

INSTITUTE FOR REGIONAL AND INTERNATIONAL STUDIES

INTERNATIONAL INVOLVEMENT IN THE WESTERN BALKANS

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Introduction

This paper aims at creating an overview of the current international involvement in the Western Balkans. It provides a streamlined outlook on the different ways in which the international organizations and the separate states are engaged in the region. These include the following:

1. Military and security presence;
2. European integration;
3. Direct political engagement;
4. Financial Assistance;
5. Involvement of other Southeast European countries;
6. Involvement of USA and Russia;
7. Cooperation with the International Criminal Tribunal for former Yugoslavia (ICTY).

Despite the strong international presence in the region, some quite serious problems remain to be solved.

Military and Security Presence

■ *Operations Concordia and Proxima: ensuring security in FYROM*

The first EU-led military deployment, also known as EUFOR, was Operation *Concordia* in the Former Republic of Macedonia (FYROM) from March 2003 to December 2003. The operational tasks of the 350-strong EU force were basically the same as those of Allied Harmony - to oversee the political reforms under the Ohrid Peace Agreement and to monitor

the security situation. Though it was a relatively small mission, Concordia managed to maintain a stable and secure environment, to support ethnic Albanians' engagement in the political process and to cooperate relatively well with NATO and OSCE on the ground.

Operation Concordia was conducted in accordance with the agreement on asset sharing between EU and NATO – the Berlin Plus arrangements¹. The conclusion of Berlin Plus represented a significant development in the EU–NATO relationship and served as a base for the future “Concerted Approach” of the two organizations in the Western Balkans. Generally, EU did not need access to NATO capabilities in order to mount a limited operation in Macedonia, but it benefited greatly from having access to Alliance experience in planning and conducting operations in the region. However, there were some problems in the cooperation between the two organizations, which resulted in sending contradictory messages to the Macedonian government. For example, NATO regarded border management as a strictly military matter, while EU argued that it should be a priority for the civilian authorities.

Proxima, also known as the European Union Police Mission (EUPOL), took over operation Concordia and began its mandate on 15 December 2003. It is now extended until December 2005. and reflects the desire to deal with the major source of instability and insecurity in FYROM – organized crime. The 200-strong operation monitors and advises the country's police force, while complementing OSCE's work in this area².

■ *EUFOR – the successor of SFOR*

On 2 December 2004, the European Union launched its newest military operation Althea. It replaced NATO's SFOR with the European Union Force – EUFOR. With 7000 troops from 33 countries (among which 11 non-EU ones, including Albania, Bulgaria, Romania and Turkey), Althea is the largest EU mission to date. EUFOR will continue the work of the two previous NATO missions in Bosnia and Herzegovina (BiH) – the Implementation Force (IFOR) and the Stabilization Force (SFOR). Following a decision to complete SFOR, EUFOR was agreed at NATO's Istanbul summit in June 2004. The twelve-month mandate of the mission was given on 22 November 2004 by the UN Security Council Resolution N 157³.

Essentially, EUFOR troops are the same forces which contributed to SFOR. The major difference is that there are no US troops in the operation, although there are 150 American personnel assisting the former SFOR commander through a small NATO headquarters in Sarajevo, focusing on counter-terrorism and ICTY compliance. EUFOR will undertake exactly the same work that SFOR undertook – its primary task will be to ensure that Bosnia adheres to the Dayton Peace Agreement, as well as to support the work of the local EU Special Representative⁴. The long-term aim is to help provide the stability which will eventually allow the country to sign a Stabilization and Association Agreement (SAA). Apart from overseeing the Dayton agreement, EUFOR assists several international organizations, including the OCSE and UNHCR. Most recently, the EUFOR Commander Major General David Leakey outlined probably the most important immediate task of the force, left

¹ Mace, Catriona. *Operation Concordia: Developing a “European” Approach to Crisis Management?* International Peacekeeping, Vol.11, No.3, Autumn 2004, pp.474–490.

² *EU Crisis Response Capability Revisited*. Europe Report N°160, International Crisis Group, www.crisisweb.org, 17 January 2005.

