

The Croatian-Slovenian Spat Has Far-Reaching Implications For EU Unity

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What might simply be dismissed by many as an inconsequential and petty spat between two former Yugoslav Republics is actually shaping out to be a pivotal event that could determine the future trajectory of EU-Intermarium relations.

Slovenia and Croatia are two tiny countries that most Americans can't locate on a map, though they're becoming ever more important in the context of European geopolitics and relations between the blocs two increasingly divergent camps. Both states are EU and NATO members, and they closely coordinated with one another in seceding from Yugoslavia and sparking the deadly series of wars that was to follow in their wake. This makes it somewhat odd to the casual observer that these two previous comrades-in-arms are in a heated disagreement with one another over maritime rights and wine sales, but the fact of the matter is that Slovenia believes that its core national interests are threatened by its much larger Croatian neighbor in both disputes.

Balkan Bickering

The Permanent Court of Arbitration [issued](#) a non-binding decision late last month in Slovenia's favor which granted Ljubljana a thin maritime corridor in the Gulf of Piran to international waters in the central section of the Adriatic Sea. Croatia immediately [rejected](#) the ruling on the grounds that Zagreb believes that the legal process was flawed due to the controversial interaction between a Slovenian judge on the panel and Ljubljana in 2015, a scandal which prompted Croatia to withdraw from the arbitration and insist on bilateral talks to settle this spat. Obviously, much smaller Slovenia would be incapable of squeezing any concessions from Croatia on its own, hence why it internationalized the border problem in the first place; likewise, Croatia was opposed to this because it seems to have rightly predicted that the international body would side with Slovenia.



Slovenia, with its narrow stretch of coastline, stands to reap disproportionate benefits after the court's ruling and sees the matter as an issue of grand strategic importance. Croatia, however, already controls a broad swath of the Adriatic Sea and won't receive any significant advantage to its economy or geopolitical standing through the addition of a few dozen more kilometers of maritime territory. It would, however, be able to retain a symbolic semblance of control over its smaller northern neighbor, which could be one of the driving motivations behind Zagreb's perplexing position on this issue. Another possible explanation could be that Croatia seeks to uphold the sanctity of national sovereignty in dealing with

issues on a bilateral basis and not deferring to international third parties for final judgement.

Whatever the true reason may be, it's likely that Croatia will seek to push the latter as its tacit or official standpoint in order to boost its soft power appeal within the Intermarium, which will be discussed at length later on in this analysis.

Pertaining to the second pressing issue of discord between Slovenia and Croatia, Ljubljana just [announced](#) that it will take Brussels to court because of its willingness to allow Zagreb to pass off Slovenia's protected Teran wine designation as Croatia's own. The product is a national export of Slovenia, and Ljubljana believes Zagreb's de-facto expropriation of it will have major consequences for the much smaller Slovene economy. The reason why Slovenia is suing the EU and not Croatia, however, is because Brussels has no problem with Zagreb stealing Ljubljana's rights to this wine due to the exploitation of several legal loopholes that Slovenia says it wasn't aware of prior to Croatia's 2013 accession to the bloc. This developing case therefore isn't just about two seemingly irrelevant countries arguing over a bottle of wine, but about the EU's power to deceive member states by cutting deals behind their back.

Furthermore, the pair of issues currently roiling Croatian-Slovenian relations – the Gulf of Piran maritime dispute and the Teran wine controversy – interestingly places both countries in different positions vis-à-vis the EU. Slovenia [wants](#) the bloc to back it up by forcing Croatia to recognize the Permanent Court of Arbitration's ruling while simultaneously suing the EU for disingenuously favoring Croatia as regards the secret legal workarounds that allow Zagreb to sell Teran wine as its own. Accordingly, Croatia is opposed to the EU's intervention in what it believes to be a strictly bilateral border issue with Slovenia, while ironically wanting the bloc to support it in a similarly bilateral economic one. The double standards of both Balkan countries are glaring and speak to their opportunistic nature to exploit the EU and then hypocritically rail against it whenever it's convenient.

