

# THE WESTERN BALKANS: CHALLENGES FOR U.S. AND EUROPEAN ENGAGEMENT

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## HEARING BEFORE THE COMMISSION ON SECURITY AND COOPERATION IN EUROPE ONE HUNDRED ELEVENTH CONGRESS FIRST SESSION

APRIL 2, 2009

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APRIL 2, 2009

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## **THE WESTERN BALKANS: CHALLENGES FOR U.S. AND EUROPEAN ENGAGEMENT**

**April 2, 2009**

COMMISSION ON SECURITY AND COOPERATION IN EUROPE  
WASHINGTON, DC

The hearing was held at 2:30 p.m. in room 210 Cannon House Office Building, Washington, DC, Hon. Alcee L. Hastings, Co-Chairman, Commission on Security and Cooperation in Europe, presiding.

*Commissioners present:* Hon. Alcee L. Hastings, Co-Chairman, Commission on Security and Cooperation in Europe; Hon. Christopher H. Smith, Ranking Member, Commission on Security and Cooperation in Europe; and Hon. Robert B. Aderholt, Commissioner, Commission on Security and Cooperation in Europe.

*Witnesses present:* Lord Paddy Ashdown, Former High Representative for Bosnia and Herzegovina; Ivo Banac, Bradford Durfee Professor of History, Yale University; Ivana Howard, Program Officer for Central and Eastern Europe, National Endowment for Democracy; and James Lyon, Senior Associate, Democratization Policy Council.

### **HON. ALCEE L. HASTINGS, CO-CHAIRMAN, COMMISSION ON SECURITY AND COOPERATION IN EUROPE**

Mr. HASTINGS. Ladies and gentlemen, if I could call the hearing to order. I'd appreciate it very much if we could get the hush in the back of the room toned down a little bit. It would be deeply appreciated.

We're in the process of a series of votes on the budget, and I'm just coming from a vote. I believe some other members will be along shortly, but every 40 minutes it seems that we're going to wind up having a vote. So if I spend less time talking, we can hear from Lord Ashdown and the rest of our witnesses.

Today's hearing on the U.S. Helsinki Commission focuses on the Western Balkans and has been convened for two reasons. First, I would like you to know how each of the seven countries covered by this hearing—we would like to know how they are doing with regard to internal stability, democratic development, minority rights, anticorruption efforts, and the rule of law. Are these countries moving forward or moving backward, and what can we say about the region as a whole?

It is important to examine the situation in the OSCE countries on a regular basis and to raise our concern about problems which may exist. Doing so constructively, as the Helsinki Commission has

done for more than three decades now, is an important mechanism for encouraging countries to move forward.

Much attention has been focused in recent years on Kosovo—I visited there myself—and Serbia’s opposition to Kosovo’s independence—visited there as well. This situation, including internal developments in Kosovo and Serbia, warrants continued attention. Recently, however, there has been growing talks about developments in Bosnia, and that country will likely receive much attention at this hearing today.

Meanwhile, Macedonia and Montenegro have been holding elections as Albania prepares for its Parliamentary elections in June. We are encouraging all three countries to meet OSCE election standards, and I particularly want to wish the people of Macedonia a free and fair opportunity to vote in the second round of Presidential and local elections in this coming Sunday.

Finally, Croatia’s forward movement is important for the whole region, and its integration in Europe will help guide others along the same path.

The second reason for convening this hearing is to look at international policy. I’d like to know what role the international community is playing in the region. How well are the countries of the European Union doing in shaping overall policy? Should the United States play a more active role or simply follow the European lead? Should the international community continue to downsize? Or are trends in Bosnia and Kosovo, for example, calls for maintaining or even expanding the presence and powers currently in place?

I don’t believe that the international community should perpetuate a heavy presence in the region if it is no longer needed, but as we saw in the Balkans in the ’90s, stepping back prematurely and hoping for the best can actually be counterproductive, requiring an even greater commitment of international resources.

With a new administration here in Washington and today in Europe, now is a good time to take a fresh look at the Western Balkans, giving a new impetus to international affairs that could go a long way in ensuring that there will be no return to the past.

I would like at this time to begin this hearing. We have witnesses today that are well-qualified to provide insights on developments in the countries of the Western Balkans, as well as to provide recommendations for U.S. policy.

Our first witness, Lord Paddy Ashdown, of course is well-known to us all as a prominent British politician and as a representative of the international community in Bosnia, where he used his talents and prestige to give the people of that country a better future. The second panel will include people who have a very deep understanding of what is happening in the Balkans, both in terms of political developments and in the lives of everyday people. Their biographies and other information can be found on the table outside the hearing room and on the Web site of Commission, which is [www.csce.gov](http://www.csce.gov).

I’ve been joined by the distinguished Ranking Member, my friend from New Jersey, Mr. Smith. And, Chris, if you have anything you would like to say, go forward.

**HON. CHRISTOPHER H. SMITH, RANKING MEMBER,  
COMMISSION ON SECURITY AND COOPERATION IN EUROPE**

Mr. SMITH. Thank you very much, Mr. Chairman. I do, but I brought the wrong glasses so I can't see it. [Laughter.] But let me just say I want to welcome our very distinguished witness. I thank you and Chairman Cardin for convening this very important hearing, and I do look forward to the statements of our witnesses.

I will have to leave, unfortunately, Mr. Chairman, at 3 for a meeting with the Navy about a real crisis in my district—just outside my district and in it with regards to a base, but I will read the testimony and I look forward to our distinguished witnesses. Thank you.

Mr. HASTINGS. Thank you.

Mr. SMITH. I would ask that this be made a part of the record.

Mr. HASTINGS. It will, without objection. Lord Ashdown?

**LORD PADDY ASHDOWN, FORMER HIGH REPRESENTATIVE  
FOR BOSNIA AND HERZEGOVINA**

Lord ASHDOWN. Well, Mr. Chairman, thank you, first of all, for inviting me, and if I may pay a little tribute to my old colleague and much respected friend, Cliff Bond, who was Ambassador in Sarajevo during my time there, for facilitating this. It's a real—I mean, it's always a pleasure to be in Washington at cherry blossom time, but it's a real pleasure to be before your distinguished Commission.

And I would like to pick up, if I may, Mr. Chairman, with something which you said, with which I profoundly agree. There is a sad, bleak history of international interventions after wars, where we always leave too early. We leave before the job is finished. It's 80 percent done and then we say, well, that's it, and we either lose attention or move elsewhere. And if there is a single message I have, the message is that that is, I think, the danger of Bosnia and Herzegovina at the moment.

Let me start off by also saying that in shorthand, the burden of what I want to say to you is that whilst Bosnia and Herzegovina is unquestionably Europe's problem—it's in Europe's backyard—and I could share some concern, dissatisfaction, maybe even disappointment in Washington, if you are to conclude that once again Europe says it's going to resolve a problem in its own backyard, it has to ask Uncle Sam to come in and give a hand, but I think that's where we are.

Now, let me preface this by saying I'm not talking about resources, I'm not talking about troops, I'm absolutely not talking about returning to the days when a high representative used the Bonn powers extensively, what you call the heavy-handed approach, so I agree with your judgment about that. There is only one lever that we have to drive the process forward in the Western Balkans and that is the lever of the stabilization and association and ultimately membership process of the European Union. That is what everybody wants, whatever their ethnicity or whatever their political view. Across the Western Balkans, that is what the population wants. And I think it's very important that we use that lever more effectively. So, a little bit of history, but I'd like to talk chiefly about the future.

It seems to me that there are two phases in the post-conflict reconstruction of a country like Bosnia and Herzegovina. Phase 1 is stabilization; Phase 2 is building a functioning state. Dayton was precisely the right framework to stabilize Bosnia and Herzegovina, and it did a brilliant job. It brought Bosnia to a stable peace, and then during my time there we moved out of the era of Dayton into the era of Brussels. We moved to the second phase. The issue was not to make sure Bosnia didn't return to war; the issue was, how do we build a functioning state, capable of taking its place amongst the comity of nations?

And we made remarkable progress. And when I say "we," I think Bosnia—I'm a Northern Irishman; I've seen these businesses of peace reconstruction up close and painful. I think Bosnia made outstanding progress for 11 or 12 years—miraculous progress when you think what was actually done. And for that I pay tribute not just to the international community and the United States for a long-term commitment to that, but also to the remarkable people of Bosnia and Herzegovina. It wasn't us that did this; it was largely them.

I have to say that, in my view, in the last 3 or 4 years that dynamic has gone into reverse, and I have to bluntly say to you that I think the progress, the forward movement of Bosnia and Herzegovina toward a position not just of stability but also functionality as a state, has now moved substantially into reverse. There are elements, largely in the Republika Srpska, who would wish to even undo the reforms toward statehood that have already been established, and indeed have been allowed to do so. There are others. In Bosnia and Herzegovina there is always a sort of Newtonian law of action and reaction, and I think there are others who have been acting in a leadership position amongst the Bosniak community and the federation who have acted, in my view, destructively and irresponsibly. I'm not going to name names at this stage. So instead of having a dynamic moving in a progressive fashion, we now have one moving into reverse.

I have left with your Commission a paper. With your agreement, Mr. Chairman, I would not wish that paper to be read into the record verbatim. I have no complaint at all if that were to be preceded and the substance put in there, but this is a confidential paper. I was asked to provide some advice and views to three European governments—the Dutch Government, the British Government, and the French Government—and the paper is a synopsis of the information that I gave them, and I wouldn't therefore want that to see—in its present form to go into the public domain, but I have no objection at all if it's extracted from.

Mr. HASTINGS. You have my assurance that your wishes will be followed.

Lord ASHDOWN. Thank you very much, Mr. Chairman.

The paper outlines, I think, what has happened and what I think now ought to happen, but let me start off by saying I do not believe that Bosnia and Herzegovina will return to conflict. That is not, it seems to me, the danger. The situation is now very febrile. There are rumors going around. There is talk about it being like 1992. There is discussion that, you know, hunting groups and private security firms are arming themselves with submachine guns. I don't

know if that's happening, but the fact that it's being talked about is enough.

It's fragile. I cannot tell you, Mr. Chairman, what would happen if some event that we didn't predict happened by accident or a mosque suffered a grenade being thrown in or some event occurs. We might then get instability on a wider scale, but that, it seems to me, is not the danger. The danger is, rather, that Bosnia and Herzegovina becomes another Cyprus: divided, dysfunctional, a black hole, corruption heavily embedded, a space that we cannot afford to leave because it's too destabilizing if we do, yet at the same time cannot be pushed forward by us toward full statehood either. That, I think, is the danger.

Now, here I have to be critical of my colleagues in the European Union. I fear that the lever that we rely on Europe to exercise here has not been exercised effectively, and I don't believe there is the kind of clarity of purpose and, above all, the kind of capacity to stick to conditionality that the European Union has laid down that can drive this process forward. My very distinguished colleague, Chris Patton, once a European commissioner, a British politician like me who has a deep interest in the area, used to say the danger in Bosnia was that they pretended to reform and we pretended to believe them, and I think that's where we've gotten to.

