



Illiberal Foreign Influence on Democracy in Montenegro and Serbia

Qualitative Public Opinion Research
and Media Analysis



NATIONAL
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The National Democratic Institute (NDI) conducted qualitative public opinion research in 2020 in Serbia and Montenegro on the salience and extent of illiberal foreign influence on democratic norms and Euro-Atlantic integration.

NDI interviewed decision-makers and opinion leaders, and conducted focus groups with the general public in both countries. NDI civic partners in Serbia and Montenegro performed companion analysis to ascertain how media outlets are covering China in particular, and to see if media coverage corresponds with attitudes expressed in the interviews and focus groups.

This research is part of a global set of NDI initiatives to assess the extent to which infrastructure investment and surveillance technology transfer, among other interventions, by autocratic powers such as China have a deleterious impact on countries that are, by turns, initiating, advancing, or struggling with democratic transitions. NDI's research centers on the impact of these economic and security relations in how people understand government transparency and accountability as core democratic norms, and how people appraise the effect of what is labeled illiberal influence on the performance of government in relation to these norms.

Illiberal influence in Serbia and Montenegro co-exists with their shared aspiration to join the European Union (EU) and alongside Montenegro's NATO membership, achieved in 2017. Both countries, and the Western Balkans in general, comprising the successor countries to former Yugoslavia as well as Albania, are reverting to geo-historical type as a region in between East and West. The Habsburg, Russian, and Ottoman empires find latter-day equivalents, in a geopolitical sense, in the European Union, United States (U.S), Russia, and Turkey. The latter two have increased their economic, political, and cultural influence in the Western Balkans as U.S. focus has waned and EU membership/integration effectively stalled.

China also has inserted itself as an autocratic power building economic and security links within the region, and particularly with Serbia and Montenegro, under Beijing's 16+1 trade and investment framework for Central Europe and the Balkans, which in turn is linked to its global Belt and Road Initiative.

Within that framework, China has undertaken a highway construction project in Montenegro linking the country's mountainous regions and Serbia beyond to the Port of Bar on the Adriatic Sea, with loan terms that appear to put the port's operations—Montenegro's largest—up as collateral. As of this writing, the Government of Montenegro has appealed to the European Union for financial help in servicing its loan payments to Beijing, and is seeking extensions to loan payments from Beijing—failure of which, per the terms of the agreement, could see Montenegro forfeit control of the Port of Bar to China.

In Serbia, China has engaged in a bevy of road construction, exported facial recognition technology, taken over decaying industrial works, and delivered COVID-19 vaccine and related material, earning effusive praise from Serbian President, Aleksandar Vucic. The EU is the largest provider of development assistance in Serbia, and EU member-states its largest investors.

NDI public opinion research¹ in both countries and elsewhere in the region in 2018 showed China to be gaining favorability, with Europe faltering and the U.S. well behind, year on year.

This great power dynamic has taken form over the past decade. The post-war era in the Western Balkans had been shepherded by western powers through the 1996 Dayton Peace Agreement in Bosnia-Herzegovina, the 2001 Ohrid Peace Agreement in Macedonia, the 2006 independence referendum in Montenegro, and the 2008 declaration of independence in Kosovo. NATO membership has been extended to Albania, Croatia, Montenegro, and North Macedonia within a roughly 10-year timeframe (Bosnia-Herzegovina and Serbia are not officially seeking NATO membership, and Kosovo aspires to NATO membership). Following Croatia's accession in 2013, EU membership perspectives have dimmed as EU consensus on enlargement has weakened over security concerns arising from migration, democratic recessions among member-states within the bloc, the preoccupations of Brexit, and, not least, bilateral disputes between some member-states and aspirants. The COVID-19 pandemic has complicated EU accession prospects further.

Democratic political systems and European integration have been viewed as synonymous. But public uncertainty and “Euroscepticism” in the Western Balkans about joining the European Union, and uneven favorability of the United States, have loosened their hold on the region. This has opened the door to Russia, China, and Turkey to leverage their economic, political and security heft to build ties with governments seeking patronage and to use domestic deficiencies in government transparency, public scrutiny, and separation of powers to further these ties.

Considerable scholarly and practitioner attention, including that of NDI, has turned toward the geopolitical impact of sharp and soft power incursions by Moscow and Beijing in the Western Balkans, including media-based Kremlin disinformation and Chinese debt entrapment through large-scale infrastructure development, that create disincentives for governments in the region to pursue European and transatlantic integration completely. Lowered expectations of European integration and heightened illiberal influence have conspired to dampen public expectations around democracy, as registered in NDI public opinion research around the region.

In supporting sustainable democratic processes worldwide and present in the Western Balkans for 30 years, including Montenegro and Serbia, NDI seeks to assess how illiberal influence exacerbates democratic deficits and the public's understanding of this phenomenon. NDI will apply findings of this research to its support of democratic political discourse, legislative and other institutional development, and in combating disinformation.

Research Methodology

- **Key stakeholders interviews** – NDI conducted remote interviews with key stakeholders in Montenegro and Serbia, including representatives of state institutions, political parties, non-governmental organizations, media and business. The purpose of these interviews was to elicit input on perceived changes in political processes and gaps in governance that need to be addressed. Key stakeholders contributed to the understanding of the civic definition of

¹ Research can be found at: <https://www.ndi.org/publications/between-east-and-west-public-opinion-media-disinformation-western-balkans>

democratic norms and values, the perception of the influence of foreign actors, and an assessment of economic cooperation with other countries.

- **Citizen focus groups** – NDI convened focus groups on the functioning of democracy, the influence of foreign countries on political processes, especially democratization, and the economic model of cooperation with foreign countries. In Montenegro, focus groups were conducted with five sets of participants based on political preference prior to the August 2020 elections. In Serbia, groups were organized based on political affiliations expressed in June 2020 parliamentary elections. The groups were diverse in gender, age, education, and profession.
- **Media monitoring** – Monitoring of mainstream media in Montenegro and Serbia occurred between May and August 2020. In Montenegro the sample included the most popular media, by readership, in the country, including the daily newspapers: *Vijesti*, *Dan*, and *Pobjeda*; online news portals: *Vijesti* online and *Café del Montenegro* (CDM); and three news television programs: *NovaM*, *TV Vijesti*, and *Televizija Crne Gore* (RTCG). The analysis included a total of 426 media reports which feature the following countries and organizations: EU, NATO, China, Russia, U.S.; on the following topics: COVID-19, NATO, EU integration, regional and international political developments, foreign investments, the construction of the Bar-Boljare highway (highway project), energy, army and military interventions, military cooperation, health donations, medical science, technology, art, religion, and education.

In Serbia the sample included the most popular media, by readership and viewership, including four newspapers (*Blic*, *Informer*, *Kurir* and *Vecernje novosti*), four online portals (*Blic*, *B92*, *Kurir* and *Vecernje novosti*), and TV News and political shows (TV Stations: RTS (public broadcasting service), Pink, O2, Prva). The sample included 7,783 articles and media clips on the following topics: politics, military, economy, Kosovo, past conflicts in former Yugoslavia (1990-99), culture, human rights and healthcare.