³ *EUFOR – Operation Althea*. European Defence In Depth, www.european-defence.co.uk, December 2004.

⁴ Ojanen, Hanna. *Operation Althea: Healing, Testing, or Testing the Healing?* FORNET CFSP Forum, vol. 3, no. 1, pp. 11-13, www.fornet.info, January 2005.

unfinished by SFOR – to intensify the search for indicted war criminals in Bosnia and Herzegovina by conducting several major operations⁵.

EUFOR acts in collaboration with the European Union Police Mission (EUPM), which on 1 January 2003 replaced the International Police Task Force (IPTF), mandated by the Dayton Peace Accord. EUPM is the first civilian crisis management operation under the European Security and Defence Policy. Its mission is similar to the one of its counterpart in Macedonia, Proxima - to help the BiH authorities develop effective local police forces and to assist in combating organized crime through monitoring, mentoring and inspecting BiH police managerial and operational capacities. EUPM's mandate ends on 31 December 2005. During its work, the operation encountered several problems, mainly due to staff shortage and narrow responsibilities. Moreover, it did not participate quite effectively in the activities, aimed at conducting a comprehensive reform of the police forces.

SFOR's replacement by EUFOR reflects two emerging trends⁶: (1) both Washington and Brussels seem to agree that the security situation has improved considerably; (2) European Union possesses the necessary capabilities to gradually take the lead in ensuring security in the Western Balkans. Nevertheless, European Union's involvement in Bosnia and Herzegovina continues to be viewed with suspicion by the authorities and the public, given the lack of decisiveness and determination showed by EU during the war in Bosnia. Therefore, support from both the United States and NATO is essential for the success of both EUFOR and EUPM missions.

■ *KFOR – keeping Kosovo safe on the road to status talks*

KFOR entered Kosovo on 12 June 1999 under a United Nations mandate, based on UN Security Council Resolution 1244. NATO then deployed 50,000 troops in the Serb province. Despite KFOR reducing its troop numbers from 38,000 to 33,200 at the end of 2003, rioting between ethnic Albanians and ethnic Serbs in the town of Mitrovica led KFOR to increase its troop numbers by 2,000 in March 2004. KFOR's main role was to ensure a secure environment for the civilians in Kosovo. It was initially tasked to ensure that Yugoslav (now Serbia & Montenegro) forces did not return to the region, to oversee the demilitarisation of the Kosovo Liberation Army (KLA) and the return of refugees. KFOR's role has gradually widened since its deployment in 1999. Its tasks now include protecting the minority Serb population and undertaking border patrols.

Since the March 2004 riots, KFOR and the UN Interim Administration Mission in Kosovo, UNMIK, have developed plans with clearly specified responsibilities to deal with a probable outbreak of violence in the future. Through the newly developed Kosovo Security Assistance Group, they tried to engage the local communities by gathering KFOR, the UNMIK police, the Kosovo Police Service and the newly developing Kosovo institutions. The Kosovo Serbs denied participation in the Assistance Group, which is a major drawback for the effectiveness of the institution⁷.

⁵ EUFOR *Commander Vows to Hunt Down War Criminals*. Southeast European Times, www.setimes.com, 23 January 2005.

⁶ *Enfor: Changing Bosnia's Security Arrangements*. Europe Briefing, International Crisis Group, www.crisisweb.org, 29 June 2004.

⁷ Bennett, Christopher. *NATO Stays the Course in the Balkans*. Balkan Crisis Report No.531, Institute of War and Peace Reporting, www.iwpr.net, 03 December 2004.

The talks on the future status of Kosovo could be conducted sometime in mid-2005. By the time of the talks, the security situation in the province is very likely to become fragile and the tensions to rise. This puts extra pressure on KFOR to ensure a stable and secure environment. However, there is a growing pressure to downsize the force, given the need for resources in Iraq or Afghanistan. NATO promised to keep the current strength unchanged throughout 2005, but the situation could change anytime if decided.

