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Dayton, Divisions and Constitutional Revisions:
Bosnia & Herzegovina at the Crossroads

Dr Kenneth Morrison



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Key Findings

- Bosnia & Herzegovina is passing through a period of political stagnation which threatens to evolve into one of its most acute political crises since the early post-war period. With widespread political paralysis, continuing disagreements about details of constitutional revisions, rising ethnic tensions, even accusations of rearming, the atmosphere has worsened considerably.
- Relations between Serb, Croat and Bosniak parties remain poor, and domestic political elites have demonstrated little capacity to solve Bosnia's political problems, and their increasingly nationalistic rhetoric is inhibiting progress towards EU membership. Despite signing a Stability and Association Agreement (SAA) in 2008, progress has stalled and the promising 'Prud process' appears at an end. The country is at a genuine crossroads approaching elections next year.
- A number of leading politicians and academics in the UK and US have warned that Bosnia could drift back into the abyss if the international community fail to act more proactively. While a return to armed conflict remains unlikely, but tensions (lubricated by nationalist rhetoric, a worsening economic crisis and ineffective international engagement) are rising and a return to armed conflict is no longer impossible.
- The international community would be unwise to ignore Bosnia's continuing and evident problems, regardless of the fact that their priorities may lie elsewhere. Loose ends remain and Bosnia needs more robust support of the EU (which lacks consensus among member states with regard to Bosnia) and perhaps US support to maintain stability, make more positive progress toward state functionality and continue on its path toward European integration.
- The Office of the High Representative (OHR) is almost completely discredited in the eyes of most Bosnian citizens. It is also consistently challenged by domestic political elites – particularly within Republika Srpska. Waning international support has dictated that it can no longer effectively use the Bonn Powers. Bosnia's latest High Representative, Valentin Inzko, faces significant challenges in this regard.

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Bosnia and Herzegovina



1

Bosnia and Herzegovina (Federation and Republika Srpska)



MAIN POLITICAL PARTIES IN BOSNIA & HERZEGOVINA

Note: There are five main political parties within the Muslim-Croat Federation and three in Republika Srpska.

HDZ-BiH (The Croat Democratic Union - Bosnia & Herzegovina). Leader - Dragan Čović: Hitherto the main Croat party, despite two splits within its ranks (in 1998 and 2006). The Prud proposals were initially advanced by Čović, with the attainment of a 'third (Croat) entity' being the ultimate objective.

HDZ 1990 (The Croat Democratic Union 1990) Leader - Božo Ljubić: Founded in April 2006 by ex-HDZ-BiH members to oppose the constitutional reforms (known as the April Package). The influential Catholic Church of Croatia had supported the HDZ 1990, but has since called for a reunion of the HDZ-BiH and HDZ 1990.

PDP (The Party of Democratic Progress) Leader - Mladen Ivanić (Bosnian Foreign Minister): Reliant on urban voters (mainly in Banja Luka), the PDP is likely to remain a junior partner in any coalition within Republika Srpska.

SBiH (The Party for Bosnia-Herzegovina) Leader - Haris Silajdžić: Founded in 1996 as a breakaway from the SDA by Haris Silajdžić. The party remains true to the line that the Dayton Agreement should be fully implemented, that Bosnia's entities should be abolished and that Bosnia should be a decentralised state with no ethnic boundaries.

SDA (The Party of Democratic Action). Leader - Sulejman Tihić. Hitherto the main Muslim party, in which Bakir Izetbegović, son of founder Alija Izetbegović, is widely seen as the most influential, although his public profile is less pronounced than party leader, Sulejman Tihić. A leadership contest between Tihić and Izetbegović took place during the SDA congress in May 2009. The incumbent retained his position as party leader.

SDP (The Social Democratic Party). Leader - Zlatko Lagumdžija: The successor to the Communist Party, the SDP has forged a distinct social-democratic profile and counts on moderate Muslim voters and Serbs and Croats living in predominantly Muslim areas.

SDS (The Serb Democratic Party) Leader – Mladen Bosić: The main Serb party prior to the ascendancy of the SNSD. Their traditional base of support remains in the area surrounding the Bosnian wartime capital Pale. The party, despite significant changes in personnel, labours under its association with founder and war-crimes indictees Radovan Karadžić, Bijlana Plavšić, and Momčilo Krajišnik.

SNSD (The Alliance of Independent Social Democrats) Leader - Bosnian Serb Prime Minister Milorad Dodik: Once seen as the most moderate Serb party, its leader has frequently blocked constitutional reforms, entered into conflict with the Office of the High Representative (OHR), and has threatened to hold an independence referendum.

Introduction

2009 has proved a difficult year thus far for Bosnia and Herzegovina (BiH) and current indicators suggest that the country's political, economic and social situation is likely to become even more troubled as the country-wide election approaches next year. In March of this year, the Western Balkan³ state welcomed its seventh (and possibly last) High Representative (HR), the Austrian diplomat Valentin Inzko, following his appointment by the steering committee of the Peace Implementation Council (PIC) and the UN Security Council.⁴ Aware of the monumental task ahead and the frustrating experience of his predecessor, he immediately acknowledged that as the individual tasked with attempting to solve Bosnia's evident and worsening problems, he carried a 'heavy burden.' One can hardly disagree with his frank assessment. To describe his new role as extremely difficult would by no means be overstating the task at hand. Fourteen years after the General Framework Agreement for Peace in Bosnia and Herzegovina – better known as the Dayton Peace Agreement (DPA) – brought the Bosnian war to an end, the country's latest political deadlock has demonstrated that domestic politics still needs to be underpinned by the presence of the HR and, more broadly, the support of the international community – ideally with the European Union (EU) in concert with a firmly engaged United States. An increasing number of international observers (diplomats, journalists and academics) are arguing that the current political 'crisis' is quite possibly the worst since the early post-war period, and a number have warned of darker days ahead. Some even suggested that a return to violence is imminent – a minority view at this stage, but one that it would be unwise to ignore. Whilst there may be some inclination toward sensationalising the current impasse, the chances of a return to armed conflict are marginal and should not be overplayed. That said, a return to violence cannot be completely ruled out.

Considering the contemporary context, Valentin Inzko's task is (at best) an unenviable one. The Austrian diplomat replaces the highly-rated Slovak, Miroslav Lajčák, who left in January to take up the post of Foreign Minister of Slovakia. His departure proved to be quite unsettling for Bosnia, and when Lajčák announced that he was to leave Sarajevo, he threw the country further into political crisis (one which had steadily worsened since the 2006 elections). But his justifications for his departure were well understood by those acquainted with Bosnian politics and the role of the HR within it. In a context within which Bosnia was no longer a priority for the international community and under constant pressure from Bosnia's combative political elite, Lajčák became disenchanted with the lack of robust support for his actions. Two weeks after the surprise announcement, whilst giving a surprisingly frank interview to the Bosnian weekly political television programme *Telering*, the normally reserved Lajčák criticised the leaderships of the Muslim-Croat Federation, of *Republika Srpska* (RS), and the international community (most specifically EU member states) for undermining his attempts to push through necessary constitutional reforms. Visibly frustrated, he painted a rather grim picture of a Bosnia that was in perpetual political crisis. Asked why he had chosen to depart Sarajevo, Lajčák stated metaphorically (but not unambiguously) that he could no longer continue to be "a rider on a dead horse."⁵ The message could not have been clearer: He had elected to rescind his post because he felt he could no longer do his job effectively. The HR, he argued, had become increasingly impotent and did not have the power to impose the necessary changes that were required for Bosnia to progress. Conversely, he suggested, the international community were essentially helping to undermine the HR (a factor that had not gone unnoticed by emboldened local political elites). Encouraged by the inaction and lack of will on behalf of the international community, domestic nationalists (from both entities,

although RS leader Milorad Dodik was singled out as particularly problematic) had, with increasing frequency, sought to capitalise on this perceived weakness.

The blame for the worsening political climate cannot, therefore, be laid at Lajčak's door. His position had essentially been compromised from the outset of his tenure as HR. Since Christian Schwarz-Schilling became HR in 2006, the Office of the High Representative (OHR) had effectively abandoned their broad governing powers (known as the Bonn Powers), an instrument it could utilise to force through decrees and dismiss officials deemed to be obstructive to the Dayton Peace Accord (DPA). The influential Berlin-based think-tank ESI (European Stability Initiative), in which Schwarz-Schilling was a board member, argued that the time had come for Bosnians to govern their own affairs without a robust approach from the HR⁶ While this was theoretically possible, it was a step too far too soon, and although Schwarz-Schilling's reluctance to utilise the Bonn Powers was welcomed in some quarters as 'progress', it caused a number of problems. Without the Bonn Powers as an overarching tool of persuasion, the OHR appeared increasingly impotent (OHR staff became demoralised by his hands-off approach) and nationalist politicians became increasingly emboldened. That said, Schwarz-Schilling's approach was underpinned – indeed, required – by a new political reality, one which deemed Bosnia less important than it had been a decade ago. Both the US and EU were keen to encourage Bosnian leaders to take more responsibility for the country's governance. Moreover, other military objectives were taking precedence. Thus the international community began to reduce their commitment significantly, witting the military presence in Bosnia down to a paltry 2,100 (EU peacekeeping force) on the ground, and a number of EU member states made it known that they were seeking to depart from Bosnia as soon as possible.⁷ Whilst this is understandable it has left a military force that has little capacity to influence upon internal political developments. Put simply, they are not in a position to help the HR dictate terms to local nationalist hardliners, and this has served only to encourage those who want to obstruct the constitutional reform process, crank up the nationalist rhetoric and continue with their ethnic brinkmanship.