Montenegro

Montenegro became an independent country in 2006 through a public referendum. Montenegro was a republic in the former Yugoslavia and had maintained a federation with Serbia upon Yugoslavia's dissolution in the early 1990s. Among Europe's smallest countries, Montenegro's population stands at approximately 630,000 inhabitants.

Montenegro became an official candidate for European Union membership in 2011 and commenced formal negotiations to adopt the EU's body of law (*acquis communautaire*) in 2012. Montenegro has opened all 33 of its chapters, and provisionally closed three. Accession is expected later this decade at the earliest.

By statistical measurement, major democracy indexes reporting on Montenegro – including Freedom House's *Nations in Transit*,² Reporters Without Borders' *World Press Freedom Index*, and Transparency International's *Corruption Perception Index* – have registered deteriorating performance in the country's political and electoral processes over the past several years. Controversial policies have exacerbated ethnic and sectarian tension between citizens who, in the majority, identify as Montenegrin and those who identify as Serbian, respectively, exposing vulnerabilities for foreign actors to destabilize the country through disinformation and other means. As an example, public opinion on Montenegro's 2017 accession to NATO remains polarized largely along ethnic lines.

Parliamentary elections in August 2020 resulted in a surprising, if narrow victory for an opposition coalition led by the Democratic Front, an amalgam of several parties. The Democratic Party of Socialists (DPS) had governed the country continuously since the introduction of a multi-party system in 1990. Its leader, Milo Djukanovic, continues to serve as Montenegro's president into 2022.

The Democratic Front-led government spans ethnic and political divides within the country somewhat uneasily, and counts within its ranks pro-Serbia and pro-Kremlin politicians, but has continued to prioritize European Union membership while maintaining political and economic links with Russia and China. The former DPS government had courted and secured both Chinese and Russian investment. Moscow allegedly commanded an attempted coup d'état against the Djukanovic government in 2016.

The interviews and focus group activities were organized in advance of the 2020 parliamentary elections. The Montenegro-based Center for Democratic Transition conducted the companion media analysis.

Key Findings

> Public associations of democracy focus on economic development and prosperity, on freedom and liberty, and less so on democratic governance. For the predominance that one party has maintained over the political system for many years, citizens do not readily identify separation of powers among executive, legislative, and judicial branches as a check on government action,

² *Nations in Transit* Report: <https://freedomhouse.org/country/montenegro/nations-transit/2021>

and consequently do not ascribe separation of government powers as a cornerstone of a democratic process.

> Public perceptions of the democratic performance of government depend largely on partisan affiliation, among both key stakeholders and the general public. Those opposed to the previous DPS government are more likely to criticize its democratic credentials; DPS supporters are generally more charitable in their appraisals, while cognizant of shortcomings in corruption.

> Public attitudes of Montenegro's foreign economic relations converge across partisan lines in emphasizing the country's need to secure foreign investment from a variety of sources, including those outside of the Euro-Atlantic framework, principally China. Citizens see government corruption and lax regulation as precluding the measures that Montenegro would need to make foreign investment more transparent in its costs and more equitable in its benefits.

Citizens express more interest in the efficiency and effectiveness of foreign investment than in its transparency. The public recognizes rule of law deficits that produce corruption and inequities, and sees in them a permissive environment for non-transparent economic deals with foreign powers. At the same time, the public's focus on existing corruption and lax regulation and transparency means that the direct impact by illiberal actors on Montenegro's democratic governance is, in fact, less evident than might be expected.

> Public perceptions separate Montenegro's Euro-Atlantic integration and its relations with China. EU membership is prized as signifying political integration into Europe, along with material improvement in people's livelihoods. Citizens do not see a future outside of the EU, and do not support policies that could jeopardize accession aspirations.

However, the public does not perceive Chinese investment as necessarily inimical to their EU aspirations. They appear to draw separation (and co-existence) between what they characterize as the political nature of Montenegro's EU orientation and broader Euro-Atlantic integration on the one hand, and what they perceive as a strictly economic relationship with China on the other. Citizens indicate that, for Montenegro to grow, given its small size and limited market potential, it needs to open foreign investment to nonwestern powers. While some are critical of China's highway investment loan, the public generally does not perceive an alternative foreign investor.

> There is recognition that illiberal foreign powers can and do manipulate domestic governance deficits in Montenegro for illicit economic benefit, but not to an extent that would amount to unwarranted political influence. Citizens perceive Russia, China, and Turkey as strictly having economic interests in the country, not clandestine political agendas. Stakeholders are aware of China's increased promotional activity, through cultural exchanges and events, to win favor among politicians, journalists, and businessmen, and ascribe to it the motive of promoting positive sentiment towards China that can facilitate economic cooperation, rather than exert political influence. This contrasts with public perceptions of economic relations with Europe, which are viewed as conditioned by European political considerations around enlargement. Many view Montenegro's agreements with China as a response to Western hesitancy to invest in infrastructure and other projects.

> Montenegrin media is divided between pro-EU and pro-Russia/China coverage, and public opinion tends to align with the media that individuals consume. The large minority identifying as Serbian follows regional media, including Serbia-language Russian outlets, which favor both Moscow and Beijing. Mainstream media positively covers the EU, but reporting on NATO and the U.S. is split.

Public perceptions of Montenegrin democracy

Citizen satisfaction and opinion of the state of democracy in Montenegro diverge significantly between supporters of the governing party and the opposition. Supporters of the former DPS government are more likely to identify progress in remedying democratic deficiencies. Likewise, key stakeholders with ties to the prior government, such as party members, are more optimistic about the democratic progress made in the country. Conversely, supporters of parties formerly in the opposition are critical of democratic practice in Montenegro.

Where these factions meet is in how they define democracy. For focus group participants in particular, the term connotes an increased standard of living, prosperity, and liberties associated with Western European countries, and more specifically European Union membership. Citizen's aspirations for a democratic future for Montenegro are reflected in their desire to be like their more prosperous European neighbors. Citizens do not see a future outside of the European Union, and the accession process remains an influential driver of democratic reform. Citizens would not support any international cooperation agreements, or changes in the national governing system, that they felt would jeopardize their future in Europe. However, many feel that Montenegro's transition to democracy has failed to materialize the wealth and economic opportunity promised.

Among focus group participants, there is a limited understanding of how checks and balances are implemented and how they should function in a healthy democracy. Stakeholders familiar with Montenegro's governance structures noted that the system of checks and balances is ineffective and that parliament does not exercise its oversight function over the executive. With the parliament and government held by the same political party for years, citizens do not recognize these branches as distinct, particularly when it comes to policy towards foreign actors.

“The division of power should exist in theory, but those three columns [government, parliament, judiciary] are in fact one column. One party decides and the others comply.”- Focus group participant

Citizens perceive rampant corruption as present in all sectors including politics and business. Many point to the outsized role that family and social connections play in Montenegro's public life, given the small population. People are aware of how *veze* (connections) function in their own lives, including their ability to access public services. Public awareness of fair and transparent procurement practice has risen based on large-scale infrastructure investment, questionable government use of legal loopholes in holding back information on the highway construction project in particular, and alleged corruption scandals have been reported around government tenders.

