

International Commission
on the Balkans



The Balkans in Europe's Future

**International Commission
on the Balkans**

The Balkans in Europe's Future

ROBERT BOSCH STIFTUNG | KING BAUDOIN FOUNDATION
GERMAN MARSHALL FUND OF THE UNITED STATES | CHARLES STEWART MOTT FOUNDATION

Secretariat CENTRE FOR LIBERAL STRATEGIES, Sofia



Giuliano Amato, Chairman
Member of Senate, former Prime Minister, Italy

Carl Bildt
former Prime Minister, Sweden

Avis Bohlen
former Assistant Secretary of State, United States

Jean-Luc Dehaene
Member of European Parliament, former Prime Minister, Belgium

Kemal Dervis
Member of Parliament, former Minister of Finance, Turkey

Mircea Geoana
Member of Senate, former Minister of Foreign Affairs, Romania

Kiro Gligorov
former President, Macedonia

Istvan Gyarmati
Chairman, Center for Euro-Atlantic Integration
and Democracy, Hungary

François Heisbourg
Director, Fondation pour la Recherche Stratégique, France

Bruce Jackson
President, The Project on Transitional Democracies, United States

Zlatko Lagumdžija
President, Social Democratic Party; former Prime Minister,
Bosnia and Herzegovina

Ilir Meta
Chairman, Socialist Movement for Integration,
former Prime Minister, Albania

Neven Mimica
Member of Parliament,
former Minister for European Integration, Croatia

Dame Pauline Neville-Jones
former Governor of BBC, United Kingdom

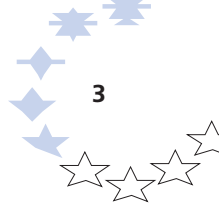
Janez Potocnik
Member of the European Commission,
former Minister for European Integration, Slovenia

Alexandros Rontos
former Ambassador at Large, Greece

Goran Svilanovic
Chair of WT I, Stability Pact for SEE,
former Minister of Foreign Affairs, Serbia and Montenegro

Richard von Weizsäcker
former President, Germany

Ivan Krastev, Executive Director
Chairman, Centre for Liberal Strategies, Bulgaria



In 1996, the Aspen Institute Berlin and the Carnegie Endowment for International Peace published *Unfinished Peace*, the report of the International Commission on the Balkans which had been established at the initiative and with the support of European and American foundations in 1995. In his foreword to the report, former Prime Minister of Belgium Leo Tindemans, who served as Chairman of the Commission, stated that the objective of the Commission Members was "peace, a durable one, to pave the way to democracy, prosperity, well-being and a humane society". Dayton, which had been signed in November 1995, was only the point of departure as it "marked the end of the war, but only the beginning of the peace". The task for the international community at that point was to "help transform the proverbially chaotic, bloody and unpredictable Balkans of the past into a stable, peaceful and dependable Southeastern Europe of the future".

Two years before the establishment of the Commission, the Carnegie Endowment for International Peace had republished the results of its 1913 Inquiry into the Causes and Conduct of the Balkan Wars of 1912 and 1913 (*The Other Balkan Wars, 1993*), the first International Commission on the Balkans presided over by the French Senator Baron d'Estournelles de Constant. Reports of atrocities occurring in the Balkans had prompted Nicholas Murray Butler, one of the Endowment's leaders and president of Columbia University to send a commission of six individuals for "an impartial and exhaustive examination" of the hostilities in the Balkans. It was much in the same spirit that the second Commission was created under the impression of the violent break-up of former Yugoslavia and the ferocity of the wars.

During its visits to the Balkan states during the second half of 1995 and the first half of 1996, the Commission was struck by the parallels between their impressions and the insights of the first Carnegie Commission of 1913/1914 as its haunting question was still pertinent: "Must we allow these Balkan wars to pass, without at least trying to draw some lessons from them, without knowing whether they have been a benefit or an evil, if they should begin again tomorrow and go on for ever extending?" The second Commission's report concludes "that turning a blind eye on the Balkans is no less a recipe for disaster at the end of the twentieth century than it was at its outset."

In the difficult context of the mid-nineties and the muddle of international efforts directed at the Balkans, *Unfinished Peace* was a remarkable document analyzing the causes of instability and conflict, assessing international responses and the lessons to be drawn, and suggesting a process and a framework for defusing and overcoming the conflicts in a broader regional context. We commend Leo Tindemans, Lloyd Cutler, Bronislaw Geremek, Lord Roper, Theo Sommer, Simone Veil and the late David Anderson for raising their voice in the cacophony of the time and offering their far-sighted analysis when the international community was still approaching the Balkans with a piecemeal approach. Unfortunately, the Commission's warnings were largely left unheard, and the international community had to undergo another painful lesson with the war in Kosovo and a more successful short-term conflict resolution in Macedonia before a more stable peace could be established.

Today, almost a century after the creation of the first International Commission on the Balkans, a third Commission on the Balkans is publishing its report. Different from the first two, this report is the first that is able to reach beyond war and peace. Almost ten years after the Dayton agreement, and almost five years after the fall of the Milosevic regime, the Western Balkans are a relatively stable region, the danger of war is no longer imminent, and the countries of the region have proven stable enough not to be thrown into chaos by political turmoil. Moreover, the European Union committed itself to integrating the countries of the region at the Thessaloniki Summit in June 2003. Why then, the reader might ask, do we need a third International Commission on the Balkans?

Despite the achievements to date, the stability of the region still rests on weak feet. Reform processes are hindered by the legacy of the past: immense structural challenges, constitutional problems, open status issues, a dire economic situation and political instability. Unprecedented amounts of reconstruction and development aid poured into the region could not lead to the desired results because of the chronic political instability and doubts about the future. How fragile even the peace is in some parts of the region was demonstrated by the violence which erupted in Kosovo in March 2004 - and the helpless response of the international community. Preserving the current status quo will not suffice to achieve lasting peace and stability, economic prosperity and to pave the way for European integration. Additional efforts and a shift in international and Brussels thinking in particular are required in order to solve outstanding issues and accelerate the transition process.

In order to induce these developments with new momentum, the Robert Bosch Stiftung, the King Baudouin Foundation, the German Marshall Fund of the United States and the Charles Stewart Mott Foundation in a concerted

transatlantic effort of private foundations decided to establish a new independent International Commission on the Balkans. We thank them for their inspiration and continuous support of our endeavor. Our task was to present results which will stir the debate on the future of the region and to ultimately develop a vision for the integration of the countries of Southeast Europe into the European Union.

The composition of our Commission reflected the changed situation in the Western Balkans and the different quality of cooperation that should guide the relations between the so-called "international community" and the region. It was a great pleasure and enrichment for me to work with 18 distinguished individuals both from the region and from outside the region who assembled such an array of expertise in matters Balkan, European and Transatlantic. In trying to understand the current situation in the countries of the Western Balkans, we relied on the analyses of experts who are familiar with the changing nature of challenges facing the region. We are especially grateful to James O'Brien, Srdjan Bogosavljevic, Jovan Teokarevic, Srdjan Darmanovic, Gerald Knaus, Stevo Pendarovski, Remzi Lani, Antonina Zheliazkova, Damir Grubisa and Josip Kregar whose contributions helped shape our opinions. Our intellectual and practical journeys through the region were prepared and guided by a conscientious and highly motivated staff.

Over the course of one year, we undertook four Study Tours to the countries of the Western Balkans which gave us the opportunity to exchange views with many individuals whose time is gratefully acknowledged. Unlike our predecessors, we did not have to face the immediate suffering and destruction caused by war. However, in many parts of the Balkans, the smell of violence is still in the air, and the distrust and hopelessness of people in view of the insecurity and dire economic and social situation is depressing. We left enclaves in Kosovo with the conviction that they will stand out as shameful symbols of the failure of international policy if the international community will not succeed in securing the basic rights of these people and establishing conditions for a better life.

During all of our visits, whether in Belgrade, Kosovska Mitrovica, Pristina, Sarajevo, Skopje, Tetovo, Tirana or Zagreb, the most memorable encounters were those with the youth and students, impressive young individuals who are trying to shape their future against bleak economic prospects in societies which have only begun to come to terms with their past. All of them see the future of their countries within the European Union. Understandably, most of them envisage their own immediate future abroad even though they are very attached to their homelands. We regard our recommendations as reaching out to these generations of potential leaders who are the future of the region and its hope for reconciliation. If the international community does not remedy the damage that some of its policies have done, we will see these young people leaving their countries in search of a better life.

Many will argue that the governments and the citizens of the region are responsible for the future of their own societies, and should bring their own houses in order. In view of the political and financial engagement since the beginning of the nineties and the responsibility the international community has assumed, such arguments are nothing short of cynical.

We do not cherish any illusions about the current political will among the member states of the European Union to make major new commitments. Enlargement fatigue hovers over the European capitals these days, the looming referenda on the European constitution question the future of the European project. In the absence of headline-grabbing violence, many European politicians and civil servants hold on to the hope that the status quo is working just fine. However, if the reform and transition process fails, the Western Balkans will become even more of an isolated ghetto, and loom as a threat to stability and peace. The international community and the European Union in particular have been engaged in the Balkans to an extent which is unprecedented so far, and should see this engagement to a successful end. It will take more than symbolic gestures and rhetoric to build the pro-European constituencies in the Balkans who will translate their dreams into votes for political elites to carry forward the reform processes. And it will take no less of an effort to communicate the Balkans as a future part of the European Union and the sense of urgency to the public in European Union member states.

If the EU chooses success over failure in the Balkans, the next two years could see the beginning of a long-term solution to the problems that would enable all parties to close the book on the Balkans' bloody twentieth century and to win the peace which has been established at such high human and financial cost. It would also mean that this was the last International Commission on the Balkans which had to be initiated.

Giuliano Amato
Chairman of the International Commission on the Balkans
April 2005



CONTENTS

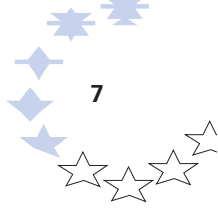
INTRODUCTION .....	.7
Getting incentives right .....	.8
I. THE DANGEROUS STATUS QUO AND EU'S BALKAN DILEMMA ..	.10
1.1 Expectations Gap .....	.11
1.2 The Development Gap .....	.12
1.3 The Integration Trap .....	.12
II. KEY ELEMENTS OF THE NEW POLICY FRAMEWORK .....	.13
1. CONSTITUTIONAL AND STATUS ISSUES .....	.15
1.1 The Current Constitutional Environment .....	.15
1.2 The Perceptions Map .....	.17
1.3 Facing the Status Issues .....	.18
1.3.1 Kosovo's Final Status .....	.19
1.3.2 Bosnia: From Bonn to Brussels .....	.23
1.3.3 Serbia and Montenegro: Functional Federation or Functional Separation .....	.25
1.3.4 The Secret of Macedonia's Success .....	.26
2. THE INTEGRATION CHALLENGE .....	.28
2.1 Building Member States .....	.29
2.1.1 Member-State Building as Institution Building ...	.29
2.1.2 The Regional Market .....	.31
2.2 Member-State Building as Constituency Building .....	.32
2.2.1 Minority Rights and the Culture of Civil Society ...	.32
2.2.2 Smart Visas, Smart Borders .....	.33
2.2.3 The Hague Dilemma .....	.34
III. CONCLUSIONS .....	.36
ANNEX .....	.39
List of Commission Study Tours .....	.54
Biographies of Commission Members .....	.58
Senior Staff .....	.63
List of Experts .....	.63
Donors .....	.64

It was in Sarajevo in the summer of 1914 that Europe entered the century of madness and self-destruction. The founding fathers of the European Union, Robert Schuman and Jean Monnet, were respectively 28 and 26 years old. But their dream of a united Europe, founded on shared values and institutionalised interdependence, can easily be traced back to that summer day in Sarajevo.

Eighty years later, in the early days of the siege of Sarajevo in the mid-1990s, a photo of a half-ruined post office with three items of graffiti written on its wall captured the imagination of the world. The first graffito read "This is Serbia!"; the second stated "This is Bosnia". And someone scrawled underneath, "No, you idiots, it's a post office!" But a European historian of the present added a line of his own, "This is Europe"¹. Because all of the destruction in the Yugoslav wars has been done by Europeans to other Europeans in Europe. The line "This is Europe" embodies the European Union's moral imperative when it comes to overcoming the legacies of war and destruction in the Balkans. There is also a security imperative. Political instability in the Balkans threatens Europe with the prospects of never ending military conflicts, constant flows of immigrants, flourishing of Balkan-based criminal networks and the erosion of the EU's credibility in the world.

It is in Sarajevo in the summer of 2014 that Europe should demonstrate that a new European century has arrived.

¹ Timothy Garton Ash, *Bosnia in Europe's Future*, New York Review of Books, December 21, 1995.



INTRODUCTION

Almost a decade after the Dayton Agreement, and almost five years after the fall of the Milosevic regime in Belgrade, the Western Balkans² are a relatively stable region with no military conflicts, no ongoing ethnic cleansing, where elections are free, if not always fair. In Thessaloniki in June 2003, the European Union committed itself to integrating the countries from the region. But what does this commitment really mean?

The region is as close to failure as it is to success. For the moment, the wars are over, but the smell of violence still hangs heavy in the air. The region's profile is bleak - a mixture of weak states and international protectorates, where Europe has stationed almost half of its deployable forces. Economic growth in these territories is low or non-existent; unemployment is high; corruption is pervasive; and the public is pessimistic and distrustful towards its nascent democratic institutions.