There is, of course, a rational logic to the policy of disengagement. Western governments have been focusing (rightly) on the global economic downturn and the domestic problems that have emerged as a consequence of the worst economic crisis since the 1930s. Shifting political sands have also changed the wider international context. European leaders have yet to fully assess the foreign policy priorities of the Obama administration, but almost unquestionably Afghanistan, Iran, Iraq, North Korea (or even Mexico) will dominate the new US administration's foreign policy agenda and take precedence over Balkan issues.⁸ The US State Department will almost certainly deem the Balkans less volatile, less pressing and even less strategically important than even Central Asia – where the US has more direct economic and strategic interests. Lack of interest in the region is manifested by the predominant view within the State Department that Bosnia is essentially a 'European issue' (despite the fact that the Europeans do not enjoy the same level of credibility within Bosnia). But whilst this is (from a US perspective) entirely logical, it may prove – given Europe's inconsistent record in the region – counter-productive in the medium to long-term. But taking all of this into account, it is likely that the US domestic economic crisis and an increased commitment in Afghanistan will almost certainly dictate that US involvement will remain light. The recent visit to the region (which included a brief visit to Sarajevo) of Vice-President Joe Biden was a much-needed signal, but hardly a clear sign of firm US commitment. More broadly – and regardless of US commitment – all of the countries involved in Bosnia's post-war reconstruction are both frustrated and tired of what is a seemingly intractable problem.

But however much EU governments and the US administration may wish that Bosnia's political elite would govern the country independently, it would appear that the worsening domestic political climate will ensure that such an objective is some way off. This has not gone unnoticed by those with good experience of the country. During the past year, a number of high-profile figures have urged Western leaders not to lose sight of what is at stake in Bosnia – some make the case that the US should play a greater role, others appeal for a more consensual European approach.⁹ All have warned of the potential dangers that lie ahead. Most recently, the Conservative Shadow Foreign Secretary, William Hague has warned that Bosnia is “sliding backwards,” and that the EU response has been weak and confused¹⁰ In November 2008, the former HR, (Lord) Paddy Ashdown, warned of possible difficulties ahead and urged the international community not to lose focus. Addressing the US Helsinki Commission in April, he directly urged the US to become more engaged, warning that Bosnia remains “Divided, dysfunctional, a black hole, corruption heavily embedded, a space that we cannot afford to leave because it's too destabilizing if we do.”¹¹ Almost simultaneously, Miroslav Lajčak, the then HR, toured western capitals appealing to policy-makers, experts and donors to remain steadfast and committed to the objective of making Bosnia ‘functional’ and prepared for European Union accession as soon as is feasible (although such an objective is, at least currently, unrealistic). By the time Lajčak has announced his departure in January, Morton Abramovich and Daniel Serwer (both of whom are well acquainted with Bosnian politics) threw their hat into the ring, appealing to Western leaders to endeavour to “secure the peace” in Bosnia. The long list continued to grow. In February, the former High Representative, Christian Schwarz-Schilling, wrote in the Sarajevo-based weekly *Dani* that the situation in Bosnia was rapidly becoming alarming.¹² Dr Schwarz-Schilling argued that there were three factors that had led to the current crisis. Firstly, that Europe had become increasingly disengaged from Bosnia. Secondly, that the US focus was no longer on Bosnia but on other regions in the world, and finally, that Russia's strategic ambitions in the Balkans were obvious and having a malignant effect on the wider peace process. The combination of these three factors, he argued, had created a situation in which the reform process has slowed significantly. As a consequence, he noted, “the road to Europe has also become, more or less, blocked.”¹³ As if that wasn't a bleak enough assessment of Bosnia's current situation, the former ICG Balkans analyst, James Lyon, argued in *The International Herald Tribune* that: “Politicians now speak of a possible return to war and discuss redrawing ethnic maps and the possibility of secession. Western diplomats and intelligence personnel whisper that private security companies, veterans groups' and hunting clubs appear to be arming with submachine guns, automatic weapons and grenade launchers.”¹⁴

Lyon's assessment, though the bleakest, was by no means the only. Even the respected Croatian scholar Ivo Banac stated that he believed Bosnia was a “highly frustrated, depressed, and structurally ungovernable country” which was “by far the most dangerous corner of the Western Balkans.” Moreover, he added, “tensions in Bosnia have reached a new critical stage, when it is indeed possible to imagine new armed conflict.”¹⁵ These sobering assessments have brought Bosnia (albeit to a limited extent) back to the attention of the international community. Nevertheless, policy-makers, particularly in the US, remain reluctant to re-engage with the issue of Bosnia during a period when they face a global economic crisis and growing political and military commitments elsewhere. But however much the US and EU would want Bosnian politicians to solve their own problems, they may need to play a more proactive role than they have done since 2006 to ensure that they can, lest the genuine progress made so far does not rapidly (and perhaps irreversibly) degenerate. Amidst the prevailing gloom, however, one should not under-emphasise

the many successes since the DPA was signed – not least the signing of a Stability and Association Agreement (SAA) with the EU in late 2008 and the creation of a single, multinational army (not to mention the arrest of many war criminals, including the Bosnian Serb wartime leader, Radovan Karadžić, in July 2008). But these otherwise positive developments may be overshadowed by the worsening political atmosphere which pervades contemporary Bosnia. As these intensify, it remains unclear what level of international engagement will be required to reverse current negative trends.

Fundamentally, the root of Bosnia's problems lies in its political structure and the tendency of political elites to view politics through the myopic lens of national interests.¹⁶ Structurally, Bosnia is not a functioning unitary state, but rather a complex political system with different levels and diffusion of power – with significant power vested in the entities (the Federation and *Republika Srpska* - RS). Whilst this system works on a superficial, day-to-day level, it has proved inflexible and incapable of working when real and problematic issues (such as constitutional reform) are at stake.¹⁷ Put simply, the leaderships' of both entities possess mutually exclusive and incompatible objectives and these become increasingly manifest when they feel under pressure to give up certain competencies to state level institutions or accept the right of the other to retain a level of independence. The leadership of RS, for example, are constantly striving to resist and obstruct any consolidating of the overarching Bosnian state (their rhetoric extend to threats to hold a referendum on independence), whilst some within the Bosniak leadership want to revise the DPA, end the division of Bosnia into two entities, and create a genuinely unitary state. The Croats, although largely silent (since their revolt against their status within the Federation in 2001) have become disenchanted with the DPA and some within their ranks wish for the creation of a third (Croat-dominated) entity. Unfortunately, these desires underpin much of the rhetoric (which frequently includes references to perceived wartime injustices) that emanates from Banja Luka, Sarajevo or West Mostar (the largest Croat urban centre), and has become an enduring characteristic of contemporary Bosnian politics.

Evidently, then, Bosnia is passing through a critical period. 2009 (and 2010 – an election year) will be crucial both for Bosnia and the wider region (neighbouring countries in the region such as Macedonia, Montenegro, Serbia and Kosovo also face significant challenges).¹⁸ For the myriad reasons that this paper will highlight, it may be in the interests of the international community (particularly the EU and US) to re-engage with dynamism, lest the situation continue to deteriorate – with unknown and undesirable consequences. In a country where the scars of war remain (both physically and psychologically), a failure to demonstrate commitment and act decisively to stem the country's worsening political ambience risks unravelling the good work done thus far, severely damage Bosnia's European ambitions and throwing the country into social and political chaos. Moreover, Bosnia faces significant economic challenges as the worst effects of the global downturn impact upon the country's fiscal capacity and its citizens, and there is little doubt that dissatisfaction with the economic situation could be harnessed and channelled by nationalist leaders (as it has in the past). Policy-makers from the EU and US must learn from past mistakes and not allow Bosnia to slide further into a political crisis that may generate undesirable outcomes that will require (in the long-term) further years of commitment. Bosnia has been a unique example of state-building and there is much to be positive about regarding the successes thus far. However, what has become clear is that these processes are lengthy and to continue to build upon the excellent foundations laid in the thirteen years since Dayton there must be increased will to finish the job and set Bosnia back on the road toward EU integration.

Background: Bosnia since Dayton 1995 – 2008

Bosnia and Herzegovina was wracked by war which lasted three years (between 1992 and 1995) following its break from the former Yugoslavia. The conflict left at least 100,000 people dead, more than two million homeless and had a devastating effect on the country's citizens. Many Bosnians (of all nationalities) fled to Western Europe, Canada, the US or Australia, and a significant percentage have not returned (nor are they likely to). The signing of the DPA ended the conflict and heralded the beginning of over a decade of international engagement and investment. The structure of the DPA was dictated by the political reality of the time, and it was thus determined that Bosnia be divided into two semi-independent entities (the Serb-dominated RS and the Muslim-Croat Federation) united by weak central institutions. The country was placed under international tutelage for an undefined period and until stabilisation and state functionality had been achieved - an ambitious project with no specific timeframe. The Office of the High Representative (OHR), a creation of the Peace Implementation Council (PIC) bore responsibility for the transition period) and it remains so today, largely due to political instability and the failure of local politicians to construct a viable state since the signing of the DPA. The leading figure within the OHR, the 'High Representative' (HR) has remained firmly in place since, despite the post being scheduled for phase out in 2007. Two years on from the intended date of closure, however, the reasons for extension of the mandate of the HR are self-evident. Bosnia remains plagued by poor relations between Bosnia's largest political parties, and almost fourteen years since the signing of the DPA, the country is still struggling to overcome the divisions that became so entrenched in the early 1990s. That said, it should be acknowledged that much progress has been made. Physical reconstruction (particularly in Sarajevo) has been impressive, progress has been made in the sphere of refugee returns, freedom of movement, and - since the end of the war - economic progress has been encouraging. Defence reform has led to Bosnia being invited to join the NATO Partnership for Peace (PfP) and a Stability and Association Agreement (SAA) was signed with the EU in 2008. But these positive developments belie the significant problems that remain and the work that still needs to be done. Despite the construction of firm post-war foundations, ethnic tensions still run deep and the complex and nationalism remains the dominant discourse in political life. This is largely down to the fact that none of Bosnia's three warring ethnic groups (Serbs, Bosniaks and Croats) achieved their wartime objectives and, as a consequence, all retained significant grievances which have proved impossible to eradicate. As former HR, (Lord) Paddy Ashdown, noted in his book *Swords and Ploughshares*, the post-Dayton era has been characterised by continuing friction between politicians from these three main ethnic groups who have "used the DPA not to build peace, but to continue the pursuit of their war aims."¹⁹ This prevailing attitude among Bosnia's political elite had proved an inhibiting factor.