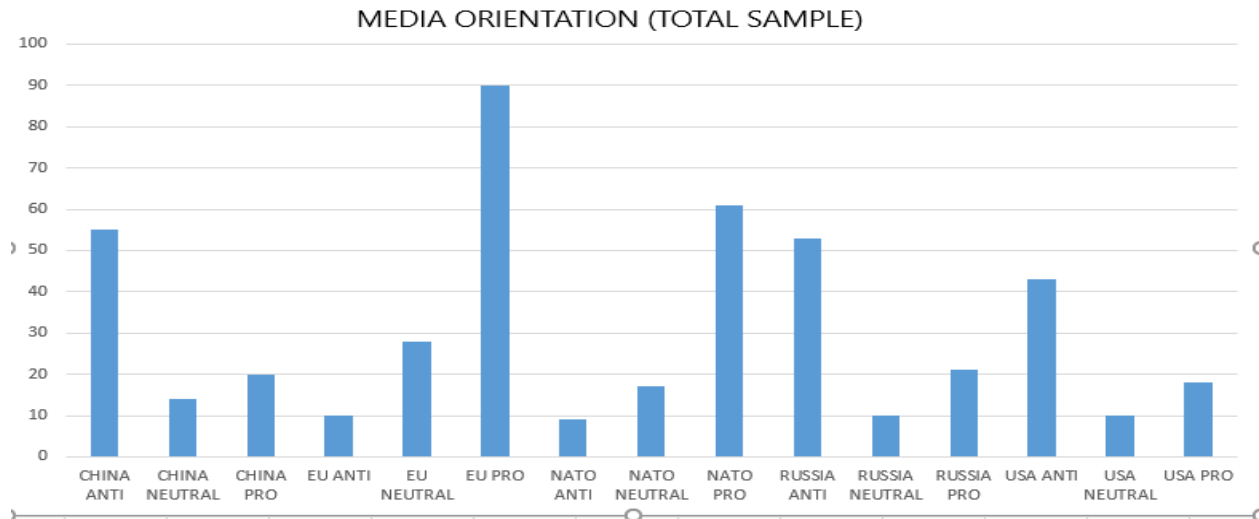
“There is no sector devoid of corruption. Many Montenegrin citizens have witnessed some kind of corruption and do not want to talk about it. Corruption exists everywhere. Despite all the [legal] changes, the mentality is hampering progress.” - Business leader

Many citizens express concerns over the application of rule of law, and understand problems within the judiciary to be linked to corruption. As public awareness of checks and balances is underdeveloped, they understand the judiciary to be subject to undue government influence. Many citizens cite examples of when they felt the law was applied favorably or unfavorably depending on personal or political loyalties. Citizens believe nepotism and party affiliation to have improper influence over judicial outcomes. One key stakeholder (journalist) asserted that the judiciary under the previous government had been used to silence political opponents. DPS supporters identify judicial reform as key for stability but believe that the country has made improvements in regard. Some key stakeholders cite adoption of EU legislation as the basis for improved government transparency, while noting that the implementation is deficient.

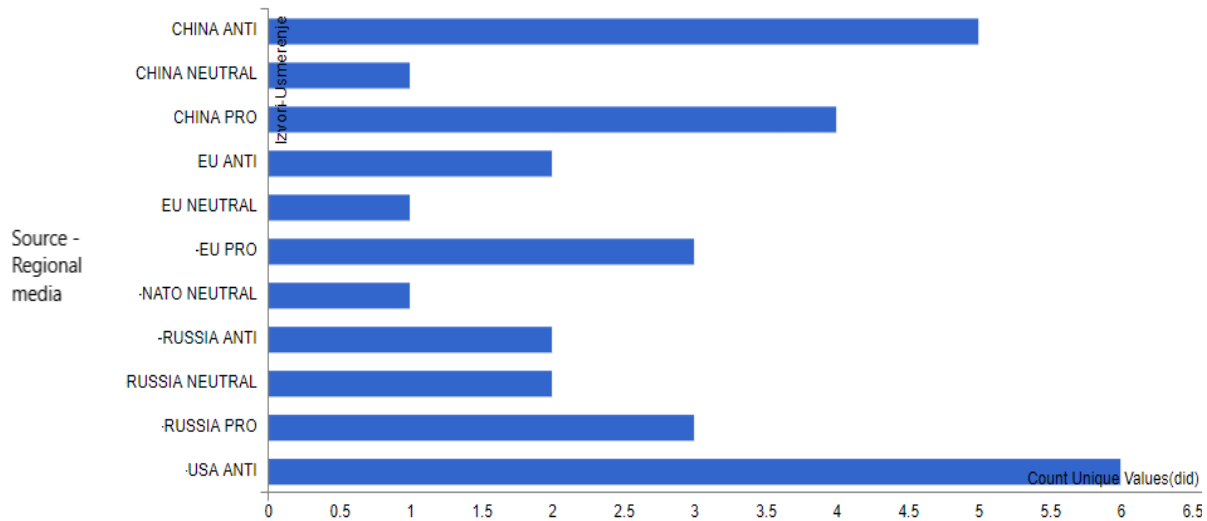
“I think we have even gone backwards in terms of legislative solutions. The institutions are the same as they were five years ago and the scandals are the same. We have no answers to the scandals and that shows the degree of politicization of the institutions.” - NGO leader

