

Getting Back on Track in Bosnia-Herzegovina

“The international officials who have run Bosnia as a virtual protectorate since the West forced a peace deal in 1995 are eager to scale back their presence here soon,” reported the *New York Times* eight years ago.¹ Sadly, not much has changed since. Bosnia was Europe’s first major post–Cold war tragedy. Its bloody collapse attracted global attention and shaped our understanding of the security dilemmas posed by the post–Cold War world. Peace has held since the 1995 Dayton Accords, but in spite of over \$15 billion in foreign aid as well as the sustained deployment of thousands of NATO and EU troops, the country still struggles to achieve the political consensus necessary to cement its stability and break free of international tutelage. To make matters worse, the situation has deteriorated, especially over the last four years. Circumstances on the ground are polarized and increasingly tense. Meanwhile, Bosnia’s problems are contributing to rifts between the United States and Europe.

The fifteenth anniversary of the Dayton Accords arrives this fall, along with the second round of national elections since tensions have begun again. The time is ripe for a reorientation of transatlantic strategy. Revitalizing the stalled reform progress will be crucial to overcome the debilitating dynamics of ethnic nationalism and to allow self-sustaining peace to take hold. To do so, however, both the United States and Europe should reassess their current policies and recover their common perspective.

Christopher S. Chivvis is a political scientist with the RAND Corporation in Washington, D.C. and adjunct professor of European Studies at the School of Advanced International Studies (SAIS) at Johns Hopkins University. Harun Đogo, currently based in Brussels, is a doctoral fellow at the Pardee RAND Graduate School and was formerly an officer in the Bosnian Air Force.

Copyright © 2010 Center for Strategic and International Studies
The Washington Quarterly • 33:4 pp. 103–118
DOI: 10.1080/0163660X.2010.516605

From Problems to Progress

Bosnia's postwar history can be divided into three acts. The first opened with Dayton and lasted approximately five years. In this act, the situation was highly unstable since the compromise inherent in Dayton was fragile. The agreement introduced a hybrid political system that accommodated Serb demands for autonomy on one hand,² while meeting Bosniak demands for a unified state on the other.³ Two "entities" which roughly approximated the territory occupied by the warring sides were created—the Bosniak-Croat dominated Federation of Bosnia-Herzegovina and the Serb-dominated Serb Republic—and a loose federal structure was established to tie them together.

Although this arrangement ended the violence, it accommodated the ethnic nationalism, and did not resolve the underlying issues that had fueled three years of war. Nationalist leaders were reelected repeatedly in the early postwar era, and they took positions which were not at all conducive to reconciliation and peace-building. In the Serb entity, radicals proceeded as if Bosnia's joint state institutions did not exist and ignored Dayton to the maximum extent possible. In the Federation, disagreements between Bosniaks and Croats over power sharing paralyzed the political process.⁴

U.S. and European leaders took several steps to improve the situation and promote reconciliation, extending NATO troop commitments repeatedly, and deepening their civilian role by authorizing (along with Russia and other key members of the international community) the Office of the High Representative (OHR) to intervene in Bosnian politics as necessary to protect the Dayton Accords. The authority contained in the so-called Bonn Powers gave the high representative the power to remove officials from any public office, proclaim laws, and seize property.⁵

Act two began about five years after Dayton, when these efforts started to pay off. A new, moderate coalition backed by the international community was elected that implemented a number of important reforms through the end of its term in 2002. Meanwhile, the high representative broke up the Croat's parallel government, raiding the offices of its financial backers with NATO forces. Although nationalists returned to power in the 2002 elections, they began to take a more moderate line. The Federation, therefore, started overcoming the political deadlock that had paralyzed it since the war.

The arrival of Lord Paddy Ashdown as high representative in 2002 resulted in a number of further improvements. Ashdown made it clear that he planned to use the Bonn Powers to remove deadlocks and get Bosnia on track to normalization.⁶ In 2004, for example, he removed some 60 members of the Serb Republic's parliament, many of them from the ruling nationalist party, for maintaining links to Radovan Karadžić, who at the time was still a fugitive from the

International Criminal Tribunal on the former Yugoslavia. The result was the elevation of the comparatively moderate nationalist Dragan Čavić to power, and a general improvement in the tone of political discourse.

During this period, Bosnia made real progress toward implementing Dayton and stabilizing its political system. Tax collection and customs were centralized at the state

level and a value added tax was established which decreased the state government's fiscal reliance on the entities. Defense reform was also completed, unifying the armies of the former adversaries into a single national defense establishment. In addition, a state-level judiciary was set up to target corruption and to prosecute war crimes, both of which were important for defusing the nationalist forces which continued to destabilize the situation.