However easy it may be to criticise the DPA now, it represented an effective instrument for bringing the Bosnian conflict to an end. But, problematically, it is not simply a peace agreement, but rather an ambitious blueprint for building a state. Whether it was a useful instrument for such an ambitious project remains the source of significant debate.²⁰ The DPA bequeathed to Bosnia a complex political and administrative structure. The structure consists of the Parliamentary Assembly of Bosnia and Herzegovina (which has two chambers), the House of Peoples and the House of Representatives. The former comprises 15 delegates, two thirds of which are from the federation and one third from the RS. The latter has 42 members (with the same three-way distribution of delegates), directly elected by the entities. Three members of the Presidency of Bosnia-Herzegovina are directly elected

in each entity - RS voters elect the Serb member, and Federation voters choose the Bosniak and Croat representatives. At entity level, The People's Assembly of the RS has 83 members who are directly elected by voters in RS. Similarly, The House of Representatives of the Federation has 98 members, again elected directed by voters registered in that entity. This particularistic system has proved impractical. As Florian Bieber noted in his concise study of the post-war period that "Bosnia is probably the only country in the world governed by such a complex system with multiple power-sharing regimes and different systems of group representation at varying levels of government."²¹

Given these complexities and the potential for political gridlock, in the early stages of the post-DPA era, the OHR represented a small operation attempting to impose the DPA upon hostile domestic political forces. Indeed, the establishment of the OHR was far from auspicious, consisting of only a small team led by Carl Bildt. Their role was hampered by resistance from domestic elites and this often led to gridlock. Such stasis led – in 1997 - the PIC to approve the creation of the so-called 'Bonn Powers'. After they were conferred upon the HR, they facilitated the relatively easy dismissal of obstructive politicians and the imposition of legislation that would better integrate the entities into the Bosnian state. One year later, demonstrable progress had been made as a consequence of their introduction. The first Bosnian currency was introduced and a national flag (which had no nationalist connotations for Bosniaks, Serbs or Croats) was imposed by the then HR, Carlos Westendorp. By 1999, after bitter exchanges, he had dismissed the obstructive Bosnian Serb President, Nikola Poplašen. His successor, Wolfgang Petritsch also had to take a tough line, most particularly with regard to the attempts by Bosnian Croats to establish a separate 'Croat People's Assembly' – in essence an attempt to secede from federal bodies. The HDZ-BiH leader, Ante Jelavić was subsequently dismissed by the HR. By the early 2000's Bosnia had passed through significant political and economic transformation and seemed to have weathered a number of crises. By this time, post-war reconstruction was having a noticeable effect, country-wide infrastructure had improved, living standards had risen and around one million displaced people had returned to the homes they had left in 1992. Lord Ashdown, who became HR in 2002, made the strengthening of central institutions his primary objective, and he made notable progress in this regard. His robust methods often involved sacking obstructive officials – measures that frequently brought him into conflict with the leadership of the RS. But, despite his many critics, Lord Ashdown produced a number of tangible results. Mostar, the bitterly divided Herzegovina city, was unified - at least symbolically – reunified in 2004 with the official opening of the rebuilt Mostar Bridge.²² In the same year, he imposed upon the (previously divided) administrations of the city a ruling that they must unite. He also insisted that a number of towns in RS which had their names changed since the war be returned to their original names (Srbinje returned to its former name of Foča, for example).

All the aforementioned HR's had made it clear to Bosnian politicians (of all stripes) that failure to meet DPA-related obligations would lead to a premature end of their political lives. This approach, though frequently controversial and criticised by some as dictatorial, brought genuine results, and by 2003-04 (a zenith for post-war Bosnia) tangible proof that the situation was 'normalising' appeared throughout the country. People freely travelled throughout both entities (although many preferred to stay within their own 'ethnic' boundaries) and the threat of conflict had subsided. In short, improvements were visible to a significant number of the country's citizens. Many believed the time had come to allow Bosnians to run their own affairs. Enter, Christian Schwarz-Schilling as Ashdown's successor. He made it

clear from the outset that his approach would be somewhat 'light' in comparison to his predecessors – it was to prove an approach that was damaging for Bosnia.

Schwarz-Schilling's tenure as HR was marked by both a weakening of the OHR and the end of the post-war positivity, and by 2006 the rhetoric emanating from Sarajevo and Banja Luka had reverted to type. The motor for this negative reversal was primarily the controversy generated by the proposals for constitutional reform, the so-called 'April Package' but the space allowed by the OHR for such rhetoric to flourish was also responsible for the return to negativity. During a meeting in Washington DC in 2005, Bosnian political leaders from the three main ethnic groups had signed a document which committed them to endeavour to pursue constitutional reform. These discussions, facilitated by the international community, were arranged with the objective of improving the functionality of Bosnia's institutions. The leaders of the largest political parties agreed to a constitutional reform package on 18 March 2006, which would have established a rotating Presidency with a single President and two Vice Presidents (as opposed to the previous, tripartite structure), created a more effective parliament and enhanced the protection of human rights. Moreover, successful transit of the bill through parliament would have been an important first step for improving the functionality of the BiH government. However, the agreement was blocked in the BiH House of Representatives on 26 April 2006, largely due to opposition from SBiH and HDZ-1990.²³ Thus instead of furthering reform, the 'April Package' – however well intentioned - took Bosnia in the opposite direction, marking the beginning of a trend that became increasingly evident throughout the 2006 election campaign.

The subsequent elections, held in October 2006, were characterised by negative campaigning and increasingly aggressive nationalist rhetoric. Despite the evident over-arching problems such as poverty, high unemployment and economic stagnation, issues of identity, ethnicity and nationalism ominously dominated the campaign rhetoric and party programs. The damage done during the April Package became manifest, and the failure to agree on constitutional arrangements had clearly created a bitter and combative context – hardly an atmosphere conducive to holding an election. What became evident was that the failure of the April Package had unintentionally forced the main political parties to return to a more defensive stance, positions manifested clearly in the intensification of nationalist rhetoric throughout the election campaign. Such was the negative and nationalistic character of the rhetoric emanating from the main political parties, the Electoral Commission were, at one stage, forced to threaten legal action against those politicians who were calling for the abolition of RS or, conversely, calling for an independence referendum in the RS (proponents of the latter were buoyed by Montenegro's successful bid for independence in May 2006). Rather depressingly (given the rhetorical content of the campaign), the election generated a more significant level of interest among the country's citizens than was the case four years earlier (54% turnout in 2006 as opposed to only 45% in 2002).²⁴ Former Prime Minister, Haris Silajdžić (SBiH) won the race for the Bosniak slot of the Tripartite Presidency with 41% of the vote. Nebojša Radmanović (SNSD) won the Serb seat with 55% and Zeljko Komšić (SDP) was elected for the Croat seat on the Presidency with 14% of the vote. At state-level, the SDA ensured that they kept the largest representation in the BiH House of Representatives. Others made notable gains on the 2002 elections, included SBiH and the SNSD. HDZ 1990, the Bosnian Croat party gained 2 seats (although the HDZ remained the largest Croat party overall with 3 seats). In January 2007 a state-level coalition government was formed, comprising SDA and SBiH, SNSD and PDP (Bosnian Serb) and HDZ, HDZ 1990 and NSRzB (all Bosnian Croat). Nikola Spirić (SNSD) was appointed as state level Prime Minister.

The election, therefore, was significant in that it generated an added personal dynamic. Haris Salajdžić was brought back to the political scene as the Bosniak member of the Presidency, whilst Milorad Dodik's unchallenged dominance within the RS continued.²⁵ In one sense, the return of the former was a positive development. Silajdžić was a high-profile and charismatic character who consistently endeavoured to keep Bosnia in the international spotlight and constantly chided the international community to uphold the DPA. He also used his undoubted diplomatic abilities and excellent contacts (in both the West and the Islamic world) to bring investment into the country. But his return was not welcomed by the RS leadership and Bosnian politics soon became characterised by the personal enmity between Salajdžić and Dodik (not to mention the growing friction between Silajdžić's SBiH and the Tihić-led SDA). In this antagonistic climate, moderate voices became increasingly marginalised as hostility between the two men and their supporters became increasingly intense. Their exchanges were often exceptionally bitter. Silajdžić remained consistent in arguing that Bosnia's entities should be abolished, whilst Dodik would, as often as not, respond by vigorously defending the RS right to exist, occasionally threatening to declare a referendum on independence if their status was threatened. But the two also enjoyed (or endured) a symbiotic relationship, feeding off one another. According to Lenard J. Cohen: "Considerable blame for the polarised political situation in Bosnia can be assigned to the policies and political sabre rattling of the Bosniak leader, Haris Silajdžić, and Milorad Dodik, the prime minister of RS. Both politicians have engaged in overheated political rhetoric, and at times have closely collaborated in order to consolidate their own respective bases of power."²⁶

Whilst the political rhetoric reverted to type, the post-election economic situation in Bosnia continued to evolve, but in a somewhat unexpected way. The early post-DPA years the economic situation within Bosnia two entities could not have been more different, characterised as they were by steady growth (and greater international investment) in the federation and economic collapse in the RS. However, after years of sanctions and economic stagnation, the economy of RS began to improve. A series of economic reforms by the RS leadership led to the slow change of negative perceptions and the improvement of the investment climate. Having toiled to rebrand their entity's tarnished image, the leadership of the RS saw their endeavours bear fruit, in the shape of increased economic development, improving employment trends, and significant levels of foreign (particularly Russian) investment. These factors combined to increase confidence among the RS's political elite and business leaders that their entity was, at the very least, economically viable. By stark contrast, the Federation's economic situation was becoming increasingly bleak. Intra-factional squabbles within the SDA leadership and among Bosniak parties (particularly between the SDA and SBiH), the failure of Bosniak and Croat elites to agree on much-needed economic reforms, and overtly-generous payments to war veterans wrought economic chaos in the federation. Consequently, the RS rapidly surpassed the federation in terms of both economic development and living standards, increasing confidence among the entity's citizens that independence, if not realisable, was at least more economically viable than they had previously imagined. Emboldened by this state of affairs, the RS's leaders began to adopt more aggressive stance toward the OHR.