The international community has invested enormous sums of money, goodwill and human resources here. It has put 25 times more money and 50 times more troops on a per capita basis in post-conflict Kosovo than in

²Since it first came into use at the turn of the 19th century, the Balkans have always been a fluid concept with countries being excluded and included regularly and not always for any discernible reason. The past fifteen years have seen the region go through more contortions of geographic definition. For the Commission's report, we have reduced the Balkans to include Albania, Bosnia and Herzegovina, Kosovo, Macedonia, Serbia and Montenegro. Where we also wish to include Croatia, Romania and Bulgaria or any combination of the three, we have stated so explicitly. As we were working on this report, we had good reason to believe that Croatia was preparing to open negotiations with the European Union on the conditions for its accession.

post-conflict Afghanistan. But despite the scale of the assistance effort in the Balkans, the international community has failed to offer a convincing political perspective to the societies in the region. The future of Kosovo is undecided, the future of Macedonia is uncertain, and the future of Serbia is unclear. We run the real risk of an explosion of Kosovo, an implosion of Serbia and new fractures in the foundations of Bosnia and Macedonia.

The Commission acknowledges that there are no quick and easy solutions for the Balkans and that ultimately it is up to the people of the region to win their own future. But we are convinced that the international community and the European Union in particular has a historical responsibility to face and a decisive role to play in winning the future for the region.

The starting point of the International Commission on the Balkans is that the status quo has outlived its usefulness.

The starting point of the International Commission on the Balkans is that the status quo has outlived its usefulness. There is an urgent need to solve the outstanding status and constitutional issues in the Balkans and to move the region as a whole from the stage of protectorates and weak states to the stage of EU accession. This is the only way to prevent the Western Balkans from turning into the black hole of Europe.

At the same time, we are also convinced that the EU possesses the mechanisms and the requisite political skill to face up to the challenge which the region will present over the next three years in particular. There is no doubt that Kosovo and the resolution of its final status will be at the core of the political process in the months to come. However, it is essential to bear in mind when addressing this and other unresolved status issues that they must be placed within a broader context of the EU's explicit commitment to include the entire region as defined at the Thessaloniki Summit in June 2003.

Getting Incentives Right

The Balkans needs a new strategy if it is to translate Brussels' stated political aim to integrate the region into reality. Despite the commitment made at Thessaloniki, the dream of European integration has not yet proved powerful enough as a force for transforming the societies of the Balkans, especially if we agree that the basic indicator of success is the progress of each country on the road to the EU.

Of course, the EU itself faces a significant dilemma as it has the capacity to absorb only reasonably functioning and legitimate states. But now that Croatia appears on the verge of the full accession process, there are no



more of these left in the region. The classical enlargement model that worked for Central and Eastern Europe in 1990 simply does not fit the conditions prevailing in the Balkans. If this region is to become part of the EU, it needs to undergo significant changes. But success also requires a concomitant shift in policy thinking towards the region in Brussels.

As a matter of common sense, the international community must now address the unresolved status issues with the greatest degree of urgency and look for new constitutional solutions within the framework of European accession.

The question today is no longer, "What should be done?" We should clearly bring the region into the EU. Rather we need to establish the sequence of policy steps to be undertaken and the structure of the incentives that will make them work. We need policies so that the region can get on, get in and catch up with the rest of Europe.

The question today is no longer, "What should be done?" We should clearly bring the region into the EU. We need policies so that the region can get on, get in and catch up with the rest of Europe.

The status quo is not only unsustainable, it also might drive the region towards a new period of highly dangerous instability.

I. THE DANGEROUS STATUS QUO AND THE EU'S BALKAN DILEMMA

The absence of headline-grabbing violence in the Balkans has persuaded many in the international community that the status quo is working just fine. This illusion of stability governed international perceptions of the Balkans until the spring of 2004. But the March events in Kosovo in 2004 brought home to some in the international community what has been common knowledge in the Balkans for some time: that the status quo is not only unsustainable, it also might drive the region towards a new period of highly dangerous instability.

Whether one views it with trepidation or with enthusiasm, the process of final status settlement in Kosovo has already begun. We have entered a most delicate phase in the struggle for a peaceful and prosperous Balkans. There is a good possibility that the international community and local political actors will succeed in this difficult quest to solve the status issues. Such an outcome would almost certainly break the logjam that is blocking political progress in the region, representing a major achievement of international diplomacy as well as conferring immense credit on local political forces.



But everyone should be aware that failure is also a very real prospect and that the consequences of failure could be grave indeed. If the EU does not devise a bold strategy for accession that could encompass all Balkan countries as new members within the next decade, then it will become mired instead as a neo-colonial power in places like Kosovo, Bosnia, and even Macedonia. Such an anachronism would be hard to manage and would be in contradiction with the very nature of the European Union. The real choice the EU is facing in the Balkans is: Enlargement or Empire.

The real choice the EU is facing in the Balkans is: Enlargement or Empire.

The signs of such a debilitating future are already visible in the quasi-protectorates of Kosovo and Bosnia. With no real stake in these territories, international representatives insist on quick results to complex problems; they dabble in social engineering but are not held accountable when their policies go wrong. If Europe's neo-colonial rule becomes further entrenched, it will encourage economic discontent; it will become a political embarrassment for the European project; and, above all, European electorates would see it as an immense and unnecessary financial and moral burden.

There are three major reasons that make us believe that the status quo is the problem and not part of the solution.

1. Expectations Gap

The status quo is a problem in part because the citizens of the region perceive it as such. A survey commissioned by the International Commission on the Balkans and conducted in November 2004 demonstrates that people in the region are overwhelmingly negative about the status quo and that there is an alarming distrust towards both government and the opposition (*figure 1-3*). The public rejects the status quo but has yet to see any credible alternative being offered in its place (*figure 4*).

When we compared our survey to a similar poll conducted in 2002³, we observed a growing trend of public pessimism and dissatisfaction with the direction of political and economic developments. A loss of hope and perspective is the political reality of Western Balkans. And it is a dangerous one.

³ International IDEA, *South Eastern Europe Public Agenda Survey, 2002*.

2. The Development Gap

The status quo is also a problem because it has widened the gap between the economic and social performance of the region on the one hand and of the new EU members and Bulgaria and Romania on the other. The years lost in wars and half-baked reforms have widened the gap between the winners and losers in Balkan societies, making the demand for fairness and development stronger than ever.

As others have noted, if the status quo were to prevail, a new European ghetto would arise in the heart of an integrating continent. This ghetto would comprise most of the Balkans' peoples, herded behind a wall of visa restrictions that blocks a desperate population from seeking work elsewhere. There is a risk that, instead of catching up with the rest of the continent, the Balkan countries will fall further behind. The goal of integration which holds the key to regional stabilization will become even more distant. *(Table 1, 2)*

3. The Integration Trap

The consensus uniting governments and people in the Balkans is that the region cannot achieve prosperity and stability outside the process of European integration. At the same time, it is quite clear that the dysfunctional states and protectorates that characterise the region actively hinder the inclusion of the Balkans into the European mainstream. In this sense, the status quo is a problem because it is blocking the road to EU accession.



II. KEY ELEMENTS OF THE NEW POLICY FRAMEWORK

In the past decade, the international community has regarded the Balkans primarily as a post-conflict region. This has led to a raft of provisional solutions to constitutional problems and to policies based on what might be termed 'constructive ambiguity,' embodied in documents like the UN Security Council Resolution 1244 or the Constitutional Charter of Serbia and Montenegro. At the same time the international community has been working on the assumption that economic development would reduce the pressing need to solve the open status issues. Unfortunately, this assumption has turned out to be false.

Policies that focus only on outstanding economic and social issues while ignoring the unresolved status issues have failed to deliver. Policies that seek to resolve status questions to the exclusion of urgent economic and social issues are also doomed to fail. The Balkans need both.

For the EU, one of the greatest policy challenges emerges as a conundrum: how might one reconcile the regional approach that is essential for the stabilisation of the Balkans with the requirement of evaluating countries on the basis of their individual performances, a concept which lies at the heart of the EU accession process? The EU-initiated

Stabilisation and Association Process (SAP) tried to answer this by emphasising the central need for regional co-operation as part of the EU's 'contract' with individual SAP countries. The past four years, however, have demonstrated that this does not work. The answer to the riddle remains elusive. Now, the losers in the accession game - Bosnia, Serbia, Montenegro, and Kosovo - no longer perceive the SAP as a fast integration track. The programme lacks the requisite incentives to engage Serbia in co-operating over the Kosovo issue. It is striking that Partnership for Peace enjoys a higher public profile in Serbia than the Stabilisation and Association Process. Only real incentives can bring real reforms.

The new regional approach that the Commission advocates seeks to reintroduce the missing incentives. The interdependence of states is much more vital for the future of the Balkans than was the case in any other part of Europe. These are small and unattractive markets. Their economic sustainability depends on the creation of a common economic area that will attract foreign investors. In this sense, the regional approach is a necessary precondition for development.

In the Balkans, the accession strategy should be a mixture of classical state-building policies with those aimed at transforming nation states into member states. What we face in the Balkans is a need for a 'member-state building' strategy.

In the Balkans, the accession strategy should be a mixture of classical state-building policies with those aimed at transforming nation states into member states. What we face in the Balkans is a need for a 'member-state building' strategy.

The Stabilisation and Association Process is simply not strong enough as a framework for building member states. Neither does it reflect the intensity and breadth of practical EU involvement with the region.

This strategy would provide for three steps. First, we propose that in the autumn of 2006 the EU should sponsor a Summit that aims to present all Balkan countries with their accession road maps. The Summit should review the achievements of individual states in satisfying the Copenhagen criteria and on the basis of this, the EU will decide whether to start direct negotiations on membership or to sign a pre-accession Europe Agreement on member-state building with those countries that do not yet qualify for accession talks. In the view of the Commission it is realistic for these countries to start accession negotiations around 2009/2010, in the belief that the Europe Agreements will contribute to meeting the Copenhagen criteria. The objective of accession could be set towards 2014/2015.

The experience of Central and Eastern Europe illustrates best how the institutionalisation of the European perspective is the most efficient way to foster and accelerate the overall political, economic and administrative reforms in aspirant countries. This does not mean that all Balkan countries should

join the EU at the same time, but it does mean an end to the fears of some Balkan societies that they might be left out of the process altogether.

NATO membership is the second important pillar of our integration strategy. In our view, the NATO Foreign Ministers meeting in June 2005 should send a positive signal to the Adriatic Charter countries, Albania, Croatia and Macedonia. This gesture will improve the security of Balkan countries still outside the EU and will support reform in the security sector. We would envision these three countries receiving invitations to join at the NATO Summit in 2006, based, of course, on the progress of their Membership Action Plans. NATO played the role of a fast integration track for the Central and East European countries and it should do the same for the Balkans. Paradoxically, membership in NATO is the only available instrument for demilitarising this most militarised part of Europe. But in order for NATO enlargement to fulfil its regional role, the Alliance should offer membership in the Partnership for Peace program to Serbia and Montenegro and to Bosnia and Herzegovina as soon as possible.

NATO membership is the second important pillar of our integration strategy.

1. CONSTITUTIONAL AND STATUS ISSUES

1.1. The Current Constitutional Environment

After the Yugoslav wars of the 1990s, constitutions were written for several states and other entities in the region. But five years after the wars ended, the governments created by those constitutions remain weak, unpopular, and as yet unable to persuade either their people or the international community that they are ready to enter the European Union (*figure 17, 18*).

The governments created by those constitutions remain weak, unpopular, and as yet unable to persuade either their people or the international community that they are ready to enter the European Union.

Between 1994 and 2002, international negotiators and local parties designed constitutional frameworks for the Federation of Bosnia and Herzegovina (1994), which was to become one of the entities within Bosnia; a constitution for Bosnia and Herzegovina itself, as part of the Dayton Accord (1995); changes to the constitution of the Republika Srpska (1996); a constitutional framework for Kosovo as requested by the Special Representative of the Secretary General (2001); Macedonia's new constitutional framework, known as the Ohrid Agreement (2001); and the new State Union of Serbia and Montenegro, negotiated with the intensive engagement of the European Union (2002).

These constitutional frameworks have several features in common.

First, they were shaped by elites associated with armed conflicts. The processes that led to the constitutions were not informed by popular

mandates but by hard-nosed trade-offs to persuade the elites to stop fighting or avoid other destabilising acts. Power-sharing, not the enforcement of rights, was the main principle.

A second similarity among the Yugoslav constitutional frameworks is that each allocates power by group affiliation. The groups are defined according to ethnicity, a tendency that reinforces claims that the societies themselves are riven by ethnic differences which help to undermine central state institutions. In the Bosnian Constitution, in the Ohrid Agreement, and in the Kosovo constitutional framework, members of various ethnic groups are assured specified quotas.

The hard truth is that without these allocations of jobs and decision-making powers, the peace agreements would have failed. The long-term consequences have been more subtle. Local elites attempted to exploit this to secure the primacy of their particular ethnic group in the constitutional outcome. There is a major gap between the rhetoric of civil society that is at the centre of international efforts to democratise the region on the one hand, and the struggle to enshrine the rights of ethnic groups that is at the heart of the adopted constitutional arrangements on the other.

Third, the constitutional frameworks created weak states. Each state must compete with strongly decentralised powers (especially in the case of Bosnia and Serbia and Montenegro); with parallel structures that are wholly unaccountable to the constitutional frameworks (particularly in Kosovo); and with intrusive international structures that have near monopolies of power which are nonetheless ill-defined in crucial state-building areas (for example, security in Bosnia and Kosovo). A consequence of the patchwork regulatory environment is that state actors became cumulatively weaker while powerful private actors, including political parties, oligarchs and criminal syndicates spawned by the wars of the 1990s, have remained influential and largely escaped scrutiny.