So we do now need a much more definite, clear policy in support of the new High Representative and European Union Special Representative. Europe needs to be in the forefront of that but, Mr. Chairman, we do need the full-hearted, engaged support of the United States in that process. I am not asking the United States to do this; I am asking for political attention to the process. I'm asking the United States to use her influence to support the European Union, to strengthen them where they need to be strengthened, to push this process forward. I do not believe the dynamic can be reversed from a negative one to a positive one unless that happens in the present circumstances. After the Lisbon Treaty it may well be the European Union will have the coordination of policy to be able to make itself more effective, but in the meantime we need you to be engaged.

Now, my final word is this: There are several ways that that could be done. I know there has been discussion here about the possibility of a, quote, "special envoy." Well, that's up to the United States to decide on, but my strong recommendation was that if there were to be anything of that sort, it ought not to be one dedicated to Bosnia and Herzegovina; it ought to be one dedicated to the Western Balkans. The reality of it is that these countries are connected, and the reality of it is that one of the reasons why our policy has not, in the past, been as successful as it could have been, is because instead of having a regional policy and understanding the interconnections, we have had a series of penny-packet policies for each of the countries, some of which were not consistent.

I finish by giving one example. There is talk about building up secessionist pressures in the Republika Srpska. My own view is that Milorad Dodik, the Prime Minister of the Republika Srpska, does not have secession as an intention, as a strategic aim, but I think what he's doing is seriously undermining the sense of cohesion and belief in the Bosnian state. And I think what he's also

doing is placing himself in a state of grace to be able to take advantage of the opportunity if this comes. In a sense, we are caught between two sides. Some of the Bosniak leaders believe that if Dayton fails, the international community will ride over the horizon and save them once again and, by the way, abolish the Republika Srpska. That's nonsense. It's cloud-cuckoo land, and those who think that are even articulate are, in my view, very foolish.

On the other side, I think some in the Republic of Serbsak take the view that this is all so difficult. If they can persuade the international community that it's not going to work, then the conditions will be created in which the Republika Srpska can break away. It is vital that we ensure the territorial integrity of Bosnia and Herzegovina. It is vital that we make a state that covers the whole of the region—the Nation of Bosnia and Herzegovina—which is capable of governing effectively. It may look more like Belgium than it does look like Britain, but that's all right.

And it seems to me that if we really want to make sure that happens, then—and this is an example of the interconnectedness—then we should make it very clear to the Belgrade government, the Government of Serbia, that one of the conditions for them to progress toward European Union membership is to wholeheartedly and fully support the European Union's policy, and indeed the U.S. policy, in Bosnia and Herzegovina, not just not to impede that policy but actively to support it and actively to join us in saying, for instance to the Republika Srpska, that the question of secession is not and will not ever be acceptable or on the table.

Mr. Chairman, I think I've said enough. I'm happy to answer any questions that you or the Commission may have. And I'll just return to—the burden of how we go about suggesting—how we go about achieving some of the things I've suggested are in the paper that I've privately distributed to the Commission.

Mr. HASTINGS. Deeply appreciated, as is your testimony. And in light of the fact that he has other commitments I'd like to turn to the distinguished Ranking Member, Mr. Smith, now, and note that we've been joined by our colleague and Commissioner, Robert Aderholt, who is from Alabama.

Mr. SMITH. Mr. Chairman, I thank you for that courtesy and thank you again for convening this important hearing. And, Lord Ashdown, we thank you for your insights and leadership on this important issue because I do believe that Bosnia and Herzegovina is at a very much of a crossroads, and I think ensuring that it stays a solitary state remains a very high priority for us, as it clearly is for you.

Having been involved in the issue even before Bosnia was part of the conflict, I remember visiting Vukovar just weeks before it fell, then meeting with Milosevic in Belgrade, who denied that they were even involved in Vukovar, and we saw the MIGs flying over, and working with the Chairman and Ben too with—throughout all of those years, raising the issue that we needed a robust European-American response. At first it wasn't there, as we all know.

But the concern that I have now is that there is a—almost similar to what we see with Holocaust deniers, there is a Srebrenica denial movement. I recently went online and read for hours some of the garbage that is being promoted by some—it's hard to say

who they are—that Srebrenica never occurred. I was with Reis Mustafa Cerić 2 years ago when a re-internment occurred for those who were brutally butchered in Srebrenica, a so-called U.N. safe haven—and was again greatly impressed by his restraint, by his sense of inclusion. You know, the form of Islam that he believes so passionately and embraces others, does not exclude others, and I do happen to believe that he is a model, frankly, that needs to be emulated because he has done such a wonderful job.

In looking through some of the garbage on the Internet dealing with Srebrenica, there was a picture, Mr. Chairman, when President Clinton—so former president at the time in 2003—was in Srebrenica, and right below the picture it says, this never happened, and there's Reis Cerić standing with President Clinton, as I did 2 years later with him at a re-internment ceremony.

So I'm very concerned that that myth-maker, which has real consequences in the real world, might negatively impact and lead to—and I was glad to hear you say you don't think it will go back to fighting, but it could go back to some very nasty things. And if you would speak to that, your view on Reis Cerić, if you wouldn't mind giving that, and second your views on constitutional reform. Like, I think, members of this Commission, I believe passionately that, you know, we're looking at a Bosnia that's in a Dayton limbo. They simply—you know, the legislators have power but it has been so carefully circumscribed by the rules that they can't write laws, and we need constitutional reform. We need—you know, for democracy to break out of the blocks and really come into its own, they have to be able to write laws. And small minorities can object and thereby kill any reforms that that wonderful country needs.

And so if you could speak to the constitutional reform issue but also Reis Cerić, the work that he's done, perhaps, and this whole issue of denial of the horrific events that occurred in Srebrenica.

Lord ASHDOWN. Thank you, Congressman. You raise two very important points. First of all, I mean, it is a regrettable fact that you will always find denialists, but they tend to be a minority. However, I have to say that you are absolutely right in identifying the baleful effect of this on those who suffered. Now, let's be very clear: All three ethnicities suffered during the war. There were black deeds done by all sides, but none to the extent of Srebrenica, and indeed of the other killings perpetrated on the Muslim community, largely but not exclusively by the Serbs. It's not to say the Muslims in Bosnia necessarily had cleaner hands. Things were done on the other side as well. But I think my old friend Cliff Bond, who I see sitting behind you, used to always tell me that about 80 percent of those crimes were committed by Serbs. Now, that's not a reason to condemn the whole nation there of Serbs. It's a very great nation indeed, and in many ways people regard them as being the fulcrum of the Balkans. But it is the past and we need to recognize the past. So I agree with you about your concern about that.

On Srebrenica, Mr. Chairman, I hope you don't think it an abuse of the question if I were just to pay tribute to the U.S. Government. One of the best things I did, the thing that gave me personally more pride in Bosnia and Herzegovina—it was not part of my duties but I did it because I really believed in it—was to work with

Ambassador Cliff Bond, and the U.S. Government was really extraordinarily generous in enabling this memorial graveyard with its 8,000 potential spaces for graves. I personally believe that, A, it's very beautiful, and B, it will be one of the places people visit when they remind themselves never to allow genocide to occur again. So the Srebrenica issue is indeed, Congressman, a very important one and one I hope that we will continue to pursue.

On Reis Ceric, my view here is this, that we lack bridges between us and the wider Islamic world. There are not many. But the Bosnian Muslims are European Muslims—not a new generation: 400 years old. The great man Alija Izetbegovic used to say I'm a Muslim and I'm a European, and I see no contradiction between the two. And I know that's Reis Ceric's view as well.

And I've been amazed at the restraint of the Bosnia Muslim population in the face of genocide. And I think they can perform an extremely important role for us as a bridge to the Islamic community, understanding and able to explain to the Islamic community the reality of our Western values—what I would call our European values, but of course they're wider values—and also explain to us about the realities of Islam.

So I think there's a really important strategic role to play here. You know, and if we did allow Bosnia to become dismembered, what would that say to the wider strategic effort that we have to reach out to the Islamic community and to have a greater degree of understanding, that we allowed Bosnia once again to retreat down to a tiny rump of Muslims, European Muslims surrounded by an enemies. I think that would not say very much nor help us in the wider strategic battles so that's very important.

Constitutional reform. The United States under my old colleague Don Hayes, who was my deputy and colleague there in Bosnia during my days, launched a process for constitutional reform. Sadly the European Union colluded that constitutional reform—i.e., increasing the functionality of Bosnia-Herzegovina—was not an issue for the European Union and was not a condition for Bosnia to join the European Union. And therefore it seemed to me the leverage we had to drive forward constitutional reform—and you're right in saying it is absolutely crucial if we are to create a functional state which we can leave—was very significantly weakened. It was actually only the United States who was pushing that forward—without a primary leverage that we would have had to make this a condition of the stabilization and association process.

I entirely agree with you, Congressman, that we have to make constitutional reform now a priority. We must build a functional state here. And I would hope that if we are to launch a second effort to do that, and I hope we will, then the European Union and the United States will this time work in concert because if we do, my view is that that can be completed in a satisfactory way, which will enable us in due course to welcome Bosnia-Herzegovina into the community of nations and not leave, because we never will; we'll have our businessmen there, but cease this process, end this process that started with Dayton.

Mr. HASTINGS. Thank you very much, Mr. Smith. And Mr. Aderholt, we began with very brief opening statements. I don't know whether you had anything that you wished to add in that re-

gard but I certainly will turn to you for any questions that you may pose to Lord Ashdown.

**HON. ROBERT B. ADERHOLT, COMMISSIONER, COMMISSION  
ON SECURITY AND COOPERATION IN EUROPE**

Mr. ADERHOLT. Thank you, Mr. Chairman. And I apologize for coming in late. Of course, as you know, there was a vote on the floor. But thank you, Lord Ashdown, for being here. And I sense your concern as you've stated your issues regarding Bosnia-Herzegovina. And so we thank you for coming today to share a little bit with us today about this. And like I said, I did come in late, so some of these things you may have mentioned before I got here.

But just as far as an open-ended question, as far as the vital or the significant interests that the United States would have at stake in the Balkans, could you talk a little bit about that?

Lord ASHDOWN. Congressman, you're saying what would the reason or—

Mr. ADERHOLT. Or, yes—well—

Lord ASHDOWN. Why should you?

Mr. ADERHOLT. Or the significant interest that we have there.

Lord ASHDOWN. Well, I mean, first of all, there is a real concern I think about the spread of the contingent of instability and corruption. Let's remember that many of the lines of corruption that deliver into Europe and I have no doubt into the United States as well—trafficking into Europe certainly, terrorist materials, many of those are passing through the Balkan corridor. So I think this has a direct relation—stabilizing the Balkans and making sure that the progress that was started at Dayton continues to its final conclusion—has a direct relationship for trying to close off spaces for corruption and for the trafficking of people and materiel in an already dangerous world.