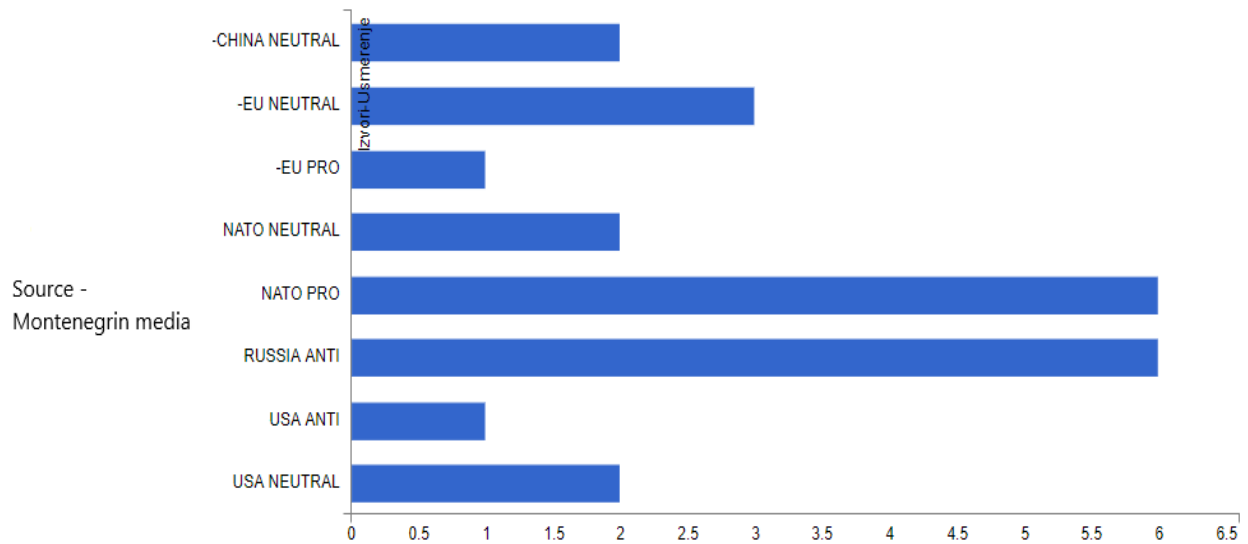
Media Coverage of Foreign State Actors

Media analysis shows that public opinion of foreign state actors correlates strongly with media coverage. Of 426 assessed media articles, the most discussed international actor was the EU, and with positive sentiment. This accords with positive sentiment about the EU expressed by key stakeholders and focus group participants. While content with a positive sentiment towards NATO was the next most frequently occurring media, public attitudes towards NATO are divided. DPS politicians were most often quoted speaking positively about the EU and the United States (which to many citizens is associated with NATO), while opposition politicians were most often quoted speaking positively about the EU and negatively about NATO. This aligns with the finding that citizens are in consensus about their interest in EU accession but divided politically over their membership in NATO.



The media monitoring reveals that the source of information can impact how sentiment towards the foreign actor is expressed. While most Montenegrins access the news from Montenegro’s national media sources, many members of the Serb minority prefer to access their news via regional news sources. In Montenegrin media, prevailing sentiment was pro-NATO and anti-Russia. In media produced in neighboring countries, such as Serbia, and frequently accessed by Montenegrin audiences, the most frequently mentioned foreign state was the U.S. In regional media there was positive and negative coverage of China.





Public Opinion of Foreign Investment in Montenegro

Citizens see that global powers, including the United States, Europe, Russia and China take interest in Montenegro. Citizens do not believe the presence or influence of foreign nations to be as significant in Montenegro as elsewhere in the Western Balkan. Citizens believe that Montenegro should maintain good relations and be open to cooperation with all countries regardless of their systems of government, or demonstrated commitment to human rights.

While the European Union is overwhelmingly the largest donor to Montenegro, key stakeholders believe that, as reflected in media coverage, China and Russia are better at promoting their donations. The public is cautious in lauding foreign donations, linking the aid to the interests of the donor country. NDI public opinion research conducted in 2018 and again in 2021, shows a drop in belief that the EU and the U.S. are the most significant overall supporters of Montenegro and the strongest financial supporters of Montenegro.³

“Donations that come from the EU and NATO and the financial package that the EU has opted for the Western Balkans are very important. We would not be able to fight on our own to procure even a tenth of the equipment [to combat COVID-19] needed if it were not for the EU. China has not sent a tenth of what the EU has done. However, nothing is new or surprising, but it was expected that the EU would help us, because we are on the way to be part of the EU.” – Journalist

“Well personally, I do not believe in foreign financial assistance. It is usually a foreigner that... covers for Montenegrin oligarchs and their questionable capital.” - Focus group participant

³ The percent of Montenegrins who believed the EU to be the strongest overall supporter of Montenegro fell from 42 (2018) to 31 percent (2021). Similarly, the percentage who believed the U.S. to be the strongest overall supporter fell from 11 (2018) to 8 percent (2021). Thirty-six (36) percent (2018) vs. 34 percent (2021) of Montenegrins believed the EU to be the strongest financial supporter of Montenegro. Only 8 percent (2018) and 5 percent (2021) of Montenegrins believed the U.S. to be the strongest overall supporter of Montenegro.

Loans are the best understood means of foreign financing. Most focus group participants believe that they can access adequate information on foreign loans and terms of the loan agreements. They see in Chinese loans a clear transactional purpose with both countries having clear interests.

The most attractive form of financial investment for the public is around private enterprise development, to generate jobs and improve the overall business environment. Citizens point to the need to diversify Montenegro's economy, particularly after the impact of the COVID-19 pandemic on the tourism sector. Citizens favor investment from Europe but are open to any country that can contribute to strengthening the domestic economy.

Key stakeholders underscore the point that the lack of regulatory, economic, and environmental impact of proposed foreign investment can hinder foreign investors which uphold such practices, thereby diminishing Montenegro's attractiveness to European investors and favoring instead predatory capital. Stakeholders supporting the DPS government are more likely to have some confidence in the regulatory systems in place.

All stakeholders acknowledge that doing business with investors from Europe or the United States is more transparent. Stakeholders agree that investment deals with Russia, China, Azerbaijan and the United Arab Emirates are insufficiently transparent, and cite the Chinese highway project as an example of the lack of transparency surrounding large, state-funded projects.

Citizens on the other hand do not see these shortcomings as dissuasive to foreign investment from nonwestern countries. When focus group participants were probed about whether they would choose faster but less transparent procurement and contracting processes, or slower but transparent processes, they stated a preference for the faster option--in part because corruption and lax regulation would preclude the very measures meant to make foreign investment less corrupt and more equitable.

“Great actors are playing in the Western Balkans, exploiting all of the vulnerabilities of our systems. What is important and what needs to be constantly repeated is respect for our western value system. Any slowdown in the integration process is exploited.” - Former government official

Some stakeholders worry that business deals with China could jeopardize Montenegro's path to the EU, particularly if large public debt could become a roadblock for meeting economic eligibility criteria. Some stakeholders are aware of problems that business deals with China have caused for other developing countries, particularly when it comes to repaying debt.

“The question is whether our countries will trade democracy for economic benefits, which would strengthen the undemocratic government in Montenegro. That is a threat to the European perspective. We don't know what the hidden Chinese agenda is, for now we see that it is only economic.” - NGO representative

Focus group participants on the other hand do not believe that pursuing business deals outside of Europe presents a risk, and that Montenegro should be free to pursue beneficial business opportunities. Citizens feel that EU investment is not great enough for Montenegro to reach its economic goals. Citizens share the sentiment that, in order for Montenegro to grow, it needs to be open to all opportunities. When looking at large investments such as the highway project, the public sees no alternatives to partnering with China, and that the EU cannot be critical of these decisions if it does not offer an alternative. Many stakeholders note the number of large Chinese-funded projects within Europe to underscore that Chinese investment on its own should not jeopardize Montenegro's future within the EU.

External Political Influence

Citizens believe that Montenegro's geographic location makes it a strategic partner for countries trying to expand their sphere of influence or curb that of other global powers. They believe that Montenegro should maintain productive diplomatic and political relations with all countries, and that inclusion in groups such as NATO should not preclude the country from maintaining relations with countries outside of the alliance. The EU and its largest economies, including France and Germany, are perceived to have the most positive influence on Montenegro's politics, and, for most, the EU is the only foreign state or institution perceived to have an influence on Montenegro's politics.

Key stakeholders note that while Montenegro cooperates with the EU on governance reform projects, its relations with authoritarian states are, in their view, strictly economic. Stakeholders claim that increasing economic ties with China, Azerbaijan, and Turkey have not resulted in increased political influence by those powers on domestic governance. Stakeholders believe that, while authoritarian states may benefit from democratic deficiencies and wield influence on individual politicians to their own economic benefit, they are not able to impact how Montenegro is governed as a whole. Citizens believe that the political systems of Russia and China cannot be modeled within Montenegro. Citizens' strong opinion that Montenegro's future is within the EU provides some safeguards, in their view, that Montenegro will continue to trend towards democracy rather than away from it.