This means that non-state institutions provide many basic public services which would normally be the responsibility of the state. Some individuals receive pensions, health care and education from neighbouring states (the best example being the Serbs of northern Mitrovica who are subsidised by Belgrade). The emphasis on decentralisation in Kosovo may accelerate the trend.

State weakness is perpetuated in those states where there are influential international actors on the scene.

State weakness is perpetuated in those states where there are influential international actors on the scene.

The posts of High Representative in Bosnia and the Special



Representative of the Secretary General in Kosovo were established during crises. Years later, both continue to exercise extraordinary power, including the authority to override local decisions. Neither the reach of this power nor the occasions for its use are clearly defined or well understood. In both Bosnia and Kosovo, there is an often irresistible temptation for both international representatives and local governments to shift accountability onto one another. Citizens are left without a clear idea of who is responsible for what.

1.2. The Perceptions Map

Western governments have frequently argued that postponing the resolution of key status issues is the lesser of two evils. While they concede that the status quo is not ideal, they maintain that it is nonetheless essential to maintain regional peace and stability. The results of the survey commissioned by the International Commission on the Balkans and of the meetings held throughout the region show a more complex reality. The key findings show that Bosnia is no longer a highly contested state. Most Serbs in Serbia and almost half of the Serbs in Bosnia view the separation of Republika Srpska from Bosnia as both undesirable and unlikely. Paradoxically, Albanians in Albania and Kosovo are the only ones that favor such separation of Bosnia. The survey also indicated that there is no ethnic group intent on threatening the existence of the Bosnian state (*figure 5*).

In our view, the nightmare of the international community that Kosovo's independence would automatically provoke the disintegration of Bosnia has no foundation in reality. That does not mean that Kosovo's independence will be a simple or uncontested process. Indeed if mismanaged, the process could have a most deleterious domino effect on the region. But independence *per se* is not the issue - the issue is how you get there.

According to the survey, the breakdown of Macedonia and the establishment of a Greater Albania are two developments that could destabilise the region. The results of the survey show a relatively high acceptance of the idea of a "Greater Albania" among the Albanian populations of both Kosovo and Albania. As a whole, they differ from other groups in the region in their view that a future unification of Kosovo and Albania is both desirable and possible (*figure 6*). This suggests that the process of nation-building among Albanian communities in the Balkans is still in progress. If the international community fails to offer a convincing European perspective to the region, it might bolster support for a Greater Albania or a Greater Kosovo among Albanians. The international community should send a clear message that Greater Albania or Greater Kosovo is not an option.

But independence *per se* is not the issue - the issue is how you get there.

In contrast when it comes to the territorial integrity of the Republic of Macedonia, the survey shows that a great majority of Albanians in Macedonia reject the idea of dividing the country (*figure 7*). 77.5% of ethnic Albanians (and 85% of ethnic Macedonians) support the territorial integrity of the Macedonian state.

Both the survey results and our talks in the region suggest that a peaceful separation of Serbia and Montenegro does not have the potential to destabilise the Balkans (*figure 8*). An interesting point to emerge from the survey is that most Montenegrins oppose such a separation while the Serbian public is becoming less keen on retaining the present non-functional federation.

1.3. Facing the Status Issues

The unresolved status of Kosovo and the provisional constitutional frameworks in place elsewhere are among the major obstacles for the Europeanisation of the Balkans. While all states undoubtedly aspire to EU membership, we still have no clear idea how many will actually emerge from the current constitutional mess - in theory, Serbia and Montenegro could apply as one (the State Union of the present day), two (Serbia and Montenegro as separate states) or even three countries (adding Kosovo). The integration of the Balkans into the EU is unimaginable in the current circumstances of constitutional uncertainty.

The Commission advocates:

- **A four stage transition in the evolution of Kosovo's sovereignty.** Kosovo's sovereignty should develop from the status quo as defined by Resolution 1244 (stage one) to "independence without full sovereignty" (stage two) (allowing for reserved powers for the international community in the fields of human rights and minority protection), to the "guided sovereignty" (stage three) that Kosovo would enjoy while negotiating with the EU and finally to "shared sovereignty" (stage four) inside the EU.
- **In the case of Bosnia, after ten years since the Dayton Accords, passing from the Office of High Representative to an EU Negotiator.** This implies jettisoning the Bonn Powers and shifting responsibility to the Enlargement Commissioner in Brussels.
- **A decision on the State Union of Serbia and Montenegro made by its citizens.** The Commission judges the current State Union as non-functional. In the view of the Commission, citizens of Serbia

and Montenegro should choose between a functional federation and functional separation by the autumn of 2006.

1.3.1. Kosovo's Final Status

Time is running out in Kosovo. The international community has clearly failed in its attempts to bring security and development to the province. A multi-ethnic Kosovo does not exist except in the bureaucratic assessments of the international community. The events of March 2004 amounted to the strongest signal yet that the situation could explode. Since then UNMIK has demonstrated neither the capacity nor the courage to reverse this trend. Serbs in Kosovo are living imprisoned in their enclaves with no freedom of movement, no jobs, and with neither hope nor opportunity for meaningful integration into Kosovo society. The position of the Serbian minority in Kosovo is the greatest indictment of Europe's willingness and ability to defend its proclaimed values. Kosovo Albanians should receive a clear message that the use of violence is the worst enemy of their dream for independence.

The lack of leadership in Belgrade has contributed to the plight of the Kosovo Serbs, and the Serbian community in Kosovo has to a large degree become hostage to the political struggles in the Serbian capital. The Albanian leadership in Kosovo must also shoulder its part of the blame for failing to show any real willingness to engage in a process of reconciliation and the development of multi-ethnic institutions and structures. Our survey indicates that a majority of Kosovars is keen on living in an "ethnically homogeneous Kosovo" (*figure 22*). Most Kosovo Albanian politicians have done nothing to oppose this public mood which flies in the face of everything that Europe believes in.

But a substantial share of the blame for the failure of the project of a multiethnic society in Kosovo should be placed at the door of UNMIK and the international community. Over the past few years UNMIK has on several occasions been actively involved in a policy of reverse discrimination in Kosovo. Under UNMIK's leadership the number of Serbs employed in the Kosovo Electric Company has declined from more than 4000 in 1999 to 29 now, out of total of over 8000 employees. "The international community in Kosovo is today seen by Kosovo Albanians as having gone from opening the way to now standing in the way. It is seen by Kosovo Serbs as having gone from securing the return of so many to being unable to ensure the return of so few."⁴ The failure of UNMIK can be explained but it should not be tolerated. The social and economic situation in the protectorate is no less depress-

⁴ Kai Eide, *The Situation in Kosovo. Report to the Secretary-General of the United Nations*, Brussels, 15 July, 2004.

ing. Kosovo suffers endless disruption thanks to its regular power cuts. Some villages in the provinces are without electricity for periods of longer than a month.

The province never boasted a self-sustaining economy and there is no chance that it will develop one now. Currently, the unemployment rate is about 60 to 70% (almost 90% among minorities). The construction boom of the immediate post-war period has come to an end. Kosovo Albanians are frustrated with their unresolved status, with the economic situation, and with the problems of dealing with the past. The demand for sovereignty has not diminished; on the contrary, it has increased in the past year. UNMIK is perceived by the local public as corrupt and indecisive.

The Commission shares the judgment of the UN Secretary-General Kofi Annan that Kosovo has made insufficient progress towards meeting internationally agreed standards with regard to human rights, respect for minorities, and law and order. At the same time the Commission wishes to underscore the urgency of dealing with the final status of Kosovo.

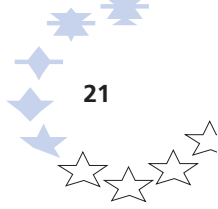
We do not believe that Kosovo's independence will solve all the territory's problems, but we are concerned that postponing the status talks will lead to a further deterioration in the situation in the province.

We do not believe that Kosovo's independence will solve all the territory's problems, but we are concerned that postponing the status talks will lead to a further deterioration in the situation in the province.

In our view Kosovo's independence should not be imposed on Belgrade. The 'imposition' of Kosovo's independence is not only undesirable, it is also unlikely to happen, bearing in mind that some members of the UN Security Council (Russia, China) are opposed to it. Moreover, if Belgrade opposes the process, it will significantly increase the chances of trouble breaking out elsewhere whether in Bosnia, Macedonia or Montenegro.

The Commission is also pessimistic about the possibility of direct talks alone between Belgrade and Pristina when it comes to solving the status issue. It is up to the international community to guide this process. In our view, negotiations on the status of Kosovo should concentrate on offering real incentives to Belgrade so that Serbia may find acceptable the prospect of an independent Kosovo as a future member of the EU. Persuading Belgrade to engage is difficult but not impossible. If anything can, the EU accession process can provide such incentives. Within this context, Kosovo's independence should be achieved in four stages.

The first stage would see the de facto separation of Kosovo from Serbia. In our view this stage is implicit in Resolution 1244, which trans-



formed Kosovo into a UN protectorate. This is despite the fact that the UNSCR 1244 deals with Federal Republic of Yugoslavia and not with Serbia. It is a dangerous illusion that Kosovo can revert to rule from Belgrade in any foreseeable future.

The second stage (independence without full sovereignty) should recognise in 2005/2006 Kosovo as an independent entity but one where the international community reserves its powers in the fields of human rights and the protection of minorities. Legally Kosovo will remain a UN protectorate but the Commission advocates transferring the UN's authority, as defined by Chapter 7, from UNMIK to the EU. KFOR should preserve both its mandate and its size.

Kosovo should be treated as independent but not as a sovereign state at this stage, allowing it to develop a capacity for self-government. All functions of a normal government that are currently performed by UNMIK or KFOR should be transferred to the government of Kosovo. This government will tax and police the population, regulate the economy and provide public services. The international community should reserve its power to intervene in those areas that are essential for meeting the Copenhagen criteria, namely human rights and minority protection.

In order for this policy to work, we should move away from a 'standards before status' policy and towards a 'standards and status' policy. Decentralisation, the return of refugees, and the clarification of property rights are the key questions to be addressed. At this stage the Commission advocates a special arrangement for the area around Mitrovica and a special legal status for the Serbian monasteries. A special administrative arrangement for Mitrovica (a transitional international administration along the lines of UNTAES in Eastern Slavonia) **should exclude the possibility of Kosovo's partition.**

The Commission advocates an internationally-supervised census in Kosovo, including of those who claim to hail from Kosovo, before we can start designing a programme of decentralisation. The definition of a 'Kosovo citizen' is of critical importance. The long-overdue census should be complemented by clearing up the property claims in the province. Disputed property rights are the major obstacle to economic development in the region. This is true for both private property and for the 'social property' from the Yugoslav period.

The returns policy introduced by the international community in Kosovo should be modelled on the successful returns policy applied in Bosnia. In our view, the implementation of the returns policy is of great impor-

tance. But our conversations with both Kosovo Serbs in Kosovo and in Serbia convinced us that the chances for a large-scale return are minimal. The international community should provide incentives for Kosovo Serbs to return even if they prefer to live in the mostly Serb-populated parts of the province and not in areas where they lived before the war. It should also take care of those who decide not to go back. A 'Palestinisation' of the refugees who decide not to return to Kosovo could be a major source of vulnerability for Serbia's democracy. This is why the Commission supports the establishment of an 'Inclusion Fund' to assist the integration in Serbian society of the Kosovo Serbs who have chosen to remain in Serbia. This fund should be financed by the European Union.

The decentralisation of power in Kosovo and guarantees of a normal life for Kosovo Serbs are a pre-condition for engaging Belgrade in a constructive debate with respect to Kosovo's independence. In the view of the Commission, some of the minority quotas provided for the Albanians in Macedonia in the Ohrid Agreement should also be given to the Serbs of Kosovo. Decentralisation should afford Serbian enclaves a real opportunity for self-government and development. It is essential to appreciate how Serbs believe that the social and economic difficulties they have experienced over the past five years amount to an intentional policy of discrimination and ethnic cleansing, designed by Albanians and underwritten by the international community. So, the European Union should develop special incentives for companies that employ citizens from ethnic minorities.

The need for policies focused on the needs of minorities should not obscure that the culture of civil society, and not the principle of ethnic separation, is at the heart of the European project. The 'ghettoisation' of ethnic minorities could promote institutional weakness and dysfunctionality in the future state.

The US's active engagement at this second stage is of critical importance for a successful outcome of the EU negotiating process. Kosovo Albanians view the US as a guarantor of their independence and an American disengagement or a split in the Euro-Atlantic community could quickly lead to trouble.

The US's active engagement at this second stage is of critical importance for a successful outcome of the EU negotiating process.

The third stage (guided sovereignty) would coincide with Kosovo's recognition as a candidate for EU membership and the opening of negotiations with Brussels. There is a real purpose to this stage as the EU cannot negotiate with itself (i.e. with a protectorate which it controls). During this stage the EU would lose its reserved powers in the fields of human rights and minority protection and would exercise influence through the negotiation process alone.



The fourth stage (full and shared sovereignty) will mark the absorption of Kosovo into the EU and its adoption of the shared sovereignty to which all EU member states are subject.

These stages would be an integral part of the overall process of Europe integration of the Balkans as suggested earlier.