■ *Partnership for Peace and NATO membership*

NATO enlargement continues to be an important incentive for reforms in the Western Balkans' countries. The Alliance's current presence in the region, despite KFOR in Kosovo, is outlined by its Partnership for Peace framework, which covers Albania, Macedonia and Croatia (the so-called A3 Group). Moreover, these three countries have conducted Membership Action Plans with NATO⁸. Furthermore, they participate in the U.S-led Adriatic Charter – a regional security agreement, aimed at preparing them for NATO membership.

Serbia and Montenegro, as well as Bosnia and Herzegovina, are the remaining aspirants for PfP membership. In addition to implementing the defence-reform programme, Bosnia and Herzegovina must cooperate with the International Criminal Tribunal for the former Yugoslavia, including helping apprehend former Bosnian Serb president Radovan Karadzic, before it is able to join PfP. Belgrade will also have to deliver indicted war crimes suspects to the ICTY, in particular former Bosnian Serb commander-in-chief General Ratko Mladic. In addition, it must drop the lawsuit it has against eight Allied countries and their leaders at the International Court of Justice, dating back to the 1999 air campaign. At the end of 2004, NATO rejected for a second time the applications from the two countries to join PfP, exactly because of their failure to cooperate with the UN war crimes tribunal.

The Alliance does not look prepared to offer membership to the A3 Group countries in the foreseeable future. Nevertheless, NATO could provide a certain timetable for accession, especially for Croatia or Macedonia.

European Integration

The Stability Pact, established in 1999, remained just a post-conflict reconstruction strategy funded by the International Financial Institutions, the EU and its Member States. In terms of its approach, the Pact was not an accession platform. In order to provide a more viable accession perspective for the Western Balkans' states, the the EU launched the Stabilisation and Association Process (SAP). This was a new instrument to upgrade its formal contractual relations with the Western Balkan states⁹. The programme was granted 4.9 billion euro for the period 2001-2006. If a country showed progress in terms of political and economic reform, it moved to the next step - Stabilization and Association Agreement (SAA). The implementation of the SAA's is the precondition for further EU integration. SAP operates in all of the countries in the region, as well as in Kosovo through the so-called Tracking Mechanism (STM)¹⁰.

⁸ Simon, Jeffrey. *Partnership for Peace: Charting a Course for a New Era*. U.S. Foreign Policy Agenda, U.S. Department of State, June 2004.

⁹ Bechev, Dimitar. *Between Enlargement and CFSP: the EU and the Western Balkans*. Paper prepared for the LSE European Foreign Policy conference, London School of Economics, 2-3 June 2004.

¹⁰ http://www.esiweb.org/bridges/showkosovo.php?cat_ID=15.

Macedonia was the first country in the region to sign an SAA in March 2001, followed in November by Croatia. During the Greek presidency of the EU in 2003, the Member States decided to “enrich the SAP process with instruments from the enlargement process.”¹¹ As a result, the Western Balkan countries were offered European partnerships agreements that mirrored the Accession partnerships for CEE states.

The progress in the SAP process remains at different stages in the countries of the region. Reinhard Priebe, the Director Western Balkans, DG Enlargement in the European Commission, recently outlined the situation with the SAA agreements¹² to date.