Miroslav Lajčák's Difficult Tenure as High Representative

This was the context within which Miroslav Lajčák entered into the breach (in July 2007). His appointment as HR had been received warmly in Bosnia (not least after Schwarz-Schilling's tenure) and hopes were high that he could restore confidence in the OHR. No stranger to Balkan affairs, the young Slovak diplomat had previously

acted as the personal representative for the EU's Foreign Policy chief, Javier Solana, during the Montenegrin independence referendum in May 2006. During that period, he (and his fellow Slovak, Frantisek Lipka) made a positive impression, handling a potentially explosive situation with measure and maturity. Lajčák, it was hoped, could demonstrate the same capability in the more complex context of Bosnian politics. Fluent in Bosnian, Lajčák was in a favourable position to understand the nuances and subtleties of the Bosnia's political rhetoric and the personal idiosyncrasies of Bosnia's key politicians better than his predecessors. He arrived in Sarajevo with a mandate (albeit tacit) to revitalise the OHR following the Schwarz-Schilling debacle and attempt to push through police reform and constitutional changes – both of which were stalled during the latter days of Paddy Ashdown's tenure and static during Schwarz-Schilling's tenure. But regardless of the early optimism, his tenure was burdened with problems.

Contiguous with the pre-election rhetoric, the post-election atmosphere worsened under Lajčák's watch, with the leadership of RS proving particularly combative in their exchanges with the new HR. In the early days of Lajčák's tenure, RS Prime Minister, Milorad Dodik, made it known that he would not be cajoled by any HR into accepting constitutional amendments which did not meet with his approval – a position that dictated that the two men came into conflict on a regular basis. In an early exchange that would be characteristic of the period of Lajčák's tenure, Dodik proposed that Bosnia should be reconstructed as a confederation – stating later that the RS may hold a referendum on independence. Naturally, this forced Lajčák to serve warning that he would not tolerate such deviations from the DPA and that he would not shirk from using the Bonn powers to dismiss obstructive politicians (implying, none too subtly, that they could be used to remove the Bosnian Serb PM). Dodik, however, remained intransigent, and exchanges grew increasingly bitter. In September 2007, following statements from both the US and German ambassadors that the RS and the Bosniak-Croat federation should become more united and that the RS should quicken police reform, Dodik became increasingly belligerent. His insistence that the RS retain control of their own police set the Bosnian Serb PM on a collision course with Lajčák, who saw police reform as crucial. Increasingly bitter exchanges led Lajčák to warn Dodik that he “should consider carefully whether he wishes to challenge the international community by statements that question the constitutional order of BiH and the Dayton Peace Agreement.”²⁷ In characteristic style, however, Dodik retorted with the threat that any attempt to remove him would lead to a dangerous scenario – he would, he claimed, ‘bring 200,000 Serbs to Sarajevo’ in the event of his dismissal.

The sparring continued until, in a further apparent show of force (but without PIC approval), Lajčák imposed a new code of conduct upon Bosnia's Council of Ministers, an act that shocked deputies (particularly from RS). Focusing on the lack of PIC backing for his actions, Bosnian Serb leaders stated that they would cease communication with the OHR and withdraw from all state institutions.²⁸ Demonstrations were organised in Banja Luka (the capital of RS) to protest against the ‘unnecessary pressure’ being imposed by the HR. Whilst these protests appeared, at least on a superficial level, to reflect the will of the majority of Bosnian Serbs, they were recognisably orchestrated by Dodik and his party, the SNSD.²⁹ In the ensuing crisis, the head of BiH's Council of Ministers, Nikola Spirić (an ally of Dodik), resigned from his post and Lajčák was forced to back down in order to defuse the crisis.

Wider regional issues also impacted upon the worsening relationship between the RS government and the OHR. Pre-existing tensions were again brought to the surface by Kosovo's unilateral declaration of independence in February 2008. Two days before the declaration of independence, Nebojsa Radmanović, a Serb member

of the Bosnian presidency, warned that Kosovo's independence may be interpreted as a precedent for both Serbs and Croats in Bosnia.³⁰ This view (albeit from a different perspective) was echoed by the Bosniak member of the presidency, Haris Silajdžić, who pointed out if the EU recognised Kosovo's independence then the issue of Serb and Croat secession from Bosnia could be re-opened. And indeed, Kosovo represented a genuine problem for Bosnia, opening up debates about the right to national self-determination for Bosnia's Serbs and Croats. The rhetoric emanating from Belgrade did little to calm heightened tensions. The Serbian leadership (particularly Vojislav Koštunica) regularly linked the status of Kosovo within Serbia to that of the RS within Bosnia, arguing if Kosovo was to become independent the same right should be extended to Serbs in Bosnia.³¹ Angered by the unilateral declaration and encouraged by this rhetorical support from Belgrade, protestors once again took to the streets in the RS capital, Banja Luka. What were initially peaceful demonstrations turned violent as police moved to stop the crowd from attacking the US consulate. During the protests, the Bosnian Serb nationalist group 'The Choice is Ours' called on RS Prime Minister Milorad Dodik to declare independence with immediate effect.³² Watching these disturbing developments, Miroslav Lajčak went to significant lengths to reiterate, as he had consistently done in the past, that the Kosovo situation did not represent a precedent and would therefore not impact upon Bosnia, telling Serbian television station B92 that "Bosnia would not be Kosovo's hostage".³³ But whilst the aggressive posturing from the RS government might have appeared to be a victory for Dodik, he was, in reality, facing uncomfortable pressure from hardliners from within the RS who consistently implored him to schedule an independence referendum.

In the final analysis, and despite their regular clashes between the RS leadership and the OHR, Lajčak (bereft of the support he would require to undertake such an action) elected not to use the Bonn Powers to remove Dodik. Thus a perpetual exchange of threats between the two without recourse led to the RS leadership becoming increasingly emboldened in their dealings with the HR. Lajčak's defence was simply that dismissing Milorad Dodik would not, ultimately, help Bosnia. Whilst it may represent a much-needed show of authority from the HR, marginalising the RS leadership could have led to Banja Luka further blocking attempts to reform the constitution. What's more, and despite the idiosyncratic behaviour of the RS leadership, Bosnia needed the Serbs. "Without Serbs, there is no Bosnia-Herzegovina", a resigned Lajčak told the German daily *Der Spiegel*.³⁴ But what was more demoralising for Lajčak was the fact that the PIC, the EU and the US did not extend to him the support he required to make difficult or unpopular decisions.

Developments seemed to be heading in a more positive direction, however, with success in the realm of police reform, and the adoption of new legislation facilitated the possibility of signing a Stability and Association Agreement (SAA) with the EU. The latter, achieved in June 2008, marked the first step toward eventual EU membership and was followed by the announcement of the so-called 'Odzak Agreement' which led to the start of the so-called 'Prud Negotiations' in November 2008. The agreement (proposed initially by HDZ leader Dragan Čović) set out plans for amending the constitution, designing a census programme for 2011, regulating the status of the Brčko district and finalising the issue of state property.³⁵ The mere fact that Bosnia's politicians could demonstrate a capacity for negotiating on domestic reforms was, if nothing else, encouraging. But whilst the agreement was broadly, if tentatively, welcomed by most Bosnian parties (Serb, Croat and Bosniak), both Haris Silajdžić of SBiH and Božo Ljubić of the HDZ-1990 (both of whom had also opposed the 2006 April Package) argued that the finer points of the agreement were unacceptable, with the former stating boldly that the agreement

undermined Bosniak national interests.³⁶ It was, once again, a return to type, and this trend was constantly highlighted by the HR in his dealings with the PIC, the EU, the US and the UN. Indeed, in the OHR's 34th report to the Secretary-General of the United Nations, Lajčak noted that positive developments were encouraging but that, "Regrettably, this important step has not led to a change in the way politics are conducted in Bosnia and Herzegovina."³⁷ Subsequent developments have vindicated his statement.

The Perspective of Bosnia's Three Main Ethnic Groups

As we have seen, politics within Bosnia had become increasingly fragmented and combative since the disagreements over the 2006 April Package, with Bosnian political elites remaining committed to advocating narrow nationalist objectives. Lenard Cohen notes that, "Although members of Bosnia's political class [have] persistently professed their commitment to democracy, the dynamics of political life in the country have tended to encourage inter-group mistrust and non-civic or ethno-nationalist values."³⁸ In the post-2006 political climate, these ethno-nationalist objectives remain as relevant today as they did in 1992, albeit they are more concealed. The Bosniak bloc (the SDA and SBiH) have continued to seek the building of a state without internal borders (without the entities), but that is where the consensus between the two strongest Bosniak parties ends. The SBiH leader, Haris Silajdžić, continues to argue that the international community has a moral obligation to help Bosnia become a modern, undivided state (ending the 'illegitimate' RS and Federation), while the leader of the SDA, Sulejman Tihić, has broken from the post-war consensus, arguing that the time has come for the "philosophy of victimhood" to end.³⁹ Indeed, the latter has vigorously pursued the path of negotiation with Serbs, even daring to 'recognise' that RS was a legitimate entity within Bosnia.

Tensions are not limited to those that exist between the SDA and SBiH. The SDA, formed in 1990 by (among others) the former dissident and devout Muslim, Alija Izetbegovic (a Muslim dissident who had been jailed by Yugoslav Communists in 1983 for disseminating 'Islamic propaganda'), remains Bosnia's strongest Muslim party. Bosnian Serbs and Croats often argued that the SDA was a Muslim party containing significant radical elements whose main objective was to create a Muslim state. In reality, however, the party is relatively heterogeneous, comprising both moderate and hard-line Muslims. Dominated by Izetbegović until his death in 2003, Sulejman Tihić became Izetbegović's chosen successor as party leader. His folksy manner and significant capital he possessed among Bosnian Muslims made him an obvious choice. However, his style has not been universally appreciated within SDA ranks. Within the contemporary SDA, there existed two specific factions – one supporting Tihić and one supporting Bakir Izetbegović (the son of the Bosnian wartime leader, Alija Izetbegović).

