Key Issues

- While the Dayton Accords of 1995 ended the war, it did not provide a blueprint for a democratic multi-ethnic state of Bosnia and Herzegovina.
- Despite initial successes, the last 15 years saw a further deterioration of an already-divided Bosnia, due to an increasingly corrupt ethno-nationalistic leadership and dysfunctional governance structures.
- The global financial crisis of 2008 and the confrontation over Ukraine shifted attention away from a seemingly pacified Balkans.
- The stalled EU integration has weakened its pull factor and contributed to the dramatic demographic stress—the real danger for socioeconomic progress.
- Moscow’s revisionist forays and China’s strategic investments further complicate matters. Washington’s recent return to the Balkans could provide a much-needed impetus for renewed EU/US action.

Almost thirty years ago the war in Bosnia and Herzegovina (BiH) started, and even by now the country’s three ethnic communities—Muslim Bosniaks, Orthodox Serbs, and Catholic Croats—still cannot even agree on the month, let alone the day, of 1992 when the conflict actually began. Whatever the answer, Bosnia is still dealing with the aftermath of the bloodiest conflict in Europe since 1945, when Yugoslavia split asunder in violence and war.

Liberal Interventionism’s First Arena

Despite a series of diplomatic and ultimately military interventions by the International Community (IC)—of which the Dayton Accords of 1995 was the most prominent—the “Era of Unpeace” in the region has never been brought to an end. Establishing peace in the Western Balkans (WB) remains one of Europe’s most intractable challenges. A further deterioration of relations came in 2021, both within and between several of the Yugoslav successor states. The rationale for the breakup of Yugoslavia—that “we cannot live together”—has long since entered their local politics. Perceived “ancient divides” have become part of domestic politics and provide the Balkanization metaphor with a dubious new meaning.

The remnants of two historic conflicts stand out: first, Dayton-pacified Bosnia and Herzegovina; and second, the breakaway province of Kosovo, located in Serbia’s mythical heartland. With its close to ninety percent ethnic Albanian population, Kosovo unilaterally declared independence from Serbia in 2008. However, its statehood remains unrecognized to this
day by Serbia and almost half of the UN member states, including EU members Cyprus, Greece, Romania, Slovakia, and Spain.

**Bosnia & Herzegovina and Kosovo – Unfinished Business**

These two unresolved problems, BiH and Kosovo, leftovers from the Yugoslav wars of the 1990s, still haunt their own populations and Europe alike. Since 2011, the question of Kosovo’s status has been framed in an EU-mediated dialogue between Belgrade and Pristina. Provided the Ukraine crisis will not get out of hand, Kosovo will eventually be resolved, thanks to the persistent joint EU/US effort.

Dayton Bosnia with its externally imposed constitution and dysfunctional governance system poses a far greater challenge. After all, the most consequential conflict of the Yugoslav wars took place in Bosnia between 1992 and 1995. The results were staggering: more than 100,000 casualties, systematic “ethnic cleansing,” the forced displacement of more than fifty percent of Bosnia’s population, a near total destruction of its economic infrastructure and—what was even worse—the rupture of the social fabric of this country of four million.

Bosnia’s majority of Muslim Bosniaks (50.1%), Orthodox Serbs (30.8%), and Catholic Croats (15.4%)—based on the 2013 census—still have not found their common modus vivendi within the internationally guaranteed borders.

While a majority of Kosovo’s population remain strongly committed to statehood—too often to the detriment of the minority Serbs—the Bosniaks, Serbs, and Croats of Bosnia and Herzegovina have yet to agree on a common raison d’être for their mutilated state. Current politics suggests that many Bosnian Serbs would actually prefer greater separation from the state and eventual union with Serbia proper. The Bosniaks, in turn, vie for a centralized Bosnian state in which they would constitute the majority. Lastly, the ethnic Croats, most of whom are already equipped with Croatian EU-passports, remain divided between their leadership’s quest for a third entity and the creation of a more centralized state, which is generally preferred by those Croats living in the northern and central parts of Bosnia and Herzegovina.

Despite massive financial, economic, and political investment, primarily from European sources, coupled with repeated diplomatic interventions in North Macedonia, Montenegro and Albania, a decisive breakthrough in the so-called Western Balkans Six (WB 6) remains elusive.

Indeed, quite the opposite is true: with the resurgence of a new Cold War between Russia and the EU/US (triggered by Moscow’s hybrid aggression in response to NATO’s eastward expansion and pro-Western colour revolutions in Ukraine and Georgia), paired with China’s emergence as a newly assertive actor on European soil, Southeast Europe has become a new geopolitical battleground.

