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Bosnia and Herzegovina: Background on U.S. Policy Concerns

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Summary

In 1995, after over three years of conflict, the United States brokered the Dayton Peace Accords, ending the war in Bosnia. The accords retained Bosnia as a single country, divided into two largely-autonomous "entities." A NATO-led peacekeeping force and other international organizations are trying to help implement the accord and bring stability to the country.

During the Clinton Administration, the premise of U.S. policy in Bosnia and the region was that the stability of the Balkans is important to stability in Europe as a whole, which the Administration viewed as a vital U.S. interest. During the 2000 Presidential campaign, candidate George W. Bush called for a U.S. withdrawal from Balkans peacekeeping, leaving the task up to European countries. However, Administration officials appear to have modified their views since taking office. In February 2001, Secretary of State Colin Powell said that while the United States wants to reduce over time the number of U.S. troops in the region, the United States would not "cut and run." He stressed that United States and European forces in the Balkans "went in together, [and] we'll come out together."

The U.S. deployment to Bosnia has been controversial in Congress. Critics say this mission and others like it are open-ended, have overly ambitious, fuzzy goals that amount to "nation-building," and that suchmissions sap the readiness of U.S. forces. Nevertheless, Congress has regularly provided funding for the Bosnia deployment over the past five years. Repeated efforts by some Members to set deadlines for withdrawal or tie a withdrawal to specific conditions have not become law. Congress has imposed reporting requirements on many issues, including the impact of Balkans peacekeeping missions on the readiness of U.S. forces, burdensharing with U.S. allies, and the establishment of benchmarks to measure progress on the ground.

The United States and its allies have set the goal of a self-sustaining peace in Bosnia, defined as a peace that will likely continue to exist after peacekeeping forces have left. Benchmarks set to measure progress toward this goal include military stability, improved public security and law enforcement, democratic governance, economic development, an independent media and judiciary, reducing crime and corruption, refugee returns, bringing war criminals to justice, and reintegrating the strategic Brcko district. Supporters of the current approach of the international community in Bosnia say the slow, steady accumulation of progress in implementing the peace accord is changing the situation in Bosnia for the better. Critics charge that most of this progress has come as a result of the international community's browbeating or direct intervention. They assert that, lacking a real domestic constituency, this "progress" is by definition not self-sustaining. The international community has several possible options in Bosnia. It could continue the present course, or reduce the level of attention and resources devoted to Bosnia. Other options include a formal revision the peace accords to move openly toward partition on Bosnia, or re-interpreting or amending the accords to promote Bosnia's unity. Acting apart from the international community, the United States retains the option of withdrawing unilaterally from Bosnia.

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Introduction

Since brokering the Dayton Peace Accords which ended the war in Bosnia in 1995, the United States and the international community have spent billions of dollars and deployed thousands of troops to Bosnia-Herzegovina in an effort to create a self-sustaining peace there, defined as a peace that will likely continue to exist after peacekeeping forces have left. However, while the situation in the country has improved significantly in the more than five years since the accords were signed, most observers believe that a self-sustaining peace is still a distant prospect. There exist a variety of views among experts, U.S. policymakers and Members of Congress on future policy options. Some see the international effort in Bosnia as a misguided and impractical exercise in nation-building and not in the U.S. interest. They advocate a U.S. pullout from Bosnia, leaving the main burden for Bosnian peacekeeping with the Europeans. Some advocates of disengagement also favor a partition of Bosnia. Others believe that the stability of Bosnia and the Balkans is important to stability in Europe as a whole, which they view as a vital U.S. interest. Many calling for a greater international role in Bosnia attribute the shortcomings of current policy to an insufficiently active effort to defeat nationalists in Bosnia and/or to flaws in the Dayton accords.

Background

The history of Bosnia-Herzegovina has been shaped by a variety of factors. Ethnicity is one important factor. Most of the population are from three ethnic groups, all of Slavic origin. The Bosniaks, also called Muslims, are the descendants of Slavs who converted to Islam after the Ottoman conquest of the Balkans in the 15th century. In 1991, Bosniaks formed 43.7% of the population. Catholic Croats made up 17.3% and Orthodox Serbs made up 31.4%. Ethnic relations in Bosnia-Herzegovina have been peaceful during most periods, but have sometimes been punctuated by horrific violence, frequently provoked by outside forces. Increasing Serb and Croat nationalism has been an important factor, as extremists have sought to claim part or most of Bosnia-Herzegovina as part of a neighboring Greater Serbia or Greater Croatia. For example, the atrocities committed by Nazi-backed Croatian Ustashe fascists are still remembered by Serbs today. Projects to partition Bosnia among the three ethnic groups were complicated by the patchwork pattern of settlement in Bosnia. Not all Serbs lived in areas neighboring Serbia, nor Croats in areas near Croatia. Bosniaks were scattered throughout the province.

Another important factor to bear in mind when looking at Bosnia today is the impact of Communism. Bosnia-Herzegovina was one of six republics in Communist Yugoslavia. The political and economic system put in place by Yugoslav leader Josip Broz Tito, while perhaps somewhat less harsh than other Communist regimes, nevertheless retained many of their key characteristics. The League of Communists of Yugoslavia (LCY) was not just the sole political party in the country. It had the ability to appoint people to key posts not only in the government, but in the media, judiciary, the economy, the educational system and other influential positions throughout Yugoslav society. This practice, often referred to by its Soviet name of nomenklatura, was a key tool of Communist control. The nomenklatura system crippled or rendered meaningless concepts such as political pluralism, civil society, the rule of law and the free market.

A feature of the system unique to Yugoslavia was the fragmentation of the LCY and government structures in Yugoslavia along ethnic lines, a tendency that became particularly marked after the adoption of the 1974 Yugoslav constitution and accelerated after the death of Tito in 1980. The Yugoslav political system began to seize up as a result of nationalist-tinged bureaucratic infighting among republic governments and communist parties. The coming of multiparty elections in 1990 actually made this situation worse, as newly formed nationalist parties emerged and won elections in Bosnia. This legacy continues in today's Bosnia. The main nationalist parties in Bosnia tend to use nomenklatura techniques to cement their power and enrich themselves through corruption.[1]

The 1992-1995 war in Bosnia was also a critical factor in shaping the country today. The rise of hard-line nationalism in Serbia under Slobodan Milosevic and a similar movement in Croatia led by Franjo Tudjman in the late 1980s and early 1990s posed a grave threat to Bosnia-Herzegovina's unity. Bosnia's own republic government was split among Bosniak, Croat and Serb nationalists. The secession of Slovenia and Croatia in August 1991 upset the delicate balance of power within Yugoslavia. Milosevic conceded Slovenia's independence after a few days, but Croatia's secession touched off a conflict between Croat forces and Serb irregulars supported by the Serb-dominated Yugoslav Army. Bosnian Serb nationalists demanded that Bosnia remain part of a Serbian-dominated Yugoslavia. Bosnian Croat nationalists threatened to secede if Bosnia remained in Yugoslavia.

Bosnian President Alija Izetbegovic, worried about the possible spread of the conflict to Bosnia, tried to find a compromise solution. However, these efforts were made very difficult, given the nature of the Milosevic and Tudjman regimes, both of which had designs on Bosnian territory. In addition, Izetbegovic's hand was forced by the European Community (EC) decision in December 1991 to grant diplomatic recognition to any of the former Yugoslav republics that requested it, provided that the republics held a referendum on independence, and agreed to respect minority rights, the borders of neighboring republics and other conditions. Izetbegovic and the Bosniaks felt they could not remain in a Milosevic-dominated rump Yugoslavia

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[1] European Stability Institute, Reshaping International Priorities in Bosnia and Herzegovina, October 14, 1999, available on the ESI website at [http://www.esiweb.org/docs/show document.php?document_ID=4] .

and had to seek independence and EC recognition, even given the grave threat such a move posed to peace in the republic. Bosnian Serb leaders warned that international recognition of Bosnia-Herzegovina would lead to civil war.