- Albania. EU is currently negotiating an SAA with Albania, with a prospect for concluding the negotiations some time in 2005. The prerequisites for a proper SAA implementation include combating organized crime, corruption and reducing the grey economy. Other priorities include the efficient work of the judicial system, the public and tax administration, as well as the customs services.
- Bosnia and Herzegovina. In 2004, the European Commission presented a report on the feasibility of BiH negotiating, concluding and implementing an SAA with 16 priority reform areas. Progress is recognized in terms of legislation and customs reform.
- Croatia. The country was granted a candidate status in June 2004. From 2005 onwards, The Commission will start issuing Regular Reports on Croatia. As scheduled, the negotiations for accession should start in March 2005, provided that the country cooperates fully with the International Criminal Tribunal for the former Yugoslavia (ICTY). The main concerns regarding Croatia are the functioning of the judiciary system and the property restitution. Border problems and territorial disputes with Slovenia over the Bay of Piran could also exert influence on the start of the accession talks.
- FYROM. After the entry into force of an SAA in FYROM, the next step for the country is to reply to the Commission’s Questionnaire, which is expected in early 2005. Then the Commission will issue an Opinion on the application for membership, submitted on 22 March 2004. Reform of the public administration, reducing the number of municipalities and transferring various competences from State to local level are essential elements and a key part of the Ohrid Framework Agreement. Foreign Direct Investment could improve if corruption is tackled more efficiently.
- Serbia and Montenegro. In September 2004, the European Union (EU) adopted a new, twin-track approach for Serbia and Montenegro (SMN). The twin-track approach has been initiated to resolve the problem with the differences in the economic systems of Serbia and Montenegro. EU made attempts to develop a single SMN market, mainly through the 2002 Belgrade agreement and the 2003 Constitutional Charter, creating a loose state union of Serbia and Montenegro (which had very limited jurisdiction in the area of defence, foreign affairs, human and minority rights, international economic

¹¹ Noutcheva, Gergana. *The EU and the Western Balkans: A Tale of Mutual Mistrust*. CEPS Europa South-East Monitor, Issue 58, September 2004.

¹² Priebe, Reinhard. *The Western Balkans European Perspective*. Paper prepared for the Oesterreichische Nationalbank Conference on European Economic Integration, Vienna, November 28-30 2004.

relations and internal harmonisation). Other purpose of the state union was to act as a stabilizing force in the region, preventing further fragmentation. But the economic systems could not be harmonised because of the lack of political will.

The new twin-track approach means that the fulfilment of the economic criteria for EU membership by Serbia and of Montenegro will be performed independently of one another. SMN will sign one overall Stabilisation and Association Agreement (SAA) containing political criteria of the process, with two separate protocols on economic criteria for Serbia and for Montenegro respectively¹³. The issues for the state level are political cooperation, compliance with international obligations (in particular cooperation with ICTY), respect for human and minority rights and regional cooperation. The issues to be negotiated with the constituent republics would be trade and customs, economic issues and sectoral policies like agriculture, the police and judiciary. Nevertheless, problems still remain. The scope of the new mechanism, is interpreted by Montenegro as a further step towards independence. The country may wish to extend the twin track approach to the political criteria for EU membership. The Montenegrin government will insist on its independence until the referendum is held in 2005. The federal elections, due to be held in February 2005, will also give an indication whether it is going to be possible to reach agreement on other contentious matters within the framework of the state union.

In forming the new European Commission, new Commission President José Manuel Baroso combined EU enlargement with responsibility for the Western Balkans in one portfolio under Finnish Commissioner Olli Rehn. This is a sign that the EU engagement with the countries from the region continues on its path to the final goal – full European integration. The new Luxembourg EU presidency also included in its priorities the start of the accession talks with Croatia, as well as FYROM's response to the Commission questionnaire¹⁴.

Direct Political Engagement

■ *Bosnia and Herzegovina's High Representative*

The Office of the High Representative (OHR) in Bosnia and Herzegovina was established to supervise implementation of the civilian aspects of the 1995 Dayton Peace Agreement. It has considerable powers, including to amend and impose legislation and to remove politicians and officials from office.

December 2004 has turned out to be quite indicative for the attitude of the High Representative in Bosnia and Herzegovina Paddy Ashdown. Stating that the country is not cooperating effectively with the ICTY and was rejected membership in NATO's Partnership for Peace process, he dismissed nine Bosnian Serb officials and ordered the abolition of BiH's two entity defence ministries by the end of 2005 (the current priority for the OHR is to put the work of the entity defence ministries and the army headquarters under the control of the state authorities). This led to a political crisis, with five ministers in Republika Srpska resigning their posts. As high representative, Ashdown oversees the implementation of the Dayton peace accords. He has the authority to impose the country's laws and to dismiss elected officials. He is also tasked with establishing the rule of law, improving the police and

¹³ Medjak, Vladimir. *Twin-track Approach towards Serbia-Montenegro: A Recipe for faster EU integration?* Opinion Piece, South East European Studies Programme, European Studies Centre, St Antony's College, December 2004.