Meanwhile, efforts to boost Bosnian economic performance advanced apace. For example, Ashdown's "Bulldozer Initiative" aimed to strike down burdensome regulations and generally improve governance.⁷ This initiative, combined with growth in remittances, renewal of the flow of credit, and a successful round of privatization of state-owned enterprises, restarted domestic consumption and encouraged sustained economic growth. By 2006, the International Monetary Fund (IMF) was projecting that Bosnia was likely to enjoy annual growth rates of five percent for the foreseeable future.⁸ By regional standards, the Bosnian economy was doing fairly well, keeping pace with other countries in the region.

By early 2006, nation-building in Bosnia thus looked quite successful, especially viewed against the backdrop of war in Iraq, a deteriorating situation in Afghanistan, and tensions in nearby Kosovo. NATO forces had been drawn down from the original level of 60,000 and replaced by an EU force of 6,400 in late 2004. Hopes were soaring that the high representative would soon shut down and Bosnia would move swiftly toward membership in NATO and eventually the EU. Sadly, exactly the opposite happened.

When Things Fell Apart

The third act of Bosnia's post-conflict history began a decade after Dayton when, heartened by improvements under Ashdown's tenure and with world attention now focused elsewhere, the international community tried to move Bosnia beyond the accords by strengthening the country's feeble state-level political institutions—that is, the institutions that bind the two entities together into a single state.⁹ Those institutions too often seemed like all brakes and no motor.

There is growing recognition in major Western capitals that Bosnia is again verging on crisis.

With the war now ten years in the past and progress on the ground accelerating, the time for constitutional overhaul that would put Bosnia on the path to self-sustaining stability seemed ripe. By centralizing its government and weakening the entities, Bosnia would gain a full measure of sovereignty and become better prepared to undertake the reforms needed for integration into international institutions such as the EU and NATO. Meanwhile, the transposition of politics to the state level would force Bosnian political parties to aggregate interests across a different set of issues, such as the health of the economy or the general responsiveness of the government to what its citizens need. In turn, this would help Bosnia's politics grow less nationalist in character.

An initiative to reform Bosnia's constitution was thus undertaken in late 2005, with the support of the U.S. Embassy and U.S. nongovernmental organizations. By early 2006, the initiative appeared to have gained the support of most key players, but at the last minute two parliamentarians defected, and the reform failed by a razor thin margin.

The failure of constitutional reform set the scene for the deterioration of Bosnian politics in the rest of the third act. By 2006, which was also an election year, the debate over constitutional reform had given opposition parties a chance to show their nationalist credentials by opposing the agreement. In the Federation, Haris Silajdžić, former foreign minister of war-time CNN fame who had removed himself from the political scene and was now seeking a return to power, claimed the reform package did not go far enough. According to him, Bosnia needed a one man-one vote system.¹⁰ Because the Bosniaks far outnumbered the Bosnian Serbs, any such system was clearly unacceptable from a Serb perspective. One-time Serb moderate Milorad Dodik seized on this argument and attacked the incumbent Bosnian Serb leadership for sacrificing their sovereignty in the face of international pressure. From his view, constitutional reform would effectively mean abolishing the Serb entity and hence abrogating Dayton and destroying Serb political power within Bosnia.¹¹ Constitutional reform had become a political football.

Silajdžić and Dodik were both elected in the polarized climate of fall 2006. Not only was constitutional reform—which might have strengthened the state—dead, the newly elected leaders were themselves wedded to inherently antagonistic nationalist positions. Meanwhile, leadership of the OHR passed from the forceful Ashdown to Christian Schwartz-Schilling, who subscribed to the view that the high representative had become part of the problem. Whereas Ashdown had successfully used the Bonn Powers to promote a reformist agenda, Schwartz-Schilling, influenced by the argument that the Bonn Powers worked against the realization of Bosnian democracy,¹² explicitly ruled such activism out, even when it came to rescuing constitutional reform or reigning in the nationalist forces unleashed during the campaigns.¹³

As a result, the situation went from rosy to regrettable, and has remained this way since. The trifecta of failed constitutional reform, repolarized political discourse, and abdicated authority by the international community's main representative had stalled and even reversed progress toward self-sustaining peace and stability. Although Schwartz-Schilling eventually resigned in July 2007 in the face of widespread criticism of his *laissez-faire* approach, the legitimacy of the high representative suffered a blow from which it has yet to recover.

Bosnia's problems are contributing to rifts between the United States and Europe.