“The interests of all great powers are in Montenegro, that is a fact, but it is good that Montenegro, as a small country, is able to play the game of open cards wisely... it should first and foremost look after its interests and protect its citizens.” - Political party official

Russia and Turkey are two countries that some focus group participants and stakeholders stated are able to wield some influence on Montenegro, but believe their impact to be more cultural than political. Citizens perceive Montenegro's relations with Russia to be neutral, since Montenegro joined NATO. Russia maintains influence through Christian Orthodox ties and through Serbian language media, which can be a conduit for disinformation narratives. Turkey's influence is perceived as apolitical but, as with Russia, many Turkish nationals' own property in Montenegro and so are a familiar presence to Montenegrins. While stakeholders are aware that this influence does not contribute to the democratization process, they do not believe that it detracts from it.

Other countries such as China and the United Arab Emirates are seen to have little to no influence in Montenegro. Some key stakeholders are aware of China's increased promotional activity, through cultural exchanges and events, to win favor among politicians, journalists, and businessmen but it is understood that these activities are to promote positive sentiment towards China to facilitate economic cooperation, over political influence.

“China used to organize various study visits, send our journalists to China for a while and when they return they write positively about China. The Chinese government sponsors this type of travel.” – Journalist

Most consider the United States to have little interest or influence in Montenegro. Its engagement in the country is represented through NATO, and otherwise citizens are unaware of the way in which the two countries cooperate. Stakeholders believe that the U.S. has already achieved its foreign policy goals in the country, which, in addition to NATO membership, includes Montenegro's diplomatic recognition of Kosovo. On-going media monitoring shows that there has been a decline in reporting on U.S. activities in the country.

The topic of NATO is quite divisive and many citizens' share the belief that NATO's activities in the 1990s in the region have impaired Montenegro's economic development. Most citizens believe that, if a referendum were to occur today, Montenegrins would not vote in support of NATO membership. Stakeholders acknowledge that while they understand that there is benefit to NATO membership, it has yet to yield results. Many see NATO membership as a stepping-stone to EU membership. Key stakeholders agree that the government must do more to communicate to citizens the benefits of NATO membership for the alliance to have positive influence on the political development of the country.

“I understand citizens when they say that they don't see the benefits [to NATO membership], because they expected economic benefits, even though NATO is a security organization. I blame the government for that, because they promoted that there would be greater economic benefits [to NATO membership].” – Political party official

Serbia

Elections in 2012 brought a systemic change of power in Serbia since the peaceful removal from power of Slobodan Milosevic in 2000. The Serbian Progressive Party (SNS) won those elections and, under its leader, current President Aleksandar Vucic, has prevailed in every election since. After the 2020 parliamentary elections that the opposition boycotted over electoral conditions, the SNS has garnered nearly full control over the presidency, national government and parliament, the Vojvodina provincial government, and nearly all municipalities.

De facto one-party rule has brought with it a deficit in pluralism and in turn regression in democratic processes. According to most relevant global state-of-democracy indexes – including Freedom House’s *Nations in Transit*⁴ and Transparency International’s *Corruption Perception Index* – Serbia is experiencing widespread and extended democratic recession. Serbia’s political environment epitomizes contemporary challenges seen elsewhere in Central and Eastern Europe, in which democratic practices of fair elections, institutional checks and balances, the rule of law and accountability before the public, and even credible information serving as the basis of meaningful political discourse are weakened as neo-populism asserts itself across the political spectrum.

Serbia’s strategic goal is to join the European Union. It became an official candidate for membership in 2012 and opened formal negotiation on adopting the EU *acquis communautaire* in 2014. Seven years on, two of Serbia’s 34 chapters have been provisionally closed, 16 chapters are in process of negotiation, and 16 chapters remain to be opened. NDI public opinion research in Serbia and similar research suggests growing public frustration--and rising skepticism--about Serbia’s destined membership in the EU. Nearly one-half of citizens do not support or conditionally support EU membership for Serbia. More than one-half agree that Serbia should avoid full membership if it requires diplomatic recognition of Kosovo as a sovereign country.

The public holds the U.S. in relatively low esteem. The U.S. is often associated with NATO, which is roundly condemned for its 1999 bombardment of the Serbian capital and elsewhere in a successful bid to repulse Serbia’s systematic attack against Kosovo’s ethnic Albanian civilian population. Belgrade does not aspire to join NATO.

Mindful of Yugoslavia’s non-aligned movement during the post-World War Two period, and likely in reaction to Serbia’s complicated relations with the U.S. and the EU, President Vucic has courted close political and commercial relations with Russia, China, and Turkey, potentially distancing the country, in tone if not substance, from Euro-Atlantic integration. President Vucic has praised China’s infrastructure investment, exportation of facial recognition surveillance technology, and, perhaps most notably to the public, COVID-19 protective equipment and vaccine. Russia’s COVID-19 vaccine Sputnik has been widely distributed in Serbia, along with western vaccines. Serbia is dependent on both Moscow and Beijing to preclude efforts by Kosovo to gain multilateral and bilateral diplomatic recognition. Serbian-language Kremlin media proliferates in mainstream press and throughout social media. Public favorability of both China and Russia remains high as compared to the U.S. and EU.

⁴ *Nations in Transit* Report: <https://freedomhouse.org/country/serbia/nations-transit/2021>

All interviews and focus group activities were organized between June and August 2020. The Belgrade-based Center for Research Transparency and Accountability conducted the companion media analysis.

Key Findings

- > Both focus group participants and key stakeholders express a clear-eyed definition of democracy that centers on political pluralism, peaceful political contestation through elections, and government predicated on a rules-based allocation of power across institutions. At the same time, Serbia's relative lack of experience with a democratic political system suggests, as did research respondents, a correlating lack of public understanding of democratic political processes in practice, nor how such practices, when realized, can lead to quality-of-life improvements.
- > Respondents equate democratic development with Serbia's quest to join the European Union, and broader forms of European integration. In this sense, one possible finding, pursuant to additional research, is that public confidence in Serbia's democracy turns to an extent on the country's often wavering fortunes in attaining EU membership.
- > Democracy is generally seen as a flawed process in Serbia, though for different reasons. Focus group respondents cited many deficits, including poor institutional checks and balances in government, a blurring of government and the ruling party, high-level and retail corruption, the lack of political pluralism in formal politics, and coarsened public discourse centered in politicized media.

While all respondents supported the notion that Serbia has a rule-of-law framework that is poorly implemented, broader views on democracy's fortunes in Serbia turn largely on political affiliation. Those supporting the ruling party see democratic deficits as unintentional and reflective of Serbia's relative inexperience with an open political system. People who favor the opposition are prone to ascribe the country's democratic deficits to the present government, and the fact that much political power resides in one individual--the president; they see political change, not government experience, as necessary in order to further democratic reform.