Second, as we all know, Bismarck once famously said that he didn't think the Balkans were worth the bones of a single Pomeranian grenadier. Well, we've learned that the Balkans can be a highly instable region, and the spread of infection can go much wider than the Balkans. So I think it is an issue that we need to address on those grounds.

Third, we don't have, I'm afraid, many examples of successful post-conflict stabilization. The Balkans potentially could be one. And that I think that's a very—it's very important that we see the job through to a successful conclusion.

And my last point why it's important to the United States—this greater geostrategic issue of reaching out and establishing a new relationship with the world of Islam, this is a crucial area for that. If we fail again to protect and to ensure that there is a proper home for the European Islamic community in the Balkans, I think that has connotations on the wider-world scale, which would be very unhelpful to us in many other regions.

It's not, Congressman, an accident that when you see al Qaeda propaganda, they will mention along with Jerusalem, Bosnia, and Herzegovina, and the genocide of Srebrenica. It's all part of that argument.

Having set our hand to this, largely under the leadership of the United States, I think it's in all of our interest that that process

should be completed, and sends a message out to the Islamic world that we are not predators upon Islam, that we are prepared to spend our money and risk our soldiers' lives that Islamic people and Muslims can benefit from too.

So for all of those reasons, I think it's extremely important.

Mr. ADERHOLT. Thank you. If the Obama administration does decide to go down the path to accept the demands of those that would want greater involvement in the Balkans, as you talked about, what would it mean in terms of actually funding or money that—

Lord ASHDOWN. I really don't believe you have to do very much more than you are doing at present. I mean, obviously if there's more resources that can be put in that, it will be very helpful. But you've made a long-term commitment over 15 years, a very great deal of money. I was told—and maybe I need—I just can't recall the exact figure, but per head of population, as much as the Marshall Plan into Europe has been put into Bosnia and other areas of the Western Balkans, you have made a huge commitment in troops.

I don't believe this is a moment for the United States to up that. We know there are other calls on your resources, which you might reasonably argue to be even more urgent. But the really important thing is the United States is prepared to keep an interest in the region and stand behind the European Union in unity.

My experience in Bosnia was when I arrived there, the international community was divided; it couldn't speak with a single voice, and we could do nothing. We went through a process of making sure the international community spoke with a single voice. The United States came in and supported what we were doing, and once we spoke with a united voice, we were able to move the process forward very fast indeed.

So what I'm calling for here I think is engagement, is support for the European Union's policy, it's unity on a single strategy, which I think should be drawn up between the United States and Europe, and that's all. I'm not calling for more resources and I'm not calling for more troops.

Mr. ADERHOLT. OK. Thank you very much.

Lord ASHDOWN. By the way, Congressman, I don't think there should be less troops. I mean, we've got about 2,500 there now I think. Until the situation settles down, I would not be in favor—the European Union EU4 is thinking of withdrawing, and some of them have withdrawn already. I don't believe that sends the right signals. That's not United States troops, but certainly part of the process of reaching a unified policy with the European Union and Washington would be to say to the European Union, this isn't the time to be cutting troops—

Mr. ADERHOLT. So based on your testimony then, we would—the involvement that the United States would need to be there is to continue our troop presence that we have now.

Lord ASHDOWN. You don't have any troop presence at present in Bosnia and Herzegovina; they're all European Union troops. But the European Union should not—should be encouraged not to reduce those numbers.

Mr. ADERHOLT. So no American troops would be—

Lord ASHDOWN. There are none at present.

Mr. ADERHOLT. Or would be needed.

Lord ASHDOWN. Or would be needed. A unity of policy with full engagement and energy across the Atlantic—and as I said, my view is the best way to achieve that would be to have something like a special envoy, not for Bosnia but for the whole of the Western Balkans. I believe that would stimulate Brussels to have—to look at it regionally as well and maybe appoint their own envoy. I think those two working together can exercise very considerable political leverage. That shouldn't be counter to anything that's being done on the ground, and I think we can give the whole process a renewed energy that it desperately needs. That would be sufficient in my—

Mr. ADERHOLT. Thank you. Thank you, Mr. Chairman.

Mr. HASTINGS. Well, Lord Ashdown, thank you. You've been very clear and concise, and that's deeply appreciated. But let me put to you, do you believe the European Union is willing to accept Bosnia at this time. And I don't necessarily need to refer to the large indigenous or Muslim population. It's just people continue to express a variety of concerns, and I'm just curious as to your read on that at this time.

Lord ASHDOWN. I'm not going to deny for a moment, Mr. Chairman, that there is a certain concern among European citizens about the ever-widening process of Europe. But I think we need to remember that Bosnia and Herzegovina, the Western Balkans, are not expansions of Europe; it's now within Europe's borders; it's unfinished business. It's not about European enlargement. I personally take the view that the European Union needs to deepen its functionality before it widens its geographical territory.

I was an instrument of the European Union foreign policy. I was often told that Bosnia was very dysfunctional. I can tell you Brussels was often more dysfunctional than Bosnia was. [Laughter.] And it's really important that we should deepen that soon. But this is now—this is not a widening of Europe; it's a completion of the task to which Europe has already set its hand. And I think that's a really important point for us to make.

Now, is there a willingness in Europe to do what is necessary to drive this forward? I don't think I'd be here asking the United States to reengage itself in this if that willingness was sufficient. I don't think it is across all European capitals. I think they'd like it to happen, but they very often don't—they will the ends, but they're not prepared to will the means sometimes.

Mr. HASTINGS. Right. I thoroughly agree with your position. I would be interested to know what influence and interests does Russia have in the Western Balkans, and to what extent do Moscow's concerns and interests are caught—inside our conflict with Europe or the United States? And let me lay my bona fides on the table. I'm one of those that believes very strongly in mutual respect and in inclusiveness as it pertains to Russia specifically. When I was president of the Parliamentary Assembly, I made a point of making my first visit to Russia to meet with the Foreign Minister and the then-Speaker of the Duma. I continue those efforts as late as 2 weeks ago speaking with Sergei Lavrov. And I just—I don't believe that preaching is going to accomplish very much for us.

Lord ASHDOWN. I'm with you entirely. I mean, my view was—two thoughts and then I'll try and address the Balkans question. The first is I think we missed, Mr. Chairman, a real, real strategic opportunity. When we won the cold war and the wall came down, we could have reached out to Russia and genuinely done the things that would have made them a partner. I think we treated Russia with a degree of triumphalism, and sometimes, in Russian eyes, humiliation. And the consequence, it seems to me, was the policies which were inevitable given to the Russian people by Vladimir Putin.

My own view is that if Russia behaves in ways which are clearly contrary to the kind of things that we talk about, the freedom of nations to choose, we should be very, very clear to them about that. But the position of Russia is such that I think we should nevertheless, as you rightly say, continue the dialogue on all fronts where it's possible to do so. Some is not, and we know that, and we should be clear about that, but I'm not in favor of widening the gap between us and Russia; I'm in favor of whilst being very clear about our principles, holding to the principle of dialogue and discussion.

Now, on the Balkans, look, I really do not believe Russia has a long-term strategic interest in the Balkans any longer. Did they like the fact that the Balkans was taken away from the Russian sphere of influence and moved to the NATO sphere of influence? Not very much. It must have been difficult for them. Do they use elements in the Balkans as sticks with which to beat us in other areas? Yes, they do, and we know that. They will sometimes play Kosovo for Russian broader policy interests. But they are a broader policy interest and we need to realize that.

Some of my friends in Banja Luka and in Belgrade—Banja Luka, the capital of the Republika Srpska, say, well, of course, we don't have to go to the European Union because we can go to Russia. And I invite them to go down any day in either Sarajevo or Belgrade and see how many—how long the queue is for visas outside the Austrian Embassy and the Russian Embassy, and they have their answer. I know of almost nobody who is queuing up to go to Russia and almost everybody who'd like to go to Washington if they had the opportunity or Austria.

So I honestly think this is a piece of opportunism, and our failure to deliver sometimes has given the Russians to play a perfectly legitimate diplomatic game of using leverage there to get things elsewhere. But do I believe that there is a realistic prospect that Russia could reach out and reabsorb elements of the Russian Balkans back into the Russian sphere of influence? No. Do I believe that there is any competition amongst the minds of the people of the Balkans, the citizens of the Balkans as to whether they would like to look to Russian cities as places their young children can go for holidays and education, or European and American ones? The answer to that is no too.

Mr. HASTINGS. I thank you. Lord Ashton, I'm fearful about our time and voting. And with your permission and agreeance, I'd like very much to have our other panelists join you. And if you have the time—

Lord ASHDOWN. I'd very much like to—

Mr. HASTINGS [continuing]. To stay with us, then I'd like—please stay, and I'm going to ask them to join you at the table as well. Ivo Banac and Ivana Howard and James—do you pronounce it “Lyon” or “Lion”?

Mr LYON. Lion.

Mr. HASTINGS. Lion. OK, roar like a lion. What is it, France is Lyon. That's the other side of it. But I do thank you all and with your permission, as I indicated their curriculum vitae outside, but Professor Banac is the professor of history, Yale University, and President of the Croatian Helsinki Committee for Human Rights. And Ms. Howard is the program officer for Central and Eastern Europe in the National Endowment for Democracy. And Mr. Lyon is the senior associate of democratization policy council, and former senior Balkan advisor for the International Crisis Group.

Gentlemen, I'm always deferential to the ladies, so Ms. Howard, if you would proceed.

**IVANA HOWARD, PROGRAM OFFICER FOR CENTRAL AND EASTERN EUROPE, NATIONAL ENDOWMENT FOR DEMOCRACY**

Ms. HOWARD. Thank you very much, Mr. Chairman, distinguished members of the Commission. Thank you for the opportunity to address you today and discuss the latest developments in the Western Balkans. The National Endowment for Democracy is especially grateful for your committed interest in the region, the ongoing support and recognition of the need for continued international attention to the problems facing the Balkans.

I've been asked to speak today about democratic developments and civil society in all Western Balkan countries. In the interest of time, I will condense my remarks, but I have prepared a longer written statement that I ask to be placed on the record.

Mr. HASTINGS. Without objection.

Ms. HOWARD. With your permission, I will devote most of my testimony to Bosnia and Herzegovina, and as Lord Ashton has already made the case, this country arguably deserves the greatest consideration at the moment. That being said, however, I will briefly review the situation in other countries from the perspective of civil society and the challenges that it faces. Specifically, I would like to draw your attention to concerns raised to me by NED grantees regarding freedom of information and expression in their respective countries.

And I will start with Serbia, where despite signs of improvement, following the formation of the new government last year, continued attention needs to be devoted to civil society, and especially the treatment of human rights defenders and the media. Verbal or even physical violence, some of which I spoke of last year when I had an opportunity to brief you—

Mr. HASTINGS. Yes, you were at our Serbia hearing.