Tihić had made a number of controversial political moves. He was the first Bosniak politician to appear ready to guarantee Serbs their constitutional rights and the first to state that RS could not be abolished without the consent of the Serb people (whilst simultaneously stressing that RS had no real sovereignty). Moreover, and until very recently, Tihić enjoyed the support of a powerful coalition of the most influential Bosniaks (specifically Reis Mustafa Cerić, *Dnevni Avaz* owner Fahrudin Radončić and the SDA's 'grey eminence' Bakir Izetbegović – the son of SDA founder, Alija Izetbegović). However, Tihić was lambasted by some within the SDA for entering into the Prud negotiations and giving too many concessions during them.⁴⁰ As a consequence, Bakir Izetbegović announced he would challenge Tihić for the party leadership on behalf of a growing faction which opposed the direction that Tihić had taken the SDA. But despite enjoying the support of hardliners,

Izetbegovic's challenge caused confusion among the rank and file of the SDA. Throughout the Prud negotiations, Izetbegovic had publicly demonstrated support for Tihic (although he clearly harboured reservations), but the controversies Tihic generated throughout the Prud process forced Izetbegovic's hand.

But following heightened tensions and heated debate among the 767 delegates eligible to vote at the May SDA congress, Tihic was re-elected as party leader, taking 425 of the 767 votes. This development was met with sighs of relief from the international community, who feared that 'hard-liners' within the party would take power, thus inhibiting further progress on constitutional reform. Moreover, Tihic's victory gave a clear indication of the orientation of the largest Bosniak party. In addition to his re-election, the SDA presented its new political platform, outlined in nine different resolutions. Emphasis was placed firmly on the 'multi-ethnic' character of the party, its continued commitment to support further reforms, especially constitutional changes (which would include territorial reorganisation into four or five multi-ethnic regions), and its commitment to continue forging a 'European perspective'. Whether such sentiments will be welcomed by Bosnia's Serb and Croat communities remains to be seen. Meanwhile, Tihic will have to adopt a consensual approach to heal existing divisions within the SDA.

The SBiH leadership, for their part, continue to seek their objective of Bosnian state bereft of the entities (primarily through legal mechanisms). They retained great hope that the International Court of Justice's (ICJ) ruling that Serbia had failed to do all it could to prevent a genocide would force the hand of the International Community. Frequently depicted (along with Milorad Dodik) as one of the two major contributors to the negative political ambience, Haris Silajdzic has actually focused primarily on the need to fully implement the DPA – not Dayton *a la carte* – to abolish Bosnia's entities and to create a decentralised state with a minimum of central institutions.⁴¹ In his 2008 address to the UN General Assembly, for example, he stated that, "To those who now seek to legitimise the systemic violations of the Dayton Agreement, we must all say: make no mistake, genocide will not be rewarded. Rewarding genocide could send a dangerous message throughout the world, and would surely undermine the chances for permanent peace and stability in both Bosnia and Herzegovina and the region."⁴² Silajdzic has also criticised the Western powers for their trumpeting of the arrest of Radovan Karadzic in July 2008 and how his appearance at the Hague would act as a catharsis for Bosnia, stating that "Karadzic was arrested and Milošević died, [and yet] their project (Republika Srpska) still lives on in Bosnia."⁴³ For his efforts, Silajdzic has become something of an irritation to the international community. Whilst still admired and respected for his stance on issues of justice and human rights, he is consistently reminding them that the DPA has not been properly implemented. He has been particularly vitriolic in his attacks against the Prud negotiations (and the SDA's – particularly Sulejman Tihic's – role in them), arguing that the proposed amendments did not go far enough in ensuring a Bosnian state that reduced the power of the entities and has stated that too many concessions have been given to Milorad Dodik, who, Silajdzic argues, has been pursuing a policy of consolidating power within RS to the detriment of the Bosnian state. Silajdzic also vigorously opposed the transferral of state property from state to entity level.

Much of what Silajdzic says resonates strongly with many among the Bosniak constituency, but rankles with many in the RS. Yet it remains to be seen whether SBiH can maintain the electoral support they enjoyed in 2006 (local election results from 2008 suggest this will may not be borne out) in the coming year. The SBiH was weakened by a poor showing in the 2008 local elections, when they came a poor second to the SDA among the Bosniak constituency, and it seems that despite

his undoubted charisma and political nous, the majority of Bosniak voters appear to support Tihić's more 'pragmatic' approach in the search for constitutional amendments.

Many of Bosnia's Croat community still harbour a sense of dissatisfaction regarding their status within both the Federation and the state of Bosnia & Herzegovina. Extensive assurances and built-in constitutional safeguards of equality, parity and consensus have failed to eradicate the dominant perception among Bosnia's Croats that the Bosniak-Croat Federation amounts to little more than an accidental marriage characterised by mutual suspicion (and, worse, they are a subordinate and unhappy partner within it).⁴⁴ This perception has underpinned Bosnian Croat attitudes towards BiH since 1996 and has, at times, manifested itself in open rebellion against the DPA (as was the case in 2001 when Bosnian Croats attempted to secede from federal bodies). While this kind of challenge seems unlikely to be repeated, there remains a simmering discontentment among Bosnia's Croats regarding their present and future status within the Bosnian state. Whilst undoubtedly the ideas of 'Greater Croatia' or an independent 'Herceg-Bosna' are gone with the wind, Croats still harbour desires to create a third (Croat-dominated) entity within Bosnia (with Mostar as its capital). But as this has (at least, thus far) failed to materialise, the majority of Bosnian Croats have gravitated towards Croatia proper, with many Bosnian Croats migrating permanently (particularly to the Croatian coast where their presence is not always welcomed) to the motherland. Those who do remain tend to interact more with Split, Dubrovnik and Zagreb than they do with Sarajevo and, given that the majority of Bosnia's Croats possess dual citizenship with Croatia and possess Croatian passports (allowing visa-free travel to the EU), they "live with one foot in Bosnia and the other in Croatia."⁴⁵ As a consequence of this dualistic existence, indicators suggest (this cannot be confirmed until there is an official census, although the Catholic Church claim to possess statistics that demonstrate this 'exodus')⁴⁶ that there has been a steady decline in the Croat population of Bosnia since 1995.⁴⁷

Politically, the Bosnian Croat vote is split between the HDZ and the breakaway HDZ-1990, the former led by Dragan Čović, the latter by Božo Ljubić. Although they have tended to avoid explosive state-level issues, their dissatisfaction with the current constitutional arrangement remains. According to the recent ICG report on Bosnia, "Croat issues, not currently a priority in Bosnian controversies, could easily regain prominence."⁴⁸ As things stand, however, an open political conflict between the Federation partners remains unlikely (although not impossible). However, one problematic area is Mostar, the largest city in Herzegovina, where it has proved problematic for Croats and Bosniaks to elect a mayor and effectively co-govern the city.

Of Bosnia's three main ethnic groups, it is the Bosnian Serbs who most vigorously resist constitutional reform and energetically defend the right of the RS to exist. Whilst their leaders generally do not advocate outright secession (unless they feel threatened), they are the most active in resisting any reforms that transfer competences to Bosnia's federal institutions.⁴⁹ Thus given that attainment of independence is highly unlikely, the Bosnian Serbs' main objective has been to defend what was awarded to them as part of the Dayton Agreement (a semi-autonomous RS within Bosnia) and block legislation that might weaken this position. They have done so with relative success and, as a consequence, their position within Bosnia is relatively secure. That said, their leadership, when under pressure to submit to constitutional reforms, often enter into heated arguments with the OHR and have even threatened to call a referendum on independence. Broadly, however, their strategy has been thus: To block as much state-level legislation as possible and make the federal state (BiH) appear weak, whilst

simultaneously attempting to strengthen RS institutions (a strategy the then Montenegrin President Milo Djukanović had used to such devastating effect *vis-a-vis* the institutions of the Federal Republic of Yugoslavia).⁵⁰ This approach, whilst maintaining the status quo within the RS has been instrumental in impeding Bosnia's progress. Ivo Banac, has argued that the adoption of such a strategy has resulted in a strengthening of the Serb position to the detriment of the wider Bosnian state. The Bosnian Serb leadership has, he argues, "Exploited the neglect of the international community and the flaws in the Dayton framework to carve out a semi-independent political entity (RS) that is currently using false analogies with the independence of Kosovo to argue for RS's full secession."⁵¹

The dominant political figure remains the SNSD leader and RS Prime Minister, Milorad Dodik, and there exists little in the way of opposition to either him or his party. Despite numerous allegations of possible corruption and abuse of office (there is an on-going criminal investigation into accusations that Dodik profited from shady privatisation deals), Dodik retains significant popularity among many Bosnian Serbs.⁵² It is his perceived defence of Bosnian Serb national rights that awards him such status. He has consistently called for Bosnia to be reconfigured into a 'union of federal states', with the content of his rhetoric shifting between claims for autonomy and outright independence (depending on the political context within which he delivers his speech). Whilst his rhetoric is constantly shifting and seemingly inconsistent, it should be taken seriously. According to a recent International Crisis Group (ICG) report, "The [Bosnian] Serbs are building the institutions they would need for independence, although these are also useful within Bosnia. RS leaders may still not know if a strong RS inside Bosnia or an independent RS is the best option."⁵³ Most likely, Dodik's strategy may be simply to consolidate RS's constitutional status under Dayton as opposed to a genuine attempt to secede from Bosnia – a move that would have little support in Washington and major European capitals and would almost certainly lead to renewed armed conflict.

Given these evident political differences with regard to the configuration of the Bosnian state, it was something of a surprise when, in December 2008, the leaderships of Bosnia's three main political parties (SDA, HDZ-BiH, SNSD) announced that they had reached what they trumpeted as a 'historic compromise'. This surprise announcement heralded the start of what has become known as the 'Prud Process' (named after the town in the Odžak municipality in northern Bosnia where the initial agreement was reached), the genuine first attempt to discuss constitutional reform since the failed April Package. One month later (during the second meeting), Dodik, Tihić and Čović agreed to send an initiative to the BiH parliament with a view to revising Bosnia's constitution. The reforms were intended to allow for more fluid and functional central institutions and the territorial organisation of the central and lower levels of government. Yet, whilst the Prud process broadly represented progress, it was always the latter aspect that would be the cause of controversy. The fundamental problem was that each side seemed to perceive the agreement on 'territorial organisation' of the central and lower levels of government differently. It was broadly agreed that the cantons within the Bosniak-Croat federation should be ended and instead replaced with four territorial units, but the glaring ambiguities rendered this open to misinterpretation and, by extension, possible abuse. The SNSD leader, Milorad Dodik, immediately insisted that the RS would be one of the four units, whilst Čović and Tihić advanced the argument that the four new territories would transcend and cut across existing entity boundaries. Subsequent meetings have done little to clarify the issue of territorial reorganisation.