The necessary precondition for both the Serbian government and the Serbian public is a fast track accession of Serbia to the EU together with international guarantees for the protection of the interests of Kosovo Serbs. Croatia provides a precedent in terms of such a fast-track approach. In our opinion, the fast track for Serbia is a *sine qua non*. The EU accession process is the only framework that gives Serbia real incentives if not to endorse then at least to consent to such a fundamental change in the status of Kosovo as independence represents.

1.3.2. Bosnia: From Bonn to Brussels

Since the signing of the Dayton Peace Agreement in December 1995, the international mission in Bosnia and Herzegovina has achieved some astonishing successes. It has disarmed roaming paramilitaries, reduced the size and influence of armies organised along ethnic lines, and overseen the restoration of freedom of movement across the country. The former military frontlines that divided the country into a patchwork of hostile ethnic enclaves have become largely invisible. In addition, Croatia and Serbia, ever more attracted by the prospect of European integration, have as a consequence ceased their attempts to subvert the domestic constitutional order over this period.

The effects of ethnic cleansing are being eroded through the restoration of property rights of the displaced, and the gradual reintegration of returnees has changed the environment across much of the country. More than 200,000 property claims for the repossession of houses and apartments of those who fled or were driven out during the conflict have been processed successfully. At the same time, Bosnia and Herzegovina is more internationally isolated today than it was five years ago. Together with Serbia and Montenegro, it is one of the last countries in Europe excluded from NATO's Partnership for Peace program, which, with members like Turkmenistan, Belarus and Tajikistan, does not traditionally enjoy a reputation of being an especially exclusive club. Bosnia and Herzegovina does not yet belong to the World Trade Organization, whose 147 members include Moldova and Angola. Even more depressingly, Bosnia has yet to open negotiations for a Stabilisation and Association Agreement. The only important European

organisation that Bosnia has been able to join is the Council of Europe. Yet in August 2004, the Parliamentary Assembly of the Council of Europe reviewed the quality of Bosnia's democracy and questioned "the extent to which the current role of the [High Representative] is compatible with membership of Bosnia and Herzegovina in the Council of Europe"⁵.

The need for constitutional change is high on the political agenda. All agree that there are serious problems with the present system of federalism in Bosnia and Herzegovina. This is partly due to the absence of a coherent structure of regional government. It is also because of a tendency to see the federal system as a problem to be overcome, rather than as a promising model which allows ethnic communities to flourish side by side and facilitates healthy policy competition.

The present constitutional architecture is dysfunctional. What is important is a constitutional debate that accepts the need to facilitate and indeed drives forward a reform of the Bosnian constitutional system.

Along with the need for constitutional change, the main problem that Bosnia faces today is the transition from its current status as protectorate that is defined by the Bonn Powers to a sustainable self government guided by the process of EU accession.

The coercive authority of the High Representative (Bonn Powers) was originally developed in response to threats to the peace process. The international mission in Bosnia was designed for an unstable environment in the wake of armed conflict. When its intrusive powers to intervene in and overrule domestic institutions were developed in mid-1997, these were intended to head off threats to public order and attempts by the former warring parties to challenge the integrity of the state.

However, as the agenda of Bosnian politics has shifted to the very different issues of democratic consolidation and development, the powers and activities of the High Representative continue to dominate Bosnian politics. This has blocked the development of self-government which is a precondition to becoming an EU candidate state.

As long as the Bonn powers of the High Representative exist, they form the core of post-war Bosnia's unwritten constitution, and all political calculations are shaped by them.

⁵ Resolution 1384.

The talks in Bosnia convinced us that the OHR has outlived its usefulness. What Bosnia needs is an EU accession framework that will drive the constitutional debate in the country.

It does not need a new Dayton, but a framework that will permit genuine constitutional debate. The EU negotiation process can be this framework and the EU Negotiator can play the role of honest broker in the constitutional negotiations.

The Commission advocates the necessity of incremental change. Assuming that there will be no fundamental constitutional changes imposed by international decree, any process of constitutional development must necessarily begin with what is there at present. This means starting from the present reality of Bosnia's federal system of government. It also means acknowledging that constitutional change must take place in accordance with existing constitutional rules. State-building in Bosnia cannot be an open-ended process of centralisation and concentration of resources for basic constitutional and political reasons. What is essential, however, is a process of systematically clarifying responsibilities across all levels of government, and ensuring that (financial) resources are matched to these responsibilities.

The EU accession process will provide the requisite incentives for the strengthening of the state's federal structures and for the development of policy-making capacity.

1.3.3. Serbia and Montenegro: Functional Federation or Functional Separation

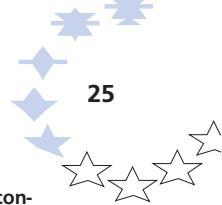
The constitutional charter of Serbia and Montenegro adopted on February 4, 2003 with the mediation of the EU reflects a painful compromise reached at a time of great uncertainty. The EU feared that independence for Montenegro would encourage Kosovo to declare its independence thus provoking a possible destabilisation of the whole region.

The State Union of Serbia and Montenegro is a loose one, with central functions largely limited to foreign policy. The two member republics maintain separate currencies, tax systems, and customs. In addition, according to the Charter, after a three-year period, either republic has the right to call a referendum on withdrawal from the union thereby unilaterally dissolving it.

Since the adoption of the constitution, the dynamics of federalist and anti-federalist sentiment in the two republics has been the subject of a

The talks in Bosnia convinced us that the OHR has outlived its usefulness. What Bosnia needs is an EU accession framework that will drive the constitutional debate in the country.

The EU accession process will provide the requisite incentives for the strengthening of the state's federal structures and for the development of policy-making capacity.



permanent if sometimes unenlightening debate. The survey commissioned by the International Commission on the Balkans demonstrates that support for independence is declining in Montenegro and that the Serbian elite is ever less inclined to pay the costs of this dysfunctional federation. At present, the ruling coalition in Montenegro is happy with the common state precisely because it is gridlocked while for the Serbian government the construct would only make sense were it to start functioning properly.

The EU's decision to adopt a dual-track approach with regard to the SAP for Serbia and Montenegro illustrates just how dysfunctional this federation has become. The State Union of Serbia and Montenegro is treated as one country with two separate accession processes.

In the view of the Commission, next spring's referendum should be used to identify each republic's preference: a functional federation or a functional separation. The Montenegrin government's policy of blocking the normal functioning of the Federation as a way to cause its disintegration should not be tolerated. It is up to the citizens of Serbia and Montenegro to decide on the future of their existing federation.

The Montenegrin government's policy of blocking the normal functioning of the Federation as a way to cause its disintegration should not be tolerated. It is up to the citizens of Serbia and Montenegro to decide on the future of their existing federation.

1.3.4 The Secret of Macedonia's Success

By rights Macedonia should have fallen apart by now. The survey commissioned by the International Commission on the Balkans indicates that in the eyes of its own citizens Macedonia is the most vulnerable place in the Balkans. A great majority of Macedonia's citizens is convinced that the crisis has not yet run its course (*figure 9*). A staggering 76% expect new military conflicts there⁶. The social and economic situation is depressing.

And yet, Macedonia has survived all manner of threats, doggedly pursuing its goal of European integration. In contrast to several other territories, Macedonia was able to prevent a full-scale civil war through a process of negotiation between the parties and with the assistance of the EU and the United States. The former Albanian minority's insurgent leader, Ali Ahmeti, now heads one of the parties in the governing coalition while his Macedonian partner, Prime Minister Vlado Buckovski, was four years ago, at the time of burgeoning conflict, his resolute opponent when Minister of Defence. In February this year, however, Buckovski officially submitted to Brussels the answers to 4,000 questions that should help the European Commission form an opinion as to whether the country is ready to start accession talks with the Union.

⁶ Naturally, this figure represents only a snapshot of the critical situation around the referendum in November 2004.



So although in theory, Macedonia should not exist, it is actually a modest but significant success story. The country illustrates our thesis that a final and clear constitutional arrangement and the institutionalization of European perspectives are the two instruments that can work apparent miracles in the Balkans. The Ohrid Agreement was initially fiercely opposed by radical nationalist circles in Macedonia but the failure of the November 2004 referendum on the re-territorialisation of the country which was a *de facto* referendum on the Ohrid Agreement demonstrated that the majority of ethnic Albanians and ethnic Macedonians have now made their peace with the Ohrid Agreement which offers the best way of holding the country together.

The tragic death of President Trajkovski in February 2004 and the March events in Kosovo that year were litmus tests for the durability of the state and for the viability of the Ohrid process. Macedonian institutions and Macedonian society emerged stronger and with a greater legitimacy having met these challenges.

Macedonia's achievement in overcoming its crisis and its determination to apply for EU membership should have a powerful symbolic impact elsewhere in the region: it demonstrates how the solving of constitutional issues and a realistic, carefully-calibrated EU perspective has the capacity to transform Balkan societies.

At the same time the international community should not neglect the major problem facing Macedonia today. The country is in urgent need of economic growth and new jobs. The combination of cuts in the public administration and the appointment of ethnic Albanians to public sector jobs in accordance with the quotas agreed at Ohrid may lead to renewed tensions between the two communities if the unemployed are not absorbed elsewhere.

Macedonia's name is still disputed by Greece (an EU member state), along with the fact that the provisional authority in Kosovo refuses to recognise the demarcation of its border with Macedonia, are sources of instability in the republic. As elsewhere in the region, the state of political parties also gives cause for alarm. Macedonian politics have been subject to a process of criminalisation for many years and there is a pressing need to reverse this.

But despite all the risks and misgivings, Macedonia's progress since 2001 demonstrates that if the constitutional questions are resolved and if a tangible European perspective is on the table, then Balkan societies

But despite all the risks and misgivings, Macedonia's progress since 2001 demonstrates that if the constitutional questions are resolved and if a tangible European perspective is on the table, then Balkan societies have the potential to get out of the cycle of instability and uncertainty.

have the potential to get out of the cycle of instability and uncertainty. It is not by accident that Macedonia is a success in Europe's drive to promote multi-ethnic solutions in the region.

2. THE INTEGRATION CHALLENGE

The EU's decision to open negotiations with Turkey and Croatia and the accession of Bulgaria and Romania in 2007 mean that the remaining Balkan countries are the only missing pieces from those states that have been assured membership of the European Union. In contrast to the others, however, the Balkans contain the possibility of a genuine security threat in the next few years. Therefore there is a real imperative now to address the issue of integration for this region. Such a strategy would be significant not just practically but symbolically as well: for so long dismissed as Europe's powder keg, if the Balkans were successfully absorbed into the EU, it would finally banish the possibility of a revival of the type of conflict which so plagued the continent's 19th and 20th century history. Defusing the powder keg would be a landmark achievement for Europe.

In security, economic and political terms the Balkans are faced with a clear choice: to be part of the European Union or to be part of a marginalised ghetto.

The success of EU enlargement is one of the few unambiguously positive achievements of the post-Cold War world, indeed nothing short of a political miracle. In less than a decade, the prospect of EU membership succeeded in consolidating democratic and market reforms throughout Central and Eastern Europe. The accession process profoundly transformed societies as diverse as the Polish and the Bulgarian, the Romanian and the Slovenian. There is now a widespread consensus that it can do the same for the Balkans. There is, however, one critical difference this time round - the problem of weak states. The EU lacks experience in the integration of weak states and territories like Kosovo. So this next round of enlargement is clearly no longer just a matter of business as usual.

There is ample evidence suggesting that integration helps to stabilize a region. But there is also evidence indicating that a partial integration has the opposite effect - it can destabilize an area.

There is ample evidence suggesting that integration helps to stabilise a region. But there is also evidence indicating that a partial integration has the opposite effect - it can destabilise an area. As Bulgaria and Romania (followed presumably by Croatia) move on, there is the real danger that Serbia, Albania, Montenegro, Kosovo and Bosnia will cluster together to create a black hole on Europe's periphery - in fact that process is already underway. A visa regime that builds walls between



the Western Balkans on the one hand and accession states such as Bulgaria, Romania and Croatia on the other, acts as a strong disincentive to cooperation, leading to a further deterioration in the social psychology of an already depressed region.

2.1 Building Member States

In 1991 the people of the former Yugoslavia embarked on their march to independence, employing such ancestral European state-building practices as waging war and ethnic cleansing in the process. They could reasonably argue that by tradition this was part and parcel of Europeanisation - everyone else had their own nation states, so why couldn't the peoples of the former Yugoslavia? But in the eyes of the new EU-Europe these practices were, of course, abhorrent and the embodiment of a very un-European Balkanisation. Politically, the Yugoslav succession states and the EU were talking at cross-purposes and this turned out to be a major challenge for nation building in the Balkans. The Balkans are not simply populated by weak states and protectorates, they also suffer the legacy of failed nation-building projects. Building functional member states while integrating them into the EU is Brussels unique challenge in the Balkans. In our view, the EU should adopt a member-state building strategy that rests on three pillars:

- Developing functioning state administrations using the instruments of the accession process, also during the Europe Agreement stage;
- Creating a common economic space in the region;
- Constituency-building through an improvement in the quality of political representation and 'smart visa' policies.

2.1.1. Member-State Building as Institution Building

The member-state building strategy that is advocated here is quite distinct from the mechanisms deployed by the international community in other parts of the world and from the EU accession process as typified by the last wave of enlargement. The objective is not simply to build stable, legitimate states whose own citizens will seek to strengthen and not destroy them - rather it is the establishment of a state that the EU can accept as a full member with absolute confidence.