The Shadow Of The Three Seas Initiative

The pair of problems unfolding between Slovenia and Croatia is taking place in the context of a continentally revolutionary proposal called the "Three Seas Initiative", which was analyzed by the author in a recent article for the Centre for Global Research about the "[Geostrategic Insights Into the Joint Polish-Croatian 'Three Seas Initiative'](#)". The general idea is that Poland has once more resurrected its long-held dream of uniting the "Intermarium" states between the Baltic and Black Seas, except this time it innovatively decided to expand it to include the Adriatic by bringing Croatia and Slovenia on board. The aforementioned article explains how this revived proposal essentially calls for closer strategic coordination between three extant interest groups/blocs within the EU and a pair of two "balancers".



In pertinence to Croatia and Slovenia, both states are party to the Three Seas Initiative, which gives the Intermarium a stake in the resolution of their bilateral problems. Zagreb is part of the historical Hungarian sphere of influence that the author terms as "St. Stephen's Space" while Ljubljana is one of the "balancer" states that has excellent relations with the US, EU, and even Russia, which thus allows the Intermarium to straddle between the three without appearing overly antagonistic to any of them. Each of these two countries is important to the Three Seas Initiative for their own reasons, but what really interests the Intermarium is how Croatia and Slovenia are experiencing their own relative falling outs with

the EU, however hypocritical and characterized by shameless double standards they may be.

Although the Intermarium is officially “neutral”, it’s recognized as having a decisively anti-Brussels purpose in the sense of furthering its leading Polish and Hungarian members’ vision to reform the EU into a more decentralized union like the one described by the author in last summer’s analysis for The Duran about the [“Post-Brexit EU: Between Regional Breakdown And Full-Blown Dictatorship”](#). The EU’s joint Franco-German hegemons want to centralize the bloc to the point of turning it into a full-blown dictatorship as a means of countering the regional breakdown the Polish-Hungarian alliance is advancing. Both camps are scrambling for organizational allies to help promote their respective agendas within the EU, which explains why Warsaw prudently crafted its new Intermarium project to be as inclusive as possible in successfully gathering together 12 states across Central and Eastern Europe.

Poland’s ambitious plans to assemble and keep together a grand coalition to reform the EU could be offset by the developing rift between the Intermarium’s two West Balkan members, though it could also give the Three Seas Initiative a renewed sense of urgency and strategic importance if events play out in the right direction. Depending on what happens, the Intermarium will either be strengthened or weakened by the outcome of the two Croatian-Slovenian disputes and Brussels’ role in handling each of them, which will consequently impact on the balance of power between the Intermarium and the Franco-German duopoly in determining the prospects of the EU’s intra-organizational future. In other words, the EU will either move further along the path of reform and decentralization or will double down even more on its dictatorial tendencies.

Pivot Potential

There are three scenarios that could predictably unfold as regards the resolution of the Croatian-Slovenian spats and the EU’s role in shaping their outcome, and each of these will have their own effect on the bloc’s overall unity. The presumption is that the Gulf of Piran issue is much more important to both countries than the Teran wine one, and the forecasting exercise below proceeds from the possible positions that Brussels may take regarding the former:

Pro-Slovenia:

If the EU sides with Slovenia against Croatia, then this could set into motion a fast-moving process by which Zagreb becomes “isolated” from the EU if it doesn’t abide by the bloc’s decision. This could set Croatia on the way to becoming another “black sheep” in the EU just like its fellow Intermarium members of Poland and Hungary are regarding their resistance to the resettlement of illegal migrants/“refugees” and Warsaw’s refusal to bend to Brussels’ judicial demands concerning its Supreme Court. Understanding that would be in league with other “EU bad boys” if it defies the EU and/or the Franco-German duopoly, Croatia might wisely seek to exploit its position by emphasizing the previously mentioned interpretation that the border dispute with Slovenia is a strictly bilateral affair and not one in which Brussels has any business getting involved.

This stance would instantly appeal to Poland and Hungary and probably cause them to come out in vocal support for Croatia, which would then strengthen the Intermarium by reinforcing the strategic convergence between the Warsaw-led Neo-Commonwealth and the Budapest-backed St. Stephen’s Space (the latter of which includes Croatia). However, Slovenia might

not take too kindly to the two most influential members of the Three Seas Initiative sharply criticizing any actions or statements that the EU makes in Ljubljana's favor regarding its maritime dispute with Croatia, and might resultantly withdraw its support for the Intermarium. If this happens, then it would diminish the "neutrality" of the Polish-Hungarian initiative by removing one of its two "balancing" actors which allowed it to retain a pretense of impartiality towards Russia.