> Serbian respondents have a complicated view of Europe. They see Serbia's European integration as a quintessential goal. But they view European policy toward Serbia as conditional, applying 'double standards' that in their view unfairly retard Serbia's accession progress and, among some respondents, disingenuous in that the EU's enlargement interest is based, in their view, on its own geopolitical and economic security rather than reflecting a genuine project of shared social, political, and economic union. Views of the United States as a big power that can aid Serbia's security and economic development are tempered by the notion that Washington's primary interest in the region, as expressed by many respondents, is to protect Kosovo at the expense of Serbian interests.

> China, Russia, and Turkey are viewed by most as having a neutral effect on Serbia's democracy. Focus group respondents do not see these powers as contributing to the country's democratic aspirations, but they also do not consider them to be 'exporting' authoritarian models of government to Serbia. Respondents view these powers as pragmatically pursuing their commercial and economic interests, exploiting Serbia's democratic deficits for their commercial

and geopolitical interests. Serbia's rule-of-law framework and system of institutional checks and balances are not viewed as resilient to foreign corrupt influence.

Stakeholders, not supporting the government, assert that Chinese and Russian influence are in fact hampering the country's rule-of-law framework and media freedoms, and diminishing Serbia's capacity and will to pursue European integration unambiguously. They see the country's military and intelligence relations with Russia and China, respectively, are seen largely as detrimental both to European integration and Serbia's democracy prospects.

> Many respondents view Russian engagement in Serbia as essential to protect the country's interests with regard to Kosovo in particular. Respondent views on China are centered on economic relations, for which there is general openness to direct Chinese investment, mixed with concern in some quarters over debt traps in bilateral trade deals, as well as environmental and public health risks from Chinese-run industrial operations. The latter, along with other industrial environmental risks associated with non-Chinese foreign investment have occasioned street protests in Belgrade that in turn prompted remedial action by the government.

> Mainstream Serbian media narratives on foreign policy correlate with the sentiments above, with some respondents saying that Serbian media drives public opinion. Respondents detect bias, both pro-government and anti-government, as well as disinformation in mainstream media. Media seen as pro-government cover China and Russia in a generally favorable or neutral light, and are relatively more critical of the U.S and the European Union.

Public Perceptions of Serbian Democracy

Citizens in Serbia associate democracy with individual freedom, the rule of law, and a pluralistic political system of government power-sharing. Individual freedom encompasses freedom of thought, speech, movement, and access to information. Rule of law is mostly connected with equal treatment under the law regardless of background, human and minority rights, equality before justice, and a predictable court system. Citizens are less focused on the separation of powers between government branches.

Stakeholders define democracy as a political system with clear and functional separation of powers between the executive, legislative and judicial branches, democratic elections, developed independent institutions, respect for the rights of the minority, ability of citizens to influence governance, and government transparency. Some politicians and members of civil society mentioned the existence of developed and strong civil society. Others noted, perhaps in a nod to Serbia's history under communist Yugoslavia, an obligation by the state to social protection. A majority of stakeholders defined democracy as the best possible governance system.

Unlike their Montenegrin counterparts, citizens of Serbia do not associate democracy with higher living standards. NDI research indicates that a solid majority (62 percent) of citizens prioritize economic development and stability and believe that democracy can be pursued on that basis. Some interviewed stakeholders asserted that the public is not necessarily convinced that democracy can take root in Serbia and, while seeing Serbia's democratic credentials as a prerequisite for EU membership, are not disposed to push for reforms that can advance democratic government.

Most interviewed stakeholders, consider that democracy in Serbia exists in some form and that it is well defined on paper, but institutions are weak and constantly challenged by authoritarian rule over captured governing institutions, negating political pluralism and separation of powers in reality. Stakeholders close to the government noted that Serbia is a ‘young democracy’ and that improvement to the governance system in practice would emerge over time.

The majority of interviewed stakeholders identified checks and balances as a clear separation of powers and control of the executive by the parliament (legislation), independent institutions such as the Protector of Citizens – Ombudsman of Serbia, Commissioner for Information of Public Importance and Personal Data Protection and others. Some also included media and civil society as a part of the system of checks and balances. Stakeholders generally noted that independent institutions and state media are subject to formal or informal political control by the ruling party.

“The Judiciary should be independent, unlike now when the president and his party appoint judges and meddle in every process. Since everything is rigged, how can you expect the judiciary to function?” - Focus group participant

The majority of interviewed stakeholders assessed the rule of law as either weak or non-existent. Both stakeholders and citizens do not consider the legal framework as wanting, but believe the law to be selectively applied, improperly influenced by state authorities and ruling party officials, including judicial and prosecutorial appointments, and in particular to stymie investigations and prosecutions seen to run counter to state or ruling party interests. Citizens, including ruling party supporters, consider ruling party members and associates to be above the law or lightly penalized upon conviction.

The majority of interviewed stakeholders and citizens consider that corruption is institutionalized in Serbia’s governance system, in such service sectors as healthcare, higher education, and police, and in economic areas including tax administration, energy, and infrastructure. Focus group participants feel that the corruption is growing. Business and technology stakeholders see parastatal companies as particular breeding grounds for corrupt links between government/political interests and business activity, and, given their substantial employment rolls, these businesses, according to this group of stakeholders, are a ready source of public support for the ruling party. The cumulative effect of corruption, according to stakeholders, is an erosion of the rule-of-law.

“In democracy, you are aware that you are protected if you need the law, healthcare, education, whatever. You can expect at least some minimum. Here, you constantly need to bribe, or figure out who is on good terms with the ruling party.” - Focus group participant

In separate NDI research conducted in the Western Balkans in 2021, 52 percent of Serbian respondents agreed that EU membership should not be pursued if it meant jeopardizing relations with China.