At present the negotiations and membership talks with the EU focus on the terms under which applicants will adopt, implement and enforce the *acquis* (i.e. the detailed laws and rules adopted on the basis of the EU's founding treaties), and, notably, the granting of possible transitional arrangements which are limited in scope and duration.

The experience of the most recent round of enlargement has made it clear that the biggest room for improvement lies in the process of implementation of the rules that make up the *acquis*. At the heart of the member state building strategy is the need to move on quickly from the formal adoption of legislation to the development of the capacity to implement it. The development of this policy capacity will be absolutely critical for the prospects of weak Balkan states in their aspiration to join the EU. The negotiating framework needs to be enhanced so as to include capacity building as its principal and explicit objective. This should take priority both during the pre-accession Europe Agreement phase and during negotiations themselves.

The transformation of the EU accession process into one of member-state building implies that the very negotiating process be fine-tuned with a view to encouraging institution building in the applicant countries.

The transformation of the EU accession process into one of member-state building implies that the very negotiating process be fine-tuned with a view to encouraging institution building in the applicant countries. EU accession involves the creation of new institutions and the strengthening of existing ones on a large scale in each candidate country. To do this, the EU has developed a 'screening' mechanism, effectively taking an X-ray of the state administration. This then results in the publication of hard-hitting annual progress reports that use the *acquis* as a benchmark, and National Development Plans which aim to buttress public investment strategies. It also involves substantial pre-accession assistance for rural development, and for the institution building needed to develop absorption capacity.

Of course, there is no single model EU member state and this presents a serious obstacle. The EU boasts a variety of practices and constitutional arrangements in the fields of justice or tax administration. This makes Brussels unwilling to recommend specific institutional solutions to EU candidate countries and so the EU has become a reluctant nation-builder. But in the case of the Balkans, the European Commission must assume the responsibility for some of the institutional choices that the applicants are forced to make. The introduction of the "benchmark" concept in the negotiating framework for membership talks with Croatia is undoubtedly a step in the right direction.

The most recent round of enlargement made it clear that institutional issues, administrative capacity issues and judiciary issues turned out to be the most challenging, and yet they were left until last. Our Commission suggests that instead of starting with the White Book on the Single Market, the countries of the Western Balkans would be much better served by a White Book on Freedom, Security and Justice Issues. In practical terms it means that assisting the countries from the region in the field of justice and home affairs will be the overriding priority for



the accession process and that the state of the rule of law will be the major criterion in evaluating the progress of Balkan countries on their journey to the EU.

2.1.2. The Regional Market

The establishment of a common economic space on the territory of the Western Balkans is the second pillar of our strategy. Before the opening of accession negotiations, free trade in the region, leading to a customs union with the EU, should be complete. This should be supported by the facilitating infrastructure. The common economic space should compensate for the costs related to the emergence of new, small and economically unviable states in the region.

Talk of economic integration has been fashionable in the region for some time but it has yet to develop beyond mere words. There are concrete fears and obvious short term costs that have blocked the idea ever since it was first mooted. More honestly, the Balkan countries are only likely to buy into the idea if they believe that it will accelerate their integration into the EU. If they suspect that regional integration is really a substitute for EU membership, it will be a non-starter.

The future EU members Bulgaria, Romania and Croatia can play a decisive role in making regional economic integration more attractive to the rest of the Balkans.

Our hypothesis is that countries in the region will open to each other only within a broader framework of opening towards the EU. So, there are four levels of regional integration that are critical for improving the growth potential of the region.

- Completion of free trade area in the region, leading to customs union with the EU (In the case of Turkey, customs union with the EU has proven its potential as an instrument for the Europeanisation of candidate countries.)
- Regional infrastructures, both physical and institutional, that facilitate trade and capital flows.
- Legal arrangements between countries that facilitate the handling of private or public claims against parties in other countries.
- Labour market and travel policies within the region that support regional economic integration. Differential speeds of EU accession should not impede this process.

Our hypothesis is that countries in the region will open to each other only within a broader framework of opening towards the EU.

Having said all this, however, the research from recent years suggests that while regional cooperation may be useful in promoting growth, impediments to growth in most countries of the region remain fixed firmly at the national level.

2.2. Member-State Building as a Constituency Building

A functioning state is not only an administrative entity, it is also a social phenomenon. The growing gap between the state and key social constituencies is regarded by the Commission as a critical risk for the success of the transformative politics of the EU. Reforms to public administration and signs of positive changes in the economy are not sufficient of themselves to bridge this gap. Political mobilisation and revitalisation of the political process is essential here. What is needed is a new generation of policies that focus on democratisation and on the quality of political representation which can consolidate and strengthen pro-reform and pro-European forces in the region.

What is needed is a new generation of policies that focus on democratisation and on the quality of political representation which can consolidate and strengthen pro-reform and pro-European forces in the region.

2.2.1. Minority Rights and the Culture of Civil Society

There is an apparent tension between the rhetoric of the international community, which emphasises the desirability of multi-ethnicity, and its practice, which tends to place the emphasis on accommodating various group interests in the interests of security. In the past decade, the general legal and political environment for the harmonious development of interethnic relations has improved substantially in most parts of the Balkans. However, the reality of interethnic relations and minority rights varies greatly. War and ethnic cleansing have resulted in significant demographic shifts. While all countries of the Balkans still contain multiethnic areas, most countries are now nation states with a majority amounting to 80 % or more of the population. Albania, Croatia, Serbia (without Kosovo) and Kosovo (if considered a separate entity) have strong majorities where most minorities live in a relatively compact part of the country and account for 10 to 20% of the population. We can talk perhaps about multiethnic regions but no longer so much about multiethnic countries. Only Bosnia and Herzegovina, Macedonia and Montenegro are countries that are multiethnic as a whole but with no or no strong dominance by one community⁷.

The results of the survey done for the International Commission on the Balkans powerfully confirm the thesis that interethnic relations are much better on the municipal level than on the level of the country as a whole. It is also important that with the exception of the Albanians in Kosovo and

⁷ Florian Bieber, *Minority Rights in Practice in South Eastern Europe*, Discussion Paper, King Baudouin Foundation, 30 September, 2004.

Albania, no other community favours living in an ethnically pure state.

At the same time, we have to recognise that the newly fashionable policy of decentralisation increases the process of ethnic separation in certain parts of the region. In Macedonia in particular we can observe the trend towards a consolidation of ethnically homogeneous regions, resulting largely from the 2001 conflict. The argument for decentralisation is clear: with more competences exercised on a local level, minorities are able to govern themselves to a larger degree, which in turn should increase their loyalty to the state. The reality of decentralisation and local interethnic relations is, however, far from being that straightforward. In many cases across the region, from disruptions of the return of refugees to discrimination against Roma, local governments are often the most serious violators of human rights. They are less susceptible to international pressure and their actions could become a source of tension and even destabilisation.

The international community is in need of a policy that will reconcile local self-governance with the principles of multi-ethnicity. At present, the monitoring of minority rights is focused at national level and on national minorities. This has to change. In the view of the Commission what is important is that minorities should be recognised not only at national but also at municipal levels. The international community, for example, must monitor the situation of the Slav Macedonian minority in Tetovo and the Albanian minority in North Mitrovica as strictly as the situation of the Albanian minority in the Republic of Macedonia or the Serbian minority in Kosovo.

2.2.2. Smart Visas, Smart Borders

Among the most discouraging findings of the Commission is that the European generation of the Balkans, young men and women under 30 who share the values of Europe most keenly and who vote for pro-European parties most regularly, are those who experience the greatest difficulties in visiting the EU. More than 70% of students in Serbia have never travelled abroad. The Commission believes that this should change as a matter of urgency. This is most urgent for the youth of the countries which have been most isolated from Europe: Serbia and Montenegro, Bosnia, Albania.

Bulgaria and Romania have demonstrated that freedom of movement within the EU is the strongest signal that the EU can send both to the public and to governments in the Balkans. A smart visa policy of the EU that

In the view of the Commission what is important is that minorities should be recognised not only at national but also at municipal levels.

opens its borders to Balkan youth and Balkan businesses while closing them for criminals should be at the very centre of policies that will mobilise popular support for building EU member states in the Balkans. The Schengen wall is the last wall that separates the Balkans from Europe. Knowing how sensitive this issue is for the EU member states, the Commission advocates a two-track approach.

The Amsterdam Treaty integrated EU visa policy into the legal framework of the Union. On the basis of this Treaty, the European Council adopted in 2001 a Regulation (EEC/539/2001) that includes Albania, Bosnia and Herzegovina, Macedonia and Serbia and Montenegro in the list of third countries whose nationals are subject to visa requirements. As long as the four Western Balkan countries remain on this list, any alleviations of the visa requirement system can be negotiated only on a bilateral basis.

On the level of the EU, the Balkan Commission proposes a Europeanisation of the visa issue. As a first step, the EU should announce that the four Western Balkan countries will be exempt from visa requirements once they have met specific conditions. This was promised to Romania back in 2001 and visas were effectively lifted at a later stage once the European Commission was satisfied that its concerns had been addressed. Such a policy sets tangible targets for the governments to work towards and to engage ordinary citizens in the reform process.

A smart visa policy suggests that member states should adopt preferential regimes for certain social groups from the Balkans. This policy was developed as a disincentive when Milosevic's collaborators were put on the EU black visa list. It is time to use the preferential treatment as a positive incentive.

In the spirit of supporting the European generation of the Balkans, our Commission suggests that member states establish a Balkan Student Visa Programme for 150,000 full-time students in Serbia and Montenegro, Bosnia and Herzegovina, Macedonia, and Albania by June 2005.

In the spirit of supporting the European generation of the Balkans, our Commission suggests that member states establish a Balkan Student Visa Programme for 150,000 full-time students in Serbia and Montenegro, Bosnia and Herzegovina, Macedonia, and Albania by June 2005. Representatives of the Balkan business communities should similarly benefit from a smart visa policy.

2.2.3. The Hague Dilemma

As we approach the 10th anniversary of Srebrenica, the questions of justice and reconciliation should be higher than ever on the Balkan agenda of Europe. It is the proper time to evaluate the impact of International Criminal Tribunal for the former Yugoslavia.



The International Criminal Tribunal for the former Yugoslavia (ICTY) was established by Security Council resolution 827. This resolution was passed on 25 May 1993 against the background of grave violations of international humanitarian law that had been committed on the territory of the former Yugoslavia since 1991, and as a response to the threat to international peace and security posed by these violations. There are four central tenets to the ICTY's mission: to bring to justice persons allegedly responsible for serious violations of international humanitarian law; to render justice to the victims; to deter further crimes; and to contribute to the restoration of peace by promoting reconciliation in the former Yugoslavia.

The compliance of governments in the region with the ICTY is central to the development of good relations between the international community and the Balkans. The EU has defined compliance with ICTY as a threshold conditionality when it comes to the process of integration. The same holds for the Partnership for Peace and NATO. In addition, the EU regards the success of the ICTY as critical in its struggle to confer legitimacy on the International Criminal Court.

The Commission suggests full cooperation should remain mandatory for the opening of accession negotiations to the EU and NATO. But the existing levels of good cooperation with ICTY are satisfactory when it comes to joining PfP and to signing Europe Agreements.

So far, the Tribunal has played the decisive role in bringing the war criminals to justice, but it has failed to communicate its mission to the people in the region. A number of surveys made in the last year demonstrate that the Tribunal is distrusted by local people and that nationalist politicians like the Radicals in Serbia have exploited this resentment in order to fuel anti-European and anti-democratic sentiments.

In our view, the challenge facing the international community at present is how to translate the post-war conditionality of the ICTY which is charged with examining concrete crimes into one that looks forward and concentrates on the strengthening of European values across Balkan societies. ICTY threshold conditionality should move away from its focus on specific individuals to concentrate instead on the willingness of governments and societies to examine the causes and consequences of their troubled past. The focus should be much more on the ability of the domestic judicial system to deal with war-related crimes and on the effectiveness of the educational system to promote tolerance and reconciliation, than on "delivering" certain individuals.

What should be put on trial is the readiness of all social institutions from governments to churches and the history curriculum to deal with

The Commission suggests full cooperation should remain mandatory for the opening of accession negotiations to the EU and NATO. But the existing levels of good cooperation with ICTY are satisfactory when it comes to joining PfP and to signing Europe Agreements.

the crimes of the past. The success of this policy can obviously only be measured over an extended period of time. Coming to terms with the past is a long term problem for any society. That it is why compliance with ICTY should now be understood more broadly than simply the need to bring certain individuals to justice. ICTY should concentrate on its fourth major goal - to contribute to peace by promoting reconciliation on the territory of the former Yugoslavia.

III. CONCLUSIONS

The Commission is convinced that current status quo in the Balkans has outlived its usefulness. There is an urgent need to solve the extant status and constitutional issues in the Balkans and to move the region as a whole from the stage of protectorates and weak states to the stage of EU accession.

The Commission advocates the convening of an EU-Balkans Summit in the autumn of 2006. The Summit should present a 'Balkan audit' to demonstrate how much money EU countries are spending on the Balkans. It should put forward a consolidated 'Balkan Budget' that should in the future become an integral part of the Financial Perspectives of the Union. The EU would only convene the Summit after a resolution of all the status and constitutional issues that are currently open. At this Summit each Balkan country will receive its EU road map.

In the case of Kosovo, the Commission suggests a four-stage transition in the evolution of Kosovo's sovereignty. This should evolve from the status quo as set out in Resolution 1244 to "independence without full sovereignty" with reserved powers for the international community in



the fields of human rights and minority protection; onto "guided sovereignty" that Kosovo will enjoy while negotiating with EU; before finally arriving at "shared sovereignty" inside the EU. In the view of the Commission, the powers of UNMIK should be transferred to the EU.