In March 1992, most Bosniaks and Croats voted for independence in a referendum, while most Serbs boycotted the vote. In April 1992, shortly before recognition of Bosnia by the European Community and the United States, Serbian irregulars and the Yugoslav Army launched attacks throughout the republic. They quickly seized more than two-thirds of the republic's territory and besieged the capital of Sarajevo. Bosnian government officials estimated that over 200,000 people were killed in the war or were missing. About 2.3 million people were driven from their homes, creating the greatest flow of refugees in Europe since World War II. Serbian forces attacked Bosniak and Croat civilians in order to drive them from ethnically mixed areas that they wanted to claim. Croats and Bosniaks were initially allied against the Serbs, but fighting between Croats and Bosniaks broke out in ethnically mixed areas in 1993-1994, also resulting in "ethnic cleansing" by both sides. Bosniak forces also engaged in ethnic cleansing against Serbs in some areas. In addition to the inter-ethnic bitterness it created and the damage it caused to Bosnia's economy, the war also greatly strengthened organized crime groups and their links with government officials, an important stumbling block to Bosnia's post-war recovery.[2]

The war came to an end in 1995, after NATO conducted a series of air strikes against Bosnian Serb positions in late August and early September. The strikes were in response to a Bosnian Serb refusal to withdraw its artillery from around Sarajevo after an artillery attack on a Sarajevo marketplace caused many civilian deaths. Bosniak and Bosnian Croat forces, now better equipped and trained than ever before, simultaneously launched an offensive against reeling Bosnian Serb forces, inflicting sharp defeats on them. The Bosnian Serbs agreed to a cease-fire in October 1995, as did the Croats and Bosniaks, after strong international pressure. Serbian President Slobodan Milosevic, Croatian President Franjo Tudjman, Bosnian President Alija Izetbegovic, as well as representatives of the Bosnian Serbs and Croats, met at the Wright-Patterson Air Force base in Dayton, Ohio in November 1995 to hammer out a peace agreement with U.S. mediation. On November 21, 1995, the presidents of Serbia-Montenegro, Croatia, and Bosnia-Herzegovina, as well as representatives of the Bosniak-Croat federation and the Bosnian Serb republic, initialed a peace agreement. The final agreement was signed by the parties at a peace conference in Paris on December 14.

The Dayton Peace Accords

Under the Dayton Peace Accords, Bosnia-Herzegovina remains an internationally recognized state within its pre-war borders. Internally, it consists of two semi-autonomous "entities" — the (largely Bosniak-Croat) Federation of Bosnia-Herzegovina and the (Bosnian Serb) Republika Srpska (RS). Under the accords, the Bosnian Federation received roughly 51% of the territory of Bosnia-Herzegovina,

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[2] Ibid.

while the Republika Srpska received about 49%. The parties to the accords could not agree on who would control the Brcko region, which forms a key corridor between Serb-held regions in western Bosnia and Serbia. The agreement submitted the status of the Brcko region to binding arbitration by a three-person panel consisting of representatives of each of the two entities and a chairman designated by the international community.

Each of the entities has its own parliament and government with wide-ranging powers, as well as its own armed forces. Each entity may establish "special parallel relationships with neighboring states consistent with the sovereignty and territorial integrity" of Bosnia-Herzegovina. Most powers are vested in the entities; the central government has responsibility for foreign policy, foreign trade and customs policy, monetary policy and a few other areas. (For charts showing the structure of central and entity governments, see Figures 1 and 2 in the appendix.) Central government decisions are nominally taken by a majority, but any of the three main ethnic groups can block any decision if it views it as against its vital interests. The Federation is further divided into ten cantons, each of which has control of policy in key areas such as policing and education. The Dayton accords provided for democratic elections for central, entity, cantonal, and municipal governments.

The military part of the accords commits the two sides (the Bosnian Serbs and the Croat-Bosniak federation) to maintain the cease-fire and separate their forces. The accords require the parties to cooperate fully with the international war crimes tribunal for the former Yugoslavia. The accords prohibit persons under indictment by the international war crimes tribunal for the former Yugoslavia from running for or holding public office in Bosnia-Herzegovina. The plan contains agreements on the protection of human rights and the right of refugees to return to their homes or receive compensation.[3]

International Peace Implementation Efforts

The accords assigned significant roles to several international organizations. A **NATO-led Stabilization Force (SFOR)** is tasked with overseeing and enforcing the military aspects of the accords, and generally providing a secure environment for implementation of the civilian parts of the agreement. In addition, SFOR, within the limits of its resources, also assists civilian implementation efforts directly. The **Organization for Security and Cooperation in Europe (OSCE**) is responsible for overseeing Bosnia's elections, provides democratization aid, and monitors the implementation of the arms control provisions of the accords. The United Nations, through its **International Police Task Force (IPTF)**, is charged with helping to restructure and reform Bosnia's police forces. The **U.N. High Commissioner for Refugees (UNHCR)** deals with the return of refugees and displaced persons to their homes. The **World Bank** and the **European Commission** (the executive body of the European Union) have played the leading role in coordinating international reconstruction aid.

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[3] A text of the peace accord can be found at the website of the Office of the High Representative (OHR): [http://www.ohr.int/gfa/gfa-home.htm].

The accords created the post of the High Representative, who is designated by the international community. The **Office of the High Representative (OHR)** was given the responsibility for overall coordination of the civilian implementation effort on the ground. The accords state that the High Representative "is the final authority in theater regarding interpretation of this Agreement on the civilian implementation of the peace settlement." A **Peace Implementation Council (PIC)** of leading countries and international organizations meets about once a year to set the strategy of the international community in Bosnia. A PIC Steering Board meets about every other month. These are only a few of the most prominent international players in Bosnia; other international organizations, non-governmental organizations and individual governments have also played important roles. (For a chart of the main international organizations active in Bosnia, see Figure 3 in the appendix.)

The international community in Bosnia confronted problems from the outset. Although the military forces of the former warring sides were quickly separated and reduced, it became clear that nationalists, in particular Bosnian Serb and Croat leaders, had little interest in implementing many of the civilian aspects of the peace accord. The international community soon found it lacked the tools to deal with local leaders' obstructionism and lack of initiative. One problem was poor coordination between civilian and military authorities and among agencies responsible for civilian implementation and reconstruction. Critics said that the international community lacked a clear strategy and pursued conflicting objectives.[4]

After it deployed in 1996, the NATO-led Implementation Force (IFOR) focused primarily on its core military mission, which it achieved quickly, but was reluctant to play a key role in directly aiding civilian implementation. However, by the end of the year, it became clear to U.S. and other Western leaders that IFOR, or its successor force SFOR, would be not be able to leave Bosnia without risking a renewal of fighting unless more progress was made on the civilian side. The situation began to improve in 1997. In the summer, SFOR conducted its first operation to arrest indicted war criminals. Observers say the detention and trial of indicted war criminals removes from power some of the nationalist extremists and criminals that have obstructed the peace process, intimidates others, and helps to begin the healing process between ethnic groups by shifting responsibility for atrocities from a whole ethnic group to specific individuals. SFOR also seized broadcast facilities from nationalists in the Republika Srpska as the first step in a plan to create responsible media based on Western standards. In an effort to head off a coup against Republika Srpska President Biljana Plavsic, SFOR began to take action against "special police" and intelligence organizations, which have acted as enforcers for nationalist leaders. SFOR has also played an important role in monitoring the armed forces of the two entities, removing, or rejecting the appointment of, high-ranking officers who have obstructed the peace agreement.

There have also been problems among international civilian organizations. Insufficient coordination led to duplication of effort, and even to international organizations unwittingly working against each other, critics say. For example, many aid providers focused on disbursing assistance as rapidly as possible. This

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[4] ESI, Reshaping International Priorities in Bosnia and Herzegovina, ESI website.

approach may have helped improve conditions in the war-damaged country more quickly, but it may also have helped to strengthen the hand of nationalist leaders by giving them increased resources. The efforts of other international organizations to impose conditionality on aid recipients was undermined, critics claim.[5]

In an effort to at least partly ameliorate these coordination problems and to develop more effective tools to deal with obstructionism, the role of the Office of the High Representative has expanded since the peace accords were signed. At the beginning, OHR had a limited mandate to coordinate international efforts and was given few resources. Faced with obstructionism by local leaders, in December 1997, the Peace Implementation Council ruled that OHR has the power to remove obstructionist officials and impose laws not adopted by central institutions. Since that time, OHR has expanded the use of this power to the point that it represents a parallel legislative power at both the central and entity level. Laws have been imposed that have not been submitted to local parliaments or governments. The impact of OHR's actions has been important in some areas, such as establishing freedom of movement through imposing a common licence plate, less so in others, such as dismissing recalcitrant officials, who are often replaced by equally inflexible placemen of the ruling nationalist parties.[6]

U.S. Policy

Since its key role in brokering the Dayton Peace Accords, the Clinton Administration said that U.S. engagement in Bosnia was important for several reasons. Clinton Administration officials argued that the stability of Europe is a vital interest of the United States, and that the key U.S. goal in the region is a Europe "whole and free." They said that instability in Bosnia and elsewhere in the Balkans could have a negative impact on Europe as a whole. They asserted that the United States must be engaged in trying to prevent or halt conflicts in the region before they spread and intensified, pulling the United States into even more costly, difficult and dangerous commitments.