**The Bosnian Quagmire**

Local actors like Milorad Dodik, the Bosnian-Serb member of the presidency and a long-time favourite of Putin’s, are now punching far above their real power. The leader of the Bosnian Croats, Dragan Čović, has suddenly attained regional weight via Zagreb’s EU membership and Moscow’s support for his destructive actions. And Bakir Izetbegović, the president of the majority Muslim party Stranka demokratske akcije (SDA), while pretending to support a civic state, has found ample support for his notorious patronage network in neo-Ottoman Turkey.

Throughout the region, the promise of EU membership—a core tenet of Brussels’s enlargement policy since 2003—has lost its lustre. The reasons are manifold. The EU, overpowered by its own problems, seems simply to lack the resolve to act strategically.

The Dayton Accords stopped the war, but over time this agreement has degenerated from a life vest into a straitjacket for Bosnia and Herzegovina. The long overdue reform of Bosnia’s discriminatory constitution (an EU/US initiative to reform the electoral law is underway), along with the streamlining of its Byzantine bureaucracy, now depends on an unlikely coalition of Serbs and Croats, while the centralist Bosniaks seem to be providing
no help either. Indeed, the Bosnian Constitution can only be amended with the support of a two-thirds majority in the lower house of the country’s Parliamentary Assembly.

The three ethno-nationalist leaders are united in their quest to uphold and further cement the untenable status quo in order to safeguard their corrupt political power and economic stranglehold. Under the increasingly less watchful eyes of the IC, Bosnia has become a captured state whose clientelist politics are de facto funded by Europe’s taxpayers.

Joint EU/US efforts to break the gridlock seem destined to run into ever deeper difficulties. Most puzzlingly, some US and European NGOs and think tanks—populated by actors united in flexian networks with overlapping personal and institutional agendas—add to the confusion by pushing proposals that have not worked in the past and that will clearly not work any better in the future. As much as one might wish otherwise, a straightforward one-person-one-vote system without due regard to ethnic representation remains anathema to Bosnia’s consociational tradition of group-based power sharing.

It does not help, either, that the Balkans strongman syndrome is getting a new lease on life from the corrupting economic forays of Russia, China, and Turkey, along with the export of their domestic authoritarian practices. The European Union’s rule of law principle—never having taken deep roots in the region—has been progressively supplanted by the rule of power as a welcome alternative to the liberal democratic system.

Unfortunately, the enemy is also within. The authoritarian temptation might be even more attractive for Bosnia’s ethno-Troika, coming from neighbouring EU member Hungary, than from faraway Beijing. Hungarian Prime Minister Victor Orbán’s unsavoury entanglements in the region, for example the investments into the fledgling Balkans media scene by his Magyar oligarchs, do more harm to the credibility of the European Union than China’s debt trap diplomacy, as practised in Montenegro, which repays close to a quarter of its gross domestic product to Beijing for its “highway to nowhere.”

**What, Now, Can the European Union Do?**

1. On Bosnia and Herzegovina: Fully aware of the structural weaknesses of the EU, Brussels must push for the streamlining of the international presence in Bosnia and take on a greater partnership responsibility for the European future of BiH.

Although in BiH, military responsibility was handed over by the NATO-led Stabilisation Force (SFOR) to the European Union Force in BiH (EUFOR)-Althea, and international civilian post-conflict missions were phased out several years ago, the Office of the High Representative (OHR), the post-war international civil agency overseeing the implementation of the Dayton Accords, remains in place. Vastly reduced in expertise and relevance, as well as in its impact and standing, the OHR has actually become part of the problem.

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The European Union is challenged to fully commit to its immediate neighbourhood. There it could start finessing the concept of Strategic Autonomy and prove that Brussels is indeed serious about its latest proposal, the Strategic Compass, for an era of increasing power competition.
While EUFOR and NATO guarantee local security and the EU Mission provides policy and socioeconomic support, the OHR is “lost in transition” and has become the symbol for a dysfunctional protectorate.

The latest crisis is a case in point: It was triggered by an ill-fated decision of an outgoing high representative and must now be resolved by the EU and the US. And Russia—which does not recognise the new high representative, German Christian Schmidt—gleefully watches the ensuing drama. For years already Moscow has been abusing its membership in the PIC (Dayton’s Peace Implementation Council) to promote its spoiler strategy.

2. Lessons (Un)learned:

2.1. While the groundwork for a democratic state in BiH was successfully laid in the first ten years of international peace implementation, the past fifteen years have often witnessed an often helpless and clueless international civilian oversight.

The backlash has been palpable. More than a quarter of a century after the end of the war, the old instruments no longer work.

Some twenty years ago, while serving as high representative, I introduced the process of local ownership, the reform-based and careful handover of responsibility to the state institutions. To this day, common sense suggests that there is no other successful way ahead. This approach must entail resolutely streamlining the international presence by closing the once crucially important OHR and assigning full responsibility to local democratic actors. It would in turn involve empowering the EU—which already maintains its largest civilian and military missions in Bosnia—to contribute to a more stable and secure political environment in BiH, a precondition for any future economic progress.