Meanwhile, ensuing problems with issues, such as police reform, further degraded the situation. For his part, Dodik continued to ride the Serb nationalist wave he had created, allegedly enriching himself in the process. On several occasions he has threatened to hold a referendum on independence for the Serb Republic, a threat that is highly inflammatory and appears purposely designed to undermine moderates in all camps while creating discord within the international community. Dodik also repeatedly challenged the authority of the high representative, and with growing success. Silajdžić continued to stand for a highly unified Bosnian state in which the Serb Republic would be effectively dismantled and Bosniaks would hold the vast majority of the power. Unlike Dodik, Silajdžić's popularity faded with time, but the last four years have seen mounting political acrimony and distrust, resulting in a belated but growing recognition in major Western capitals that Bosnia is again verging on crisis.¹⁴

By fall 2009, the United States and Europe had begun a concerted effort to work out a joint package which offered progress on a few key issues and some scaled back constitutional reform in exchange for the closure of the OHR and movement toward EU and NATO membership. U.S. Deputy Secretary of State Jim Steinberg and Foreign Minister Carl Bildt of Sweden flew in repeatedly to press the leaders of Bosnia's various groups to agree on some plan which would allow the office to shut down without the risk of further backsliding. These so-called Butmir Meetings, however, failed to produce any such agreement. In the spring of 2010, election campaign season began and chances of serious progress in resolving fundamental problems which divide the country will remain on hold until after the October 2010 elections.

Bosnia's Political Stalemate

The roots of this political discord are deep. Part of the problem is that the Serbs are relatively happy with the current situation. Flush with cash from a rapid

privatization of government-owned telecommunications, petroleum, mining, and aluminum industries, Dodik's government has been able to close the economic gap with the bureaucratically-hamstrung Federation,¹⁵ increasing the standard of living for the citizens in the Serb Republic.¹⁶ Banja Luka's skyline is dominated by impressive new government buildings. Though the appearance of economic prosperity in his entity may be somewhat superficial, Dodik's government has had a very active and effective public image rebranding campaign both at home and abroad. That appearance, coupled with radical opposition to constitutional reform, has made Dodik extremely popular with the Bosnian Serbs.¹⁷

Moreover, by contrast with the Federation, whose political and administrative machinery is gummed up by factionalism, the Serb Republic now functions comparatively well. Not only are Bosnian Serbs in the position to dictate policy in the Serb Republic, but they can also heavily influence or block any decisions at the state level. Though inherently dangerous and inflammatory, Dodik's calls for a referendum on Serb independence should be seen in this light. As part of Serbia proper, the Bosnian Serbs would have much less influence; as an independent state, they would be stuck with improbable borders and ostracized from the international community.

In short, Bosnian Serbs will never have more political power and influence than they do in the present arrangement. And so they will continue to resist change as long as possible. Indeed, Serbs will point out that whereas the Serb Republic once had to be dragged to Dayton and compelled to sign the accords, they are now its most ardent proponents.¹⁸ From their view, as long as Bosniak-dominated Sarajevo holds only the bare minimum of control over affairs in the Serb Republic, the situation is satisfactory.

By contrast, Bosniaks have several reasons to be frustrated. For one, they are confined to a much smaller, predominantly urban, portion of Bosnia's territory that is disproportionate to their share of the country's population, which is estimated to be roughly half.¹⁹ They once occupied significant parts of today's Serb Republic, but now live mostly in the Federation in urbanized industrial basins around the river Bosna and in a significant but isolated region around Bihać in the northwest. Meanwhile, they continue to smolder over the existence of the Serb Republic, which many Bosniaks view as a reward for Serb genocide. Serb resistance to admitting guilt for Serb war crimes and aggression in general only makes this sentiment stronger. The Bosniaks greatest fear remains, as during the war, a fragmentation of Bosnia into ethnically-based territorial units, leaving them without a viable state through which they could defend the interests of their ethnic group.

The Bosniak demographic position makes them naturally favor greater centralization and a constitution that goes as far as possible toward a one

man-one vote democracy. It was in hope of attaining this that they backed Silajdžić in the 2006 elections. Although there are some Bosniak political, business, and criminal interests who benefit from the current situation and who would prefer the status quo to the creation of a more efficient Bosnian state, most Bosniaks want change. Even within the Federation, they are forced to negotiate constantly with the Croats. Unlike the Bosnian Serbs, they lack an institutional power center through which they can speak in any negotiations over Bosnia's political future. As a result, no single figure has a clear mandate to speak for Bosniaks, which encourages maximalist positions on nearly any issue subject to compromise with the Serbs.

