papers, which was published as an opinion piece by SEESOX, focused on energy and security in the East Mediterranean. It looked at the interests of others in the region; the security threats; and the geopolitical developments in each of the countries of the region. It concludes that although the threats to security in the shape of physical attacks on infrastructure and on people, accidents or terrorist attacks exist, these types of threats are unfortunately nothing new. However, it is argued that the most dramatic and complex threats to the security of the region could result from potential social unrest as a consequence of energy related problems affecting the economies of countries in the region. The reactions of local populations to energy price fluctuations, and the unavoidable reduction in energy price subsidies which sooner or later countries will be forced to implement, may pose the biggest and the most complex threats. For example, at the beginning of July 2014, Egypt has reduced subsidies which caused a 78% increase in fuels prices with as yet unknown consequences. During the year, I had the opportunity to present views in 13 different conferences/ seminars, including on: energy efficiency; the future of Middle East and North Africa countries (MENA) oil and gas; the EU vs Gazprom and the future of Russian gas; the Southern corridor; climate change; EU external energy policy; security. During 2013-14, I also contributed to a number of EU related seminars on other topics and convened two seminars. Finally, meeting so many world experts and also so many very interesting people was precious and I want to warmly thank ESC and SEESOX colleagues for making this year so special for me.”

Eurozone crisis: An insider’s view from Cyprus

Michalis Sarris, former Minister of Finance of Cyprus, gave a seminar on 27 January on the Eurozone crisis and how this was seen from the island. Many Member States took seriously the benefits of the Eurozone and less seriously the obligations of membership. The Eurozone architectural construction had shortcomings which were not addressed, e.g. the lack of a mechanism to control imbalances, in both surplus and deficit countries. Max Watson, as discussant, listed the problems: the surplus was left to erode sharply; action was delayed and no measures were taken when the Russian loan was decided in 2011; and the Central Bank was passive in addressing the problems and particularly the real estate bubble.
"...social protests can have a great transformative potential in theory but unless there are clear alternatives, and elites willing to negotiate, this potential can be very hard to realise in practice."

**Politics of discontent**

**“Summer of discontent”: Situating the protests in South East Europe within a regional and global context**

The year of 2013 – and especially the summer 2013 – was marked by popular mobilization across the world, including protests unseen in Southeast Europe for over a decade. Turkish Gezi Park, Bosnian protests over identity cards, and Sofia’s protests were only some of the events marking the growing citizens’ unrest. The reasons and the build-up of such mass-scale demonstrations were the topics of November’s workshop titled “Citizen unrest and the politics of protest in Southeast Europe”. Invited scholars and students discussed the economic, political, and social aspects of popular movements and pondered over their potential consequences. Despite various factors in the build-up of mass discontent, all of the discussed cases – from Turkey, Greece, Bulgaria, Romania and the Western Balkans – shared a certain degree of similarity. As discussed by Gwen Sasse and Michael Willis, political and economic malfunctioning and failed structural adjustment during transitional periods have led to disillusionment with political elites in Eastern Europe and the post-Arab spring countries of North Africa and the Middle East. This is also because levels of their legitimacy is quite low in some of the countries. Dimitar Bechev suggested that in the case of Bulgaria, restrictions on the media and high state capture by the elites came at the right time for people to "have enough". Analysing the Greek case, with a longer experience of civil unrest linked to economic crisis, Othon Anastasakis emphasized that protests can be progressive in favour of a more honest and equal society, as well as regressive against change and in favour of an unequal status quo and vested interests. Kerem Öktem in his presentation of the Turkish protests concluded that skilful tactics of intimidation by the government has been successful to dissipate the initial mass-scale demonstrations, which have since been pushed to the background. Unlike the Bulgarian and Turkish case, protests in the Western Balkans had been very localized and in many respects insular or single-event driven. Milos Damjanovic accounted for this lack of nation-wide protests in Serbia to the dashed hopes from the past. The last panel was composed by DPhil Oxford students Melis Evcimik, Saliha Metinsoy, Jessie Hronesova, Ana Ranitović who submitted their personal views and experiences of protest politics in the Western Balkans and Turkey. The main message of the workshop – which was then also confirmed by the subsequent events of winter 2014 – was thus clear: social protests can have a great transformative potential in theory but unless there are clear alternatives, and elites willing to negotiate, this potential can be very hard to realize in practice.