In addition, they claimed that a failure to meet challenges in Bosnia and the Balkans could deal a damaging blow to the credibility and future viability of NATO and Euro-Atlantic cooperation. If the United States believes that it is in its interest to be a leading European power, it can hardly avoid playing an important role in one of the key challenges facing the continent, they asserted. They stressed that it is proper that Europe bear the largest share of the burden in the Balkans, but that the United States must also participate in efforts to rebuild the region to safeguard its own interests. U.S. disengagement from the region could create a leadership vacuum that would harm prospects for regional stability, they argued. [7]

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[5] ESI report, Reshaping International Priorities in Bosnia and Herzegovina, ESI website.

[6] Ibid.

[7] U.S. Information Agency transcript of Secretary of State Madeleine Albright CNN interview on February 21, 1999.

The goal of U.S. policy in Bosnia since brokering the Dayton Peace Accords has been to promote the emergence of a stable, democratic, prosperous Bosnia that is integrated with the rest of Europe. The United States has favored Bosnia's unity, but also the continued existence of the two entities within Bosnia, both of which should be democratic and multiethnic. These objectives are to be achieved by the full implementation of the Dayton accords. U.S. policymakers have so far rejected efforts to rewrite the agreement.

From FY1992 through FY2000, the Department of Defense has spent $10.57 billion for military missions in Bosnia.[8] From FY1992 to FY1999, the United States has obligated over $907 million in aid to Bosnia.[9] U.S. aid to Bosnia has been scaled back in recent years. SEED funding declined from $258 million in FY1998 to $158 million in FY1999 and $100 million in FY2000, for a total decrease of 61% over two years.[10] In FY2001, the United States expects to provide $79.8 million in aid to Bosnia. Funding for reconstruction finance will drop to zero in FY2001.[11] The focus of U.S. aid is now on helping refugees to return to their homes, promoting the rule of law (including anti-corruption programs), and economic reform. U.S. aid, like aid from other countries and international organizations, is shifting from post-war rebuilding to post-Communist reform.

A key problem for the Clinton Administration was how to deal with Congressional concerns over an open-ended U.S. troop commitment in Bosnia. In part to head off possible Congressional objections, in late 1995 the Clinton Administration said that IFOR would be deployed to Bosnia for only one year. The Administration abandoned this commitment in late 1996, saying that U.S. troops would stay until peace could be sustained without their presence. At Congressional insistence, the Clinton Administration established a series of benchmarks designed to measure progress toward this goal. In attempting to rally support for a continued engagement, the Clinton Administration pointed to the gradual reduction of U.S. and allied troops in Bosnia as proof of the success of its policy. IFOR/SFOR has been reduced from about 54,000 in 1996 to 19,500 in March 2001. The U.S. contribution has fallen from 20,000 to 4,300 in the same period. The United States plans to reduce its forces in Bosnia to 3,500 in April 2001. NATO conducts semi-annual reviews of all aspects of the SFOR mission, including the number of troops deployed and their composition.[12]

During the 2000 Presidential campaign, candidate George W. Bush and future National Security Advisor Condoleezza Rice said that U.S. military forces are

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[8] DOD Comptrollers Office, December 15, 2000.

[9] "SEED Act Implementation Report, Fiscal Year 1999, March 2000. Figure includes SEED, DA, ESF and IDA funds.

[10] General Accounting Office, *Bosnia Peace Operation: Crime and Corruption Threaten Successful Implementation of the Dayton Peace Agreement*, GAO/NSIAD-00-156, July 2000, p. 64.

[11] "Bosnia SEED Budget," State Department fact sheet, January 2001.

[12] For more on U.S. forces in Bosnia, see *Bosnia: U.S. Military Operations*, by Steven R. Bowman, CRS Issue Brief IB93056, updated regularly.

overextended globally, and that peacekeeping responsibilities in the Balkans should be taken over by U.S. allies in Europe. Colin Powell expressed similar views in statements after Bush announced his nomination as Secretary of State. After taking office, however, Administration views appeared to have shifted. On February 4, 2001, Secretary of State Powell said that the United States had a commitment to peace in the Balkans and that NATO forces would have to remain in Bosnia and Kosovo for "years." He said the United States was reviewing U.S. troop levels in Bosnia and Kosovo with the objective of reducing them over time, but stressed that the United States would act in consultation with its allies and was not "cutting and running."[13] In another statement on February 27, Powell said that U.S. and European forces in the Balkans "went in together, [and] we'll come out together."[14]

Congressional Concerns

The U.S. commitment to Bosnia has been a controversial issue in Congress. In late 1995, some Members of Congress expressed opposition to the deployment of U.S. troops to Bosnia or demanded that the Administration secure prior Congressional authorization for it. After the deployment, the 104th and 105th Congresses focused on the escalating cost of the Bosnia mission and on whether to cut off funds for the deployment. Many Members were skeptical of the Administration's one year limitation on the U.S. troop commitment, and were angry at the Administration's revision of that decision.[15] Members made several efforts to limit or terminate the U.S. troop commitment, without success. Instead, Congress approved the Administration's requests for funding the deployment, but required the Administration to submit reports on progress toward achieving the objectives of the deployment as well as on its impact on the readiness of the U.S. military.

Congress also appropriated large amounts of aid for civilian peace implementation and reconstruction in Bosnia, and has placed conditions on such aid. These conditions included a prohibition on U.S. aid to regions of Bosnia not cooperating with the International Criminal Tribunal for the former Yugoslavia (ICTY). However, these conditions included waiver provisions that were frequently used by the Clinton Administration, in particular to help moderate RS Prime Minister Milorad Dodik bolster his position against hard-liners.

The 106th Congress did not focus legislative attention on Bosnia, but rather on another emerging regional problem, Kosovo. However, Congress continued to impose reporting requirements for the troop deployment and aid conditions, identical or similar to those imposed in 1996 and 1997. Through hearings and public

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[13] Transcript of interview with Secretary Powell on ABC "This Week" program, February 4, 2001.

[14] "Powell Reassures NATO on U.S. Troops in Balkans," Reuters news agency dispatch, February 27, 2001.

[15] For more on Congressional action on Bosnia in 1995 and 1996, see *Bosnia Implementation Force (IFOR) and Stabilization Force (SFOR): Activities of the 104th Congress*, by (name redacted), CRS Report 96-723, January 6, 1997.

statements, some Members began to look at evaluating U.S. experience in Bosnia — what has been achieved, and what problems remain, including corruption and reports of stolen international aid. Some Members have expressed concern that the United States is engaged in an open-ended "nation-building" exercise. They criticize the use of U.S. military forces to pursue non-military objectives. Congressional supporters of the current policy say that there is no quick fix alternative to the patient work of building stability in the region. They assert that U.S. resources devoted to the region are modest, and reject the idea that the deployments have inflicted serious harm on the readiness of our forces.[16]

Congressional debate on Kosovo revisited many issues of previous deliberations on Bosnia. These include whether the President required prior Congressional approval for the deployment of U.S. forces. Members expressed concern about whether Kosovo represented another open-ended commitment that could have a negative impact on U.S. military readiness. Congress also considered proposals to cut off funding for the U.S. troop presence in Kosovo, although proposals were partly tied to a new issue, burdensharing with European countries on reconstruction and other aid to Kosovo. As in the Bosnia debate, Congress did not adopt these proposals and approved the funding the Administration requested for peacekeeping. Congress even adopted a compromise approach similar to that adopted in the Bosnia debate by requiring the Administration to draw up benchmarks for achievement of U.S. goals in Kosovo in the FY2001 defense authorization bill.