At the same time, Bosniaks tend to feel that they are the only group genuinely dedicated to holding the country together, and hence are easily irked by criticism from the international community. This also makes the ethnic divisions and endemic logjam of the state parliament particularly difficult to bear, especially given that this logjam can seem to cost them more than the Croats or Serbs. Divisions at the state level, for example, have resulted in failure to adopt measures needed for a visa-free status from the EU.²⁰ Because the Croats and Serbs both enjoy special status allowing them to claim citizenship of Serbia and Croatia proper, which now both have visa-free access to the EU's Schengen Area, it is the Bosniaks who have suffered most as a result of the deadlock. It is no surprise that they want to overturn state institutions they see as all brakes and no motor.

Dayton ended violence, but accommodated ethnic nationalism and did not resolve underlying issues.

For their part, the Croats, who were accorded equal status with Bosniaks and Serbs at Dayton, feel as though they are in reality something of a junior position inside of the Federation. They are frustrated by majority-based voting and decisionmaking structures that favor the majority Bosniaks. Their concerns have often been ignored, and their political leadership has been hurt by war crime indictments and corruption charges. Furthermore, they are at a major demographic disadvantage. The wartime decision by Croatia's president, Franjo Tuđman, to grant Croatian citizenship to Bosnian Croats has been a particularly negative influence. Croatia's comparative success in moving toward EU membership in the last decade has made it a magnet for Bosnian Croats, particularly from the central parts of Bosnia, a trend that Croatia's planned EU accession will only exacerbate. Despite their declining share of the population,

however, Croats will continue to fight for status that is equal to the Serbs and Bosniaks.²¹

The Persistent Problem of Ethnic Nationalism

Amidst this Bosnian political stalemate, self-perpetuating ethnic nationalism continues to undermine long-term stability and could even spiral out of control. While there may be nothing inherently wrong with nationalism,²² in Bosnia nationalist politics continues to impede progress on the political reforms necessary to fully stabilize the country—reforms that are crucial to lasting stability, and thus necessary if the international community is to withdraw its forces and close down the OHR. The problem is, of course, that the nationalists have every reason to undermine reform efforts that would sap their power and appeal. Bosnia is thus caught in a vicious cycle of ethnic recrimination, instability, and immobility.

The persistence of nationalist politics is rooted in three basic systemic dynamics: intra-group politicking and political economy, postwar political

Sadly, a newer generation of Bosnians may be even more inclined toward ethnic nationalism.

culture, and corruption. First, the divisiveness and inherent competitiveness of the politics of each ethnic group encourages anyone seeking power within their group to take maximalist positions when it comes to defending the interests of the group. There are few payoffs for moderation and little incentive to compromise. It is as if each group's ethnic leadership were in a state of permanent campaign. Moreover, in a society where corruption is widespread and

political power is the most surefire route to personal wealth, the stakes in politics are unusually high.

Second, the general population remains receptive to ethnic nationalism. Leaders do much to encourage nationalist habits of thought, but people embrace ethnic leaders for other reasons as well. During the war, support for nationalists was a matter of physical security. As the war continued, anger and resentment obviously also played a role. These sentiments still matter today, but other forms of insecurity have also come into the mix, especially economic security. Political leaders control, directly or indirectly, many of the main employment opportunities in the country where private sector employment is underdeveloped and public sector jobs are widely viewed as superior. Citizens will vote for nationalists in part because they feel vulnerable and believe nationalists will protect their physical security, but they also vote for them to protect their jobs.

In general, the wounds of the war have yet to heal. The war destroyed and transformed the once multi-ethnic character of Bosnian society, a fact that some analysts were slow to recognize in its immediate aftermath. When Josip Broz Tito ruled Cold War Yugoslavia, Bosniaks, Croats, and Serbs had not only lived in the same towns and frequented the same public spaces, but had intermarried and shared a common culture to a large degree. The segregation and mistrust of the war destroyed this social fabric, and postwar efforts to rebuild it have largely failed. Physical reintegration through refugee and minority return programs has been only modestly successful at best. Cultural reintegration has been an almost complete failure.

For example, rather than rebuilding multi-ethnic schools and curricula, most young Bosnians now go to school in a segregated educational system which does nothing to foster inter-communal harmony and understanding. Under Tito, Bosnians studied from a common curriculum and learned both the Cyrillic and Latin alphabet, but now, students get three different curricula depending on their nationality, and study only their own ethnic literature and interpretation of history—including the war. Inter-marriage is now almost unheard of, a fact that puts the children of interethnic couples in a nebulous position. At the same time, the withering of the independent media makes it very hard to get the unvarnished truth about any issue of significance. Even the more independent media outlets of the country increasingly associate with ethnic mafias and ethnic agendas, if only to ensure their financial survival. Sadly, one consequence of these trends is that a newer generation of Bosnians may be even more inclined toward ethnic nationalism than their parents.