In the case of Bosnia, after ten years since the Dayton Accords, the Commission envisions passing from the Office of High Representative to an EU Accession Negotiator. This implies moving Bosnia from "Bonn to Brussels" whereby the EU Negotiator will replace the OHR. Bosnia should join PfP as soon as possible.

In the case of Serbia and Montenegro, the Commission judges the current Federation of Serbia and Montenegro to be non-functional. The citizens of Serbia and Montenegro should decide by the autumn of the year 2006 whether to opt for a functional federation or functional separation. In the view of the Commission, the democratic future of Serbia is key to the progress in the region. The Commission therefore advocates that Serbia and Montenegro be extended an invitation to PfP immediately and that Serbia and Montenegro as one or as two countries should start negotiations or be offered a Europe Agreement at the Balkan Summit in the autumn of 2006.

The Commission regards the success of the Ohrid process in Macedonia as a model for other parts of the Balkans. Furthermore, it urges the European Commission to use the suggested Balkan Summit of the EU to start accession talks with Macedonia by the autumn of 2006 at the latest. In the summer of 2006, Macedonia should receive an invitation to join NATO. In the view of the International Commission on the Balkans, the dispute over the name of the Republic of Macedonia and the demarcation of the border with Kosovo are sources of potential instability in the republic. The international community should concentrate on resolving these two issues.

The Commission regards the decision of the EU to start negotiations with Croatia and the prospect of Croatian membership as central to the integration of the region as a whole into the EU. The Commission also envisions Croatia being invited to join NATO in the summer of 2006.

The Commission highly estimates Albania's contribution to the general stability of the region and thinks that Albania should be invited to join NATO in the summer of 2006 and be offered negotiations or a Europe Agreement by the autumn of that year thereby triggering the process of member-state building in the country.

The Commission urges the US government to play a more active role in the region. What the Balkans need most is Washington's political attention to the problems of the region. The Commission is convinced that only co-ordinated EU-US policies can help the region to get on, get in and catch up with the rest of Europe.

In the spirit of supporting the European generation of the Balkans, our Commission suggests that member states establish a Balkan Student Visa Programme for 150,000 full-time students in Serbia and Montenegro, Bosnia and Herzegovina, Macedonia, and Albania by June 2005.

After the success in drawing Romania, Bulgaria and possibly Croatia into the European Union, the logic for a further enlargement is compelling: without the Balkans in the EU, the process of unification will remain incomplete. Alternatively, the EU runs a serious risk of allowing a black hole to emerge on the European periphery that could inflict considerable harm on the European project.

2014 is the year and Sarajevo is the place where the European Union can proudly announce the arrival of the European century.

ANNEX

table 1

GDP per capita in EUR

	1999	2000	2001	2002	2003
Bosnia	1234	1359	1475	1556	1611
Albania	953	1174	1484	1521	1709
Serbia-Mont	1950	3106	1581	1874	1949
Macedonia	1709	1921	1887	1981	2041
Bulgaria	1481	1674	1920	2101	2249
Romania	1491	1795	2002	2221	2316
Croatia	4102	4502	4998	5451	5747

Source: WIIW Balkan Observatory

table 2

Foreign Direct Investment
(Net FDI inflow, mln EUR)

	1999	2000	2001	2002	2003
Macedonia	30,4	190,1	492,2	82,5	83,5
Albania	39,0	155,0	232,0	143,0	158,0
Bosnia	165,9	158,6	132,8	281,8	337,6
Serbia-Mont	105,0	55,0	186,0	502,0	1197,0
Bulgaria	758,7	1099,7	892,6	951,1	1573,0
Romania	965,0	1161,0	1312,0	1194,0	1587,0
Croatia	1333,0	1177,0	1567,0	627,0	1688,0

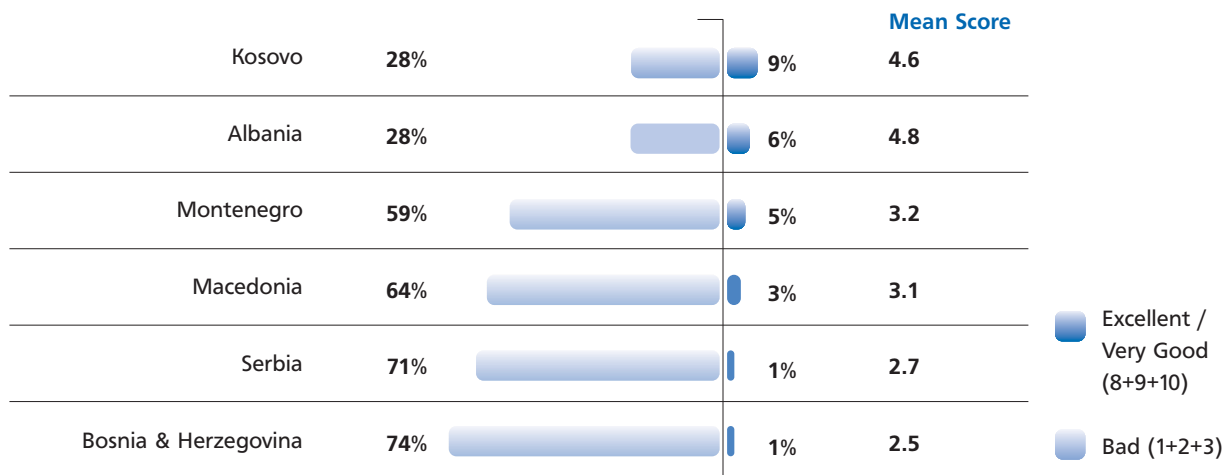
Source: WIIW Balkan Observatory

KEY FINDINGS OF THE PUBLIC OPINION SURVEY⁸

Overall Evaluation

"How would you evaluate the situation in our country in general?"

fig. 1

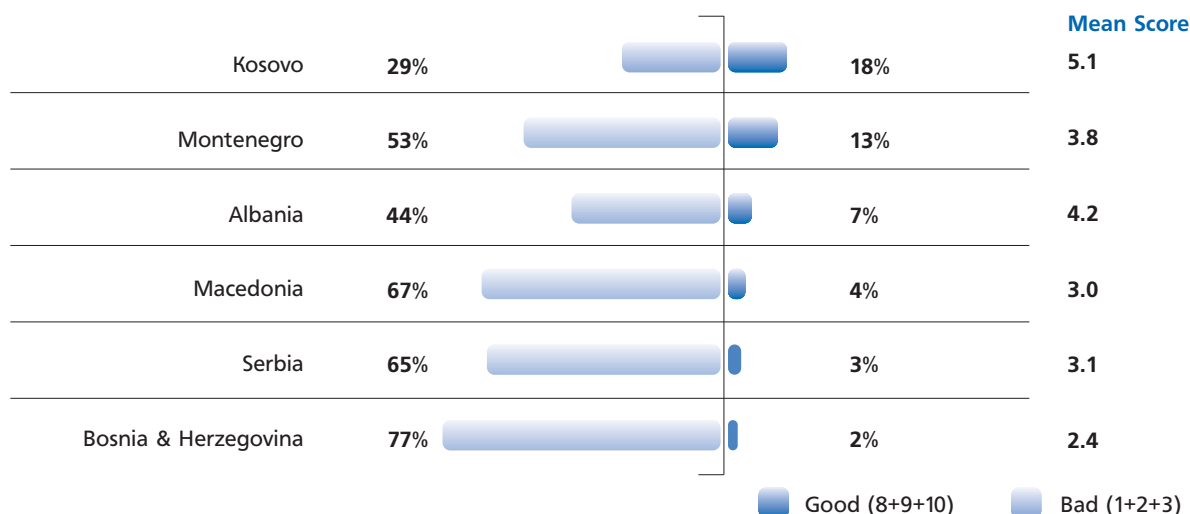


*10-point scale is used, where 10 means "Excellent/very good", and 1 - "Bad"

fig. 2

Trust in Government

"How would you evaluate the Government in our country at present?"



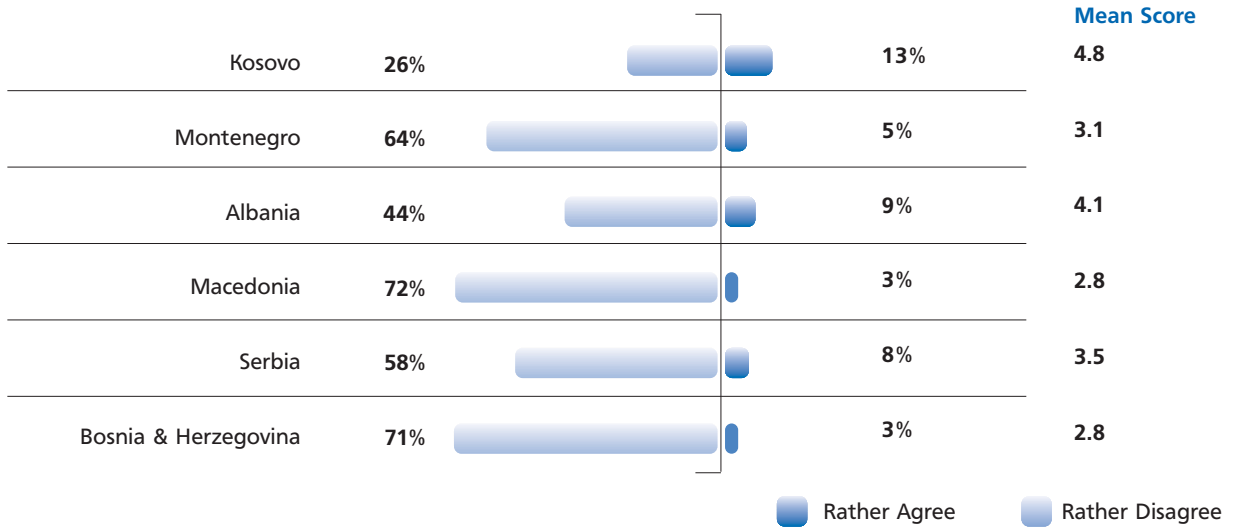
*10-point scale is used, where 10 means "Good", and 1 - "Bad"

⁸The Survey was commissioned by the International Commission on the Balkans and was conducted in November-December 2004 in Macedonia, Albania, Serbia and Montenegro and Bosnia and Herzegovina. In Macedonia the survey was conducted by FORUM – Centre for Strategic Research and Documentation, in Albania and Kosovo by BBSS Gallup International, in Serbia and Montenegro and Bosnia and Herzegovina by SMMRI Strategic Marketing Research. The complete data was analysed by BBSS Gallup International.

fig. 3

Trust in opposition

"How would you evaluate the opposition in our country at present?"



*10-point scale is used, where 10 means "Good", and 1 - "Bad"

fig. 4

Development Prospects (Optimism / Pessimism)

"In your opinion where is our country heading?"

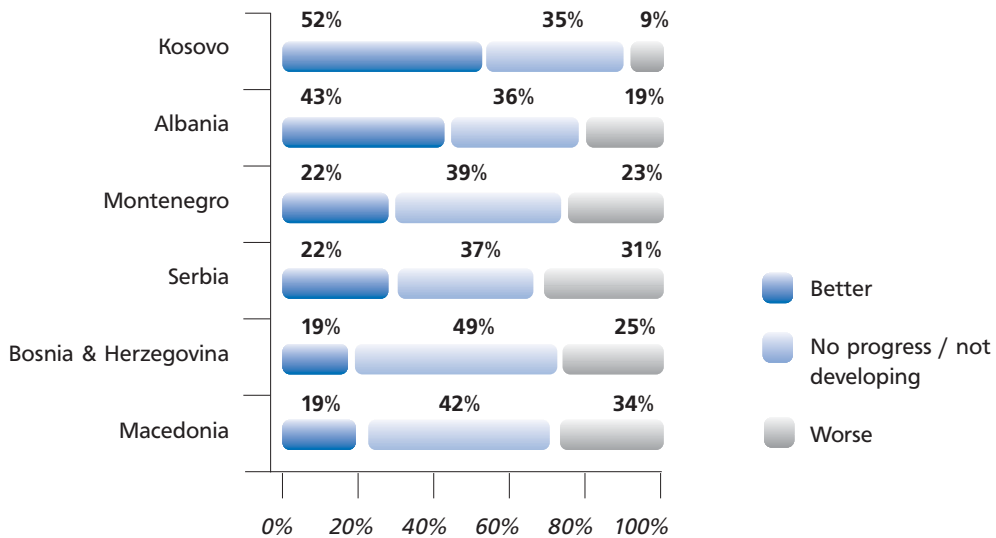
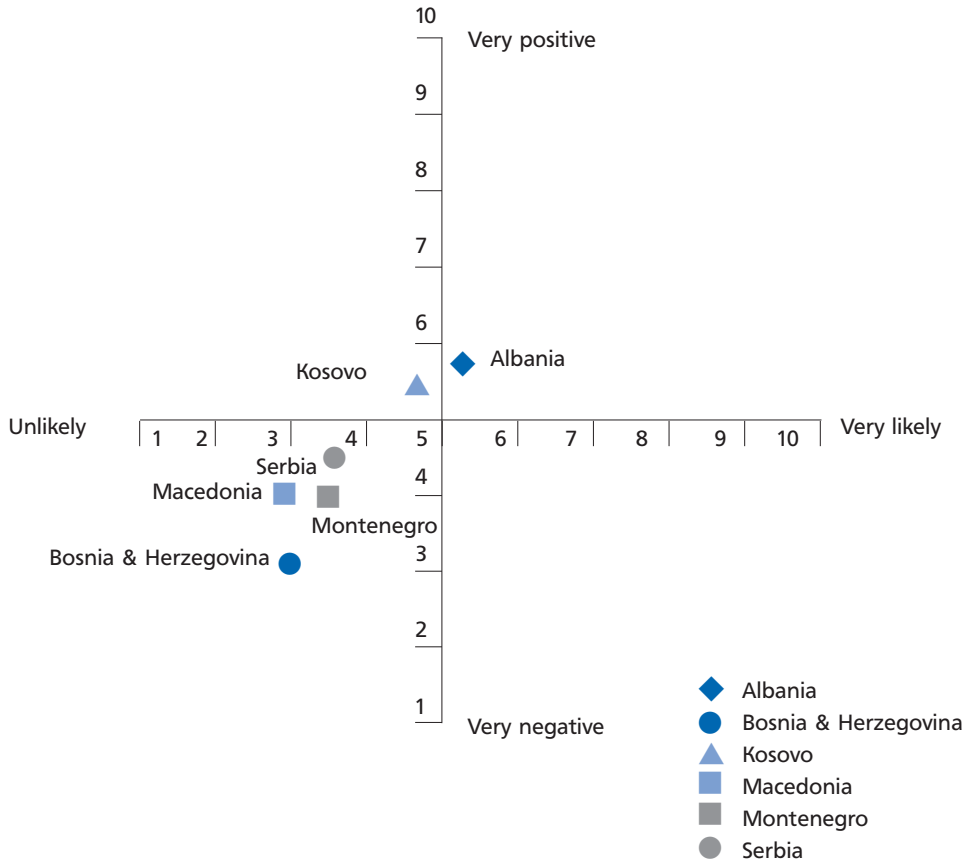