The actions of the 107th Congress on Bosnia will likely depend in part on the strategy of the Bush Administration. The political demise of Milosevic in October 2000 may also pique Congressional interest in a withdrawal. However, narrow majorities in both chambers may make achieving consensus more difficult. One important issue that Congress may continue to address is burdensharing with U.S. allies, not only in Kosovo, but throughout the region, including Bosnia. Congress may also address the question of U.S. strategy in the region.

Key Benchmarks

In the FY1998 defense appropriations law (P.L. 105-56), Congress required the President to establish benchmarks to measure progress toward a self-sustaining peace in Bosnia, and set a schedule for their achievement, which would permit the withdrawal of U.S. troops. The law required the President to seek to have the benchmarks adopted by the North Atlantic Council. The Clinton Administration worked out a list of 10 benchmarks, which were adopted by the North Atlantic Council and the Peace Implementation Council. Four semi-annual reports have been submitted so far. In general, they provide a relatively upbeat picture of incremental progress, while admitting difficulties. The Administration conceded that none of the

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[16] For the latter view, see Sen. Joseph Biden, "Nation Building? Yes," *New York Times*, January 25, 2001, p. 23.

benchmarks has been completely achieved, and has declined to predict when they will be.[17]

Military Stability

Perhaps the only clear-cut success of the Dayton Peace Accords so far has been achieving military stability. Annex 1-A of the accords calls for a cessation of hostilities, withdrawal of foreign forces, redeployment of forces behind the Inter-Ethnic Boundary Line (IEBL) between the two entities, placing heavy weapons in designated cantonments, and demobilization of forces. These requirements were fulfilled by mid-1996, under the supervision of the Implementation Force (IFOR). IFOR and its successor the Stabilization Force (SFOR) have subsequently ensured continued compliance by frequent inspections.

Annex 1-B of the accords commits the Republika Srpska, the Federation of Bosnia-Herzegovina, Serbia-Montenegro and Croatia to substantial reductions of heavy weapons, including tanks, armored fighting vehicles, artillery and combat aircraft and helicopters. It also calls for a system of confidence and security-building measures between the two entity armies, including the exchange of information and inspections. These provisions have been largely implemented, but mainly due to the persistence of the international community rather than a real willingness of the parties to cooperate. The international community successfully pushed the two armies to reduce their defense budgets and military personnel by 15% by the end of 1999. An additional 15% cut is underway. Observers note that budgetary stringency in both entities may have made these decisions easier. [18]

However, U.S. and other Western officials have recognized that successfully policing a cease-fire does not in itself lead to a self-sustaining peace that would eventually permit the total withdrawal of SFOR. Western countries have attempted to move beyond the maintenance of the cease-fire and demobilization to push for increased cooperation between the entity militaries and greater integration between them, with the hope of eventually merging them. This effort has been much less successful than efforts to preserve the cease-fire and reduce the forces of the entity armies. Military Liaison Missions called for in Annex 1-B were not created until July 1998 and have been hurt by a lack of a genuine spirit of cooperation. Annex 4 of the Dayton accords calls for the establishment of a Standing Committee on Military Matters (SCMM) to coordinate the activities of the two entity militaries. The SCMM did not begin to function effectively until July 1999, and still lacks the

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[17] The four benchmark reports through September 2000 have been printed as House Documents 106-277, 106-231, 106-104 and 106-18. For a more critical assessment of progress toward implementing the Dayton accords, see International Crisis Group, Is Dayton Failing: Bosnia Four Years After the Peace Agreement, October 28, 1999 from the ICG website [http://www.crisisweb.org].

[18] Ibid.

resources and authority needed to play an important role in security policy in Bosnia.[19]

There are significant obstacles to this effort to integrate the Bosnian militaries. One is that bitter memories of the war may be still fresh in the minds of some members of the Bosnian armies, making it difficult to bring them together. Another obstacle is that nationalist political parties and leaders in Bosnia do not wish to give up de facto control over "their" armies. The Federation military is not effectively integrated. Below the level of the Federation defense ministry and the highest levels of command (which are at least nominally integrated), the Federation army consists of a Croat army controlled by the Croatian Democratic Union (HDZ) and a Bosniak army controlled by the Party of Democratic Action (SDA). This division was made more obvious in March 2001, when HDZ leaders, angry at actions taken by the international community before and after the November 2000 elections, said the areas they control would in effect secede from the Federation, including from the Federation Army. Bosnian Croat officers subsequently resigned from the Federation Army as the first step to setting up their own armed forces. The leadership of the Republika Srpska has also rejected surrendering control of the RS Army, viewing it as the ultimate guarantor of the RS's security.

A related issue is the close links that the militaries have had with other countries. Since its inception, the HVO, the Bosnian Croat military within the federation, received the overwhelming share of its funding, equipment and many of its officers from Croatia, under the leadership of Croatian President Franjo Tudjman and the HDZ in Croatia. Serbia, under the leadership of former Yugoslav President Slobodan Milosevic, pursued a similar policy. However, Croatia's military aid to the Bosnian Croat military has been sharply reduced since the collapse of the Tudjman regime in early 2000 and channeled through the Federation. The collapse of the Milosevic regime in November 2000 has not yet led to similar developments in relations between the RS army and the Yugoslav army.

The SDA and the Bosniak army have favored a united Bosnia in military and other spheres in part because the Bosniaks have not had a regional protector. During the war, Bosniak forces received covert aid from Iran and other Islamic countries. U.S. officials and Members of Congress expressed concern about the possible influence of radical Islamic groups on the Bosniak military and security forces. The Dayton accords required the exclusion of foreign forces from Bosnia, which the Clinton Administration and Bosniak leaders said was accomplished in 1996. In order to secure Bosniak approval of the Dayton accords, the United States led an effort to train and equip the Federation Army, including Bosniak forces, on the condition that aid from Iran and other countries and groups hostile to the United States would be excluded. While the Train and Equip program has been successful in giving the Bosniaks a feeling of greater security, it has largely failed in integrating the Federation Army, one of its key goals.

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[19] Ibid.

Public Security and Law Enforcement

Reform of police forces in Bosnia is particularly important, given the role that they have played as a weapon used by ruling nationalist parties to carry out and maintain ethnic cleansing and to harass political opponents. Annex 4 of the Dayton accords calls for the restructuring of Bosnia's police forces so that they are multi-ethnic, professional, and respect human rights. Annex 11 established a U.N. International Police Task Force (IPTF) to monitor, reform and train local police forces, but not to carry out policing functions itself. The IPTF oversees the restructuring and reduction of the police forces in the two entities. It has provided "human dignity" training aimed at getting police officers to respect human rights, as well as training intended to improve their professional skills in crowd control, conducting investigations, and many other areas. These training courses are now conducted by local instructors. The OSCE, Council of Europe, the U.S. Justice Department's International Criminal Investigation Training and Assistance Program (ICITAP), and other organizations also provide training to police forces in Bosnia.

The IPTF has a program to screen and monitor local police. The IPTF has offices inside or adjacent to most police stations. It inspects all aspects of police work, including reviewing investigative and personnel files and sometimes accompanying local police performing their duties. The IPTF cannot directly punish or dismiss officers who commit abuses, but files non-compliance reports against violators. However, its reports have been used by OHR in deciding to dismiss high-ranking police officials for non-compliance.

Progress in reforming Bosnian police forces has been mixed. Progress has been made in restructuring and reducing police forces and providing needed professional training. With much difficulty, the international community has assisted in the setting up of inter-entity police organizations, including the State Border Police (currently operating at Sarajevo airport) and the Brcko police department (see Brcko benchmark below). However, the IPTF admits that progress in ethnic integration of police forces has been very slow. Police in the RS have been unwilling to hire Croat or Bosniak officers, particularly if they are former refugees. Similar resistance to minority recruitment and integration has been found in some Croat majority areas, including the city of Mostar. Police in these areas have been unwilling to protect returning refugees from other ethnic groups from violence and have dragged their feet in investigating crimes against them.[20] The IPTF does not have a mandate to conduct policing duties itself, and cannot fill this void. SFOR, with its Multi-national Specialized Unit (MSU) of heavily-armed police, has helped at times to control crowds at flashpoints, but cannot fill the policing gap by itself.