What now for the OHR?

The Prud Process has taken place during a period when the OHR has continued to lose credibility among Bosnia's citizens and has appeared increasingly impotent in its dealings with Bosnia's political elite. The real problem, however, lies not simply within the OHR, but among the wider international community. Many international officials have developed the belief that the OHR has over-extended its stay in Bosnia and, put bluntly, can no longer work as an effective mechanism for facilitating 'stable' governance. Certainly, the OHR's authority had diminished, but this has been dictated by both external and internal factors. Externally, there has existed no international consensus regarding whether the OHR should extend its mandate in Bosnia. Some within the EU (primarily France and Spain) are seeking to disengage sooner rather than later, whilst others (such as the UK and US) recognise that closure of the OHR is unfeasible at the present time. The HR also needs the overwhelming support of the EU and PIC to use the Bonn powers, and this support has been rather weak. Internally, the HR simply does not have a robust military force on the ground that could underpin his *diktats* or the use of the Bonn Powers. Moreover, a perception pervades (particularly among Bosnian Serbs) that the OHR operates without transparency and thus accountability to the country's population (or at least, the political elite).⁵⁴ These factors combined have dictated that the role of the OHR has become increasingly diminished.

In October 2008, in the final months of Lajčak's tenure, Olli Rehn and Javier Solana presented a joint report which outlined what they argued was a 'new approach' to Bosnia. Most important among their assessments was that the OHR had outlived its usefulness and should be closed down, to be replaced by a stronger European presence – the EUSR. But whilst the paper was endorsed by the PIC and UN Security Council, it did not sufficiently address what kind of powers the new EUSR would possess (would he possess the Bonn powers, for example?) and how their powers would be used.⁵⁵ Yet, upon Lajčak's departure, there was something of a reversal and the PIC elected to retain the OHR for an unspecified period, a move opposed by both Bosnian Serbs (who perceive the OHR to have a centralising agenda) and the Russians, who support the Bosnian Serb line. By giving no clear departure date, Western powers hoped to stem the erosion of the OHR's authority. By extension, a decision on setting a timetable on the transition from HR to EUSR (a position that would possess less power) was postponed at the last PIC meeting (it will be raised again in the November meeting of the PIC).

With the matter of continuity (temporarily) resolved, the new HR, Valentin Inzko, was then awarded the unenviable task of putting Bosnia back on track. He immediately sought to reverse the recent negative trends, establish a clear framework, attempt to set the agenda and made clear his intention to face head-on challenges emanating from Banja Luka (or any other source). This, however, may prove overtly ambitious. Milorad Dodik, is at the helm of a party (SNSD) that dominates politics in that entity (41 of 83 seats in the RS parliament and has considerable influence over Bosnian state-level politics, to the point where politics can stagnate without his consent and the direction of RS politics is dictated by him).⁵⁶ Inzko will have to tread with caution, and Dodik's recent statements regarding Bosnia's territorial composition (that the country should be reconfigured as a "federal alliance of states") demonstrate that the new HR will have no shortage of opportunities to demonstrate his resolve of challenges to his authority.⁵⁷ It is likely that his role (be it as HR, EUSR, or both) will extend beyond one year, and as 2010 is an election year in Bosnia, it would seem an inappropriate moment to scale-down international engagement in any event. The OHR, then, may well be required to remain in Bosnia for some time, and if it does, the HR will have to take

a firmer and more robust approach than his last two predecessors have done. To realise his stated objectives he will also need the robust and unwavering support of the PIC (despite Russian opposition to continuing the OHR's mandate), the EU and the broader international community.

Bosnia and the European Integration Process

Thus, an international presence (in the form of the OHR) looks set to remain in Bosnia - at least in the short-term. The OHR will require, however, the additional external support than has not been forthcoming of late - particularly from the EU. They will remain the primary international actor in Bosnia (although their role could be strengthened by increased US engagement) and as such will be required to be pro-active. But, as Judy Batt has noted, the EU has (thus far) been unable to tackle effectively Bosnia's intractable problems and "instead of a coherent, credible and tough-minded response to these failures, there has been a lack of EU leadership and unity."⁵⁸ It is crucial that such a position is not maintained. The EU has to demonstrate leadership and a capacity to deal with Bosnia's continuing problems - Bosnia is, after all, a European country and, ultimately, a European problem. Whilst political support from the US should be both encouraged and welcomed, Bosnia will remain the primary responsibility of the EU. As the lynchpin for further reform, EU member states will be required to formulate a uniform policy with regard to Bosnia (other than the wider enlargement policy, which does not address the country's specific problems) and articulate with clarity exactly what level of functionality would be accepted before Bosnia could become a serious EU candidate.⁵⁹ Some form of associate membership could work as a mechanism for maintaining the European track.

If, however, enlargement is to be the only mechanism that the EU can utilise for dealing with these problems, it is equally important that the citizens of Bosnia see some demonstrable and tangible results from the signing of the SAA. They require positive signals that indicate a clear 'road-map' to Europe. But this may prove a difficult, or near impossible task. Not only has progress within Bosnia been excruciatingly slow, the external conditions are less than favourable to applicant states. There is (and is likely to remain for some time) a distinct lack of appetite among existing EU member states for further expansion - this has, of course, been magnified by the economic crisis which has impacted on all member states. Even if Bosnia had made solid progress, it would hardly have influenced matters that are, frankly, beyond their control. But whilst the current impasse is understandable, it is important that EU member states retain focus on the wider issues and longer-term objectives. Continuing indecision of EU member states with regard to expansion would be counter-productive and the cause of dissatisfaction and disappointment within the would-be accession states and an erosion of the EU's influence as a political actor. The EU project of 'political transformation through European integration' - with the carrot of EU membership as the motivating factor - has shown demonstrable signs of success, and should be continued. Deeds, not simply words, will be required if enthusiasm in the EU accession process is to remain an anchor of stability in Bosnia and the wider region. As things stand, the vast majority of Bosnia's citizens (regardless of their nationality) identify with, and wish to be members of, the EU, and membership may also go a long way to rendering old nationalist divisions and territorial borders irrelevant. This is clearly one area in which Bosnia's Serbs, Croats and Muslims have a common interest and it should be nurtured.

The EU has a genuine interest in making Bosnia function and incorporating it into the union. Indeed, the relationship is symbiotic - the Balkans needs the EU and the

EU (if it wishes to attain the status of a genuine global actor) needs a stable Balkans. Beyond this, as Bechev points out, Bosnia matters to the EU “in the light of significant debates on culture, diversity and the place of religion in public life in Western Europe. Though largely secular, the country will bring into the EU the historical experiences of home-grown Islam at a time when integration of Muslim migrants becomes one of the central issues in a number of member states.”⁶⁰ But regardless of this, there seems little appetite to aid Bosnia’s path to Europe. This has not gone unnoticed in Bosnia, where citizens are becoming increasingly convinced that the EU no longer wants them and that the possibility of accession any time soon is remote.⁶¹ A visit to Sarajevo by a troika (Swedish Foreign Minister and former HR Carl Bildt, the French Foreign Minister, Bernard Kouchner, and the Czech Foreign Minister, Karel Schwarzenberg) of past, present and future EU foreign ministers brought little cheer to Bosnians. The collective message was that Bosnia was “lagging behind” other applicant states, and that reforms and commitments stemming from the signing of the SAA had to be accelerated in order for Bosnia’s European path to be maintained.⁶² Undoubtedly, Bosnia must meet its commitments that stem from the SAA but by the same token the EU must also help to reverse the waning perception among citizens that Bosnia is a genuine candidate. The EU accession process remains a crucial factor in persuading political elites to embark upon further reforms.

The Impact of the Global Economic Downturn

Beyond the problems realm of domestic politics and the EU integration process, Bosnia also faces significant economic pressures generated by the global economic downturn. The Bosnian economy will almost certainly contract in the coming year, and unfortunately the country possesses little capacity to deal with the ravages that will inevitably be caused by the current economic crisis. Demand for Bosnian-made goods is dropping dramatically and domestic industry is suffering in the downturn, with the metal, textile and the construction industries likely to be the worst affected. Moreover, remittances coming into the country from the Bosnian diaspora living (or those working) abroad is likely to decrease as workers in the developed economies face redundancy as is foreign direct investment (FDI). These developments will inevitably impact upon (an already high level of – recent estimates suggest 40%) unemployment, high even by the standards of the region. What’s more, BiH does not possess a sufficiently strong tax or revenue base that can sustain governmental structures as complicated, inefficient and ineffective as those that currently exist. The collective result of this could be deeply problematic, as Batt notes, the economic downturn will “The external resources on which BiH has depended on for so long are much less readily available, while the costs of wasted time – of incomplete and skewed reforms, hesitant and half hearted regional cooperation – will make themselves felt all too clearly.”⁶³

If current predictions prove correct, this gloomy prediction could be realised. The European Bank for Reconstruction and Development (EBRD) estimated in January 2009 that Bosnia could be one of the hardest hit economies in Southeast Europe – a scenario it was ill-prepared to deal with.⁶⁴ There are some Bosnia-specific factors that determine this. For example, many banks operating in Bosnia are foreign-owned, and thus will be more exposed to the crisis emanating from the US and Western Europe. This could have a negative impact upon credit flows and the (previously improving) real-estate market.⁶⁵ Both entity governments quickly announced public sector wage cuts and the federation have been forced to squeeze social benefits (including invalidity benefit). But these measures alone are unlikely to cover the gap in the budget (particularly the latter’s).

In order to circumvent such a dramatic economic situation, the government entered into discussions with the International Monetary Fund (IMF) with a view to access funds that would help stabilise the economy. Bosnia already has two existing IMF agreements (from 1998-2001 and 2002-2004). Negotiations for a third loan stalled in 2006 due to the government's failure to meet the conditions set by the IMF. But given the brevity of the economic downturn, a new round of negotiations between the Bosnian government and the IMF began in May to negotiate further assistance, leading to a loan agreement of \$1.6 billion.⁶⁶ The insistence by the IMF that the cuts are introduced immediately will put the government (particularly in the federation) under severe pressure, not least from war veterans who have seen their payments slashed as part of that program. But whilst solutions can feasibly be found to plug gaps in the budget, the real danger comes from the consequences of massive cuts in public spending. The social dislocation and sense of despair which may result from the economic pressures could be harnessed by nationalists to further their own agendas, making reform less likely and setting a dangerous tone for the 2010 election.