Third, the current fragility of the economy creates underlying uncertainty and tensions. Although the economy recovered rapidly in the immediate aftermath of the war, the dual challenge of structural reform and post-conflict reconstruction has been difficult, and worries about the current state of the economy remain. Despite the recent spate of growth in the Serb Republic, which itself may not be sustainable, the economic growth that Bosnia experienced in the first decade after the war has now slowed. While the oft-cited unemployment rate of 40 percent is misleading, the IMF still estimated unemployment to be 23 percent in 2008, with low overall labor force participation rates.²³ Moreover, polling shows that unemployment is a major public concern.²⁴ While poverty rates had fallen from 18 percent in 2004 to 14 percent in 2007, they are still significantly higher than in neighboring Serbia.²⁵ If the economy were stronger, and opportunities for private sector employment more numerous, the hold of the nationalist parties on political power would be much weaker.

Finally, economic fragility is both a cause and a consequence of corruption. In a society where the only way to get a decent job is to have political connections, corruption becomes an accepted way of life. At the same time, corruption

The October 2010 elections could yield a political constellation less resistant to reform.

severely impedes not only the development of the domestic free market, but also international confidence in the economy and hence the inflow of private international financial resources. All of this tends to reduce the independence of Bosnian citizens, making them more reliant on traditional ethnic networks and hence nationalist politics that undermine stability.

A Renewed Transatlantic Approach

If Bosnia is to escape the debilitating dynamics of ethnic politics, a sustained program of economic, social, and political reform is thus needed. Not only is reform essential to Bosnia's prospects for membership in NATO and the EU, but forward momentum will give people hope in the future, while contributing to an atmosphere of trust. Progress both on the rule of law and on sustaining broad-based economic growth is especially important. Without reforms, nationalism will remain the order of the day, and the political situation will grow more contentious as leaders are forced to play the nationalist card more and more frequently, with ever-greater zeal.

On the bright side, the October 2010 elections could yield a political constellation somewhat less resistant to reform. Dodik's party recently lost municipal elections in the Herzegovinian town of Bileća, and he could be forced to broaden his governing coalition after the elections.²⁶ The post-election horse-trading is difficult to predict, but of the two imaginable coalition scenarios, one with the relatively moderate Party of Democratic Progress would actually be most beneficial to Dodik, whereas a coalition with the nationalist Serb Democratic Party would constrain him the most, if only because it would have the greatest proclivity for infighting.

On the Bosniak side, Silajdžić faces an uphill reelection campaign for the presidency, while his party, the Party for Bosnia-Herzegovina, struggles to remain relevant in the three-way contest against Bakir Izebegović, the son of Bosniak wartime leader Alija Izebegović, and the media-mogul Fahrudin Radončić, who appears open to deeper division of the country. The victor in the parliamentary race is likely to come from either the former communists or the nationalist Party of Democratic Action, both of which could take a somewhat more consensus-based approach. The prospects for cooperation would improve the most if the former communists won power in a coalition with the newly formed secular party, Our Party, although this outcome is at present unlikely.

Short of a major upheaval in Bosnian politics, however, the prospects for self-generated reform will remain slim. The impetus will have to come from the international community and the transatlantic powers in particular, although regional powers like Turkey, which has recently been very active in the Balkans, can also play a constructive role when they choose to. Unfortunately, while Washington and Brussels both consider EU and NATO membership to be the long-term solution to Bosnia's problems, they have diverged over how best to revitalize the reform process needed to move Bosnia toward these goals. The impasse in Bosnian politics reflects in part the impasse in transatlantic strategy, an impasse cleverly encouraged by politicians such as Dodik who recognize that transatlantic divisions serve their interests. There are at least three major issues on which the United States and Europe need to build consensus: when to close the OHR, whether to appoint a U.S. special envoy, and whether and how to facilitate Bosnian constitutional reform.

When Should the EU Fully Take Over?

The first issue on which the United States and Europe need to agree is when to close the OHR and replace it with an EU special representative. In principle, both the United States and Europe are in favor of seeing this transition happen. Both recognize that the OHR is now weak and probably beyond resuscitation. Both also see membership in the EU as the main way of securing Bosnia's future stability and prosperity. For many in the United States, however, the OHR should not be closed for free: Dodik should be expected to pay some price in exchange for the closure, which will otherwise amount to a potentially emboldening political victory for him. He might be expected, for example, to agree to certain minimal constitutional reforms designed to facilitate Bosnia's progress toward EU accession, or maybe even renounce the idea of a referendum on Bosnian Serb independence.