Judicial Reform

Progress toward creating an independent and effective judiciary has been very slow. The judicial system in Bosnia is largely an entity responsibility, and is devolved to the cantons in the Federation. There is little cooperation between the

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[20] International Crisis Group, "Is Dayton Failing?: Bosnia Four Years After the Peace Agreement," ICG Balkans Report 80, October 28, 1999.

two entities on legal matters, or between Bosniak and Croat-dominated areas of the Federation. Judicial independence is impaired by the interference of political leaderships in the judicial process, including in the selection of judges. The local judiciaries also suffer from weak professional standards and low pay. Law enforcement bodies often ignore judicial rulings. Organized criminal groups, often linked with local political leadership, can intimidate local judiciaries.[21]

The international community has worked to elaborate new criminal codes for the entities and professional standards for the legal profession, but the situation on the ground is changing more slowly. OHR pressed the adoption of a judicial reform law, which takes the power of appointment out of the hands of the parties and gives it to local selection boards. In December 2000, the OHR established a judicial review commission to oversee the judicial appointment process. The international community has also tried to bolster the role of the Bosnian Constitutional Court, which has been taking a more activist role in recent years. In 2000, the Court struck down provisions of the entity constitutions that discriminated against ethnic minorities. However, it is unclear whether decisions of the Court will be implemented.

Illegal Institutions, Organized Crime, and Corruption

Most experts believe the existence of illegal institutions, organized crime and corruption is a key factor that has hindered implementation of the Dayton accords. Illegal institutions are a particular problem in the Federation, above all in Croat-controlled areas. These institutions, as well as corruption and crime for the benefit of nationalist political parties, corrupt politicians, and criminals receive funding from many sources, including smuggling, diversion of customs revenues and other criminal activities. Another avenue is the payments bureau. The three ethnic groups maintain payment bureaus, through which all financial transfers must pass. This situation gives enormous power and money to parties and organized crime. The parties also control key firms, including utilities. This situation obviously harms prospects for economic reform and foreign investment.[22] In December 2000, the High Representative imposed a law abolishing the payment bureaus.

A July 2000 report by the General Accounting Office says that international, but not US aid, has been stolen by corrupt officials. However, perhaps more important are the huge amounts stole from Bosnian government funds. Since corruption reduces the overall amount of resources available to deal with Bosnia's problems, it can be said that it has an indirect negative impact on the effectiveness of U.S. aid.[23] Organized crime is a critical problem in Bosnia. The power of these groups derives in part from close connections with political elites, a legacy of the war.

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[21] International Crisis Group, "Rule Over Law: Obstacles to the Development of an Independent Judiciary in Bosnia and Herzegovina," July 5, 1999, ICG website [http://www.crisisweb.org/projects/bosnia/reports/bh49rep.htm].

[22] General Accounting Office, *Bosnia Peace Operation: Crime and Corruption Threaten Successful Implementation of the Dayton Peace Agreement*, GAO/NSIAD-00-156, July 2000

[23] Ibid.

International efforts have targeted illegal institutions, crime, and corruption. Efforts to reform the police and the judiciary, abolish the payments bureaus, set up a treasury system, regulate utilities, accelerate privatization, establish a state border service and other measures are partly aimed at dealing with these problems. The United States and other donors have not only promoted institutional reform, but also have tried to boost the investigative and enforcement capabilities of anti-corruption bodies, and protect them from political interference.

In March 2000, in protest against changes in Bosnia's election laws, leaders of the hard-line Croat nationalist HDZ party declared that the areas under their control would in effect secede from the Federation and establish a separate Croat entity, a move that is in clear violation of the Dayton Accords.

Media Reform

Most media in Bosnia are under the control or influence of the government and ruling parties, which use them to consolidate their power. The international community was slow to react to the hardliners' control of media. An important turning point occurred in 1997, when SFOR moved to seize RS radio and television transmitting facilities from hardliners. In 1998, OHR established the Independent Media Commission, which set standards for and licences Bosnian broadcast media. IMC can sanction or remove licences from violators. However, journalists sometimes face harassment and pressure from nationalists and organized crime figures.[24] Appeals to ethnic hatred in the media are generally less widespread than in the past, but journalistic standards remain low. The United States and other countries and organizations have provided aid to train journalists.

Elections and Democratic Governance

Annex 3 of the Dayton Accords required OSCE-supervised elections for central, entity and canton governments. In all, OSCE has supervised five elections from 1996 through 2000. The first elections were written into the accords, to be held no later than nine months from signature. They were held on September 14, 1996. The OSCE judged that the elections took place in a less than free and fair environment. Media remained in the hands of the ruling nationalist parties, which also harassed and intimidated opposition supporters. Partly as a result of these conditions, the ruling parties won the elections. Municipal elections, which were planned for the same date, were postponed due to fraud in the registration process, particularly by Bosnian Serb leaders. Municipal elections were held on September 13-14, 1997. The OSCE also supervised parliamentary elections in the Republika Srpska on November 23, 1997, general elections in 1998, municipal elections in April 2000 and general elections in November 2000. The conditions under which these elections have been held have generally improved, although problems remain. OSCE has banned candidates and parties for violating election rules.

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[24] State Department Country Reports on Human Rights Practices: Bosnia and Herzegovina, February 2001.

Critics of the OSCE say that it approved an election law favoring ethnic gerrymandering and nationalist parties. The law thus permitted people to vote where they live now, not in the areas in which they resided in 1991. This permitted nationalists to concentrate their supporters in areas they wanted to control, thereby giving democratic legitimacy to ethnic cleansing. On the other hand, the implementation of election results has also been a problem, particularly when ethnic minorities are elected to local governments in areas from which they have been expelled.

In the most recent elections, on November 11, 2000, voters elected a new Bosnian central parliament, as well as parliaments for the two entities. RS voters elected a new President, while voters in the Federation chose canton legislatures. In the Federation, the results confirmed a trend of eroding support for the nationalist SDA among Bosniaks, but continued HDZ dominance among Croats. In the Republika Srpska, the nationalist Serbian Democratic Party (SDS) won 31 seats in the 83-seat RS National Assembly, making it by far the largest party in the RS parliament. The moderate Party of Democratic Progress (PDP) won 11 seats, as did another moderate party, the Union of Independent Social Democrats, led by former RS Prime Minister Milorad Dodik. In perhaps the greater setback to the international community, Mirko Sarovic, the SDS candidate for the RS Presidency, crushed Dodik. Sarovic has chosen PDP leader Mladen Ivanic as RS Prime Minister-designate. The United States threatened the RS with an aid cutoff if SDS members were included in the new government. The new RS government did not include any publicly known SDS members, but reportedly contained persons close to it. The government also included Bosniaks as deputy ministers.

The mixed election results produced some favorable outcomes for the international community. After months of obstruction by the main nationalist parties, the non-nationalist Social Democratic Party (SDP) and other parties formed an "Alliance for Change" coalition with the Party for Bosnia and Herzegovina and other non-nationalist parties at the central government level in February 2001 and the Federation level in March. The alliance excluded SDA, HDZ and SDS. Furious at OSCE election rule changes before the vote, the HDZ organized a "referendum" on seceding from the Federation concurrently with the election. The OSCE responded by cancelling the mandates of 13 HDZ candidates. When HDZ leaders announced plans to secede from the Federation, OHR fired Federation President and HDZ leader Ante Jelavic and other top HDZ leaders in March 2001.

Annex 4 of the Dayton accords, the Bosnian Constitution, called for the establishment of six main central governmental institutions: the Presidency; the Council of Ministers; the Parliamentary Assembly; the Constitutional Court; the Central Bank; and the Standing Committee on Military Matters. However, these institutions are very far from functioning effectively. Their powers are limited. Their funding depends on the entities, which have little incentive to make them work. Nationalist parties have also sabotaged them from within. As a result, the passage and implementation of key legislation needed to integrate Bosnia and revive its economy continues to lag. The High Representative has tried to fill this vacuum by imposing key legislation. One of the main priorities of the international community is to make the central government more effective. This includes providing it with its own sources of revenue and creating a non-political, professional civil service.