Outlook for the year approaching the 2010 Elections

As we have seen, political stability in Bosnia remains elusive and is likely to remain so in the period preceding the 2010 elections. Bosnia is entering a difficult period. The OHR has been weakened by the gradual disengagement and disinterest of key Western powers (who have pressing priorities elsewhere). They have proved incapable of dealing effectively with the rise in nationalist rhetoric and rising political and social tensions. Matters are complicated further by the continuing lack of a political strategy from the international community (including the EU).⁶⁷ What constitutes a long-term sustainable country from the perspective of the key international actors? Vague commitments to 'European integration' (a process which appears stalled) or appealing for progress toward 'state functionality' are hardly what can be described as a clear vision. The formation of a single policy among EU member states will be a crucial factor in stemming the current downward trend.

In the final analysis, however, responsibility for the current negative ambient lies not with the EU or the OHR, but primarily with Bosnia's domestic political elites. They need to demonstrate leadership and political maturity if they are to avoid a slide back toward crisis. Whilst some areas of common interest have been established during the Prud negotiations, others – such as arguments over the finer points of constitutional reform (such as state property) - have caused tension. With that process at an end, however, there will be little cross-party cooperation on any of Bosnia's current or emergent problems. Pre-existing political tensions are likely to be compounded by social tensions, which are likely to increase over the coming months with the impending public-sector salary cuts and as the recession manifests itself. Given the difficult context, therefore, it is highly unlikely that the SDA, HDZ-BiH and the SNSD be joined by smaller parties to create the majority required to pass any constitutional amendments through parliament. Further procrastination, combined with a worsening economic situation, could all too easily lead to increased inter-party tensions.

Taking these factors into account, Bosnia and Herzegovina is facing a difficult year ahead. The election, scheduled for October 2010, is likely to take place in a context of economic hardship and increased conflict among Bosnia's three main parties. This would not be a context conducive to holding trouble-free elections. It is, therefore, crucial that the OHR (backed by the PIC) and the EU demonstrate a commitment to Bosnia and make it clear that the use of nationalist rhetoric before

and during the campaign will not be tolerated. The status of the OHR (or EUSR) should also be clearly defined, as its uncertain status is counter-productive and damaging. The November meeting of the PIC must generate a clearer consensus on the future of the OHR.

Given the current context, and the likelihood of a worsening ambient as the election approaches, the EU should make this one of their policy priorities in the Western Balkans. Neither the EU nor the US can make Bosnia a functioning state, but they can be the driving factor behind further reform which could lead to better governance and encourage a more stable political climate. Too much is at stake to allow Bosnia to slide into further political instability, not only because Bosnia itself is at stake. The country was something of a test-case for international intervention and internationally-overseen state building, and although it is not uppermost in the minds of Western policy-makers (as Afghanistan is) the consequences of failure would be marked and the outcome undesirable.

Finally, Bosnia is a complex country in which multiple realities co-exist. Regardless of the nationalist rhetoric of Bosnia's political elites (in both entities) and the dire warnings of members of the international community who have been, at some stage, engaged in Bosnia's politics, the situation among the country's citizens is rather more stable. In this respect, tangible and significant progress has been made – as a consequence, inter-ethnic violence has been minimised to the point of non-existence. Here it is important to make a distinction between political elites and ordinary Bosnian citizens – there is little evidence to suggest that the level of animosity that exists between domestic political elites is reflected in relations between ordinary citizens. Nevertheless, the constant bickering (including accusations of re-arming) between Bosnia's political elites has served only to perpetuate fear among the country's citizens that conflict may one day be possible. Discouraging trends remain. Political elites (from all parties) openly and constantly challenge the DPA, throw accusations of re-arming and talk of redrawing ethnic maps. Now is not the time for the EU or other international actors to hope that these problems can be solved themselves and for the Bosnian elite will work in the service of their people and in their interest. A continued commitment is required to see Bosnia through what is likely to be a difficult few years – failure to do so may generate regrettable consequences.

Endnotes

¹ <http://en.wikipedia.org/wiki/Balkans>, [accessed on 26 August 2009]

² http://www.lib.utexas.edu/maps/europe/txu-oclc-247232977-central_balkan_pol_2008.jpg [accessed on 26 August 2009]

³ The terms 'Balkans' and 'Western Balkans' are both used throughout the paper. The Western Balkans is used to denote the countries of the former Yugoslavia (minus Slovenia) and Albania. The term Balkans is used to denote the wider Balkan region – which could include Turkey, Greece, Romania, Bulgaria and Moldova.

⁴ The High Representative wears 'two hats', simultaneously holding the position of European Union Special Representative (EUSR). The HR must be approved by EU member states, the US, and the Peace Implementation Council (PIC). The PIC comprises ambassadors from the US, Russia, UK, Canada France, Italy, Germany, Japan, the Netherlands, Turkey (representing the Organisation of Islamic Countries), the European Commission (EC), and the European Union Presidency. Valentin Inzko is the seventh HR and is no stranger to Bosnian politics, having been Vienna's first post-war ambassador to Sarajevo. Prior to taking the post he was Austrian ambassador to Ljubljana (Slovenia) but also had experience working for the Austrian Embassy in Belgrade and the OSCE in Serbia (Sandžak). He will retain the post of HR for one year, after which he will stay in the role of EUSR (European Union Special Representative), although such a transition (and the exact timing of) is by no means certain.

⁵ Balkan Insight, 2 February 2009. Lajčak was referring directly to the international community. In an interview with Sarajevo daily *Oslobodjenje* he said, "Bosnia is not a dead horse. When I said that, I was not referring to BiH but to instruments of the international community. I wanted to convey the following message: if OHR exists, then it should have the Bonn powers because neither OHR without full capacity nor the EU with OHR are yielding expected results." See *Oslobodjenje*, Sarajevo, 5 February 2009, p.2.

⁶ Since 1996 there have been seven High Representatives: Carl Bildt (1996-1997), Carlos Westendorp (1997-1999), Wolfgang Petritsch (1999-2002), Paddy Ashdown (2002-2006), Christian Schwarz-Schilling (2006-2007), Miroslav Lajčak (2007-2009), and now Valentin Inzko. Some have used the Bonn Powers to a greater extent than others. Lord (Paddy) Ashdown used the powers significantly (although it could be argued that in so doing he did significant damage by redefining the role of the HR without local consultation or consent, and since then no holder of the job has achieved much of note), whilst others, such as Christian Schwarz-Schilling, were less willing to do so. The latter made it known early in his mandate as HR that he would not use the Bonn Powers as excessively as predecessors had done; establishing a pretext that facilitated greater obstruction from nationalist politicians. Having inherited Schwarz-Schilling's dubious legacy (and unable to reverse it) essentially dictated that Lajčak's position was weakened from the outset. Schwarz-Schilling's intentions were (more or less) mapped out in an article written by European Stability Initiative (ESI) director, Gerald Knaus, and Felix Martin. See Gerald Knaus & Felix Martin, 'Travails of the European Raj', in *The Journal of Democracy*, Vol. 14, No.3, July 2003.

⁷ Currently the EU force comprises 1800 peacekeepers from EU countries and 300 from non-EU states. This may shrink to nearer 200 troops by the end of 2009. See *The Economist*, 4 April 2009, p.37.

⁸ That Bosnia has become less of a priority for many Western countries was illustrated by Canada's decision in April 2009 to close its embassy in Sarajevo, whilst focusing their strategic interests by opening embassies in Brazil, China, Mexico and India. See RFE/RL, 16 April 2009.

⁹ For example, one of the recommendations of the United States Institute for Peace is that the US government appoint an American envoy to the Western Balkans. This would, it is argued, "sway Brussels to clarify its policy is for Washington to engage member states directly. A special envoy to the Western Balkans could help in this endeavour by signalling the level of attention to the Obama administration is affording the region. A strong American envoy to deal full-time with the Western Balkans, with the visible backing of President Barack Obama and the Secretary of State Hilary Clinton, would provide impetus for Europe to galvanize a consensus among EU member states and structures. See USIP, *Unfinished Business in Bosnia and Herzegovina: What Is To Be Done?* United States Institute, Washington, May 2009, p.14.

¹⁰ The Independent, 12 August 2009, p.16. There may be something of an opportunistic (albeit timely) character to Hague's statement. Given that the region has hardly been regarded as a priority to the Labour government, the Conservatives are seeking to capitalise upon perceived weaknesses. Hague made the case that the Balkans remains a crucial area and that it would be a key area in Conservative foreign policy if they were to be elected.

¹¹ RFE/RL, 6 April 2009. See also, Paddy Ashdown, 'Europe Needs a Wake-up Call. Bosnia is on the Edge Again,' The Observer, 27 July 2008.

¹² Dani, Sarajevo, 13 February 2009, p.66.

¹³ Dani, Sarajevo, 13 February 2009, p.66.

¹⁴ International Herald Tribune, 24 February, 2009. See also Slobodna Bosna, 26 March 2009, pp.44-47. Bosnian Serb leaders argue that the claim of re-arming is an invention deliberately spread by Bosniaks who are attempting to ensure that the OHR remains and that it will give the impression to the Obama administration that the Serbs are, once again, the most potentially aggressive of Bosnia's three main ethnic groups. See The Economist, 4 April 2009, p.37.

¹⁵ Statement by Ivo Banac to the Commission on Security and Cooperation in Europe, in *Prevention Should Have Primacy*, Bosnian Institute, 8 April 2009.

¹⁶ In an interview for BIRN in July 2009, Caroline Ravaud, the Head of the Council of Europe in Bosnia noted that due to residual narrow nationalisms, "nobody seems to have ant concept of the wider [Bosnian] national interest. See Balkan Insight, 6 July 2009.

¹⁷ The Economist, 4 April 2009, p.37.