Ms. HOWARD. Yes—is still not uncommon as witnessed several days ago when four journalists were attacked by a radical group organizing our commemoration of the 10-year anniversary of NATO bombing. In Kosovo, attempts to expose endemic corruption are often met with fierce resistance by public officials who do not shy away from exerting political or financial pressure on watch dog NGOs or investigative media. The Radio Television of Kosovo,

which is the country's PBS, is facing constant attempts by the government to control it. As a result, journalists tend to self-censor their work, and are cautious in criticizing public officials.

And the head of Parliamentary elections in Albania, which you mentioned in your opening remarks, scheduled for the summer, media is in similar situation. The magazine Tema was recently evicted from its premises, rented from the government, and had its printing halted after it published a report on alleged corrupt activities by government officials. TV News 24, generally critical of the government, was assessed and given a hefty fine for ridiculing another station's promotion of the Prime Minister.

But the situation is perhaps the gravest in Bosnia and Herzegovina, where pressure and media and NGOs, particularly in the Republika Srpska, remind us of the darkest periods in Serbia under Milosevic. Transparency International had to close its office in Banja Luka last summer to ensure safety of its staff following a barrage of verbal attacks and threats by RS officials. Generalists in both entities frequently find themselves under similar pressure as became evident recently when a group of investigative reporters from the Federal television FTV was attacked in Trebinje. Their Monday night program is often censored and blacked out by the RS government.

But these are just some of the many problems that are found in Bosnia today, and Lord Ashdown has really touched on quite a few of those. But the key issue in the country, which was also identified, as well as the top priority in my opinion for the international community, can be summed up in two words, and those are constitutional reform. All of us present here are quite aware of why Bosnia needs a new constitution. And I'm not going to go into too much detail. I will just reiterate the inherent flaw in the current system, which allows political elites to repeatedly use the fear of others as a mobilizing tool, especially the head of elections.

This fear factor must be removed if Bosnia and Herzegovina is to have a chance at becoming a fully functional democratic state integrated into euro Atlantic structures. And this is why the major task and the center point of the international community's efforts should be the constitutional reform.

After the failure of the 2006 April package, few countries, the United States in particular, have a desire to tackle this issue again. And I certainly understand this. But the international community has invested considerable time and resources into Bosnia. As you, Mr. Chairman, mentioned in your opening remarks of the November 2007 hearing in Bosnia, and I quote, "It would be a serious error if this international effort were allowed to fail. We owe it to the people of Bosnia to encourage them to move forward," end quote.

Therefore, I would like to offer the following recommendations for future U.S. and European engagement in Bosnia and the region. The first two will very much echo what Lord Ashdown has already said, but I will briefly go through them.

First, the United States and the E.U. should focus again on the western Balkans and demonstrate a strong and consistent dedication to addressing all outstanding issues. A variety of recommendations to this regard have been made, some by the very people

speaking in front of you, including appointing a special envoy. I believe that any one of these approaches would be beneficial, and in fact, increase attention to the region, hence, having an immediate effect on the ground, as I have witnessed myself.

For example, the simple announcement of a series of policy events in Washington related to the Balkans and Bosnia-Herzegovina, including this one, dampened nationalist rhetoric in the RS, whose leaders have remained fairly moderate in their statements for the last few weeks.

Second, while no longer in the driver's seat, the United States should nevertheless be—or could nevertheless be useful in navigating and facilitating international engagement in the Balkans by providing the necessary political and technical support to E.U. and Balkan partners, and the previous speaker has mentioned why this is necessary, and in which manner to be done.

In the case of Bosnia, the United States should work with its E.U. partners to find a common voice and formulate a coherent strategy with enough political will to see constitutional reform through as soon as possible, while securing a broad popular legitimacy. And this brings me to the next point, which I consider to be the most crucial. The United States and the E.U. should adopt a more pluralist approach to reform processes throughout the region, by reaching out to a broader, more diversified group of political and civic actors.

This is especially important in Bosnia's constitutional reform, where self-proclaimed ethnic leaders should never again be allowed to monopolize and manipulate the process, as was the case in the April package. Constitutional reform in Bosnia should not be a top-down process, but include a broad public participation and awareness and thereby ensuring popular legitimacy. Pro-democratic opposition leaders, as well as civil society should be recognized and allowed to participate as equal players in drafting, debating and advocating for the new constitutional provisions.

And here I would really like to appeal to you members of the commission, Members of Congress and the administration to reach out to the civil society and meet with NGOs, and media representatives when you visit the Balkan countries. Such meetings strengthen their legitimacy, not just in the eyes of the political elite but also in the eyes of citizens, and send a clear message that the opinion of civil society matters in democratic reforms processes, and that any form of pressure on the media is simply not acceptable.

Finally, time is of essence. With every delay in starting the reform processes in the Balkans, we risk losing the democratic gains made at such a high cost. Bosnia's constitutional reform in my opinion is particularly time-sensitive. Any attempt at constitutional reform must be swift and completed by the end of this year if pro-democratic, multi-ethnic forces are to have any chance in the October 2010 general election. Allowing constitutional reform to be a topic in 2010, as it was in 2006, will force citizens to again cast their votes based on fear and nationalist leaders can misuse the issue again to their own gain.

Thus, the international community should quickly engage all available resources, not the least those available locally, like I men-

tioned earlier, to help to create new constitution and by the end of 2009.

Mr. Chairman and distinguished members of the Commission, in November 2005 the Secretary of State invited three Bosnian leaders to Washington to commemorate the 10th year anniversary of the Dayton Peace Accords, and pledged support to the constitutional reform process. Almost 4 years later we remain gravely concerned about the country's territorial integrity, democratic future, and fragile inter-ethnic peace.

The kinds of problems that NED and its grantees are addressing in Bosnia and Herzegovina and the Balkans to strengthen democracy remain important to the long-term stability and prosperity of the region. But it is only with a strong commitment of the U.S. leadership and its European partners to help to create the new constitution that Bosnia can become a fully democratic state and a stabilizing factor in the region. If we succeed, we will have more reason to celebrate the 15th year anniversary of the Dayton Peace Accords.

Thank you very much, and I look forward to taking your questions.

Mr. HASTINGS. Thank you very much. Professor Banac, would you proceed, sir?

**IVO BANAC, BRADFORD DURFEE PROFESSOR OF HISTORY,  
YALE UNIVERSITY**

Mr. BANAC. Thank you very much, Mr. Chairman. I am very grateful for this opportunity to discuss the situation in the western Balkans. I too have prepared a brief statement and it seems to me that it would be futile to read the whole statement. It's available. And precisely because, at least from what I have heard from the previous speaker, there are many common themes here, I am going to stress to have some issues that we perhaps do not share to the same degree.

The whole point of what I am trying to convey to you today is that the process of stabilization of southeastern Europe has to a significant extent been stalled. It has been stalled for various reasons. One of them, and this is very significant, is because the Europeanization of Western alliance's policy toward the western Balkans really was not successful and it cannot be sustained without the guidance of the United States.

So to a significant extent this is an appeal for more intense American engagement. I have stressed three critical points in order of urgency. The situation in Bosnia-Herzegovina, which I consider to be quite alarming, particularly in connection with the activities of Mr. Milorad Dodik in Republika Srpska. I'm not going to elaborate, but I think that this is a situation which is rapidly getting out of hand.

I also talked about the Kosovo situation, where I think that we are frequently entirely too self-congratulatory without taking into account there is considerable discontent in Kosovo over limited sovereignty and the fact that the area is not fully integrated. So this is something that too ought to be addressed.

And third, in connection with the changes in Serbia after the May 2008 elections, despite the fact that the situation in Serbia is

considerably improved, nevertheless I think there have been tendencies in some quarters and in the West to be more permissive, given the changes in Serbia, to insist perhaps on noncompliance in all details having to do with the international criminal tribunal for the former Yugoslavia, et cetera. My recommendation would be to apply the same rules and make certain that Serbia complies with the demands of the international community.

Another portion of my statement has to do with the obstacles to what I consider to be the optimal outcome in southeastern Europe, which is to say full integration of these countries within the European Union and the NATO. A number of things have happened during the past several years that have I think significantly delayed this trend. Objectively, the E.U. expansion is in trouble as a result of the world economic crisis, obstacles to the ratification of the treaty of Lisbon after the Irish referendum last June and I think also as a result of lack of political leadership in a number of E.U. countries.

We should also remember it has been negative consequences of rogue policies of two E.U. countries—Slovenia, which has obstructed—quite successfully, I should add—Croatia's accession to the European Union, and the capricious behavior of Greece on the issue of the name of Macedonia, which have obstructed Macedonia's integration into the NATO.

I think also that the fact that all E.U. countries have not recognized Kosovo is evidence of the fact that the urgency of the Balkan stabilization is not grasped in all European capitals. There have also been instances of euro skepticism that are a consequence of inconsistent policies of the European Commission.

And I think that we ought to take the Russian role in the area somewhat more seriously. I think that this is the only part of Europe where Russia can exercise a certain amount of influence, and it has been doing that mightily during the past several years, leading to I think a number of situations that ought to be taken under consideration. The fact that many of the pipelines that are vital for European oil and gas supply run through this part of the world I think is something that is connected with this situation.

Finally, I would like to make some very specific recommendations. First of all, the United States should not ignore the Balkan area simply because a number of other problems are more pressing. A new American diplomatic initiative I think is necessary for the stabilization of the whole area, especially in the three critical cases that I mentioned—Bosnia-Herzegovina, Kosovo, and Serbia.

Second, Bosnian situation clearly is the most important and it should have priority. The U.S. Government should complete the Dayton process by developing a new plan for the reintegration of Bosnia-Herzegovina but not with an ethnic yardstick. It makes no difference whether Bosnia is effectively partitioned into 2, 3, or 23 ethnic entities. Ethnic particularization always operates against the unity of complex societies such as that of Bosnia-Herzegovina.

Third, I think that the new administration should reaffirm the commitment to the International Criminal Tribunal for the former Yugoslavia. This is terribly important, particularly when the time is running out on it, but also I think that there should be a new

attempt to support the International Criminal Court through congressional ratification of the Rome Statute.

Fourth, the United States should exercise influence on the EU allies to promote and revitalize the E.U. and NATO expansion. Serious effort should be taken against obstinacy in the behavior of Greece, for example, and that of Slovenia over the questions that I already mentioned. In a similar vein, every effort should be made to promote the recognition of Kosovo among European holdouts.

And finally, the civil sector definitely should not be neglected, particularly in the current economic circumstances, but priority ought to be given to those NGOs that work with concrete cases, not the various reconciliation schemes that frequently operate in a political vacuum. And I think also that the OICE operations should be continued, even in those cases where they have been significantly curtailed.

Thank you very much for this opportunity once again.

Mr. HASTINGS. Thank you very much. And Professor Lyon.