¹⁴ http://www.eu2005.lu/en/presidence/priorities_et_pgm/priorities/index.html

judiciary and laying the foundations for a less complicated constitution. The considerable powers which are provided by his post of High Representative pose the question whether the external political engagement in the countries in the region should be that direct, or it should be compensated with equal amount of internal sovereignty and ability to control the political processes.

■ *UNMIK – more or less engaged?*

Kosovo is administered by the UN Interim Administration Mission in Kosovo (UNMIK), established by the Security Council in 1999¹¹ and led by the Special Representative of the Secretary-General for Kosovo. An interim civilian administration, UNMIK is tasked with facilitating the political process to determine Kosovo's future status and transferring responsibilities to the Provisional Institutions of Self-Government (PISG). In 2002, UNMIK adopted a "standards before status" policy, which imposed the implementation of several standards before determining the final status of the province. The Contact Group for Kosovo (including the United States, the United Kingdom, France, Germany, Italy and the Russian Federation) decided to judge the progress of standards' implementation in mid-2005.

The need to move forward with the status issue was raised first in July 2004 by the Secretary-General's Special Envoy, Kai Eide¹⁵. He prepared a report on the political situation in Kosovo, demanding a start of serious discussions on the matter. His proposal was backed by the new Special Representative of the Secretary-General (SRSG), Soren Jessen-Petersen, who arrived in Pristina in August 2004 and declared the status issue a priority. The next step forward was the September Statement by the Kosovo Contact Group, showing the will of the international community for developing a common strategy. However, Secretary-General Annan's letter to the Security Council on 10 November 2004 did not mention the need for immediate actions to prepare the status talks. The appointment of Ramush Haradinaj also sent mixed signals – he is now in danger of prosecution from ICTY, but nevertheless shows ambition and a desire to cooperate with UNMIK.

UNMIK has to deal with several other problems, despite the status issue. The economic situation in Kosovo is far from flourishing. Decentralisation of powers to municipal or sub-municipal units, which the international community made a priority after the March riots, is a particularly difficult issue for UNMIK to manage in the time ahead. The engagement of the Kosovo Serbs in the political process is another painstaking issue.

Financial Assistance

■ *The EU's CARDS programme*

International development assistance has an important role in supporting and promoting reform in the region. The EU is the largest donor in the region. Its importance gradually increases, as the resources available from other donors, such as the World Bank and USAID decline.

¹⁵ *Kosovo: Toward Final Status*. Europe Report N°161, International Crisis Group, www.crisisweb.org, 24 January 2005.

The EU's CARDS (Community Assistance for Reconstruction, Development and Stabilisation) programme reinforces the objectives of the SAP process. The assistance supports finance investment, institution building and other programmes in four major areas¹⁶:

- Reconstruction, democratic stabilisation, reconciliation and the return of refugees.
- Institutional and legislative development, including harmonisation with EU norms and approaches, to underpin democracy and the rule of law, human rights, civil society and the media, and the operation of a free market economy.
- Sustainable economic and social development, including structural reform.
- Promotion of closer relations and regional cooperation among SAP countries and between them, the EU and the candidate countries of central Europe.

The currently running assistance programme amounts to 4.65 billion Euro for the 2000-2006 period. As the focus of the activities shifts from post-conflict stabilisation and reconstruction to longer-term institutional development and support for accession to the EU, annual assistance is expected to fall from its average of €3.3 billion per annum over the last three years to €2.6 billion per annum by 2005. The funding from the European Union is not likely to increase in the 2007-2013 budget cycle. Conversely, the ten new members; the two 2007 candidates with roadmaps and enhanced assistance; and Croatia with candidate status will all take full advantage of the EU. The gap between the Europe of 28 and the Balkan enclave is bound to increase considerably. An important signal will be sent by the EU's next six-year budget cycle, 2007-2013. When the 2000- 2006 budget was drawn up, there was a clear commitment to Central European enlargement both in terms of pre-accession aid and membership costs. The forthcoming budget, therefore, needs to contain a clear commitment to enlargement with the Western Balkans countries. Provision only for Croatia's accession would imply a closed door for further new members until 2014 at least.