The recently proposed creation of a regional internal market—“Open Balkan”—by Belgrade-Tirana-Skopje, aims at preparing the region for an ever-more elusive EU membership; it could become a sort of training ground for accession. While only being the latest in a series of (less than impressive) regional cooperation arrangements, it would benefit from a decidedly fair and inclusive setup. Similarly, Brussels’s proposal for a Common Regional Market would neatly fit into the latest EU initiative, the “Green Agenda for the Western Balkans”.

There is yet another lesson: The all-too-visible environmental degradation and the climate catastrophe—Sarajevo is one of the most polluted cities worldwide—are arguably topics of trans-ethnic concern that could help to unite an otherwise disunited region.

**But the EU Could Do Even More**

1. Change the Narrative and Treat Locals as Citizens: For starters, deconstruct the perennial ethno-nationalistic and collectivist narrative which was naively adopted by the IC at the outbreak of the Yugoslav wars and which only serves to keep individual citizens under the kleptocratic control of the local political nomenklatura.

2. Unmask the Empty Rhetoric: Be it the long-lasting threat of secession by the Bosnian-Serb member of the presidency or the demand for further separation within the already-divided state by the Croat leader, such extremist rhetoric only masks the disastrous economic performance—and the endemic corruption—of these political leaders. The run-up to the October elections could prove a real window of opportunity to empower the democratic and civic forces against the kleptocratic elite with an attractive program for change.

3. Apply Smart Power: The long-running dispute over how to react to violations of the Dayton Accords has oscillated between voicing concern over each and every transgression, whether large or small (just read the OHR reports to the UN of the past twelve years!) and intermittent threats or outright blunders. This toxic mix has led into the proverbial cul de sac.

While Bosnia’s judiciary system (supported by international experts) has not even led to a single high level court case, stand-alone sanctions are of dubious value too, as demonstrated by the fact that the Bosnian Serb presidency member was elected to the highest state position in 2017 only after he was put on the United States’ list.

Whether the recent measures taken by Washington
will produce tangible policy results—as a rising number of citizens desire—remains to be seen. Without a European policy follow-up—preferably led by Germany—such sanctions will not right the many wrongs. Unfortunately, both the EU and the US seem to still be short of a compelling smart power strategy.

4. Civic and Democratic: The EU must put its policy focus squarely on the civic and democratic forces in Bosnia and elsewhere in the region (yes, they existed even before Yugoslavia’s collapse) and follow the real-life issues. Gladni smo na tri jezika (“we are hungry in three languages”) was the convincing slogan of the first, and so far, only, nonethnic revolt in Bosnia in 2014. As in many cases, spontaneous upheavals need a well-planned civic follow-up. Sustainable democratic change has to come from the inside, and promising initiatives do exist throughout the country.

Today, rule-of-law issues are prevalent all-over southeast Europe (both within the EU and in its neighbourhood). In order to successfully fight high-level corruption, it is pivotal to engage in justice sector reform (as the EU has successfully done in Albania).

However, more than sanctions or blacklisting, the Balkans shadow elites fear the Sanader effect, where in the course of the EU accession negotiations with Croatia it was made clear to Zagreb that there could be no EU membership with the then-Prime Minister Ivo Sanader remaining in power. Mr. Sanader was subsequently sentenced for corruption by a regular court, while Croatia became the latest member of the European Union in 2013.

5. And Finally: “It’s the Demography, Stupid!”: All efforts will be in vain if the catastrophic demographic developments in the Western Balkans are not addressed. While nationalistic leaders pretend to fight for their people, hundreds of thousands of educated young citizens are leaving their countries. The WB 6 are under severe demographic stress (as are EU members Bulgaria and Romania and even Croatia—membership is no panacea either).

Let’s face the issues of the twenty-first century: The real threat to Bosnia (and the whole region) is not the return of war—frequently evoked by ethno-extremists and even many Western pundits; it is the exodus of the young and educated. Towns, villages, rural areas are emptying, leaving behind the aged and incapacitated. Bosnia has lost more people to migration in one year than were killed in the entire war of 1992-1995.

The European Union is challenged to fully commit to its immediate neighbourhood. There it could start finessing the concept of Strategic Autonomy and prove that Brussels is indeed serious about its latest proposal, the Strategic Compass, for an era of increasing power competition.

By effectively tackling the relatively smaller problems in its own Balkans backyard, the EU would increase its credibility for its attempts at charting an independent course through mounting geopolitical headwinds.
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He is now the president of the Austrian Marshall Plan Foundation and a bestselling author and editor of more than a dozen books; most recently: Epochenwechsel. Unser digital-autoritäres Jahrhundert (2013/14). Dr. Petritsch was the Joseph A. Schumpeter Professor at Harvard University and in 2016 guest professor at the University of California, Berkeley. In 2007, he was bestowed the European Human Rights Award.

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