fig. 5

Republika Srpska Scenario
"How good or bad will be for our country if the Republika Srpska gets separated from Bosnia and Herzegovina? How likely is this to happen?"
 (citizens of respective country)

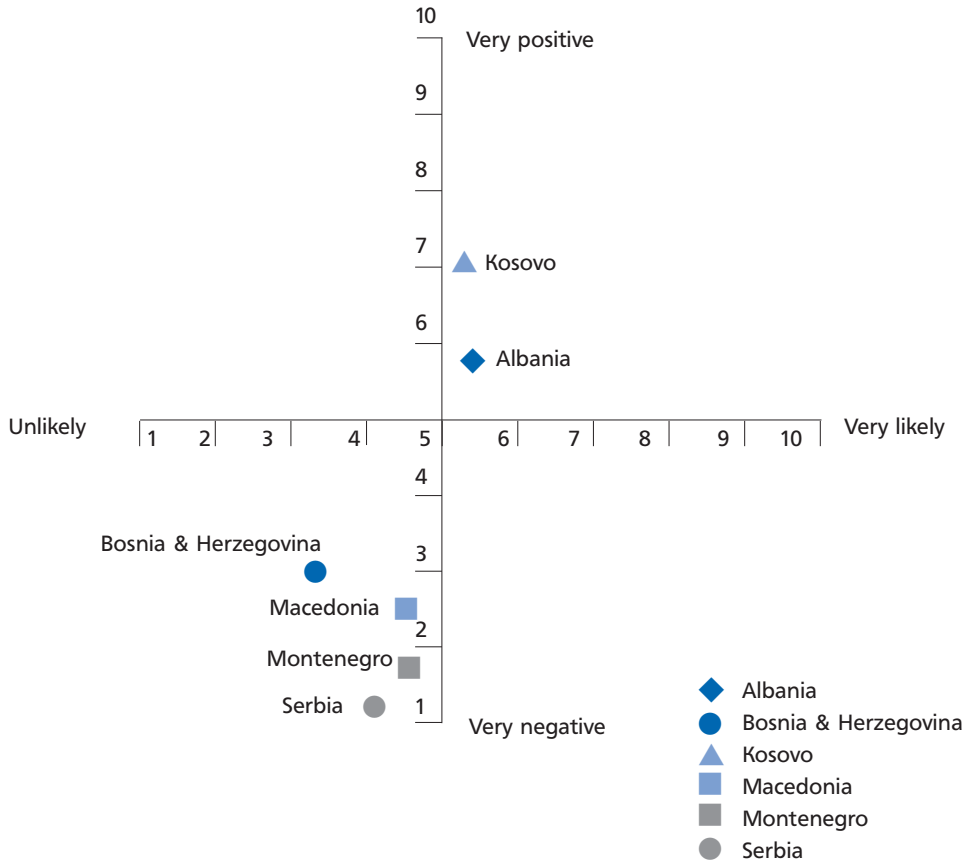


*10-point scale is used, where 10 means "Excellent/very good", and 1 - "Bad"
 **10-point scale is used, where 10 means "Very likely / inevitable", and 1 - "Unlikely"

fig. 6

Albania and Kosovo Scenario

“Do you think it is good or bad for our country if Albania and Kosovo unite in one country?
 How likely is this to happen?”
 (citizens of respective country)

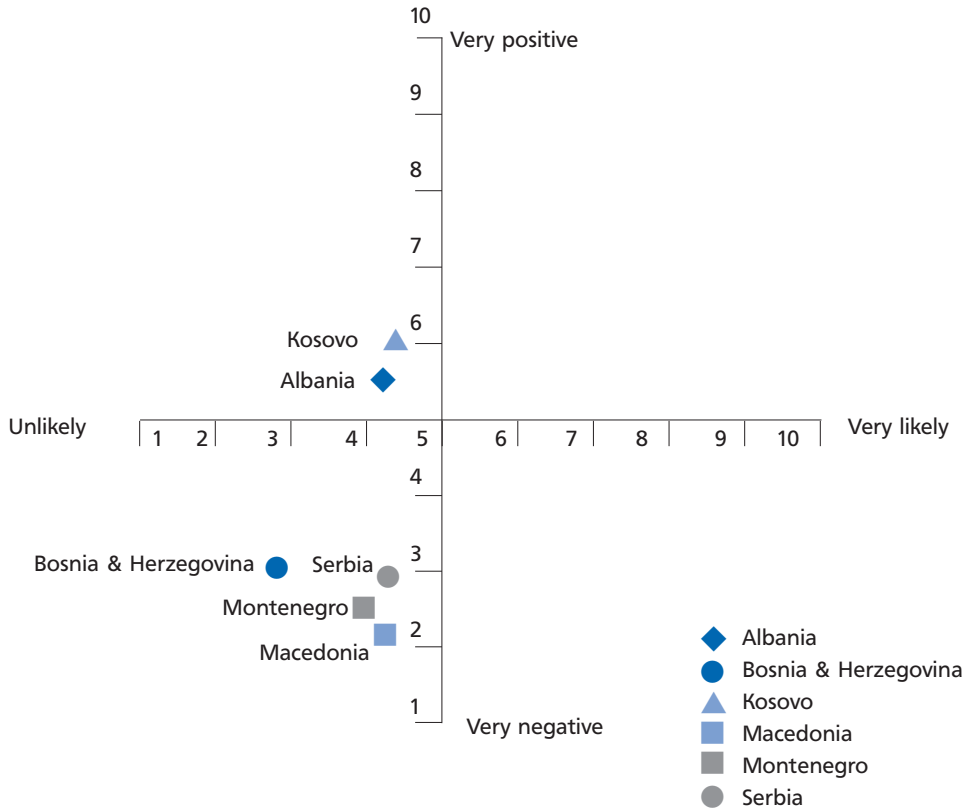


*10-point scale is used, where 10 means "Excellent/very good", and 1 - "Bad"
 **10-point scale is used, where 10 means "Very likely / inevitable", and 1 - "Unlikely"

fig. 7

Macedonia Scenario

“Would it be good or bad for our country if Macedonia is separated into Albanian and Slavic parts? How likely is this to happen, in your view?”
(citizens of respective country)



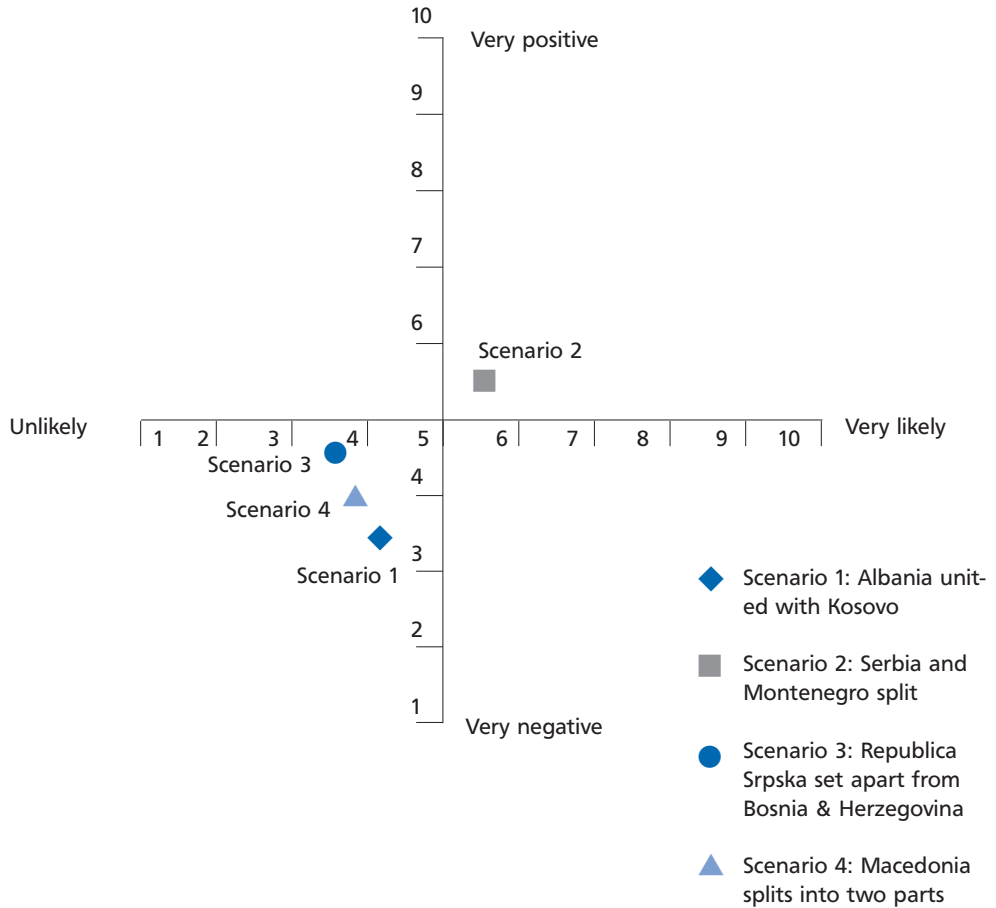
*10-point scale is used, where 10 means "Excellent/very good", and 1 - "Bad"
 **10-point scale is used, where 10 means "Very likely / inevitable", and 1 - "Unlikely"



fig. 8

All countries' evaluation of each hypothetical scenario

"How good or bad for your country will be ... ?
How likely do you think is for this to happen?"



*10-point scale is used, where 10 means "Excellent/very good", and 1 - "Bad"
 **10-point scale is used, where 10 means "Very likely / inevitable", and 1 - "Unlikely"

fig. 9 "There are still military conflicts to come in my country"

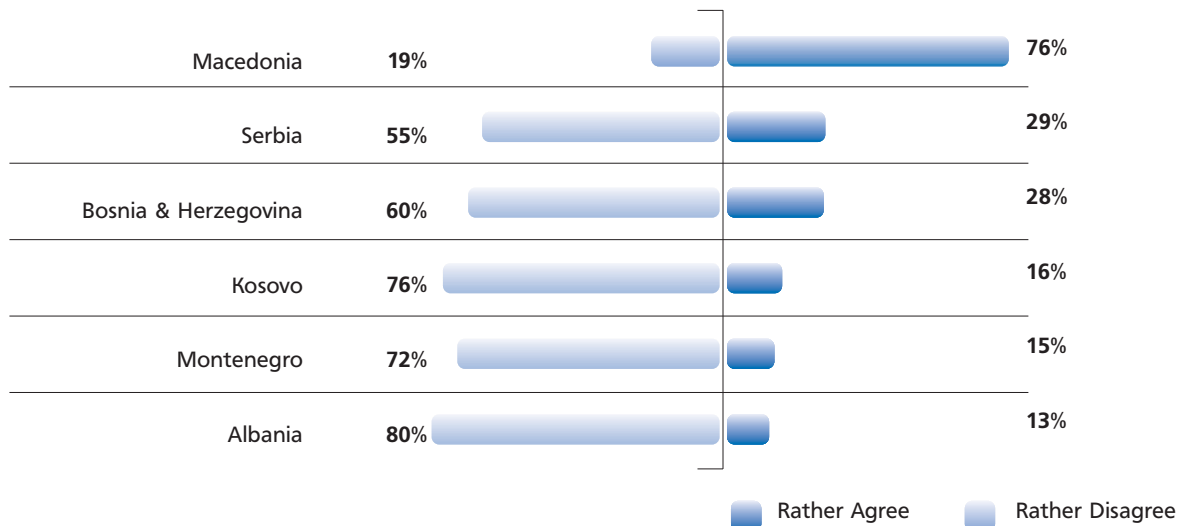


fig. 10

Status Quo

"Do you agree/disagree with the following statement: "There have been wars in the Balkans. It is best that everything stays as it is now and in the future. Otherwise it will just become worse"?"