■ *Other financial institutions, providing assistance to the region*

As mentioned before, the role of other donors such as USAID and the World Bank in the assistance to the Western Balkans is starting to decrease. Nevertheless, in December 2004, the World Bank's Board of Executive Directors discussed a new Country Assistance Strategy (CAS) for Croatia and Bosnia and Herzegovina. The CAS details the Bank's objectives, strategy, and work plan to assist client countries in achieving their development goals. It outlines the Bank's planned operations in the countries – lending, analytical work and technical assistance. The new CAS for Croatia covers 2005-2008, and the one for BiH – 2005-2007. The main objective of the CAS is to support growth and reform strategy of the government for successful EU accession and integration.

Involvement of other Countries from Southeastern Europe

■ *Greece – maintaining strong economic presence*

In 2001 the government of the Prime Minister Kostas Simitis announced a five-year Reconstruction Plan for the Balkans (ESOAB), which provided 550 million euro for bilateral investment projects during the period 2002–2006. Respectively, the Greek presidency of the EU between January and July 2003 focused on advancing the diplomatic initiatives of Athens

¹⁶ EIB *Medium-Term Strategy for the Western Balkans*. European Investment Bank, www.eib.org, December 2004.

towards the Western Balkans. But the main activities of the country remain connected with the economic sphere¹⁷. During the past decade, investors from Greece have committed large amounts of capital to Albania, FYROM, Serbia and Montenegro, Romania and Bulgaria. The Greek economic policy toward Southeastern Europe is a result of a strategic decision, with a long-term time horizon, and is systematically spread across numerous countries¹⁸.

Greece is the number-one investor in FYROM and took part in the privatization of many Macedonian companies. The sale of Macedonia's oil refinery, "Okta", to the partly privatized Greek "Hellenic Petroleum" in May 1999, however, raised eyebrows. The Prime Minister of Macedonia, Ljubco Georgievski, and the Minister of Finance, Boris Stojmenov, were accused by the opposition of corrupt dealings. "Hellenic Petroleum" acquired distribution networks of oil products in Albania as well.

There are many examples of the current economic involvement of Greece in the Balkans. The state controlled telecommunication company OTE has invested \$1.5 billion in acquiring stakes in the Serb, Bulgarian, and Romanian state telecoms. It has also acquired the second mobile phone operator licence in Macedonia. Greek banks have invested \$400 million in the Balkan countries. National Bank of Greece (NBG) has branches or subsidiaries in Macedonia, Bulgaria, Romania, and Albania. It bought a controlling stake in "Stopanska Banka", Macedonia's leading banking establishment. Greek companies have purchased stakes in breweries in Macedonia. Hellenic Bottling - formerly 3E - started off as a Coca-Cola bottler but has invested 250 million US dollars on facilities in the south Balkans and in Croatia, Slovenia and Moldova. Moreover, Greece has absorbed hundreds of thousands of Albanian, Macedonian, Serb, Romanian, and Bulgarian economic immigrants.

The only thing to cast a shadow on Greece's performance in the Balkans is the so-called "name issue" with FYROM. In November 2004, USA officially recognized Greece's northern neighbor as "Macedonia", rather than the "Former Yugoslav Republic of Macedonia" (FYROM). The Greek government immediately complained against that action. The Macedonian Constitution refers to the country as the "Republic of Macedonia", but the territory is temporarily recognized by the UN as "The former Yugoslav Republic of Macedonia", pending a solution in the dispute with Greece. Greece and Macedonia have been arguing over the name for years. The two neighbors have held UN-led talks on the issue for over a decade, but no progress has been made. The Greek government has refused to recognize "Macedonia" as the name of the neighboring country, fearing the implication of a territorial claim on the northern Greek province bearing the same name, which is also the birthplace of Alexander the Great. Until now, Greece had the support of all NATO allies, except Turkey, in refusing recognition for "Macedonia". The dispute began when Macedonia gained independence at the break-up of Yugoslavia in 1991. Greece imposed an economic embargo on its neighbor until it agreed to be referred to as the Former Yugoslav Republic of Macedonia (FYROM) - a name which most of its inhabitants dislike. Despite the name dispute, the two countries continue their active economic relations.