Jessie Hronesova

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**Ethno-nationalist conflicts in post-communist states: Varieties of governance in South East Europe**

On 3 March, Maria Koinova spoke about her book "Ethno-nationalist Conflict in Post-communist States". In Bulgaria, the Turkish minority was subjected to coerced assimilation and forced expulsion, but the nation ultimately negotiated peace through institutional channels. In Macedonia, periodic outbreaks of insurgent violence escalated to armed conflict. Kosovo’s internal warfare culminated in NATO’s bombing campaign. Ethno-nationalist violence was especially volatile in the formative period between 1987 and 1992. In the twenty-first century, these conflicts were subdued, but violence continued to flare occasionally. She examined the role and motivations of majorities and minorities, and the interventions of international agents and kin states, focussing on the underlying causal mechanisms of conflict perpetuation and change to shed light on broader patterns of ethnic violence.

Melis Evcimik, Saliha Metinsoy, Dimitar Bechev, Jessie Hronesova, Ana Ranitović
Reflections on Turkey between two elections

On 21 May, Gamon McLellan of SOAS spoke on Turkey, following the local government elections in March and ahead of Presidential and Parliamentary elections in August and June 2015 respectively. Since 13 May, Turkey had been mourning the 301 victims of the mining disaster at Soma, which raised questions about industrial safety and government responsibilities. Safety and working conditions at the mine had been atrocious. The Prime Minister’s press conference in Soma had not calmed matters, while videos apparently showed assaults on the traumatized community during his walk-about there. This had rekindled fury at the government which had started a year earlier with the response to the Gezi protests. However, electorally, the AKP were still riding high. Despite unrest, corruption allegations, and the row with Gülen, the Party had still managed to win a significant vote of confidence in March...

The overwhelming likelihood was that Erdogan would stand for President and be elected – the only question was whether he would win 50%-plus in the first round in what would inevitably be seen as a referendum on his leadership. AKP had delivered economic success, and there was a lack of viable alternatives. Davutoğlu was a possible Prime Minister. Division of powers could be problematic: the president had the right to chair cabinet meetings, but the prime minister was responsible for government decisions.

Although the Gülen movement had not proved significant in the local government elections, it might yet emerge as a factor in the presidential election.

Protests and social movements in Turkey

On 28 May, an interdisciplinary panel examined the economic, cultural, political and historical circumstances that led to the Taksim uprisings and the intersections of religious and economic activism. A thorough analysis of the “Turkish economic miracle” revealed how neoliberalization and flexibility have led to the gradual disempowerment of various classes and how the idea of a strong state has produced intolerant policing and urban militarization. Further privatization of public space and public goods has produced a strong sense of dissatisfaction among various networks that in recent decades have been reconfigured in transnational activist communities. The absence of a left parliamentary representation has further led to grassroots coalitions that try to rearticulate their visions of Turkish politics, state and democracy. United in discontent through environmental struggles, opposition to the privatization of public space, and revolt against the state, the recent protests in Turkey are reflective of the social circumstances that lead to this phenomenon and an expression of the politics of possibility and hope that so many people have been demonstrating.
The past is never dead

Balkan legacies of the First World War

This Centenary Symposium was convened on 29 May by Othon Anastasakis, David Madden and Elizabeth Roberts. This anniversary event was sponsored by St Antony’s College and the Tsakopoulos Foundation.

Before 28 June 1914, the affairs of South East Europe were dominated by the conflicting fortunes of the Austro-Hungarian and Ottoman Empires. The Russian Empire was also playing a dominant role. After the War, the region was transformed. The three Empires had effectively imploded. The modern Turkish state was born. Yugoslavia was created, and would last for the next 70 years. Greece suffered its biggest national tragedy in Asia Minor. Today, a century after the start of the War, there is still contention over questions of responsibility and culpability, engendering passionate argument. Our Symposium addressed the legacies of the War and its aftermath, asking how they shaped twentieth century developments which continue to be with us today.