**JAMES LYON, SENIOR ASSOCIATE, DEMOCRATIZATION POLICY COUNCIL**

Mr. LYON. Thank you very much. Mr. Chairman and distinguished members of the Commission, thank you for the opportunity to address you today. I'm very, very pleased that you're willing to be engaged on issues of dealing with the western Balkans. On behalf of the Democratization Policy Council I'd like to thank you for your committed interest in this region. I would also ask that the longer statement that I have prepared be submitted for the record. I'm going to be synopsising.

Mr. HASTINGS. Without objection.

Mr. LYON. Thank you. I would also like to add my agreement to many of the remarks of Lord Ashdown and Ms. Howard regarding the need for constitutional reform and regarding the need to focus on Bosnia. I have been asked, however, to speak to some of the broader trends in the region, so I will be discussing several other countries, even though I will be spending most of my time on Bosnia-Herzegovina, a country in which the U.S. has invested quite a significant amount of resources. We've achieved quite a great deal, and yet there is now renewed concern.

Now with the exception of Kosovo, since 2001 U.S. policy toward much of the western Balkans is best described as leaving the region to the European Union, with Washington supporting whatever foreign policy Brussels would create. As a foreign policy, the E.U. relied solely on what we call soft power—that is, the stabilization and association process, and the lure of eventual EU membership—without taking into account whether or not this would help the countries to overcome the legacy of the 1990s. Today it appears that stabilization and association process, and by default U.S. policy, have reached the limit of their effectiveness.

The stabilization and association policy I believe is a one-size-fits-all policy based on the assumption that western Balkan states are similar to other Eastern European countries such as Poland, Hungary and the Czech Republic. Yet those other states were by and large ethnically homogenous, with fixed borders, and have not

been at war since 1945. None of these assumptions holds true for the western Balkans.

For many of the western Balkan states, the lure of E.U. integration is not as powerful as Brussels hoped. Internal E.U. disagreement over the enlargement policy has sent a signal to the western Balkans that E.U. enlargement is not a priority. Bosnia and Herzegovina, Croatia, Kosovo, Macedonia, and Serbia have all stalled in the European accession process, and in the case of Bosnia the hard-won progress of the past 13 years has been jeopardized amid increasing rumblings of the possibility of renewed conflict and an ethnic carve-up. The soft power of European accession, while necessary and desirable, has clearly reached its limits.

To understand the dynamics working against this soft power, it's worth taking a brief glance at each of these five countries and the obstacles they've run into. Kosovo is beset with serious problems ranging from organized crime to corruption, to dysfunctional economy, and a society whose clan structure makes the transition to modern political organization difficult. The disputed nature of Kosovo's independence, along with the presence of de facto partition and formulations between majority Albanians and minority Serbs means that Kosovo's status struggle is ongoing and overshadows all other issues.

The potential for renewed outburst of inter-ethnic violence and ethnic cleansing always looms in the background. The E.U. is deeply divided over the issue, with five member states—Cyprus, Greece, Romania, Slovakia, and Spain—refusing to recognize Kosovo's independence. And the inability of the E.U. to reach consensus on Kosovo has led to weak international supervisory institutions with blurred and uncertain mandates.

Given these difficulties, Kosovo is arguably not yet ready to even begin the stabilization and association process. Serbia is deeply divided. Although most Serbs desire E.U. membership, many important constituencies among the economic, political, security and opinion-making elites oppose the reforms necessary to move ahead. Many Serbs are unable to move beyond Kosovo's status in cooperation with the Hague war crimes tribunal.

The EU carrots available are limited, and Serbia's elites have not yet perceived the incentives as being sufficiently strong to overcome entrenched economic interests and monopolies that oppose the reform process. E.U. membership cannot alleviate the trauma of losing Kosovo, nor can it overcome Serb anger at the U.S. Government for supporting Kosovo's independence.

As a result, the important elements within Serbia's elites have begun to explore other options, not only closer engagement with Russia but also efforts to revitalize the nonaligned movement. Russian activism on the energy front, including privatizing oil refineries in Bosnia and Serbia, as well as the planned South Stream pipeline, has weakened the E.U.'s appeal to some political elites.

Although Brussels believes that there is no alternative to E.U. membership, certain elites in Belgrade perceive that options may exist that require less change, less sacrifice and less disruption to Serbia's party politics than the E.U.-mandated reforms. Macedonia is fragile internally and still susceptible to a possible spillover of

tensions from neighboring Kosovo. And the government must maintain a delicate balancing act required by the Ohrid agreement.

Although it achieved E.U. candidate status in 2005 and held successful elections just last month, Macedonia's accession prospects have run into a hurdle due to Greek opposition to its name. Athens obstructs NATO membership and E.U. accession talks, and it's unlikely Greece will change its position any time soon.

For Croatia, relations with Serbia are still very delicate and there are still many charges that Zagreb discriminates against its Serb minority population over the issue of refugee returns and proper rights. Entrenched interests within the security structures and the post-1990 economic elites have slowed the pace of reform, yet Croatia does continue to make real progress toward E.U. membership. Croatia faces an unusual challenge in that it has a territorial dispute with one E.U. member, Slovenia, and a budding dispute with a second, Greece. And this over Greece's objections to Croatia's inclusion of the Macedonia national minority that is present in Croatia.

Now to Bosnia-Herzegovina. The Dayton peace accords often appear to be war by other means, as the country's Bosniak, Croat, and Serb politicians have continued to pursue wartime goals via the Dayton constitutional structure, with Serbs obstructing true political reform at the state level, while trying to take state level competencies for themselves.

The Bosniaks, on the other hand, have obstructed privatization and economic liberalization in the federation, the institution they dominate, while the Croats sit back and watch. When given the choice between pursuing E.U. required reforms, Bosnia's politicians, Serbs in particular, have stated loudly and unequivocally that E.U. membership takes a back seat to nationalist imperatives.

Since early 2006, in spite of the appearance of progress, Bosnia has demonstrably slid backward. Today elements among all three sides talk of rearming, and some now mention resorting to violence or secession to achieve political goals. Such talk is increasingly prevalent among political elites, something that was unthinkable in 2005. The international community is in disarray, still undecided on what transition the OHR to the European Union's special representative means, and the E.U. peacekeeping mission is now slated to be reduced to a 200-person training mission that would voluntarily give up its U.N. chapter 7 peacekeeping authorization.

Milorad Dodik, leader of the Serb entity, is actively undermining state institutions, while Hari Silajdzic, the Bosniak politician, has pulled the entire Bosniak political spectrum further to the right and reduced the maneuvering room available to more moderate politicians. Worryingly, among the Bosniaks the moderates are being squeezed out in favor of politicians with more belligerent attitudes. The world economic crisis may tempt some politicians to channel popular frustration into a more aggressive stance toward opposing ethnic groups.

At this moment it's clear that Bosnia's future as a unified state is not entirely guaranteed. Much-needed constitutional reform still seems distant. The unanimous consensus among Bosnia's politicians is that should the state fall apart, it would not be a peaceful dissolution. Should Bosnia begin to unravel, its ripple effects would

place U.S. relations with Russia, the E.U. and the Islamic world under strain. It would create refugee flows and humanitarian crises, and possibly create spillover in other Balkan countries such as Kosovo and Macedonia.

Time is not working for us. The United States has an interest and a special responsibility, as it has spent substantial prestige and treasure in stopping the wars and stabilizing the region. The Balkans also represent low-hanging fruit in any foreign policy calculation. Stability can be achieved without new resources. Halting Bosnia's backward slide and preventing renewed conflict will require renewed and robust U.S. diplomatic engagement in support of a credible and strategically coherent E.U. policy to bolster EU soft power. In this respect, the appointment of a Special Presidential Envoy to the region would go a long way.

Mr. Chairman, distinguished members of the Commission, the United States must return to being an active player in support of its European partners. Should it do so, it can secure its long-term investment and rack up a success with the E.U., a partner it needs for so many policy priorities worldwide. Should Washington remain disengaged, it will share in a policy failure that will incur considerable cost in the region with the E.U. and the wider world.

Thank you very much, and I look forward to your questions.

Mr. HASTINGS. Thank you very much. You may have heard that silent buzzer. That was the call for Mr. Aderholt and me to go over and vote on his party's budget, so we probably could stay here and cancel each other's vote out, but we have to go and at least be registered, all things considered. But Robert, if you have a very quick question, we will take it.

Mr. ADERHOLT. Let me just ask this to either one of the panelists that would like. For those that would argue that a greater or more forceful U.S. involvement in the Balkans would undermine efforts to encourage the local political leaders there and the government to take a greater responsibility for their own countries, just how would you address that?

In other words, the U.S. involvement over there in the Balkans, would that—how does that send a message to the local leaders there, to the politicians that are in that area and trying to govern, and just I'd like to get your thoughts on that.

Lord ASHDOWN. I'll make an attempt very quickly to answer this. If the international community is not involved, you help the nationalist extremists. That gives them the excuse to say the only people who are going to protect you are us. We're your nationalist leaders, you are going to be helping them.

If the international community is involved and engaged in this process, you essentially provide cover to bring forward the new moderate leaders that Bosnia needs. The fact that we're involved does not mean we're going to be doing things as we did in the past in the days of the High Representative when I was there, that we have a muscular presence and so on. Those days are past. But we have to provide a framework for the more moderate and constructive future-looking people to come through in Bosnian politics.

If you're not there, you're playing back strength into the wartime leaders who used the nationalist messages, and that's what's happened.

Mr. ADERHOLT. Thank you.

Mr. HASTINGS. I can't thank you all enough. We obviously will have to have a part two of this critically important hearing. I'm very hopeful that I will be able to go as an election observer to the Albanian elections, and I certainly—I believe Mr. Aderholt and Mr. Smith and I as well as our colleagues who are not here, certainly Chairman Cardin, have expressed a considerable concern. We will raise the issue with our colleagues appropriately and share the very critical testimonies that you all have presented to us with clarity.

I normally ask for an opportunity to send you questions and ask you to answer them so that we can put them on the Web site, but quite frankly, your papers have covered the waters and it's deeply appreciated.

Mr. ADERHOLT. Mr. Chairman? I agree, this is such a very important issue and I thank you for having this hearing today and for organizing it. Perhaps maybe at some point we could have a part two to this hearing just to followup because I do think this is vitally important. The '90s were so important. Everybody remembers what was going on in the Balkans and certainly, you know, make sure that we don't repeat history.

Mr. HASTINGS. I know that's right.

Mr. ADERHOLT. So we would like—so I would very much, at some point in the future we could have a followup. And I again thank each of the panelists for being available today and coming and speaking, and we look forward to following up with you.

Mr. HASTINGS. I just wanted to share two things with you. When my mother was alive and we were looking at the winter Olympics, we both commented what a tremendous place Sarajevo was and that we would like to live there. Little did I know at some point that I would go there and be in a Holiday Inn and overlook that cemetery and see people who were there for memorial purposes be shot at while I was there.