¹⁸ For an analysis of the wider issues in the Balkan region, see James Pettifer, *Southern Balkans 2009: Stability and Stasis*, UK Defence Academy, Research and Assessment Branch Paper 09/09, July 2009.

¹⁹ Paddy Ashdown, *Swords and Ploughshares: Building Peace in the 21st Century*, Phoenix Books, London, 2007, p.91.

²⁰ For an excellent analysis of the structure of the Dayton Agreement and impact of its implementation, see Florian Bieber, *Post-War Bosnia*, UNRISD, Palgrave Macmillan, London, 2006.

²¹ Florian Bieber, *Post-War Bosnia*, UNRISD, Palgrave Macmillan, London, 2006, p.144.

²² Mostar remains a deeply divided town. The East bank of Mostar (and a small slice of the West bank) is Bosniak-dominated, the West bank is Croat-dominated. Whilst much progress has been made (there is even a regular bus service between East and West Mostar), problems remain. In the summer of 2008 (during the European Football Championship) violence broke out between Croats and Bosniaks following a game between Turkey and Croatia. The violence represented some of the worst seen since the early post-war period. The city still retains the scars of conflict. A number of former Bosniak fighters told the author in March 2009 that they had not been to West Mostar since the end of the war. "They know who we are and we know every single Croat from Mostar who committed crimes during the war. Despite everything done by the internationals since the war, we don't go there and they do not dare come here – it is better that way." There has, however, been much progress and this view is not representative of the majority of Mostarians. Authors interview with Bosniak war veterans in Mostar, March 2009. For an excellent analysis of the post-war period in Mostar see, Sumantra Bose, *Bosnia after Dayton*, Hurst & Co., London, 2002.

²³ The main Bosnian Croat party, the Croat Democratic Union (HDZ) split in April 2006, with the anti-reform branch forming a new party - HDZ 1990 – the new party secured the support of the Catholic Church and the ruling party in Croatia.

²⁴ Dimitar Bechev, 'Wither Bosnia?: Dilemmas of State-building in the Western Balkans', in *The Turkish Political Quarterly*, Vol. 6, No.4, p.91.

²⁵ Haris Silajdžić was sworn-in as the Bosniak member of the Bosnian (BiH) tripartite Presidency five weeks after the elections. The Serb member was Nebojsa Radmanović, and the Croat member was Željko Komšić. They replaced Sulejman Tihić, Borislav Paravac and Ivo Miro Jović respectively.

²⁶ Lenard J. Cohen, 'Detours on the Balkan Road to EU Integration', in *Current History*, Vol. 108, March 2009, p.127.

²⁷ Balkan Insight, 29 August 2007.

²⁸ Balkan Insight, 25 November 2008.

²⁹ Dimitar Bechev, 'Wither Bosnia?: Dilemmas of State-building in the Western Balkans', in *The Turkish Political Quarterly*, Vol. 6, No.4, p.89.

³⁰ Jane's Intelligence Digest, 29 February 2008, p.5.

³¹ Milorad Dodik's rhetoric became increasingly nationalistic throughout 2006 and beyond. In a 2008 report for Radio Free Europe, analyst Gordana Knežević noted that, "A few years ago, Dodik declared that the Bosnian Serb leader, Radovan Karadžić, should be captured and handed over to the Hague tribunal (he was in July 2008). In actions, however, Dodik has done everything possible to further the strategic and political goals first laid out by Karadžić in 1992. His ultimate objective is the same – to carve out an ethnically pure, self-governed Serbian state from the internationally recognised territory of Bosnia and Herzegovina. Once that is accomplished on the ground, Dodik can bide his time, waiting for an opportunity to formally sever all ties with the Croat-Muslim federation." See RFE/RL, 6 June 2008.

³² Jane's Intelligence Digest, 29 February 2008, p.6.

³³ B92, Belgrade, 7 November 2007.

³⁴ Der Spiegel, 12 September, 2008, p.15.

³⁵ Zajednička izjava o ustav Bosne i Hercegovine - Joint statement by the HDZ, DSA and SNSD, 26 January 2009.

³⁶ Aneks i zajedničke izjave iz Pruda od 80.11.2008. SBiH Document, December 2008.

³⁷ 34th Report of the High Representative for Implementation of the Peace Agreement on Bosnia and Herzegovina to the Secretary General of the United Nations, 21 November, 2008.

³⁸ Lenard J. Cohen, 'Detours on the Balkan Road to EU Integration', in *Current History*, Vol. 108, March 2009, p.127.

³⁹ International Crisis Group, *Bosnia's Incomplete Transition: Between Dayton and Europe*, Crisis Group Europe Report, No.198, 9 March 2009, p.6. For a brief overview of Silajdžić's arguments see Statement by Dr Haris Silajdžić, 63rd Session of the UN General Assembly, New York, 23 September, 2008.

⁴⁰ Tihčić enjoys significant capital among Bosniaks because of his wartime experiences. In April 1992, he was captured by Bosnian Serb forces in Bosnaski Samac. He was imprisoned there and then subsequently in camps in Brčko, Bijeljina, Batajnica and Sremska Mitrovica.

⁴¹ In his speech given to the 63rd Session of the United Nations General Assembly in September 2008, Chairman of the Presidency of Bosnia and Herzegovina, Haris Silajdžić, stated that Bosnia's entities should be abolished. Failure to do so, he argued, would essentially mean that the Dayton Agreement had not been successfully implemented. "Dayton never intended such ethnic apartheid to take root in Bosnia and Herzegovina. It is not the implementation of Dayton, but the violation of its core principles, that led to this result. It would be a grave mistake to recognise this as lawful and legitimate." Statement by Dr Haris Silajdžić, 63rd Session of the UN General Assembly, New York, 23 September, 2008.

⁴² Statement by Dr Haris Silajdžić, 63rd Session of the UN General Assembly, New York, 23 September, 2008.

⁴³ FRIDE, Bosnia Election Report, No. 17, September 2008, p.3.

⁴⁴ Sumantra Bose, *Bosnia after Dayton*, Hurst & Co., London, 2002, p.258.

⁴⁵ International Crisis Group, *Bosnia's Incomplete Transition: Between Dayton and Europe*, Crisis Group Europe Report, No.198, 9 March 2009, p.10. It is also the case that Bosniaks have used any familial links in Croatia to acquire Croatian passports, although the exact figure cannot be verified.

⁴⁶ In the absence of a post-war census, figures are based upon limited samples and are often politicised. Figures produced by the Catholic Church, however, suggest that the population may have dropped as low as 440,000 (from a pre-war figure of 880,000. See International Crisis Group, *Bosnia; A Test of Political Maturity in Mostar*, Europe Policy Briefing, No.54, 27 July 2009, Sarajevo & Brussels, p.7.

⁴⁷ Early Croatian EU membership may have a particularly negative impact on Bosnia in particular. Critics argue that there is a strong case against early Croatian EU membership, and it would be beneficial to revive the pre-2002 British policy of a joint progress towards the EU by both Croatia and Serbia.

⁴⁸ Ibid, p.10.

⁴⁹ For an excellent analysis of the partition/secession debate, see Sumantra Bose, *Bosnia After Dayton*, Hurst & Co., London, 2002, pp.149-161.

⁵⁰ The parallels between Milo Djukanović's and Milorad Dodik's strategies do not end there. On the February 21st meeting of Bosnia's three main political parties (part of the Prud

Process), Dodik insisted – as Djukanović had done during the discussions which led to the signing of the Belgrade Agreement in 2002 – that any Bosnian constitutional reform should include a clause stating that the RS had the right to secede after a three year period. For a more detailed analysis of the events that led to the signing of the Belgrade Agreement see, Kenneth Morrison, *Montenegro: A Modern History*, IB Tauris, London, 2009.

⁵¹ Statement by Ivo Banac to the Commission on Security and Cooperation in Europe, in *Prevention Should Have Primacy*, Bosnian Institute, 8 April 2009. The widely-held view that official Belgrade remains a key supporter of Dodik and does not (in practice) recognise Bosnia's sovereignty was reinforced by a recent visit to Banja Luka by Serbian President Boris Tadić (who visited the RS capital but not Sarajevo).

⁵² In February 2008, the Bosnian SATATE Investigation and Protection Agency (SIPA) published a report which implicated Milorad Dodik and a number of other leading RS politicians in fraud and embezzlement.

⁵³ International Crisis Group, *Bosnia's Incomplete Transition: Between Dayton and Europe*, Crisis Group Europe Report, No.198, 9 March 2009, p.8.

⁵⁴ Florian Bieber, *Post-War Bosnia*, UNRISD, Palgrave Macmillan, London, 2006, pp.145-146.

⁵⁵ Balkan Insight, 25 November 2008.

⁵⁶ International Crisis Group, *Bosnia's Incomplete Transition: Between Dayton and Europe*, Crisis Group Europe Report, No.198, 9 March 2009, p.8.

⁵⁷ Balkan Insight, 16 February 2009.

⁵⁸ Judy Batt, *Bosnia and Herzegovina: The International Mission at a Turning Point*, FRIDE Policy Brief, No.5, February 2009, p.2.

⁵⁹ USIP, *Unfinished Business in Bosnia and Herzegovina: What Is To Be Done?* United States Institute, Washington, May 2009, p.13.

⁶⁰ Dimitar Bechev, 'Wither Bosnia?: Dilemmas of State-building in the Western Balkans', in *The Turkish Political Quarterly*, Vol. 6, No.4, p.95.

⁶¹ International Crisis Group, *Bosnia's Incomplete Transition: Between Dayton and Europe*, Crisis Group Europe Report, No.198, 9 March 2009, p.26.

⁶² Southeast European Times, 9 April 2009.

⁶³ Judy Batt, *Bosnia and Herzegovina: The International Mission at a Turning Point*, FRIDE Policy Brief, No.5, February 2009, p.5.

⁶⁴ Balkan Insight, 28 January 2009.

⁶⁵ Balkan Insight, 28 January 2009.

⁶⁶ Oslobodjenje, 30 July 2009, p.2.

⁶⁷ Florian Bieber, *Post-War Bosnia*, UNRISD, Palgrave Macmillan, London, 2006, p.146.

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