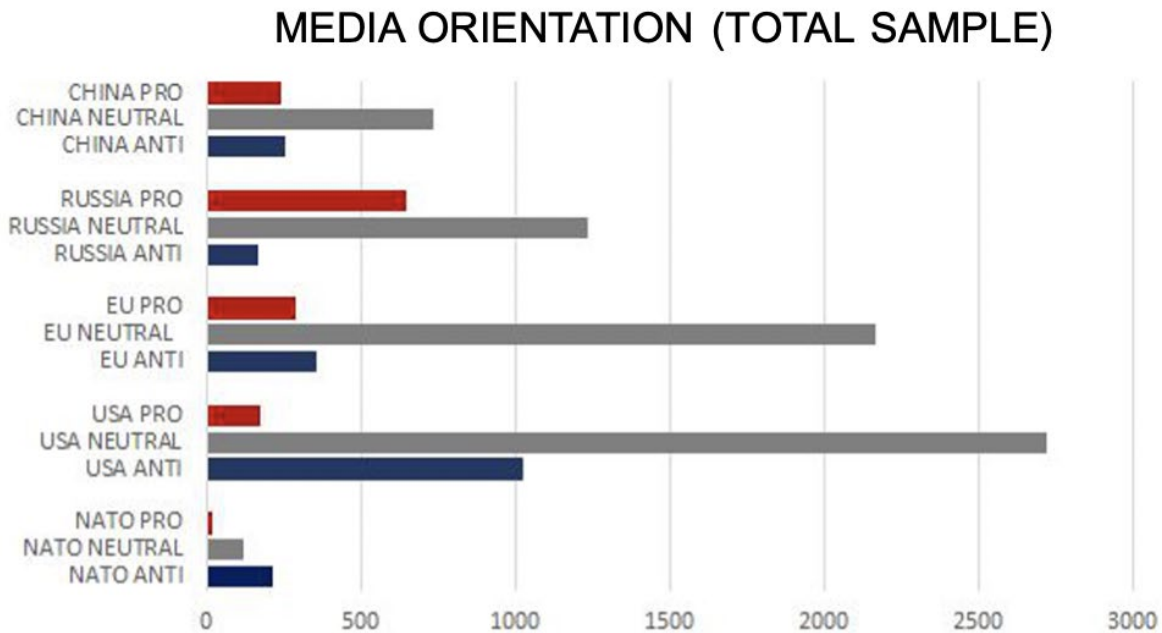
Media and disinformation

Nearly all interviewed stakeholders see state television, by far the largest source for news in the country, as ‘captured’ by government political pressure and economic inducements. Their assessment is underscored by impartial media monitoring. Belgrade and other urban areas can access independent stations. Focus group respondents who support the ruling party, as others, decry the lack of objective reporting, but underscore that, as with many other aspects of public life, journalism has become a partisan enterprise, and citizens can find sources of information matching their interests, including online media. Media stakeholders affirm this latter point in saying that Serbia has pro-government and anti-government media, and little in the way of objective journalism.

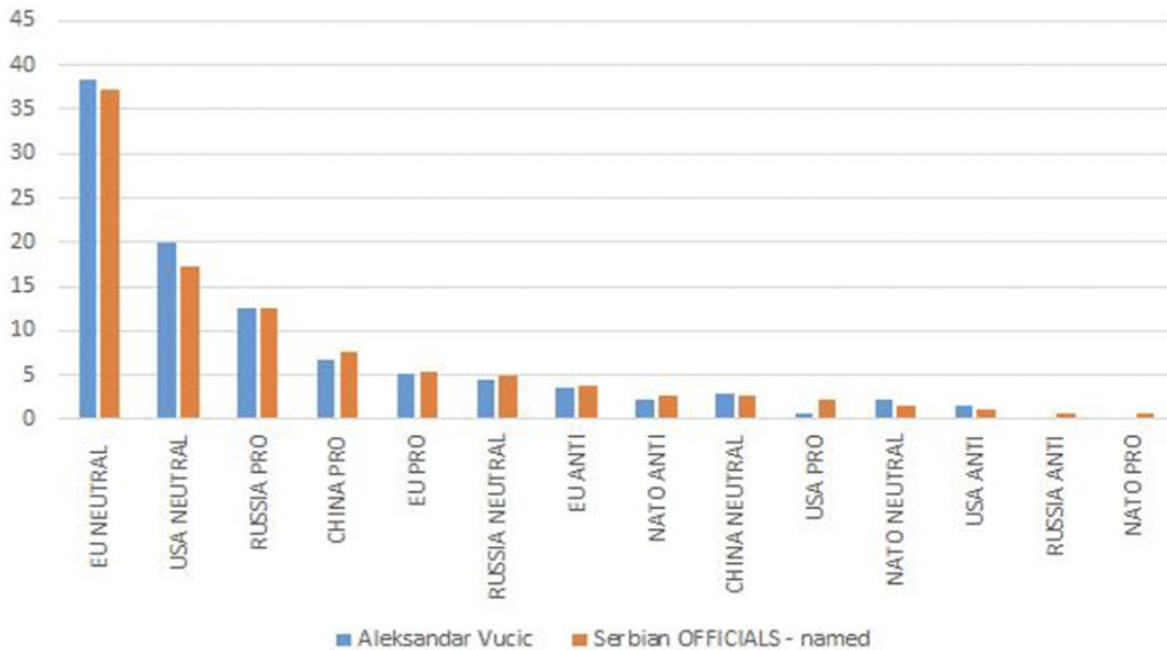
“I believe that the media is transparent and free in the sense that anyone can publish whatever they want. There are no consequences. Also, anyone can choose what sources they want to get informed from.” - Focus group participant

Media monitoring showed that the EU, U.S. and NATO elicit news coverage that is negative. Russia and China have news coverage that is positive in relative and absolute terms, echoed in quotes attributed to Serbia’s president and foreign minister. State television features more positive articles on China and Russia than about the EU, and no negative coverage of either Beijing or Moscow.

“I feel like earlier you could possibly hear some neutral side of things, but in the past three or four years it has been two sided, national media and opposition media. And both of them are prone to sensationalism.” - Focus group participant



ORIENTATION OF QUOTED OFFICIALS ON PUBLIC BROADCAST STATION



A majority of stakeholders interviewed considers that the level of media disinformation is at an all-time high, coming mostly from the pro-government media and then spilling into social media. Many among them consider disinformation about foreign actors--positive and negative--as generated by the ruling party for domestic consumption to reinforce its political agenda. Civil society stakeholders emphasized Russia's *Sputnik* news agency as driving Serbia's positive sentiment about Russia. Citizens perceive state media as driving disinformation, particularly in the COVID-19 pandemic. Interviewed stakeholders supporting the ruling party perceive the same disinformation narratives as originating from foreign sources in order to sow division and instability.

ORIENTATION OF POTENTIAL MISINFORMATION



The majority of the media monitored that was identified as potential misinformation held a neutral tone towards the United States and European Union. The next largest media grouping was negative towards the United States.

Foreign powers in Serbia

Most stakeholders think Serbia's democracy is subject to foreign influence. They perceive the influence of the EU as beneficial for democracy and the rule of law. Academic and civil society stakeholders find democratic threats coming from China, Russia and Turkey in their encroachment on public sectors such as infrastructure and energy already prone to corruption.

Similar to Montenegro, Serbia's citizens do not perceive autocratic powers to have undue negative influence on Serbia's democracy, because either they see democratic deficits already 'priced-in' to the governance system, or they view western influence on Serbia as negative as well. Citizens generally view Serbia as between 'east and west' and see multiple foreign powers seeking to influence the country in ways that are not conducive to democratic governance.

Stakeholders and citizens alike prize what they view as Serbia's military and security neutrality, which harken back to the Tito-led global non-aligned movement. Some stakeholders, however, caution against nontransparent military agreements between Serbia and illiberal powers.

"Most of the Western powers dictate what is going to happen in Serbia, ever since the early 2000's, and our Government only finds other topics to keep us occupied until EU or some other country creates some new demand on them, and we go on about other things and more easily take those demands" - Focus group participant

Russia, China, Turkey and United Arab Emirates

Most stakeholders perceive Russia as a friendly and traditional partner sharing religious and ethnic ties with Serbia, supporting Belgrade in its long-running dispute with Kosovo, and providing

economic and energy support. Non-governmental stakeholders take a dimmer view of Russia as propping up an anti-democratic government. Pro-government stakeholders conversely emphasized what they termed as ‘trust’ between Belgrade and Moscow and highlighted the formal relationship between the ruling party and Putin’s United Russia.