Economic Development

In April 1996, international organizations and bilateral donors unveiled a $5.1 billion Priority Reconstruction and Recovery Program to rebuild Bosnia-Herzegovina and promote economic reform. The last tranche of this amount was pledged by international donors at a conference in May 2000. From 1996 through 1998, about $2.8 billion was disbursed. The impact of international aid has been mixed. It has been successful in rebuilding much of the country's shattered infrastructure. Bosnia has also experienced economic growth. Average annual growth in Gross Domestic Product (GDP) from 1995 to 1998 averaged about 40%. GDP reached $4.1 billion in 1998, about 40% of the pre-war level. However, most observers view this economic growth as deceptive, based largely on unsustainable levels of economic aid.

International officials have repeatedly warned Bosnian leaders that economic aid to their country will decline sharply over the next few years, and that they must work harder to reform their economy to lay the foundation for foreign investment and self-sustaining economic growth. The focus of international aid efforts has now shifted toward creating a single economic space in Bosnia, enabling private sector growth, and privatization. However, economic reform progress has been halting, in part due to foot dragging by corrupt Bosnian leaders.[25]

Displaced Persons and Refugee Returns

Annex 7 of the peace agreement guarantees all displaced persons and refugees a right to return to their homes. Success in this area is key to reversing ethnic cleansing and knitting Bosnia back together. Progress has been slow, but has picked up in the past year. Figures are somewhat uncertain due to reporting problems and the significant numbers of people who are returning without notifying international officials. An estimated 2.3 million people were displaced or became refugees during the war. UNHCR recorded over 728,000 returns of refugees and displaced persons to Bosnia from January 1996 to January 2001.

However, the key figure is "minority returns," that is, the number of people who have returned to areas in which they are no longer the ethnic majority. There have been over 100,000 minority returns since the signature of the Dayton Peace Accords, mainly to the Federation. The number of minority returns are increasing. The U.N. High Commission for Refugees said there were over 67,000 minority returns in 2000 alone. However, long after the war, many people are still displaced. In December 2000, UNHCR said that over 518,000 persons in Bosnia continue to be registered as displaced persons. Nearly 21,000 Bosnian refugees remain in Croatia, while over 190,000 live in Serbia and Montenegro. There are an additional 52,000 refugees outside the region who have not been repatriated to Bosnia or given long-term residency in foreign countries. Just under 225,000 people have been repatriated from foreign countries since the war.

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[25] Bosnia and Herzegovina 1996-1998 Lessons and Accomplishments: Review of the Priority Reconstruction and Recovery Program and Looking Ahead toward Sustainable Economic Development, available online at the World Bank/EU Southeastern Europe aid website, [http://www.seerecon.org] .

Initial efforts of refugees to return to areas from which they were ethnically cleansed were met with obstruction, intimidation and violence, particularly in the Republika Srpska. Violence is less common now, but is still sometimes an issue. Various kinds of obstruction continue to make refugee returns difficult. OHR has imposed property legislation to guarantee the rights of refugees and displaced persons to regain their property and has invalidated laws passed by the entities aimed at infringing on these rights. However, implementation of these laws has been difficult. One important problem is the presence of refugees from the majority community in the homes of the returnees. Local authorities are very reluctant to evict the current inhabitants. According to UNHCR, about 21% of nearly 250,000 property claims have resulted in repossession so far. The percentage in the Federation in 29% and in the RS only 13%.[26]

There are also practical issues that hinder returns; a lack of money to rebuild damaged houses; a lack of jobs for minority returnees; and a lack of public services, such as utilities, schools, and social benefits. Some of these problems are due to a lack of international assistance, the poor state of the local economy or obstructionism by local officials.

Status of the Brcko District

Annex 2 of the Dayton accords called for binding international arbitration by December 14, 1996, to determine who would control the strategic Brcko region, held at that time by the Bosnian Serbs. Faced with the irreconcilable positions of the two sides, who threatened to go to war over the issue, the chairman of the arbitration panel, U.S. envoy Roberts Owen, announced that a final decision on the status of Brcko would be postponed. A Deputy High Representative for Brcko supervised the implementation of the peace accord in the region. Finally, in March 1999, the Brcko status issue was settled by making it a self-governing district not controlled by either entity. However, progress toward real integration within the district remains slow.

Persons Indicted for War Crimes

The Dayton accords requires both entities in Bosnia to cooperate fully with the ICTY, including turning indicted war criminals over to the Tribunal. Most observers stress the importance of bringing war criminals to justice, both as a means of promoting reconciliation and as a way to exclude extremists from the political process. Bosniak areas of the Federation have largely cooperated with the ICTY, while the record of Bosnian Croats is mixed. Leaders in the Republika Srpska, the Serb entity within Bosnia, continue to refuse to turn in war criminals on their territory. According to one study, persons responsible for war crimes still occupy important positions in the Republika Srpska.[27]

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[26] UNHCR Bosnia website [http://www.unhcr.ba].

[27] "War Criminals in Bosnia's Republika Srpska," ICG Balkans Report No. 103, November 2, 2000.

SFOR soldiers have captured 21 indictees, and killed two others in self-defense while making arrests.[28] Fourteen others have surrendered voluntarily, and six were detained by national police. Twenty-six indictees remain at large, of which five are wanted for crimes in Kosovo and four others for crimes in Croatia, not Bosnia.[29] There may be additional persons who have been named in sealed ICTY indictments which have not yet been publicly disclosed. Although progress has been made in catching war criminals, Radovan Karadzic and Ratko Mladic the wartime Bosnian Serb political and military leaders respectively and the two most wanted Bosnian indictees, are still at large.[30]

Implications

Supporters of the current approach of the international community in Bosnia say the slow, steady accumulation of progress noted above is changing the situation in Bosnia for the better. Critics charge that most of this progress has come as a result of pressure by the international community. They claim the international community has so far largely failed in its goal of encouraging local leaders to accept "ownership" of reforms. They assert that, lacking a real domestic constituency, this "progress" is by definition not self-sustaining. One key structural problem is the persistence of the nomenklatura system, but an additional factor may be a lack of strong, active popular support for change. An additional challenge is creating new, democratic structures to replace the old ones. To some extent, Dayton itself may stand in the way, given the weakness of central authorities, and the way it organizes the country on the basis of ethnicity.

Western strategy is an important factor in Bosnia's future. International aid to Bosnia will continue to decline over the next few years. Given Bosnia's dependence on such aid and the slow pace of economic reform, "withdrawal" symptoms may occur. These could include increasing public disorder or a nationalist backlash. Increasing disorder could further strengthen organized crime groups, particularly in the RS and in Herzegovina. However, optimists say that there could be a positive effect. They note that economic hard times helped trigger the defeat of regimes in Serbia and Croatia. Some analysts have gone so far as to say that the international community has been unwittingly propping up nationalist regimes with aid and electoral legitimacy, while condemning them publicly. They argue that if the international community is skillful, it can support a democratic opposition and other democratic institutions while delegitimizing ruling nationalists.

In the long term, the victories of reformist regimes in Serbia and Croatia will probably improve prospects for Bosnian unity, especially when compared to the

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[28] SFOR fact sheet, November 2000, SFOR website [http://www.nato.int/sfor/home.html].

[29] "ICTY Key Figures," ICTY fact sheet, March 15, 2001, available online from the ICTY website at [http://www.un.org/icty].

[30] For more on the ICTY, see *Yugoslavia War Crimes Tribunal: Current Issues for Congress*, by (name redacted), CRS Report RL30864, February 26, 2001.

destructive impact of the Milosevic and Tudjman regimes. However, this factor may not be decisive, at least in short term. Since coming to office in early 2000, the new Croatian government has sharply reduced aid to Bosnian Croat institutions, including the HVO, the Bosnian Croat army, and has funneled the remaining assistance through Federation institutions. However, Bosnian Croat leaders, perhaps fearing that continued international pressure and the loss of backing in Zagreb could pose a grave threat to their power, have become obstructionist, culminating in their announced secession from the Federation in March 2001.