A more important concern from the U.S. perspective, however, is that there is still a risk of a return to violence in Bosnia. Even if not great, the risk is high enough that the international community cannot afford to relinquish the UN mandate that makes military and political intervention in Bosnia's affairs possible.²⁷ At present that mandate is linked to the OHR, not the EU. More broadly, U.S. resistance to sending the OHR home stems from a sense that Europe's eagerness to shut it down is driven more by a desire for an EU success story rather than a sober assessment of the situation on the ground.

Europe can overcome U.S. resistance by demonstrating full appreciation of the fact that the situation on the ground is still not wholly stable and spelling out clearly what the EU's replacement for the OHR will look like, how it would deal with a deteriorating situation, and what it would do if Dodik moves toward a referendum on independence for the Serb Republic. Ideally, the EU's special

representative would have the following characteristics. First, the individual appointed would be a strong leader with a political background, with pull in major European capitals. Second, the office should be well resourced and fully staffed. To the extent possible, European national missions would be drawn down and significant portions of their staff integrated into the office of the special representative. Doing so would not only increase the operational capability of the office, it would also ensure that Europe spoke with one voice on the ground. Third, rather than drawing down the EU military force on the ground, that force should be enhanced for at least a year after the European representative is in position, even as its mission transitions towards security cooperation and assistance, rather than post-conflict stabilization. Fourth, and most critically, the UN Chapter VII mandate will have to be transferred to the EU special

The impetus for reform will have to come from the international community.

representative, or held in abeyance in some form, as a guarantee that the international community can still intervene in Bosnian politics if necessary *in extremis*.

In any case, the United States will need to stay engaged and throw its full support behind the EU special representative, and seriously consider including U.S. staff to bolster its strength and stature.

Should the United States Appoint a Special Envoy?

A second issue that has recently divided the United States and Europe is whether or not the United States should appoint a special envoy to reinvigorate the reform process. From a European perspective, this idea looks suspiciously like a U.S. bid to knock Europe out of a leadership role and completely take over the effort. This would clearly be unwise both because it works against the goal of integrating Bosnia into Europe and because the United States simply has less of an interest in the region than its allies and is less well placed for the sustained effort that stabilizing Bosnia once and for all will require.

That said, the real problem today is arguably not too much U.S. attention, but too little. A U.S. special envoy could play a positive role if its main function were to help build U.S.-European consensus about the way forward on Bosnia and the Balkans in general. This implies that a U.S. envoy would probably need to be based in Brussels in order to balance time between the major European capitals. Establishing the post, however, would only be useful if the individual chosen had sufficient stature, considerable experience in diplomacy with major European powers, and the full backing of the U.S. administration. In the end though, if key European powers remain adamantly against the idea, it is more likely to do harm than good and should be scrapped.

Constitutional Reform

The final—and arguably most critical—issue on which the United States and Europe need to bring their policy closer together is constitutional reform. Washington has consistently taken a more ambitious position on constitutional reform than Europe, whose own position has varied. European officials have repeatedly noted that while constitutional reform is generally desirable, it is not technically required for Bosnia to apply for EU membership.²⁸ Still, it would make the reforms necessary for EU accession much easier. The process is nevertheless inherently very tricky since any adaptation must retain the spirit of the Dayton settlement, and hence its provision of autonomy for the Serb Republic, while at the same time ensuring that Bosnia has a functional central government.

After the October elections, the issue will again be a top priority on Bosnia's agenda. Beforehand, the United States and Europe should agree on three basic issues. First, what are the basic minimum characteristics that a reformed Bosnian constitution would have? As several observers have suggested, it is preferable to focus on general characteristics, leaving the specifics to Bosnians themselves. In general, the minimum requirements would probably be a capacity to pass reforms needed for EU membership, even against objections from one ethnic group. In practice, this would probably entail ending so-called "entity voting" when it comes to the reforms required for EU accession. When needed, determination of which votes are subject to this exception could be made by the EU special representative. The constitution would also need to allow full rights for minorities not included in the Dayton agreement, as required by the European Court on Human Rights. It would also need to establish some coherent, if not unified, structures for foreign policy.

Second, the United States and Europe would need to agree on a notional timeframe within which the reforms should be expected. This timeframe should be no longer than three years—though preferably much shorter, given that the issue could dominate the agenda and thereby hold up progress in other areas such as undertaking reforms needed to move further down the road toward EU and NATO membership.

Third, both the United States and Europe need a clear view of the incentives and sanctions that both, and especially Europe are willing to apply. At present, it is unclear what concrete incentives the EU has to offer Bosnian leaders once Bosnians are granted visa-free access to European countries, as is expected in the near future. Without incentives, sanctions will be necessary. These sanctions must obviously be targeted at recalcitrant Bosnian leaders, rather than the people, but this will not always be possible.