■ *Bulgaria and Romania: partners or simply neighbours?*

Bulgaria and Romania do not seem to give special attention to the Western Balkans. The main reason is that their attention is focused on the successful accession of the two countries to the

¹⁷ *Good neighbours*. The Economist, 10 October 2002.

¹⁸ Bastian, Jens. "Knowing Your Way in the Balkans": Greek Foreign Direct Investment in Southeast Europe. Southeast European and Black Sea Studies, Vol. 4, No. 3, September 2004, pp. 458-490.

EU, planned for 2007. On of the issues discussed in connection with their accession are the visa regimes that the two countries will impose on their Western neighbours after joining the European Union.

Recently, Bulgaria and Romania expressed their desire to help the countries from the Western Balkans by sharing their experience in the process of European integration. Whether these promises will become reality depends mostly on the successful integration of the two countries to the Union in their first years of membership.

Involvement of USA and Russia

■ *USA – a slow withdrawal*

The emerging tendency, concerning the US involvement in the region, is to shift the balance of US military power from the Western Balkans to the newly accepted NATO members, according to the strategic objectives of the United States' foreign policy. Bulgaria and Romania are included in the re-deployment policy of the US armed forces worldwide. US military bases in Romania and Bulgaria seem to be one of the components of this process. Romania and Bulgaria have been considered as host nations for US military bases in recent years, and both expect they will host the new, lighter, and more flexible US basing facilities. On an official recent visit, Gen. James Jones, Supreme Allied Commander in Europe (SACEUR), announced that the US already has some specific locations in mind for its new bases. In addition to Sarafovo Airport in the Black Sea city of Bourgas, these will include another airbase, an army camp, a firing range, rocket-launching pad and a naval base as well.

Probably the only real motive for more than symbolic US presence in the Western Balkans is the anti-terror campaign and the possibility of intensified terrorist activity in the near future.

■ *The Western Balkans - Russia's lost sphere of influence*

The Western Balkans can no longer be referred to as a sphere of "vital Russian interests". The current foreign policy of the president Putin has for a main priority the preservation of Russia's "near abroad" – a task, which is becoming increasingly difficult, as proved by the outcome of the "Orange Revolution" in Ukraine a month ago. Russia could exert influence in the Western Balkans in two ways: through its participation in the Kosovo Contact Group; and through economic means, given the large amounts of Russian oil and gas directed to the Balkan region. This agenda was confirmed during the Russian Minister of Foreign Affairs Sergey Lavrov's trip to Albania, Bulgaria, Macedonia and Croatia in December 2004¹⁹.

Cooperation with ICTY

The International War Crimes Tribunal for the former Yugoslavia (ICTY) and its chief prosecutor Carla del Ponte are becoming an increasingly important institution. Cooperation with ICTY is often stated as the most important requirement on the road to EU and NATO

¹⁹ Alexander Yakovenko, the Spokesman of Russia's Ministry of Foreign Affairs, Answers Russian Media Questions Regarding Russian Minister of Foreign Affairs Sergey Lavrov's Trip to Albania, Bulgaria, Macedonia and Croatia. Information and Press Department, Ministry of Foreign Affairs of the Russian Federation, 6 December 2004.

integration, but the Western Balkans's countries are often blamed of not doing enough to find and arrest indicted criminals from the Balkan wars of the 1990s