Citizens view Serbia’s relationship with Russia as more transactional than cordial, based on obtaining economic and political influence within Serbia. Stakeholders and citizens believe that Russian influence over Serbia will wane as and when a settlement is reached with Kosovo.

“I wouldn’t go that far in saying that we are brotherly nations, that would be a bit overboard. But they have interests here and we should be friendly with them as long as the interests are mutual”

- Focus group participant

Most stakeholders see China’s presence as economically motivated, aiming to utilize Serbia’s proximity to the EU as part of its global economic strategy. Views on economic relations with China tend to separate along partisan lines: those supporting the government praise bilateral trade and Chinese investment and attribute lack of public information to partisan conflict and under-developed institutions. Those opposed to the ruling party fault the government for not divulging critical information on the terms of Serbia’s deals with China, and the absence of regulatory, legal, environmental, and economic/fiscal assessments that are independently verified and publicly available.

One area of common interest among interviewed stakeholders is in honing foreign investment policy to target small and medium-sized businesses, particularly in the information technology sector, in order to grow the private sector and develop sustainable employment, as opposed to the current concentration on large infrastructure development that is Chinese-managed with imported Chinese labor.

Stakeholders and citizens alike do not see in the Kremlin’s autocratic rule or that of the Chinese Communist Party a model that can be imported to Serbia. Stakeholders and citizens in opposition to the Serbian government, however, attribute many of the autocratic practices seen in Russia and China to the actions of the ruling party.

“Their [Russia, China] interests are exclusively related to the economy” - Focus group participant

Citizens and stakeholders believe China has been popularized through national media. NDI research conducted in 2018 and again in 2021, measures a significant increase in the number of citizens that perceive China as the strongest supporter of Serbia, rising from 12 to 24 percent. A majority of citizens and stakeholders, however, does not profess a special bond between the countries and falls back on mutually beneficial economic relations. Some nongovernmental stakeholders emphasize the lack of transparency in the relationship. Labor and media stakeholders in turn emphasized potential and real environmental risk to Chinese investment and a lack of fiscal/budgetary transparency in terms of publicly available information and data. Pro-government stakeholders assert that Serbia’s growing relationship with China is a success story, and, as with United Russia (governing party), highlight the ruling party’s relationship with Chinese Communist Party as an important anchor in bilateral ties.

“Serbia will have to repay those loans and we should be aware of debt slavery.” - Focus group participant

Most citizens and stakeholders see Turkey as a “local player” in a positive way, especially because of geographical and cultural proximity.

“I think that our country does not use the potential of cooperation with Turkey to a full extent. They know us, they are much closer to us than China and Russia, and they need to have a visa to come here, which is a shame really. We could achieve fantastic results together.” - Focus group participant

They consider that the relations between the two countries have improved in the past couple of years, and Serbia should try to preserve it pointing Turkey’s influence in the predominantly Bosniak Muslim Sandzak region in Serbia; and Serbia’s support to president Erdogan after the alleged 2016 coup attempt. Civil society and opposition politicians emphasized Vucic’s and Erdogan’s authoritarian similarities while local self-governance, business and tech community estimated that economic relations with Turkey can grow. Serbia’s relationship with the UAE remains obscure for most stakeholders, finding it controversial and closely linked with alleged money laundering and the arms trade.

“We do not see the UAE and yet they are here, laundering money through construction and agriculture projects, Belgrade Waterfront is a pretty clear example” - Focus group participant

The EU and the U.S.

Stakeholders see the EU favorably in that it represents the prospect of Serbia’s democratic and economic transformation and serves as Serbia’s largest trading partner. Most stakeholders did not see any alternative to Serbia’s EU path. Some Civil society and the opposition stakeholders referred to the Belt and Road Initiative (BRI) and Moscow-led Eurasian Economic Union (EEU) as a mirage promoted by pro-government media. Stakeholders close to the ruling party consider these alternatives as insufficient alternatives to the EU.

However, uncertainty about Serbia’s enlargement process over what all stakeholders assess as professed ‘enlargement fatigue’ within the EU, and immediate challenges related to the COVID-19 pandemic and terrorism suggest to many reticence on Brussels’ part, a ruling party strategy praising integration rather than advancing it, and opportunity for illiberal powers to become influential in Serbia. A majority of citizens expects Serbia to pursue EU membership, but Brexit and Brussels’ initial stumbling on COVID-19 vaccination have raised public doubts about the benefits of joining the bloc. Still others view the EU and its powerful member-states through a ‘neo-colonial’ lens of imposing their economic and political will, and fostering Serbian dependency on the bloc.

“By giving subsidies to foreigners we are paying them to come here and not to Croatia or Romania. But those deals are short term, they can and will leave eventually. At the same time, our industry does not have such benefits and we cannot be competitive” - Focus group participant

Among stakeholders, EU investments are seen as better quality, more transparent, done according to the law, and protective towards the environment. However, the EU is also seen as investing in areas that are a “safe bet”, unlike Chinese investment in challenging sectors and in depressed urban areas, like Smederevo and Bor, allowing people to keep their jobs.

“I think that EU investments are more regulated and generally safer. The Chinese are not very keen on regulations and that should be an important issue when receiving these investments. They simply do not care about quality control and it worries me. Maybe I’m biased towards Europe, but that is how I feel” - Focus group participant

“For me, the EU is a sinking ship. When we eventually enter, it would be hard to imagine that France or Germany would allow a veto on some decision by the likes of Serbia, Romania, Bulgaria. There will probably be clusters of countries based on power and we would be the last ones there” - Focus group participant

Most stakeholders recognized that democracy and democratic standards, values and practices are important to Serbia’s relationship with the U.S.; however, they consider the relationship to be burdened by the dispute over Kosovo. Citizens view Kosovo independence as the single U.S. priority in the region owing to what they appraise as a strong Albanian lobby in Washington, sublimating other aspects of the relationship. Some stakeholders welcome closer security relations with the U.S. even as Serbia continues to profess no interest in joining NATO. Members of the tech and business community stressed that unlike authoritarian partners, the U.S. is transparent regarding their actions. There is general consensus, apart from nationalistic sentiment, to improve relations with the U.S. over the long term.

“Our foreign politics is fine at the moment. We are doing business with Russia, China, we have backup. But in the long run there is little point in doing so. We are closer to Europe, so the EU would be a logical step. But when that is the question. I am not a huge fan of the EU, but we would have to decide eventually” - Focus group participant

COVID-19

Most stakeholders highly valued COVID-19 aid provided to Serbia. The EU came under criticism generated by what people in Serbia have seen as an underwhelming amount of aid, whereas the government and state media have glorified Chinese aid, and this has conditioned public opinion. Separate NDI research conducted in July 2021 shows that a majority of citizens believe Serbia received the most significant assistance from Russia and China to combat COVID-19.

“I do not think we gained some donations, most of the stuff like respirators and equipment were paid for. But when it all started, Chinese doctors and equipment, as well as Russian convoys with disinfectants were very helpful and made us feel more at ease” - Focus group participant