Most of all, the EU needs to be willing to make further progress toward membership conditional on the passage of a minimum package of constitutional

The time is ripe for a reorientation of transatlantic strategy.

reforms. Imposing such strict conditionality, however, has been resisted in the past, and the EU sometimes has been inclined to bend the rules to speed Bosnia's pace toward accession. This tendency stems from a concern that, if the process loses steam, Bosnians will lose faith in Europe. Sustaining Bosnia's vision of membership

in the EU—and NATO for that matter—is clearly of utmost importance. But if doing so undermines the EU's ability to ensure critical reforms, there is little point. For a country like Bosnia, the stabilizing benefit of EU membership is derived largely from the reform process that a state undergoes as it moves toward membership, not the fact of membership itself. Moreover, once membership is acquired, enthusiasm for reform tends to dampen.

A Unique, Post-Election Opportunity

If the United States and Europe can move closer together on these three issues, Bosnia will benefit a great deal. Doing so may not be easy, especially given the low priority Bosnia currently holds in Washington, a reality that European leaders would do well to recognize. In the end, however, creating self-sustaining stability in Bosnia will require not just breaking the cycle of ethnic politics, but also breaking the cycle of ad hoc engagement by the United States and Europe. Bosnia remains an unfinished project of the transatlantic community, and it is essential to recover a common transatlantic approach. Failure in Bosnia would send negative shockwaves throughout the region, and would adversely affect similar nation-building operations elsewhere in the world, most notably in Afghanistan, Iraq, and Kosovo.

Notes

1. Daniel Simpson, "West Presses Bosnia Voters to Turn Out Nationalists," *New York Times*, October 6, 2002, p. 4.
2. Serb political objectives and policy options west of the Drina are well illustrated in a 2008 op-ed by Dr. Nenad Kecmanović on the eve of Kosovar independence. See Nenad Kecmanović, "Dodikova pretnja osamostaljenjem" [Dodik's Threat to Independence], *Politika*, September 28, 2008, <http://www.nspm.rs/sudbina-dejtonske-bih-i-republika-srpska/dodikova-pretnja-osamostaljenjem.html?alphabet=l>.
3. See Esad Zgodić, interview by Nerzuk Curak, *BH Dani*, October 8, 1999, <http://www.bhdani.com/arhiva/123/inter.htm>.

4. See Helsinki Committee for Human Rights in Bosnia and Herzegovina, "Report on Activities of the Helsinki Committee for Human Rights in Bosnia and Herzegovina," January–December 1997, <http://www.bh-hchr.org/Reports/reportHC1997>.
5. For exact text of PIC decisions, see Office of the High Representative and EU Special Representative, Web site, <http://www.ohr.int/> (hereinafter OHR Web site).
6. See Ed Vuliamy, "Farewell Sarajevo," *Guardian*, November 2, 2005.
7. OHR Web site.
8. International Monetary Fund (IMF), "Bosnia and Herzegovina – Selected Economic Issues," IMF Country Report No. 06/368, October 2006, <http://www.imf.org/external/pubs/ft/scr/2006/cr06368.pdf>.
9. Commentary on the origin and operation of the "Dayton project" can be found in an interview with Srđa Trifković in 2005. See Srđa Trifković, interview by Sasa Saša Bižić, "Amerika nikada ne preispituje svoje greške, transl" [America Never Reviews its Mistakes], *Novi Reporter*, no. 137, October 26, 2005, http://www.novireporter.com/look/reporter/nr_article.tpl?IdLanguage=11&IdPublication=2&NrIssue=137&NrSection=3&NrArticle=1388.
10. See the electoral platform of the Stranka Za BiH political party from 2006 at <http://www.zabih.ba/downloads/izbornap.pdf> (in Croatian).
11. See Dodik's statements to *Večernje Novosti* in 2006 and OHR media round-up from May 28, 2006 in the aftermath of Dodik's statement on the possibility of a secession referendum similar to that of Montenegro available from OHR, Press Office, Web site, http://www.ohr.int/ohr-dept/presso/bh-media-rep/round-ups/default.asp?content_id=37263.
12. For this argument, see Gerald Knaus and Felix Martin, "Travails of the European Raj," *Journal of Democracy* 14, no. 3 (July 2003): 60–74.
13. Christian Schwarz-Schilling, "How to Move Bosnia Forward," *New York Times*, February 1, 2006, <http://www.nytimes.com/2006/02/01/opinion/01iht-edschill.html>.
14. See "Bosnia's Disintegration is out of the Question," *Helsinki Charter*, no. 133–134 (2009), pp. 12–13 and Patrice McMahon and Jon Western, "Death of Dayton – How to Stop Bosnia from Falling Apart," *Foreign Affairs* 88, no. 5 (September/October 2009): 69–83.
15. See Anes Alic, "Bosnia: The IMF Money Crunch," May 25, 2009, <http://www.isn.ethz.ch/isn/Current-Affairs/Security-Watch/Detail/?id=100562&lng=en>.
16. The average wage in the Republika Srpska (RS) surpassed that of the Federation in early 2009, according to the entity statistical agencies (819 to 793 KM). See Republika Srpska Institute of Statistics, Web site, <http://www.rzs.rs.ba/Latinica.htm>. This, however, reflects 2008 data, at the very onset of the global economic crisis. In 2010, however, public sector pay in the Republika Srpska will be reduced by up to 25 percent, according to a December 2009 decision of its cabinet. The Federation is also under heavy pressure from the IMF to reduce outlays.
17. About 75 percent of voters of the RS expressed their support for Milorad Dodik. When sampling all voters, however, this support fell to 39 percent. See "RS – istraživanje: SNSD i Dodik uživaju najveće povjerenje stanovnika" [SNSD and Dodik enjoying the largest support of the voters], *E-Novine*, November 18, 2009, <http://www.e-novine.net/region/bosna-i-hercegovina/4055-rs-istraivanje-snsd-i-dodik-uivaju-najvee-povjerenje-stanovnika.pdf>.
18. Interviews of Bosnian Serb officials by authors, Banja Luka, October 2009.
19. CIA World Factbook 2010, "Bosnia and Herzegovina," <https://www.cia.gov/library/publications/the-world-factbook/geos/bk.html>.