In Croatia's case, the wanted person is gen. Ante Gotovina. He was indicted for his role in the Croatian offensive Operation Storm, which led to the capture of the Krajina region from Serb forces in 1995²⁰. The general, who was in charge of the attack, is accused of crimes against humanity - it's alleged that he is responsible for the unlawful killing of at least 150 Krajina Serbs, the disappearance of hundreds more, the plunder of private property, destruction of homes and the illegal deportation of around 200,000 members of the minority. He has been on the run since the indictment against him was unsealed. However, he seems to create a rather peculiar situation in Croatia. On one hand, the country's government is realizing that in order to start negotiation talks with the European Union in March, it will have to find and transfer Gotovina to the tribunal, despite the fact that it stated numerous times that the general is not in the country. On the other hand, though, the capturing of Gotovina will pose a delicate situation in the ruling party, the nationalist Croatian Democratic Union. Many of the party's members still view the general as a national hero.

Del Ponte has also stated that Bosnia and Herzegovina does not make enough efforts to bring fugitives to justice, including former Bosnian Serb leader Radovan Karadzic and his former army chief gen. Ratko Mladic. After the handover of Slobodan Milosevic to The Hague tribunal, Serbia and Montenegro's progress on the cooperation with ICTY also stalled. The US government cut off all direct economic assistance to Serbia following its failure to comply with the congressionally mandated 31 March deadline for ICTY cooperation. Several weeks ago, the United States withdrew a 10 million dollar financial assistance. Most recently, the Serbian Deputy Prime Minister Miroljub Labus, who heads the junior government partner G17 Plus, said that his party might withdraw from the cabinet unless full co-operation with the UN war crimes tribunal is demonstrated. NATO rejected for a second time applications from Bosnia-Herzegovina and Serbia to join the alliance's Partnership for Peace (PfP) program, again citing their failure to cooperate with the UN war crimes tribunal. All of these developments clearly show that cooperation with ICTY is the door that almost every country in the region must go through, before moving to the level of EU and NATO negotiations.

Future developments

In 2005, several tasks lie in front of the international actors, involved in the Western Balkans.

- Kosovo's final status. In its most recent report, a leading think-tank proposed intensified actions²¹, which could finally lead to a decision on the problem of Kosovo's final status. These include adopting a schedule for the resolution of the status issue by the six-nation Contact Group (the United States, Britain, France, Germany, Italy and Russia), creating a "Special Envoy" institution to prepare the talks, and framing a draft settlement document – the "Kosovo Accord". The ultimate goal of the process should be the creation of an independent Kosovo, regardless of the approval of the Serbian government. Several other institutes and authors have stressed on the urgent need for a resolute solution of the status issue.

²⁰ Romic, Sanja. *Gotovina Blocks Croatia's March to Brussels. Fugitive General Could Still Upset Zagreb's Hitherto Successful EU drive*. Balkan Crisis Report, No 523, Institute of War and Peace Reporting, 29 October 2004.

²¹ *Kosovo: Toward Final Status*.

- Cooperation with ICTY. The international community, and especially EUFOR, should intensify their efforts on hunting down the indicted war criminals. The lack of progress on the ICTY issue could lead to a stalemate in the euro-atlantic accession of the countries in the region.
- The governance of Bosnia and Herzegovina. The recent actions of the High Representative Paddy Ashdown were the triggering cause for the ongoing political crisis in Bosnia and Herzegovina. The Office of the High Representative should find a way to resume the work of the Council of Ministers in order to prevent further instability.
- The union of Serbia and Montenegro. The federal elections in February 2005 will be the next indicator for the future of the state union and its viability. If problems occur, and given the results of the Montenegrin referendum for independence in 2005, the European Union might again consider a revision of the approach towards Serbia and Montenegro.

Almost all of the current attention towards the Western Balkans is focused on two things: the start of the accession talks with Croatia and the possible solution of the status issue of Kosovo. The governance of Bosnia and Herzegovina is another painful problem, waiting for a decision. The overall relations with Serbia and Montenegro, especially with the Serbian government, must also be added to the list. Serbia remains a key player, whose importance for the overall stability of the region must not be underestimated.

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