Margaret MacMillan, in "Too much history and too many neighbours", set out some key factors in the pre-War period: the weakness of the Ottoman Empire and the importance of the Bosphorus Straits; the development of local strongly-felt nationalism in the region; the gradual break-down of the idea of the Concert of Europe; the role of young activists; the example of the Italians in showing everyone that it was possible to break agreements.

Ivo Banac covered “The contrasting legacies of the South Slav Question”; or rather the South Slav questions. There were Serbian, Croatian, Bosniak, Montenegrin and Macedonian questions, none of which had been finally answered, despite the twentieth century “Yugoslav interphase”.

Richard Crampton offered his thoughts and analysis on one of the less well-covered counties of the region in his contribution “Was the First World War the turning point at which Bulgarian history failed to turn?”

In the second session, the Symposium looked at the linked stories of Turkey and Greece. Eugene Rogan examined” WWI and the fall of the Ottomans”, looking at the various issues, events and factors which led to the collapse of the Ottoman Empire, and the rise of Ataturk’s Turkey, Phoenix-like, from its ashes. Basil Gounaris contributed “Greece and the Great War: Unwanted legacies”. He picked out the themes of oblivion and misuse: after the national catastrophe, there was collective political amnesia about this part of Greek history; while the Venizelos legacy had been used on both sides of the political divide in Greece after the Second World War.

The First World War is too often told as a story of the fighting on the Western Front. The Symposium acted as a corrective, providing a reminder that there were serious issues on the South Eastern front as well, with enormous political and economic consequences.

In Western Europe the problems caused by the Great War have largely been overcome, though not without further catastrophes. In South East Europe, by contrast, many live on.

David Madden
Unmixing Peoples: An assessment of the 1923 Treaty of Lausanne

On the occasion of the 90th Anniversary of the 1923 compulsory exchange of populations between Greece and Turkey, SEESOX organised a film screening and panel discussion in November 2013, sponsored by the A. G. Leventis Foundation. The event was convened by Renee Hirschon, author of the books Heirs of the Greek Catastrophe and Crossing the Aegean, whose work is dedicated on the historical and anthropological study of refugees from Asia Minor to Greece. The evening started with the showing of the film “Twice a Stranger” which was directed by Apostolides and Averoff (2011) - which examines the historical background that led to the Treaty of Lausanne in 1923, and the population exchanges between Greece and Turkey in 1922-23 through the testimonies of surviving refugees on both sides of the border. The screening was followed by a panel discussion with BBC journalist Ayça Abakan; author of the book The Ionian Vision, Michael Llewellyn Smith; Cultural Counsellor of the Greek Embassy in London and historian Victoria Solomonidou; and Renée Hirschon, who led an interdisciplinary discussion.

Enlightenment and Revolution: The making of Modern Greece

On 7 February, Paschalis Kitromilides discussed his book “Enlightenment and Revolution: The making of Modern Greece”, identifying the intellectual trends and ideological traditions that shaped a religiously defined community of Greek-speaking people into a modern nation-state. Kitromilides demonstrated how the confrontation between Enlightenment ideas and Church-sanctioned ideologies shaped the culture of present-day Greece. When the Greek nation-state emerged from a decade-long struggle against the Ottoman Empire, the Enlightenment dream of a free Greek polity was soon overshadowed by a romanticized nationalist and authoritarian vision. He argued that the failure to create a modern liberal state at that decisive historic moment was at the root of Greece’s recent troubles.

The talk was followed by a discussion with Joanna Innes, Peter Mackridge, and John Robertson, chaired by Renée Hirschon.

This event was supported by the A. G. Leventis Foundation.