20. As of late 2009, out of 120 conditions in the Road Map to the Schengen White List, or visa-free access for Bosnian citizens to the EU, Bosnia had completed all but 27, and nine of those represented true political obstacles for which there was no consensus between the parties. In particular, those referred to the Law on Movement of Weapons and Military Equipment and the Law on Border Controls. See Association Alumni of the Centre for Interdisciplinary Postgraduate Studies, "Towards the White Schengen List: Implementation of the Roadmap on Visa Liberalisation in Bosnia and Herzegovina," March 3, 2010, http://www.acips.ba/eng/uploads/research/acips_vize_eng.pdf.
21. See, for example, the dispute over demands for a Croatian language TV channel in Bosnia. See "Croatian Channel Would Become a Victim of Election," Seebiz.eu, August 2, 2010, <http://seebiz.eu/hr/tvrtke/mediji/hrvatski-kanal-u-bih-postao-zrtva-izbora,87415.html> (in Croatian).
22. For an argument in favor of nationalism, see David P. Calleo, *Coleridge and the Idea of the Modern State* (New Haven: Yale University Press, 1966).
23. See Milan Cuc, "Bosnia and Herzegovina: On the Road to EU Accession," *IMF Survey Magazine*, November 12, 2008, <http://www.imf.org/external/pubs/ft/survey/so/2008/CAR111208A.htm>.
24. UN Development Programme, "Early Warning System Annual Report," 2008, http://www.kosovo.undp.org/repository/docs/EWR_19_Eng_.pdf.
25. Serbia's rate was 6.6, but the direct comparisons are not possible due to significant differences in measurement. See World Bank, "2009 Country Brief for Bosnia and Herzegovina," <http://web.worldbank.org/WBSITE/EXTERNAL/COUNTRIES/ECAEXT/BOSNIAHERZEXTN/0,,contentMDK:20629017~menuPK:362034~pagePK:141137~piPK:141127~theSitePK:362026,00.html>.
26. This coalition included the moderate Partija Demokratskog Progresna, centre-right Srpska Demokratska Stranka, and ultra-nationalist Srpska Radikalna Stranka Republike Srpske. For a further discussion of coalitions in the RS, see Nataša Krsman, "Rušenje Dodika" [Bringing Down Dodik], *Nezavisne Novine*, February 6, 2010.
27. UN Security Council Resolution 1031, S/RES/1031, December 15, 1995, <http://www.nato.int/ifor/un/u951215a.htm>.
28. See Ollie Rehn, EU Commissioner for Enlargement, "Towards A European Era for Bosnia and Herzegovina: The Way Ahead," speech to the Parliament of Bosnia and Herzegovina, July 24, 2009, <http://www.delbih.ec.europa.eu/docs/speech/ORspeech.pdf> and U.S. Congress, Committee on Security and Cooperation in Europe, "The Western Balkans: Policy Responses to Today's Challenges," September 29, 2009, Washington D.C., http://csc.e.gov/index.cfm?FuseAction=ContentRecords.ViewDetail&ContentRecord_id=460&Region_id=0&Issue_id=0&ContentType=H,B&ContentRecordType=H&CFID=38213426&CFTOKEN=20498156.