As far as Serbia is concerned, while some Serbs in Serbia (and perhaps most Serbs in Bosnia), may entertain hopes that the Republika Srpska could one day become part of Serbia, most realize that the international community is opposed to such an outcome, and that Serbia cannot afford to alienate international aid donors. Yugoslav and Serbian leaders are sympathetic to the problems of the Bosnian Serbs and wish to bolster the Republika Srpska. In March 2001, the Federal Republic of Yugoslavia signed an agreement with the RS on a "special parallel relationship." Such agreements are permitted under the Dayton Peace Accords if they are consistent with the sovereignty and territorial integrity of Bosnia as a whole. The agreement has the approval of the High Representative. The agreement calls for FRY-RS cooperation on a number of issues. RS Prime Minister Mladen Ivanic said the agreement would allow for military cooperation between the FRY and RS, but that such cooperation would have to be "transparent." He said that the two sides would work on a free trade zone. He added that the agreement would permit RS citizens to have dual RS-FRY citizenship.

Possible Options

The international community has a range of possible options in Bosnia.

One possible option would be to **continue the present course**, with similar levels of financial, military and political commitment, with progress continuing to accumulate gradually. The presence of democratic regimes in Serbia and Croatia could contribute to such progress. As bitter memories of the war recede into the past, slow, steady progress could achieve a sustainable "critical mass" over the long term, advocates believe. However, growing international impatience with the pace of change in Bosnia may make this option unrealistic. Critics believe that this approach is doomed to failure, given the persistence of underlying political and economic factors in Bosnia that will prevent the achievement of a self-sustaining peace.

A second conceivable option would be to **put Bosnia on the "back burner."** In this scenario, the international community would reduce its commitment to Bosnia, leaving the Dayton accords tacitly unimplemented. This option could appear to be politically attractive for Western governments weary of continuing a large commitment that has so far shown modest results. Indeed, one could interpret declining SFOR troop levels and international aid commitments as signs that the international community may be drifting in this direction already. However, this approach also carries significant risks. What little the international community has achieved in civilian implementation would likely unravel, and political instability

could increase. A pullout of SFOR from Bosnia could be particularly destabilizing, if nationalists decided to take advantage of the situation.

A third option could be to formally **revise the Dayton accords to move openly toward partition.** This possibility could be combined with a regional territorial settlement aimed at creating borders that would more closely correspond to current patterns of ethnic settlement. This could involve the independence of Kosovo and an independent RS, which could then merge with Serbia. This option could be suitable for many Bosnian Serbs and Croats. However, the Bosniaks would reject this option strongly. Given the fact that the Bosniaks are now the strongest military faction in Bosnia, they might be tempted to secure a better deal for themselves militarily. International peacekeepers could deter such a move, but that force would operate under increased risk. Such a change in Western policy could also pose serious challenges for the new democratic regimes in Croatia and Serbia, even if such a division could be accomplished peacefully. The new regime in Croatia would de facto have a portion of Bosnia thrust upon it without their wanting it. Many in Serbia might want to control the RS, but perhaps not at the price of a regional settlement that could result in the loss of Kosovo. Moreover, such a partition might strengthen nationalist forces in both countries. This of course would be more likely to occur if war broke out in Bosnia again. A partition of Bosnia could also further destabilize Macedonia by legitimizing a partition of that country as well. There could also be intensified fighting over the borders of an independent Kosovo.

Moving in the opposite direction, one could **interpret the peace accords to promote greater unity within Bosnia**, and the international community could play an even more direct role in shaping Bosnian society. Multi-ethnicity within each entity could be strengthened. The powers and resources of the Bosnian central government could be expanded. Greater activism by OHR, the further revision of the election laws to the disadvantage of nationalists, the use of the Bosnian Constitutional Court to reinterpret the Bosnian Constitution are some of the ways the international community could move toward these goals. SFOR could force deeper reductions on the Bosnian militaries as a step toward their unification.

The international community has already made incremental steps in this direction in the past few years, as it has learned by trial-and-error the problems with the Dayton Accords, the shortcomings of the parties to it, and which tools at the disposal of the international community actually work. However, if taken further, this policy could be risky because nationalists like the current situation in Bosnia and could resist violently if their power were threatened. This option could also require the international community to continue to devote considerable resources to Bosnia. Economic reform and increased prosperity could be a much bigger blow to the prospects of nationalist parties than OHR efforts to impose laws or ban politicians or parties. Economic reform could help break the power of the nationalist parties by weakening their financial bases. However, international investment will be needed for economic reforms to take hold.

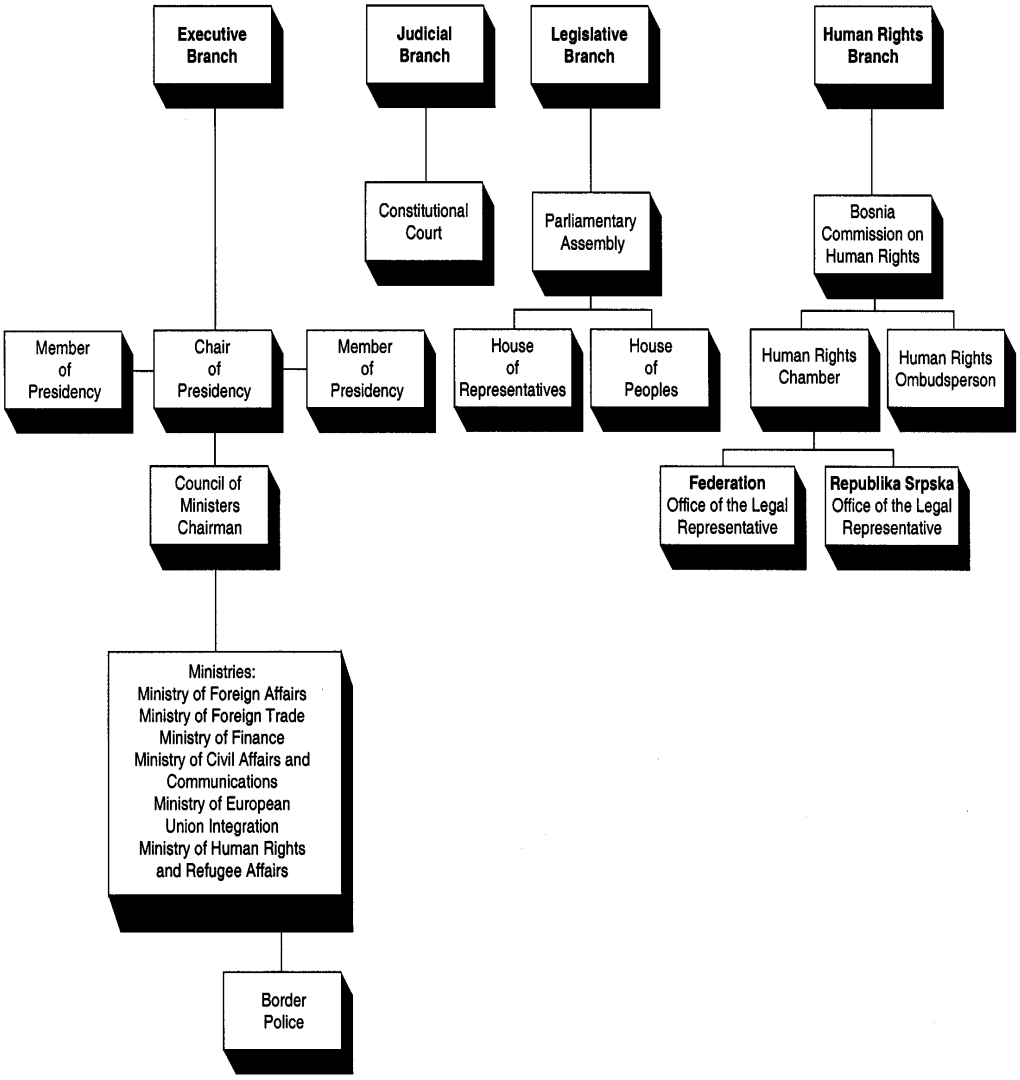
Taking this approach a step further, one could radically amend or invalidate the accords, including getting rid of the entities and creating a genuine federal state, perhaps with an **international protectorate** in the interim. Advocates of this approach say that the Dayton accords are too fundamentally flawed to save, and that

its structural problems should be taken head-on. However, such a strategy would provoke sharp opposition among Bosnian Serb and Croat leaders, and probably among their populations as well. The risks of such a policy and the resources it would require may make it politically unrealistic in the United States and other Western countries.