The Lost Sandžak: Forgotten region of Serbia and Montenegro

On 10 February, Kenneth Morrison and Elizabeth Roberts introduced their book, ‘The Sandžak: A History’, the first detailed history written in English about the region. Elizabeth set out the history up to 1918. Its position as transit route (for trade, travel and armies) brought wealth at times, but also misery. For the Ottomans it was a vital connecting corridor to Bosnia and Herzegovina; for Vienna an obstacle to a common border between Serbia and Montenegro, until Ottoman defeat in 1912. Kenneth brought the story up to date, highlighting the re-emergence of the “Sandžak Question” after the break-up of Yugoslavia, the intra-Muslim/Bosniak conflicts, and the significant differences between the Serbian and Montenegrin Sandžak.
Lost in transition?

SEESOX’s political economy work in 2013-14 kicked off with a conference in Tirana in September 2013, jointly convened with the Central Bank of Albania, on the subject of Strengthening Linkages in South East Europe: Policy anchors and business perspectives.

In addition to contributions from academics and policy makers from central banks and international financial institutions, input was sought from representatives of the business community. The differing role of a policy or institutional “anchor” as distinct from a policy measure or tool, was explored and was destined to become a recurring theme in this and later seminars during 2013-14. With some of the traditional anchors, such EU accession as a reform driver and exchange rate pegs for macroeconomic stability, having proved insufficient to prevent contagion from the Eurozone crisis to South East Europe, delegates were tasked with defining new domestic and external anchors and with finding ways to strengthen existing anchors so as to make the region more resilient in the future. It was asserted, for example, that fiscal policy, which had arguably gone adrift in the years prior to the crisis, could have been better anchored in institutional arrangements and also by more effective use of quantitative rules. Later in the year, SEESOX teamed up again with the Central of Albania to host a workshop in Oxford in May 2014 on Anchoring economic policies in South East Europe: the role of European and National Institutions. The contribution of the IMF as an external institutional anchor in its surveillance role was contrasted with that of the EU, both as regulator and as accession target, with the former operating more as a “principles based” institution, compared to the EU which tended to be “rule based”. The evolving influence of the IMF as lender of last resort for countries in the region was also explored, affirming its role in financing adjustment as well as enforcing it through conditionality. Finally, in June 2014, the Central Bank of Bosnia and Herzegovina and SEESOX jointly convened a seminar to discuss the predicament of South East Europe in an Environment of Volatile Capital Flows.

Parallel with SEESOX’s core collaboration with the central banks of Albania and Bosnia, SEESOX also hosted a number of political economy seminars at the ESC in Oxford in 2013/14. In November 2013, Christian Popa, Deputy Governor of the National Bank of Romania, presented at the SEESOX – Bank of Albania workshop in May.

SEESOX publications

WORKSHOP REPORT
Anchoring economic policies in South East Europe: The role of European and International institutions
JUNE 2014
The report can be accessed from this link: http://goo.gl/n5T8CP

WORKSHOP REPORT
South East Europe in an environment of Volatile Capital Flows
SEPTEMBER 2014
The report can be accessed from this link: http://goo.gl/LEZuKP
political nation, real social differentiation (e.g. between entrepreneurs and politicians), getting past state dependency, and a new social contract between a non-predatory state and a law-abiding citizenry. The subsequent discussion was wide ranging and opened up questions on a variety of issues, including on the definition of transition, the objectives of transition, and the relationship between constitutional transition and economic change. The record on transition was examined again by Peter Sanfey (EBRD) in May 2014, who posed the question Is Eastern Europe stuck in Transition? Drawing on the EBRD’s 2013 Transition Report, Sanfey presented a worrying picture of transition stagnation since the mid-2000s. In part this could be seen as a natural deceleration as the convergence gap narrowed, but transition in South East Europe still seemed to be well behind Central Europe and the Baltics, suggesting that reform in this region was plateauing prematurely. The report recommended that a more inclusive growth strategy would help garner greater public support for reforms and so regenerate the growth momentum and transition process.