But there was a humorous side to it, and she lived long enough for me to tell her that the foodstuff that we grow in the district that I'm privileged to serve, collard greens, also grows in Bosnia, and I was very pleased to see that.

Thank you all so very much.

[Whereupon, at 3:40 p.m., the hearing was adjourned.]

## APPENDICES

### **PREPARED STATEMENT BY HON. BENJAMIN L. CARDIN, CHAIRMAN, COMMISSION ON SECURITY AND COOPERATION IN EUROPE**

As a long-time member of the Helsinki Commission, which I now have the honor to chair, I can recall many earlier hearings where we learned the horrific details of ethnic cleansing, senseless attacks on civilians, other crimes against humanity and genocide associated with Yugoslavia's demise. I can also recall our persistent efforts to see the United States and Europe decisively respond to this violence, and to bring those responsible for it to justice.

Fortunately, that period is now history. It is in the past. The region is more stable now, and while incomplete, there has been accountability. Hopefully, there have also been lessons learned.

It is important for those of here in Washington, as well as in European capitals, nevertheless to understand the challenges the people of the region face in putting the past behind them. It is hard to move on when you were the victim, when you lost friends and loved ones and a home. For those who managed to survive the conflicts in Croatia, Bosnia and Kosovo in particular, a decade or two is not so long ago. That is why the Balkans remains a concern to the international community today, even as global events may shift our attention elsewhere.

Given this fact, it is important that the international community make sure that the region is on as stable a footing as possible before it relinquishes its power, presence and authority. First and foremost, I want to see the last people indicted by the international tribunal in The Hague who are still at large, in particular Ratko Mladic, apprehended and transferred to the court. I also want to see a far greater commitment by political leaders in the region to abandon the ethnic exclusivity found in their policies and platforms. I want to see government leaders more responsive to the genuine needs of the people, particularly by providing the youth of the region opportunities for a more prosperous future.

I want the Helsinki Commission to do more to encourage dialogue between the governments and the people of all the countries concerned. The presentations made at today's hearing will be useful in moving this effort forward, and I want to welcome and thank our four witnesses for their presence and remarks.

**PREPARED STATEMENT OF HON. CHRISTOPHER H. SMITH,  
RANKING MEMBER, COMMISSION ON SECURITY AND CO-  
OPERATION IN EUROPE**

Thank you, Mr. Chairman, and welcome to everyone here this afternoon.

Mr. Chairman, one of the challenges facing U.S. engagement in the Balkans has always been to engage the region in the real day-to-day problems of the people who live there—problems that have so much to do with human rights and democracy—rather than give in to the temptation to see the Balkans only as a minor stage for broader military and diplomatic issues like European and Atlantic integration, the war on terrorism, and Russian expansionism.

Mr. Chairman, I have been following this region closely for many years, 12 of them as Chair or Co-Chair of this Commission, during the tragic years of the Bosnia and Kosovo wars. At that time, our government and others in Europe had to bear some responsibility for enabling the Serbian genocide against Bosnian Muslims by refusing to lift the arms embargo. It is to the credit of this Commission that several of us were among the most active voices in favor of lifting that embargo. Sadly, President Clinton did not listen to us, and to others like Bob Dole, until it was too late for the Muslims of Srebrenica. One of the lessons of the years since the wars ended is that the best way to make regional progress in the war on terrorism and integrate the Balkan countries into European and Atlantic structures will be to help these countries improve their human rights records and consolidate their democracies.

Mr. Chairman, I'd like to say a few words about Bosnia, one of the countries in which the U.S. has been most involved. In Bosnia, the priority remains constitutional reform. In 1995 the Dayton Agreement was a successful formula for stopping a war—but nobody dreamed that it could become a mid- or long-term constitution for Bosnia. But now, 14 years later, Bosnia is still governed according to Dayton, which allows small minorities to exercise a veto over legislative and executive action. I am afraid that allowing Bosnia to hang in this “Dayton limbo” is what is exacerbating ethnic and religious tensions, and encouraging separatists and extremists in their dream of dividing Bosnia. I strongly believe, with the great majority of Bosnians, that the country can't safely stay where it is, but has to move forward to become a one-person, one-vote democracy. Then it will be able to take up the project of joining the EU and NATO.

Mr. Chairman, thank you for calling this hearing on the Balkans, a region where the Commission has a long record of activity on behalf of human rights.

**PREPARED STATEMENT OF IVANA HOWARD, PROGRAM OFFICER FOR CENTRAL & EASTERN EUROPE, NATIONAL ENDOWMENT FOR DEMOCRACY**

Mr. Chairman and Distinguished Members of the Commission:

Thank you for the opportunity to address you today and discuss the latest developments in the Western Balkans. The National Endowment for Democracy (NED) is grateful for your committed interest in the region, ongoing support, and recognition of the need for continued international attention to the problems facing the Balkans.

I have been asked to speak today about democratic developments and civil society in all Western Balkan countries. Although I will devote most of my testimony to Bosnia and Herzegovina, the country which arguably deserves the greatest consideration at the moment, I will first briefly review the situation in other countries, from the perspective of civil society and the challenges it faces.

Almost exactly a year ago, I was invited to brief the Commission on the state of democracy in Serbia, and I had little reason for optimism. The attacks on the U.S. Embassy, prompted by Kosovo's declaration of independence, threats against and attacks on human rights defenders and the media, and the uncertain outcome of the upcoming elections, painted a grim picture. Yet today, I can say that I am cautiously optimistic about Serbia. After the May 2008 elections and formation of the new government coalition, one that is awkward but stable, a leading war criminal was arrested and delivered to The Hague, signaling to the EU and the rest of the world that Serbia was ready to move forward. Since then, a number of important laws were adopted, including a much needed anti-discrimination law, which was passed despite strong objections by the church and conservative parties. NED's grantees also report a better relationship with the new government and more interest in cooperating with and supporting the NGO sector.

A number of challenges remain, however, including full cooperation with the International Criminal Tribunal for the former Yugoslavia (ICTY), a workable solution for Serbia's future relations with Kosovo, and a stronger commitment to the reforms necessary for full Euro-Atlantic integration. And despite signs of improvement, continued attention needs to be devoted to the status of civil society in Serbia, especially the treatment of the human rights defenders and the media. Verbal or even physical violence is not uncommon, as witnessed several days ago when four journalists were attacked by a radical group organizing a commemoration of the 10-year anniversary of NATO bombing.

Increased pressure on the media and NGOs is not unique to Serbia. In preparing for my testimony, I solicited opinions from current and former NED grantees. Almost without exception, I heard grave concerns about freedom of information and expression.

This was the case in Kosovo, for example, where attempts to expose endemic corruption are often met with fierce resistance by public officials, who do not shy away from exerting political or financial pressure on watchdog NGOs or investigative media. The Radio Television of Kosovo (RTK), the country's PBS, is facing constant attempts by the government to control it. As a result, journalists tend to self-censor their work and are cautious in criticizing

public officials. Rare are the media organizations with the capacity, skills, and ability to engage in serious investigative reporting. The exception is the Balkan Investigative Reporting Network (BIRN), a NED grantee, which spotlights cases of corruption or government inefficiency without fear of political or financial repercussion.

The situation is similar in neighboring Montenegro, where a NED grantee MANS was recently accused by a government official of undermining the state because of its principled and uncompromising work in exposing cases of corruption and conflict of interest. Public officials have also turned to trumped-up defamation and libel cases to exert financial pressure on independent media.

Ahead of parliamentary elections in Albania, scheduled for this summer, media is in a similar situation. The magazine Tema was recently evicted from its premises, rented from the government, and had its printing halted after it published a report on alleged corrupt activities by government officials. And TV News 24, generally critical of the government, was assessed a hefty fine for ridiculing another station's promotion of the prime minister.

I would like to particularly draw your attention to Albania prior to the summer parliamentary elections. The 2005 parliamentary elections saw the first peaceful transfer of power since the fall of communism. In June, Albania will face an important test of its capacity to organize free and fair elections and continue on its path to Euro-Atlantic integrations, particularly since this will be the first parliamentary election under a new electoral system. But in addition to observing instances of media pressure, NED grantees who monitor various election-related activities report serious delays in completing technical requirements, such as issuing ID cards, compiling transparent voter lists and establishing a new Central Electoral Commission, which put at risk the credibility of the electoral process.

The recent elections in the neighboring Macedonia, on the other hand, demonstrated the country's maturity and its commitment to democracy. In stark contrast to the June 2008 parliamentary elections, the March local and presidential elections met most international standards, were well administered, and free of violence. But the issue of Macedonia's name and an indefinite delay in Euro-Atlantic integrations are undermining the democratic achievements of this Balkan success story and risk destabilizing fragile inter-ethnic peace.

And this brings me to Bosnia and Herzegovina, where inter-ethnic harmony seems to be an elusive goal. In fact, ethnic tensions seem to be at their highest since the signing of the Dayton Peace Accords 14 years ago. At the same time, pressure on media and NGOs, particularly in Republika Srpska (RS), remind us of the darkest period in Serbia under Milosevic. Transparency International had to close its office in Banja Luka last summer to ensure the safety of its staff following a barrage of verbal attacks and threats by RS officials. Journalists in both entities frequently find themselves under similar pressure, as evidenced recently when a group of investigative reporters from the Federal Television (FTV) was attacked in Trebinje, while their Monday night program is often censored and blacked out by the RS government.

I should, nevertheless, point to some reasons for optimism, the most recent being the adoption of the constitutional amendment on the status of Brcko. This historical event not only fulfills one of the five objectives set forth by the Peace Implementation Council, but also opens the door to a much-needed constitutional reform process. I would also qualify as promising the outcome of the October 2008 local elections, in which multiethnic parties either retained or gained power in important cities such as Sarajevo and, in general, increased their share of votes at the expense of nationalist parties.

That being said, there are many challenges ahead. Yet, I can sum up the key issue facing Bosnia and Herzegovina today, as well as the top priority for the international community, in two words—constitutional reform.

All of us present here are quite aware of why Bosnia and Herzegovina needs a new constitution. The current system is not only highly dysfunctional, inefficient, and unsustainable, but it also impedes long-term stability by entrenching ethnicity into politics. It allows political elites to repeatedly use the fear of “others” as a mobilizing tool, especially ahead of elections, giving them a consistent advantage over non-ethnic parties. Moreover, a number of existing constitutional provisions conflict with the European Charter of Human Rights and are thus inconsistent with the goal of EU membership.

This fear factor must be removed if Bosnia and Herzegovina is to have a chance at becoming a fully functional, democratic state, integrated into Euro-Atlantic structures. An important contribution towards rebuilding a sense of security, the importance of which may be underestimated at times by the international community, was made with the recent appointment of the new High Representative. Now the major task and the center point of the international community’s efforts should be constitutional reform.