Finally, an option for the United States alone would be a **unilateral U.S. withdrawal**. Currently, the 4,300 U.S. troops in Bosnia represent 17% of SFOR's total force. The U.S. contribution will drop to 3,500 in April 2001. Advocates say a complete U.S. troop withdrawal from Bosnia would reduce pressure on an overcommitted U.S. military, and force U.S. allies in Europe to face up fully to their responsibilities in the region. The impact of such a move would depend on the response of the Europeans. It is likely that European countries could find troops of sufficient number and quality to replace the U.S. contingent, particularly from major NATO allies such as Britain, France, Italy and Germany.

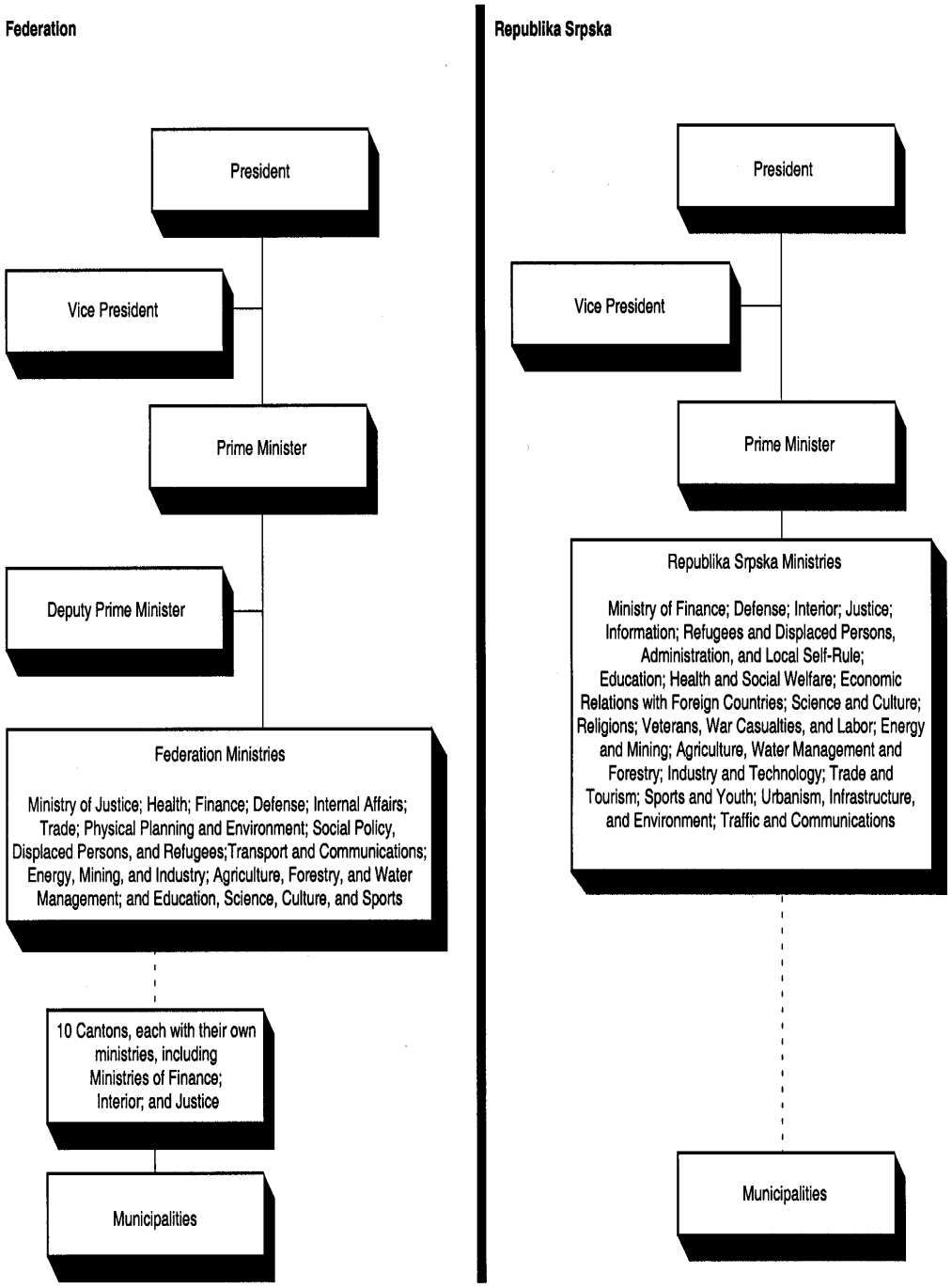
However, perhaps more important than the military impact of a possible U.S. withdrawal could be its political effect. Nationalists in Bosnia and in the region as a whole could see such a move as a weakening of international resolve, particularly if European countries also withdrew or showed the divisions and weakness that hampered European forces during U.N. peacekeeping efforts in Bosnia from 1992-1995. In addition to the impact of a U.S. withdrawal on the situation on the ground, there is also the issue of NATO's cohesion. European leaders say that the Balkan deployments are a central part of NATO's post-Cold War mission. A decision by the most powerful member of the Alliance to end its participation in such missions may call into question the Alliance's viability.

Figure 1. Bosnia's National Government Structure



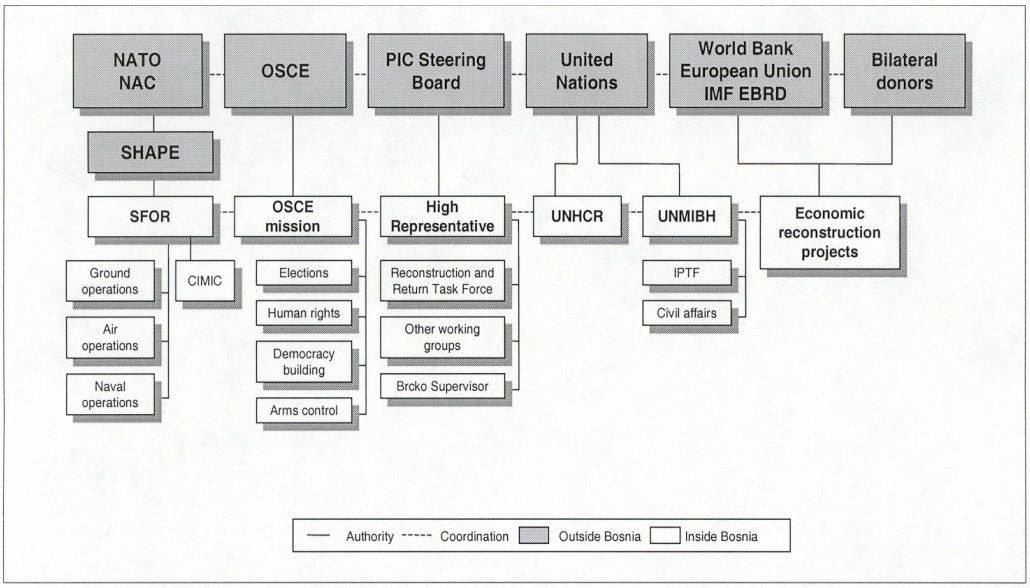
Source: General Accounting Office, *Bosnia Peace Operation: Crime and Corruption Threaten Successful Implementation of the Dayton Peace Agreement*, GAO/NSIAD-00-156, July 2000, 64.

Figure 2. Federation and Republika Srpska Entities' Government Structures



Source: General Accounting Office, *Bosnia Peace Operation: Crime and Corruption Threaten Successful Implementation of the Dayton Peace Agreement*, GAO/NSIAD-00-156, July 2000, 64.

Figure 3. Organization of Military and Civilian Operations in Bosnia



Legend
CIMIC = Civil Military Cooperation
EBRD = European Bank for Reconstruction and Development
IMF = International Monetary Fund
IPTF = International Police Task Force
NAC = North Atlantic Council
OSCE = Organization for Security and Cooperation in Europe
PIC = Peace Implementation Council
SHAPE = Supreme Headquarters Allied Powers Europe
UNMIBH = United Nations Mission in Bosnia and Herzegovina
UNHCR = United Nations High Commissioner for Refugees

Note: Coordination in Bosnia occurs at all levels of among these organizations.

Source: GAO/NSIAD-00-125BR, Balkans Security.