Adam Bennett gave a talk on The New EU States: Challenges and Opportunities in a Changing Financial Setting, exploring the economic issues at stake from the viewpoint as a central banker. In February 2014, the focus shifted to political issues, also from a Romanian perspective, when Alina Mungiu-Pippidi addressed the question, Whatever happened to transition in Central and Eastern Europe? In this talk, she stressed that successful transition depended on several factors, including an internally recognized single

Yugoslavia: Economic factors in the origins and timing of the conflict

In June 2014, in a lunchtime seminar, Adam Bennett re-examined the causes of the conflict in Yugoslavia that led to the country’s dissolution in the 1990s. Bennett sought to widen the analysis beyond the traditional focus on ethnic, religious and nationalist rivalries, and explored the contribution of economic factors underlying the unrest and centrifugal tensions. He argued that fissures in the union of republics were long evident in the pronounced divergence in economic performance between the north and the south, while confidence in federal authority was progressively undermined by a persistent and steadily rising inflation—itself the pernicious equilibrium of an economy dominated by self (i.e. labour) managed enterprises. The situation worsened in the 1980s, when growth slowed to zero after Yugoslavia’s debts became unsustainable. The final straw was the (avoidable) hyperinflation of 1988/89, followed by the failure of the switch in exchange rate strategy in 1990, which destroyed the last vestiges of credible federal authority. While these economic factors were not sufficient to trigger dissolution on their own, neither (in his view) were the ethnic, religious and nationalist factors. It was their toxic combination that proved fatal.

As discussant, David Madden described the accompanying political factors: both internal (diverse religious and cultural heritage, political differences, the role of individuals e.g. Milosevic and Tudjman); and external (the collapse of Communism in East Europe in 1989). The autarky of the Republics was another centrifugal factor.
Towards normalization?

Serbia/Kosovo: The Brussels Agreements and Beyond

This workshop was organised on 29 November in collaboration with the LSE and Oxford’s Department of Politics and International Relations, and sponsored by NATO Public Diplomacy Division and the FCO.

The aim was to exchange ideas and lessons learned from the first successful round of negotiations on normalisation of relations between Serbia and Kosovo. It was organised in four successive panels: covering respectively “getting to the negotiating table”; “getting to Yes”; “implementation of the agreements”; and “future prospects of success.”

The first session produced a broad consensus that two key factors lay behind the agreement to negotiate: the decision of the ICJ which failed to support Serbia’s contention that Kosovo’s UDI was contrary to international law, but took no stand on whether Kosovo was a state; and Serbia’s application for EU candidate status. The next session also produced considerable clarity on how what began as a “technical” dialogue became raised to a higher political level (because it was clear that behind almost every technical difficulty there was a political difficulty); and on how agreement was reached on a compromise whereby Serb institutions in north Kosovo were “repackaged” in their existing form, but within Kosovo’s administrative system, by setting up the Association of Serb Municipalities.

There were more critical and dissentient voices on the subject of implementation. A continuing theme was how far the process had to go. But it was accepted that some aspects e.g. free movement were better; and it was widely agreed that the likelihood of serious violence was low.

Looking to the future, the strongest elements were acceptance of the enormous and central role of the EU; and the feeling on the Kosovo side that whereas Serbia had a clear run to the EU, albeit over several years, Kosovo’s way was blocked by the five EU member states who did not recognise it. Attempts to demonstrate how this difficulty might be tackled, and how there were gradations of opposition among the five, did not appear to provide immediate succour.

In the evening a lecture by Robert Cooper of the European External Action Service looked at these themes from a broader perspective. The EU was not a state but a community of law among states. It could enlarge by consent, and contribute to stability, democracy, security and a new type of solidarity. The Balkans was the EU’s great failure in the 1990s, but the tragedies of that decade had been succeeded by some modest successes in the past ten years. Slovenia and Croatia were EU members, and Serbia had started negotiations. The main pressing issues turned around the name of Macedonia, the stagnation of Bosnia and Herzegovina, and Kosovo.

The broad conclusions were summarised in a report, and were presented to the Global Strategy Forum in the House of Lords, and at the Council of Europe in Athens.

David Madden
"People are not killing each other with weapons anymore, yet there is no peace."