I realize that the failure of the “April package” left a bitter taste in everyone’s mouth and that many countries, the U.S. in particular, may have little desire to tackle this issue again. But the international community has invested considerable time and resources into Bosnia and Herzegovina. As you, Mr. Co-Chairman, mentioned in your opening remarks of a November 2007 hearing on Bosnia and Herzegovina, “it would be a serious error if this international effort were allowed to fail . . . we owe it to the people of Bosnia to encourage them to move forward.”

Therefore, I would like to offer the following recommendations for future U.S. and European engagement in Bosnia and Herzegovina and the region:

The U.S. and EU should again focus on the Western Balkans and demonstrate a strong and consistent dedication to addressing all outstanding issues. Recommendations for renewed U.S. engagement include appointing a special envoy to the region, giving the Balkan portfolio a higher priority in the State Department, or, in the case of Bosnia and Herzegovina, organizing a Dayton II process. All of these approaches would be beneficial. In fact, increased attention to the region tends to have an immediate effect on the ground. For example, the simple announcement of a series of policy events in Washington focusing on Bosnia and Herzegovina, including this one, dampened nationalist rhetoric in the RS, whose lead-

ers have remained fairly moderate in their statements over the last few weeks.

While no longer in the driver's seat, the U.S. could nevertheless be useful in navigating and facilitating international engagement in the Balkans by providing the necessary political and technical support to its EU and Balkan partners. In the case of Bosnia and Herzegovina, it should work with its EU partners to find a common voice and formulate a coherent strategy with enough political will to see constitutional reform through as soon as possible, while securing a broad popular legitimacy.

Both the U.S. and the EU should adopt a more pluralist approach to reform processes throughout the region by reaching out to a broader, more diversified group of political and civic actors. This is especially important in Bosnia and Herzegovina's constitutional reform, where self-proclaimed ethnic leaders should never again be allowed monopolize and manipulate the process, as was the case with the "April package." Constitutional reform in Bosnia and Herzegovina should not be a top-down process but include broad public participation and awareness, thereby ensuring popular legitimacy. Prodemocratic opposition leaders, as well as civil society, should be recognized and allowed to participate as equal players in drafting, debating, and advocating for the new constitutional provisions.

Finally, time is of the essence. With every delay in restarting the reform process in the Balkans, we risk losing democratic gains made at such a cost. Bosnia and Herzegovina's constitutional reform is particularly time sensitive. Any attempt at constitutional reform must be swift and completed by the end of this year if prodemocratic, multiethnic forces are to have any chance in the October 2010 general elections. Allowing constitutional reform to be a topic in 2010 will force citizens to again cast their votes based on fear, and nationalist leaders to misuse the issue to their own gain. Thus, the international community should quickly engage all available resources, not the least those available locally, to help to create a new constitution by the end of 2009.

Mr. Chairman, Distinguished Members of the Commission,

In November 2005, the Secretary of State invited three Bosnian leaders to Washington to commemorate the 10-year anniversary of the Dayton Peace Accords and pledge support to the constitutional reform process. Almost four years later, we remain concerned about the country's territorial integrity, democratic future, and fragile interethnic peace. The kinds of programs that NED and its grantees are doing in Bosnia and Herzegovina and the Balkans to strengthen democracy remain important for the long-term stability and prosperity of the region. But, only a strong commitment by the United States and its European partners to help to create a new constitution can make Bosnia and Herzegovina a fully democratic state. If we succeed, we will have more reason to celebrate the 15-year anniversary of the Dayton Peace Accords.

Thank you very much. I look forward to taking your questions.

**PREPARED STATEMENT OF IVO BANAC, BRADFORD DURFEE  
PROFESSOR OF HISTORY, YALE UNIVERSITY**

Mr. Chairman and Distinguished Members of the Commission:

In your kind invitation you expressed an interest in my views on the overall trends in the countries of the Western Balkans as well as the Balkan region as a whole, and the potential impact the United States, the European Union and other international actors could have in shaping these trends. Bearing in mind my past and present engagement in both the governmental and the nongovernmental sectors in Croatia, you also welcomed any thoughts that I may have on the issues relating to democratic development, the rule of law and human rights that might be relevant to U.S. policy.

The main reason for the instability of the Balkan region has been the inability of the national elites to define and find common ground for an internally-generated process of regional stabilization. That means that the task of providing the framework for stability, as well as its enforcement, over the years has fallen into the hands of the international actors. In this respect, the American leadership has been particularly effective and helpful, even when some of the projects, which the past administrations have favored (Dayton Peace Accords, Kosovo independence framework), manifested serious flaws. I do not think that it is excessive to say that the "Europeanization" of the Western alliance's policy toward the Western Balkans cannot be sustained without the guidance of the United States. European policy on occasion has been contradictory and unnecessarily compromising, thereby providing opportunities to various local troublemakers and their international backers.

The current situation in Bosnia and Herzegovina (BH) is an illustrative example. The supposedly "reformist" Bosnian Serb leadership of Milorad Dodik has exploited the neglect of the international community and the flaws in the Dayton framework to carve out a semi-independent political entity (Republika Srpska, RS) that is currently using false analogies with the independence of Kosovo to argue for RS's full secession. Mr. Dodik would be dangerous enough were he acting entirely on his own. But he is not. He has solid support in various Serbian circles (official and unofficial) and he has found solid backing in Russia, whose state companies have bought much of the energy installations in RS.

Mr. Dodik plays on the Western fears of Muslim terrorism in order to dismiss any effort toward a workable constitutional reform in BH. He has managed to attract a modicum of a Bosnian Croat following by giving support for the Croat "third entity" in BH, separate from the Bosniak-Croat Federation. His systematic destabilization of BH, which apparently includes the arming of his police force, goes hand in glove with his intensely provocative ethnic vitriol, a practice in which he has many imitators in other ethnic elites, but hardly any equals. It is clear that a new US initiative, with the aim of developing a new workable constitution for a re-integrated BH, without ethnic entities or cantons, would be a welcome development in this highly combustible case. The New York Times (Feb. 27) recently cited a Bosnia specialist's opinion that "if the Serb republic declared independence, neighboring Croatia would respond by sending in troops, and Bosnian Muslims would take up arms." That is not an overstatement. Tensions in BH have

reached a new critical stage, when it is indeed possible to imagine new armed conflict. This is a highly frustrated, depressed, and structurally ungovernable country. BH is currently by far the most dangerous corner of the Western Balkans.

The situation in Kosovo is more controlled, but has significant potential for new entanglements. The Ahtisaari Plan is an article of the Kosovo constitution, meaning that all of its recommendations have been adopted, with the exception of its most important part—the integration of Serbs, who refuse any cooperation with the Kosovo authorities. This situation, too, is taken for granted by the European Union Rule of Law Mission (EULEX), which assists the Kosovo authorities in matters concerning police, judiciary, and customs. The EULEX has been deployed throughout Kosovo, most recently in the Serb enclave north of Mitrovica, but its effects are modest. The EULEX implements only the United Nations Mission in Kosovo (UNMIK) laws in the Serb enclaves, not the Kosovo laws (the EULEX chief of mission Yves de Kermabon recently agreed with Serbia's President Boris Tadic that the law applied in southern Serb enclaves in Kosovo will be Serbian law). At the same time the EULEX cannot prevent Serbia from boycotting the Kosovo customs stamps.

The fact is that Serbia not only continues obstructing the recognition of Kosovo (Tadic's recent lobbying against Spain's recognition in Madrid is a case in point), but maintains parallel structures in parts of this nominally independent state. Though most segments of the Kosovar political elite seem to accept this state of things, there is widespread discontent and disaffection with the policies of the international community among the broad segments of society (Albin Kurti's Vetëvendosje). Not coincidentally, the oppositionists are the most consistent critics of corruption and hold the current situation directly responsible for the ongoing legal chaos and potential violence down the road.

Following the elections of May 2008 Serbia has made some progress, but not as much as could have been accomplished had the international pressure been maintained. The arrest and extradition of Radovan Karadžic is a clear demonstration that Belgrade can be responsive. Hence, it makes no sense to lessen the pressure in recognition of partial compliance. International diplomacy, in general, has tended to reward Serbia for minimal concessions. That is why Serbia's full cooperation with the International Criminal Tribunal for the former Yugoslavia (ICTY) must not be compromised, especially in the outstanding case of Ratko Mladic. The US government ought to reverse the stand on limiting the mandate of the ICTY and, very important, take a decisive step in favor of strengthening the international justice system by supporting the International Criminal Court (ICC) through congressional ratification of the Rome Statute.

Although one could cite various examples of violations of human rights and the rule of law in Albania, Croatia, Macedonia, and Montenegro, the current situation in these countries is not as alarming as the cited sources of instability in Bosnia, Kosovo, and Serbia, in that order. The optimum solution for all these problems is in the EU and NATO expansion. The European security system will receive its final touches only when all the countries of the

Western Balkans have become full members of the EU and NATO. The various Balkan “national questions” would be significantly mitigated if all the ethnic communities were incorporated within a single system of relatively symbolic borders, where the current restrictions to the free flow of labor and goods would be lifted. Unfortunately, this optimal solution is currently being stalled due to a number of obstacles:

(1) The EU expansion is in trouble as a result of the world economic crisis, obstacles to the ratification of the Treaty of Lisbon after the Irish referendum (June 2008), and lack of political leadership in a number of EU countries.

(2) Rogue policies of two EU countries (Slovenia and Greece) created serious problems to the Croatian EU accession and the Macedonian NATO accession. The fact that all EU countries have not recognized Kosovo is evidence that the urgency of Balkan stabilization is not grasped in some capitals.

(3) Euroskepticism has gathered strength in some countries (Croatia), where inconsistent policies of the European Commission (e.g., the refusal of Javier Solana to comply to the ICTY subpoena at the request of the Ante Gotovina defense) have been interpreted as contrary to the EU principles. (The Croatian Helsinki Committee released a statement on this issue this morning.)

(4) Russia’s political and economic offensive in Southeastern Europe—the only European area where Russia can hope to assert its great power ambitions—has operated against Western associations, even in those countries that are already in the EU and NATO. (Russia is a very serious player in Bosnia and Herzegovina, Montenegro, Serbia, and increasingly in Croatia and Hungary.) In addition, European oil and gas dependency on Russia has prevented a more critical response to Russian initiatives in Southeastern Europe.

In a sense, precisely when EU input is more necessary than ever, obstacles generated by a number of EU countries are derailing the stabilization of the Western Balkans. This is a case for renewed American engagement and leadership.

I would recommend the following:

(1) The United States should not ignore the Balkan area simply because a number of other problems are more pressing. A new American diplomatic initiative is necessary for the stabilization of the whole area, especially of the three critical countries of Bosnia and Herzegovina, Kosovo, and Serbia.

(2) Bosnian situation should have priority. The US government should complete the Dayton process by developing a new plan for the reintegration of Bosnia and Herzegovina, but not with an ethnic yardstick. It makes no difference whether Bosnia is effectively partitioned into two, three, or twenty-three ethnic entities. Ethnic territorialization always operates against the unity of complex societies.