This scenario is very likely and would be negative for Russia and the EU, but positive for the Intermarium.

Pro-Croatia:

The state of affairs would be markedly different if the EU takes Croatia's side of Slovenia's, however, as this would undermine the anti-Brussels and pro-reform capabilities of the Intermarium. Croatia would experience delight at the EU's decision to stay away from this bilateral spat, and Zagreb would lose much of whatever suspicion it may have previously held against the bloc. This in turn would diminish the attractiveness of the Intermarium's agenda to change the internal workings and power arrangements within the EU, thereby striking a blow to its Polish and Hungarian leaders' vision of using the platform as a regional counterbalance to the Franco-German duopoly in Western Europe. This doesn't mean that they surely won't try, but just that one of its most important geopolitical pillars - St. Stephen's Space - won't be anywhere as cohesively integrated on the ideological level as they would prefer.

Slovenia, in the face of what it would consider as Brussels' betrayal, could take action to deepen its integration with the Intermarium in protest, but it wouldn't be able to compensate for the strategic damage that Croatia's apathy to the initiative would result in following the EU's pro-Zagreb actions. Furthermore, while Poland and Hungary would surely be pleased if Slovenia echoes their regular bouts of Brussels bashing, there wouldn't be much in Ljubljana's rhetoric for them to embrace aside from the symbolism of yet another EU member openly lambasting the bloc. In fact, Warsaw and Budapest would probably be proud of Brussels if it refrains from getting involved in enforcing the International Court of Arbitration's non-binding decision against Zagreb and might even seek to take credit for, as they might frame it, setting the "principled precedent" for forcing Brussels to "back down".

This scenario is unlikely but would be positive for Russian and EU interests, though negative for the Intermarium's.

"Neutral":

It's not known exactly how this could play out, but there's a conceivable chance that the EU might make an attempt to be "neutral" by "balancing" its interests between Croatia and Slovenia, but inadvertently behaving in such a clumsy and ill-thought-out way that it ends up angering both of them and accomplishing none of the lofty goals that it intended to do. This outcome would be totally counterproductive to its interests by driving both states deeper into the Intermarium's embrace for separate reasons, potentially because they would each feel slighted in their own way based on how Brussels dealt with the Gulf of Piran and Teran wine issues. The Intermarium would happily welcome this development because it would serve as a convincing 'proof of concept' for the Polish-Hungarian initiative by showcasing the reason why Central and Eastern Europe needs to band together to reform the EU.

Russia, being suspicious about the long-term geostrategic goal of the Three Seas Initiative and uncertain about the success that its more “mild” members will have in restraining the rabidly Russophobic ones, would probably have no clearly defined interest as of now in terms of this particular scenario, though the same can’t be said for the EU, which stands to experience a double whammy of strategic losses if Croatia and Slovenia “defect” even more to the Intermarium. Poland and Hungary would be elated because their joint dream of restoring the historic Polish-Hungarian Strategic Partnership in modern-day conditions and with game-changing implications would become more viable than ever before, bestowing them with a boost of confidence in believing that their long-heralded vision of a Central European “renaissance” is right around the corner.

For these reasons, this scenario is probable despite it being difficult to accurately ascertain its prospects. If fulfilled, it would work to benefit of the Intermarium’s grand strategic interests while contrarily harming the EU’s, but the effect that it would have on Russia is mixed and incapable of being forecasted at this time.

Concluding Thoughts

On the surface of things, the bickering between two tiny Balkan countries over maritime territory and wine sales doesn’t seem like all that big of a deal in the larger context of European and global geopolitics, but upon further examination, the case can solidly be made that the resolution of the Croatian-Slovenian spat will have profound consequences on the ideological-strategic balance of power within the EU.

Depending on Brussels’ role in determining the outcome of these two increasingly bitter disagreements, the Polish-Hungarian Intermarium of “EuroRealist” (“Euroskeptic”) interests will either be weakened or strengthened, which would then impact on the odds that the Central and Eastern European countries gathered together in the Three Seas Initiative can succeed in reforming the EU along the lines of their decentralized regionally-focused vision.

Whether or not the Intermarium ultimately achieves its goal is another matter, but it’s this indirect and sequentially related dynamic which imparts the Croatian-Slovenian disputes with far-reaching importance and makes them worthy of monitoring as bellwethers of the EU’s possible future.

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