The Majority Starts Here – a film on youth and legacy of conflicts in the Balkans

To expand the variety of events at SEESOX, we organized a documentary screening about the youth and memory in the former Yugoslavia. The film The Majority Starts Here was produced by the Balkan Investigative Reporting Network (BIRN), one of the few independent media NGOs in the Balkans and the publisher of Balkan Insight. The film producers – Gordana Igric, Jeta Xharra, and Ana Petruseva from BIRN, were present and took part in a panel discussion chaired by Professor Kalypso Nicolaïdis after the screening. The documentary depicts a series of fieldtrips of six young people from the former Yugoslavia into the past by reliving the siege of Sarajevo, meeting Serbian war veterans, and an architect of the controversial facelift of Skopje, among others. It portrayed young people’s struggle to grapple with the transmitted memories, scarred physical landscape, and polarized media presenting distorted truths. A stimulating panel discussion followed the screening. Gordana Igric explained that the main idea behind the film was to discover how much young people knew about the past and how they moved beyond the past narratives. The disappointing finding was how little knowledge there was in the region about the suffering of the other national groups. The BIRN team further stressed that showing the movie on public television is important in order to educate as many people as possible and show the suffering of the "other". “The war in the region is going on in a different manner”, Igric stressed. “People are not killing each other with weapons anymore, yet there is no peace.”

Contested truth and elusive reconciliation: Narrating the Yugoslav wars through the truth commission initiatives

On 4 June Jasna Dragovic-Soso (Goldsmiths College) presented her latest research on failed truth commissions in Serbia, Bosnia, and in the entire region of the former Yugoslavia. She attempted to answer the question why all projects for national Truth and Reconciliation Commissions (TRCs) had failed and as a consequence had such a limited impact. She stressed the political stakes of national elites in the process, the role of the international community and the Hague-based war crimes tribunal, the influence of victims’ organizations, but also the controversies surrounding the goals of truth commissions in general. Although TRCs should provide authoritative national narratives about the past, counter denial of past events, and promote acknowledgement of past suffering, none of these goals has been achieved in the post-Yugoslav region because of the contested nature of the start of the war and a lack of legitimacy of the established transitional justice institutions. As she had also noticed multiple times, a competition for victimhood – i.e. who suffered the most during the conflict – was obstructing any meaningful dialogue. All these factors made the process of coming to terms with the past in former Yugoslavia exceptionally cumbersome. Discussing the paper, Jessie Hronesova (D Phil student, Oxford) stressed that only shared interests of the political elites across the region – such as EU membership – could provide a fruitful starting point for debates about the past.

Jessie Hronesova

Ana Petruseva, Gordana Igric, Jeta Xharra, and Kalypso Nicolaïdis

Jessie Hronesova, Jasna Dragovic-Soso, and Kalypso Nicolaïdis
Focus on Serbia

Will the opening of EU accession be a game-changer in Serbian politics, and what should we expect?

On 20 January Milica Delevic and Peter Sanfey from the European Bank for Reconstruction and Development discussed the most pressing political and economic challenges lying ahead of Serbia’s European accession path. Milica Delevic explained why the road to membership had so far been long and tortuous (referring to relationship with Montenegro, ICTY and Kosovo). She acknowledged that important changes came in 2012 and predicted that accession negotiations would focus carefully on reform of the judiciary, human rights, and security, justice, and freedom. Peter Sanfey demonstrated a diagnostics exercise of the main failures of the Serbian economic market in terms of attracting foreign business. His analysis suggested that the main constraints on potential investments in Serbia should be categorized as government failures on the micro-economic side. The opening of the accession negotiations was certainly a historical milestone for Serbia, but there was much to be done.

After the elections: Serbia on its European path

The Serbian Ambassador, Ognjen Pribicevic, spoke on the above subject on 12 May. He summarised the outcome of the March elections. The Serbian Progressive Party had won almost 50% of the vote, and 167/250 seats in Parliament. The party leader, Vucic, was now Prime Minister. There was no mathematical necessity for a coalition, but Vucic had chosen the leader of the Socialist Party, Dacic, to be Foreign Minister. Not one MP was anti-EU. The other key event was the opening of EU accession talks on 21 January.

The number one issue was the economy. Unemployment was about 25%, the public sector was over-sized leading to budgetary problems, and although a firm – and popular – start had been made in fighting organised crime and corruption, this remained a problem. The strategy was to begin with austerity with a 10% cut in public salaries; and then to introduce new laws on labour relations, encouraging entrepreneurs and FDI.