(3) The new administration should reaffirm commitment to the ICTY and the ICC.

(3) The US should exercise influence on the EU allies to promote and revitalize the EU and NATO expansion. Serious efforts should be taken against obstinacy of key allies (Greece) whose irresponsible policies (question of Macedonian state nomenclature) operate

against the interests of the alliance. In a similar vein, every effort should be made to promote the recognition of Kosovo among the European holdouts.

(4) The civil sector should not be neglected, particularly in the current economic circumstances, but priority ought to be given to those NGOs that work with concrete cases, not the various reconciliation schemes that frequently operate in a political vacuum, nor should the OSCE operations be disbanded for purely fiscal reasons.

Finally, in answering the inevitable question of “why,” my answer remains the same as during the 1990s. Had the international community pressed Slobodan Milošević to stop his attack on Slovenia and Croatia in 1991, Bosnia never would have occurred. Had Dayton been used to address the issues of Kosovo, the 1999 NATO intervention probably would not have been necessary. Deferred problems always come back in much worse forms. The issues of the 1990s were stopped at some expense. That does not mean that they cannot be repeated in even more dramatic ways. Prevention should have primacy.

**PREPARED STATEMENT OF JAMES LYON, SENIOR ASSOCIATE,  
DEMOCRATIZATION POLICY COUNCIL**

Mr. Chairman and Distinguished Members of the Commission:

Thank you for the opportunity to address you and discuss developments in the Western Balkans. The Democratization Policy Council thanks you for your committed interest in the region, ongoing support, and recognition of the need for continued international attention to the problems facing the Balkans.

I have been asked to speak today about overall trends in the region, discuss U.S. and European engagement, including where their priorities coincide and where they collide. Although I will discuss several countries in the region, I shall devote the bulk of my testimony to Bosnia and Herzegovina, a country in which much has been invested, much has been achieved, and yet which is of renewed concern.

With the exception of Kosovo, since 2001, US policy towards much of the Western Balkans is best described as leaving the region to the European Union, with Washington supporting whatever foreign policy Brussels created. As a foreign policy, the EU relied solely on the lure of eventual EU membership, so-called “soft power”, to entice the Western Balkans into undertaking the difficult reform process and overcoming the legacy of the conflicts of the 1990s. Today the SAP, and by default, US policy, have reached the limits of their effectiveness.

The SAP is, of necessity, one-size-fits-all, based on the assumption that Western Balkan states are similar to other Eastern European countries, such as Poland, Hungary, and the Czech Republic. Yet these other states were, by and large, ethnically homogenous with fixed borders, and had not been at war since 1945. None of these assumptions holds true for the Western Balkans, and consequently.

In contrast to the rest of Eastern Europe, the Western Balkans have unresolved border issues, some with neighbors and others internally, as well as serious internal ethnic frictions, and all had been involved in wars during the 1990s, some as recently as 2001. The reality of the post-conflict, boundary-driven, ethno-nationalist politics means that most of the Yugoslav successor states are even today involved in state and nation-building processes that took place in Western Europe from the 19th Century to 1945. As a result, considerations of borders and ethnic minorities often drive policy. Until these processes are finished, or until the US, EU and other allies formulate a cohesive policy that counters these processes, the ability of the EU to use “soft power” as its central pillar of foreign policy will be inadequate and cannot, alone, provide the stability the region so desperately needs.

For many Balkan states, the lure of EU integration is not as powerful as Brussels had envisioned. The failure of the Lisbon Treaty, combined with internal EU disagreement over enlargement policy, has sent a signal to the Western Balkans that EU enlargement is not a priority. Bosnia and Herzegovina, Croatia, Kosovo, Macedonia and Serbia have all stalled in the European accession process, and in the case of Bosnia, the hard-won progress of the past 13 years has been jeopardized amid increasing rumblings of the possibility of renewed conflict and an ethnic carve-up. The “soft

power” of European accession, while necessary and desirable, has clearly reached its limits as an inducement to progress.

To understand the dynamics working against EU soft power, it is worth taking a brief glance at each of the five countries that has run into obstacles.

Kosovo is beset with serious problems, ranging from organized crime to corruption to a dysfunctional economy and a society whose clan structure makes the transition to modern political organization difficult. The disputed nature of Kosovo independence, along with the presence of de facto partition and poor relations between majority Albanians and minority Serbs, means that Kosovo’s status struggle is ongoing and overshadows all other issues. So too, the potential for a renewed outburst of interethnic violence and ethnic cleansing always looms in the background.

The EU is deeply divided over the issue, with five member states—Cyprus, Greece, Romania, Slovakia and Spain—refusing to recognize independence. The inability of the EU to reach consensus on recognizing Kosovo has led to weak EU and international supervisory institutions with blurred and uncertain mandates. The EU loses even more credibility through a dysfunctional EUSR who is dual-hatted as an equally dysfunctional International Civilian Representative. International structures reflect the partition on the ground, with only token international authority over the Serb north. Serbia’s legal challenge to Kosovo’s independence before the International Court of Justice will dissuade the five EU dissenters from recognizing anytime soon.

Given these difficulties, Kosovo is arguably not yet ready to even begin the Stabilization and Association Process.

Serbia is deeply divided. Although most Serbs desire EU membership, many important constituencies among the economic, political, security and opinion-making elites oppose the reforms necessary to move ahead. Many Serbs are unable to move beyond Kosovo’s status and cooperation with the Hague war crimes tribunal.

The EU carrots available are limited, and Serbia’s elites have not yet perceived the incentives as being sufficiently enticing to overcome entrenched economic interests and monopolies that oppose the reform process. EU membership cannot alleviate the trauma of losing Kosovo, nor can it overcome Serb anger at the US government for supporting Kosovo independence.

As a result, important elements within Serbia’s elites have begun to explore other options: not only closer engagement with Russia, but also efforts to revitalize the non-aligned movement. Russian activism on the energy front, including privatizing oil refineries in Bosnia and Serbia, as well as the planned South Stream pipeline, has weakened the EU’s appeal to some political elites. Although Brussels believes that there is no alternative to EU membership, elites in Belgrade perceive that options may exist that require less change, sacrifice and disruption to Serbia’s body politic than EU-mandated reforms.

Macedonia is fragile internally and still susceptible to a possible spillover of tensions from neighboring Kosovo, and the government must maintain a delicate balancing act required by the Ohrid Agreement. Although it achieved EU candidate status in 2005, and

held successful elections just last month, Macedonia's accession prospects have run into a hurdle due to Greek opposition to its name. Athens obstructs NATO membership and EU accession talks. It is unlikely that Greece will change its position over the name anytime soon. As a result, there is little the EU or NATO currently can offer Macedonia by way of inducement or support.

For Croatia, relations with Serbia are still very delicate. Zagreb still discriminates against its Serb minority population on refugee return and property rights. Entrenched interests within the security structures, the post-1990 economic elites and the justice sector have slowed the pace of reform. Yet Croatia continues to slowly make real progress towards the coveted goal of EU membership.

Croatia faces an unusual challenge in that it has territorial disputes with one EU member (Slovenia) and a budding dispute with a second (Greece). Croatia disputes fishing rights in the Gulf of Piran and demarcation of the land border with Slovenia. Greece objects to Zagreb's reference to Croatia's Macedonian ethnic minority in Croatia's EU accession documentation. Although a candidate member since 2004, both disputes have brought a halt to Croatia's progress towards European membership.

And now, Bosnia and Herzegovina. The Dayton Peace Accords often appear to be "war by other means", as the country's Bosniak, Croat and Serb politicians have continued to pursue war-time goals via the Dayton constitutional structure, with Serbs obstructing true political reform on the state level while trying to take state-level competencies for themselves. The Bosniaks have obstructed privatization and economic liberalization in the Federation—the entity they dominate—while Croats sit back and watch. When given the choice between pursuing EU-required reforms, Bosnia's politicians—Serbs in particular—have stated loudly and unequivocally that EU membership takes a back seat to nationalist imperatives.

Since early 2006, in spite of the appearance of progress, Bosnia has demonstrably slid backwards. Today elements among all three sides talk of rearming, and some now mention resorting to violence or secession to achieve political goals. Such talk is increasingly prevalent among political elites, something that was unthinkable in 2005. The international community is in disarray, still undecided on what "transition" from the OHR to the European Union Special Representative (EUSR) entails. The EU peacekeeping force, EUFOR, is now slated to be reduced to a 200 person training mission and give up its UN Chapter VII peacekeeping authorization.

Bosnia still appears unable to create functional governing structures capable of participating in the SAP without substantial international oversight and engineering. The prospect of Bosnia's politicians developing such structures in the short to medium term, absent sustained international involvement appears, at best, remote. So too, Bosnia's ability to credibly meet all the "5+2" criteria established for shutting the Office of the High Representative is also uncertain, recent progress on Brcko notwithstanding. Even should Bosnia meet the criteria, there is little prospect that the transition from OHR to EUSR will halt the backward slide.

Milorad Dodik, leader of the Serb entity, Republika Srpska, is actively undermining state institutions and appears in many regards to be imitating the actions taken by Montenegro in the run-up to

that country's independence. His bête noir, Bosniak politician Haris Silajdzic, has pulled the entire Bosniak political spectrum further to the right and decreased the maneuvering room available to more moderate politicians. Among the Bosniaks, the moderates are being squeezed out in favor of politicians with more belligerent attitudes. The world economic crisis may tempt some politicians to channel popular frustrations into a more aggressive stance towards opposing ethnic groups.

At this moment it is clear that Bosnia's future as a unified state is not guaranteed. Much-needed constitutional reform still seems distant. The unanimous consensus among Bosnia's politicians is that should the state fall apart, it would not be peaceful. Should Bosnia begin to unravel, its ripple effects would place US relations with Russia, the EU and the Islamic world under strain. It would create refugee flows and humanitarian crises, and possibly create spill-over in other Balkan countries, such as Kosovo and Macedonia.

Mr. Chairman, Distinguished Members of the Commission,

There is an increasing risk that the international community's investment in the Western Balkans could unravel, and time is working against us. The US has an interest and a special responsibility, as it has spent substantial prestige and treasure in stopping the wars and stabilizing the region.

The Balkans represent low-hanging fruit in any foreign policy calculation: stability can be achieved without substantial new resources. Halting Bosnia's backward slide and preventing renewed conflict will require renewed and robust US diplomatic engagement in support of a credible and strategically coherent EU policy to bolster EU "soft power." In this respect, the appointment of a Special Presidential Envoy to the region would go a long way.

Mr. Chairman, Distinguished Members of the Commission,

The US must return to being an active player in support of its European partners. Should it do so, it can secure its long-term investment and rack-up a success with the EU—a partner it needs for so many policy priorities worldwide. Should Washington remain disengaged, it will share in a policy failure that will incur considerable costs in the region, with the EU, and in the wider world.

Thank you very much. I look forward to taking your questions.









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