On cooperation with neighbours, he highlighted Vucic’s visit to Sarajevo on 13 May, and continuing work on implementation and extension of the Brussels Agreements.

On bilateral relations with the UK, he emphasised the new phase, with particular emphasis on trade, investment, culture and the history of friendship and personal contacts. Today’s Serbia is a country of pop and folk festivals, tourism, good food etc.: a member of the European family, and a country in transition.

“Today’s Serbia is a country of pop and folk festivals, tourism, good food etc.: a member of the European family, and a country in transition.”
SEESOX activities & events

Michaelmas 2013 (October-December)
An insider’s view of Greece’s Euro crisis: Why the road to redemption must also be paved with skilful intentions
Constantinos Papadopoulos (Eurobank, Greece)
The future of the Far Right in Greece: Dawn or dusk?
Tryfon Bampilis (St Antony’s College, Oxford)
Twice a stranger/Unmixing Peoples: An assessment of the 1923 Treaty of Lausanne
Ayça Abakan (BBC); Renée Hirschon (St. Peter’s College, Oxford); Michael Llewellyn Smith (St Antony’s College, Oxford); Victoria Solomonidou (King’s College, London)
The Greek debt restructuring: Implications for the future
Jeromin Zetelmeier (European Bank of Reconstruction and Development); Jens Bastian (Hellenic Foundation for European and Foreign Policy)
Taking them to task: Reflections on the Commission’s Task Force in Greece
Jens Bastian (Hellenic Foundation for European and Foreign Policy)
The financial market environment for emerging European economies
Cristian Popa (National Bank of Romania); Gillian Edgeworth (Unicredit)
Serbia/Kosovo and the place of EU enlargement in EU foreign policy
Robert Cooper (Counsellor, European External Action Service)

Hilary 2014 (January-April)
Will the opening of EU accession talks be a game changer in Serbian politics, and what should we expect next?
Milica Delević; Peter Sanfey (European Bank of Reconstruction and Development)
The Eurozone crisis: An insider’s view from Cyprus
Michalis Sarris (Former Finance Minister of Cyprus); Max Watson (St Antony’s College)
Whatever happened with Transition in Central and Eastern Europe?
Alina Mungiu-Pippidi (The Hertie School of Governance, Berlin); Othon Anastasakis (St Antony’s College)
Enlightenment and revolution: The making of Modern Greece
Paschalis M. Kitromilides (University of Athens); Joanna Innes (Somerville College, Oxford); Peter Mackridge (St Cross College, Oxford); John Robertson (Clare College, Cambridge)
The Lost Sandžak: Serbia and Montenegro’s forgotten region
Kenneth Morrison (De Montfort University, Leicester); Elizabeth Roberts (Institute for Strategic Dialogue)
Greece: Taking stock - economic and financial changes since the onset of the global and euro crisis
Eleni Dendrinou-Louri (Central Bank of Greece, Athens); Francisco Torres (St Antony’s College, Oxford)
Reinventing politics in the Balkans: From local to regional and European
Edi Rama (Prime Minister of Albania)
Ethno-nationalist conflicts in post-communist states: Varieties of governance in Bulgaria, Macedonia, and Kosovo
Maria Koinova (University of Warwick); Cvete Koneska (St. Antony’s College, Oxford)
Inside Greek terrorism
George Kassimatis (University of Wolverhampton); David Madden (St Antony’s College, Oxford)
The Majority Starts Here
Gordana Igrić (Balkan Insight, Serbia); Ana Petrusева (Balkan Insight, Macedonia); Jeta Xharra (Balkan Insight, Kosovo)

Trinity 2014 (April-June)
Is Eastern Europe stuck in transition?
Peter Sanfey; Oleg Levitin (European Bank of Reconstruction and Development)
After the elections: Serbia on its European path
Ognjen Pribicevic (Ambassador of Serbia)
Reflections on Turkey between two elections
Gamon McLellan (SOAS, University of London)
Protests and social movements in Turkey
Banu Bargu (SOAS, University of London); Cemal Burak Tansel (University of Nottingham); Aimilia Voulvouli (Bosphorus University, Istanbul)
Contested truth and elusive reconciliation: Narrating the Yugoslav wars through the truth commission initiatives
Jasna Dragovíc-Soso (Goldsmith’s, University of London); Jessica Hronesova (St Antony’s College, Oxford)
Economic factors in the origins and timing of the conflict in Yugoslavia
Adam Bennett (St Antony’s College, Oxford); David Madden (St Antony’s College, Oxford)
The gender impact of the economic crisis in Greece
Maria Karamessini (Panteion University of Social and Political Sciences); Maria Stratigaki (Panteion University of Social and Political Sciences)

Conferences and workshops
BANK OF ALBANIA/SEESOX CONFERENCE (Tirana) Sep. 2013
Reform and regional cooperation in South East Europe: In the shadow of the Euro-Zone crisis
ORGANISED AND FUNDED BY THE BANK OF ALBANIA, IN COOPERATION WITH SEESOX
TURKISH MIGRATION STUDIES GROUP WORKSHOP (Oxford) Nov. 2013
Towards new migration systems, patterns and policies in Eurasia: The case of Turkey and the Russian Federation
IN ASSOCIATION WITH COMPAS
WORKSHOP (Oxford) Nov. 2013
Summer of discontent: Situating the protests in South East Europe within a regional and global context
WORKSHOP (Oxford) Nov. 2013
Serbia/Kosovo: The Brussels Agreements and beyond
IN ASSOCIATION WITH DPIR AND LSE, SPONSORED BY NATO PDD CONFERENCE (House of Lords, London) Feb. 2014
Serbia/Kosovo: The Brussels Agreements and beyond
ORGANISED BY GLOBAL STRATEGY FORUM
BANK OF ALBANIA/SEESOX WORKSHOP (Oxford) May 2014
Anchoring economic policies in South East Europe: The role of European and National Institutions
IN ASSOCIATION WITH PEFM
SEESOX WWI CENTENARY SYMPOSIUM (Oxford) May 2014
The past is never dead: Balkan legacies of the First World War
SPONSORED BY ST ANTONY’S COLLEGE AND THE TSAKOPOULOS FOUNDATION
WORKSHOP (Oxford) May 2013
Far-right extremism in crisis-ridden Greece... and beyond
SPONSORED BY THE A.G. LEVENTIS FOUNDATION
CENTRAL BANK OF B&H/SEESOX CONFERENCE (Sarajevo) Jun. 2014
South East Europe in an environment of volatile capital flows
ORGANISED AND FUNDED BY THE CENTRAL BANK OF BOSNIA AND HERZEGOVINA, IN COOPERATION WITH SEESOX
Ambassadors forum

On 15 January SEESOX hosted the annual Round Table lunch for the Ambassadors from the region posted in London. This year we welcomed eleven ambassadors, including Emil Brix from Austria, given the country’s special role in the region. As usual there was focussed discussion on recent, current and future events.

A particular theme of common interest was migration, in the light of the public debate in the UK on this issue. HE Konstantinos Bikas, Ambassador of Greece, spoke on the priorities for the Greek Presidency of the EU.

SEESOX aspires...

There has been a shape and pattern to this year’s SEESOX programme: keeping the work of SEESOX focussed, up to date, and visible; offering high-profile activities such as the Annual Lecture; working with our generous donors; and collaborating with the Ambassadors of South East Europe in London.

This drive and focus will continue into the future. Following the workshop on Serbia and Kosovo, we plan (again in conjunction with the LSE and Oxford’s Department of Politics and International Relations) events of similar scope and scale on Bosnia and Herzegovina, and on East/West interests and rivalries in South East Europe: political relations, economic links, energy and security. A seminar by Rainer Münz of Erste Bank will continue our close cooperation with banks and foundations. All this will again demonstrate that South East Europe is a microcosm of the complex and momentous events taking place on our planet; and that SEESOX is exceptionally well-placed to provide expertise.

Funding remains crucial if this outstanding enterprise is to continue. We are particularly seeking this from the region, with the possibility of new country programmes.