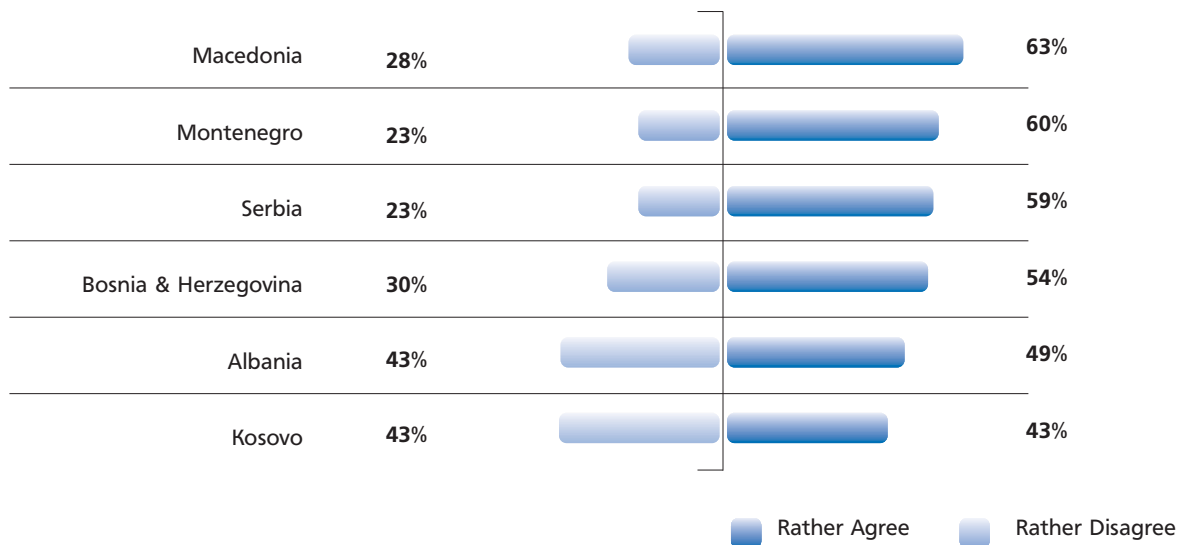


fig. 11

Changes of Borders

"Do you agree/disagree with the following statement: "Even if not desirable, changes of borders of the Balkan countries may be necessary"?"

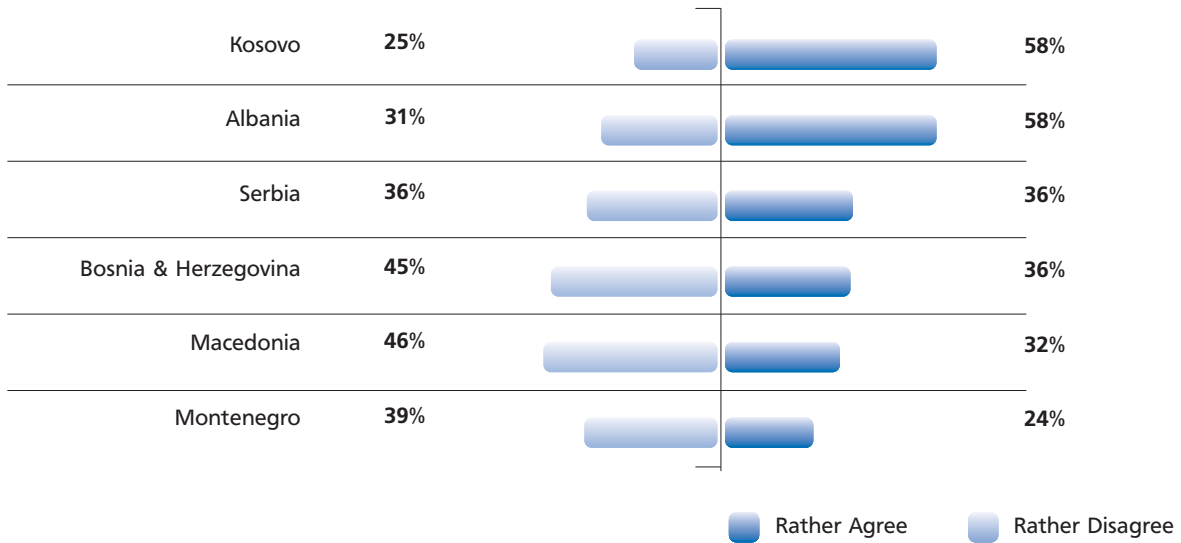


fig. 12

Multinational Countries

"Do you agree/disagree with the following statement: "Nationalities in our country can live together in one state, only if each nationality is in a separate region"?"

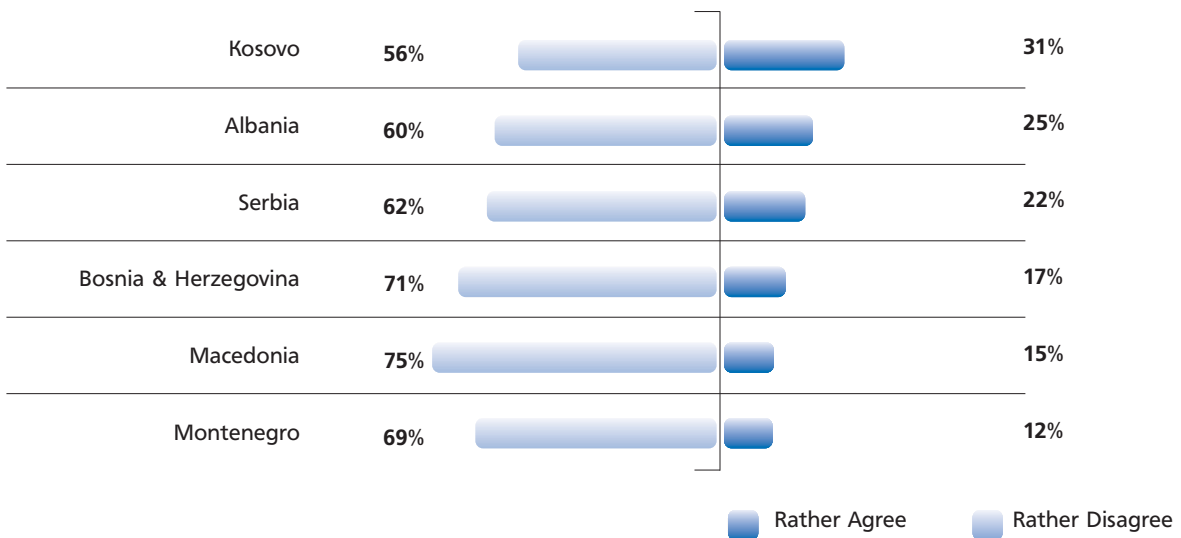
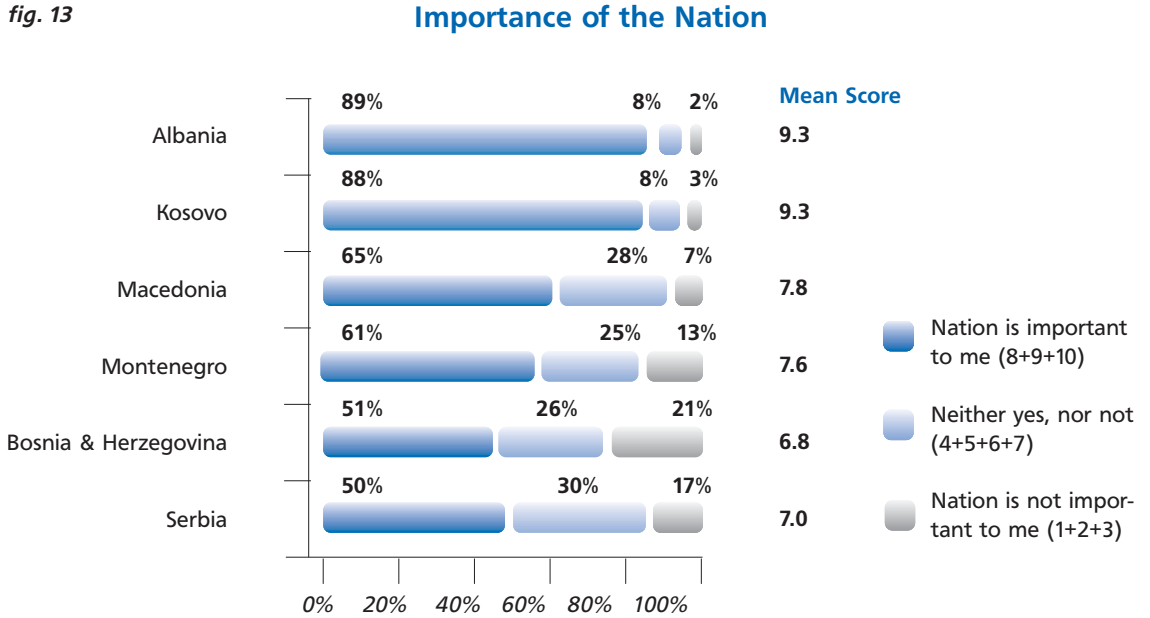


fig. 13



*10-point scale is used, where 10 means "The nation is very important to me" and 1, "The nation not important to me at all."

fig. 14

"My country is being injured by other countries. We have to seek justice, if necessary, through power and the army"

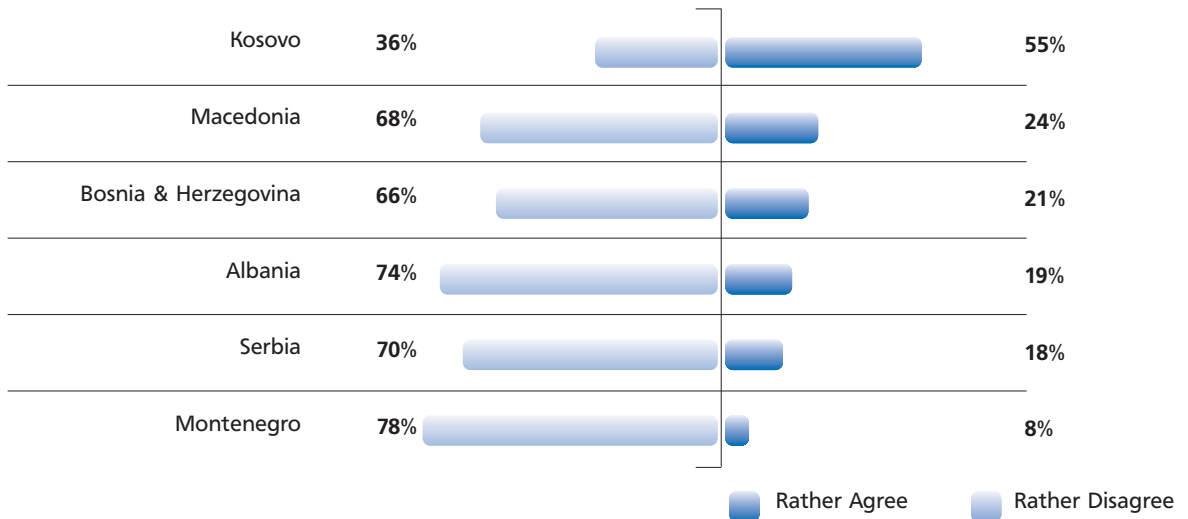




fig. 15

"The peoples of former Yugoslavia will never live in peace together again"

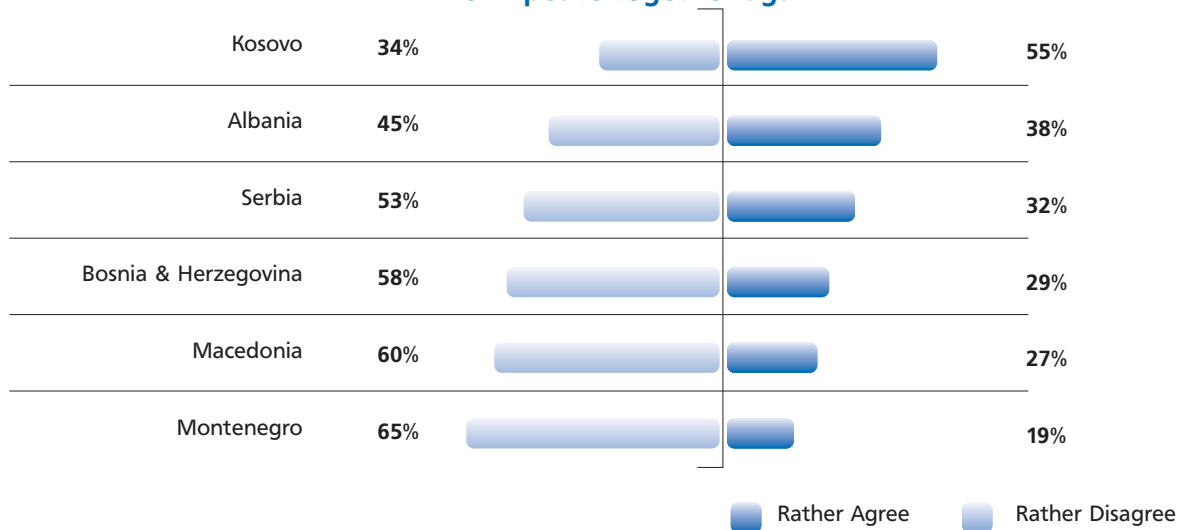
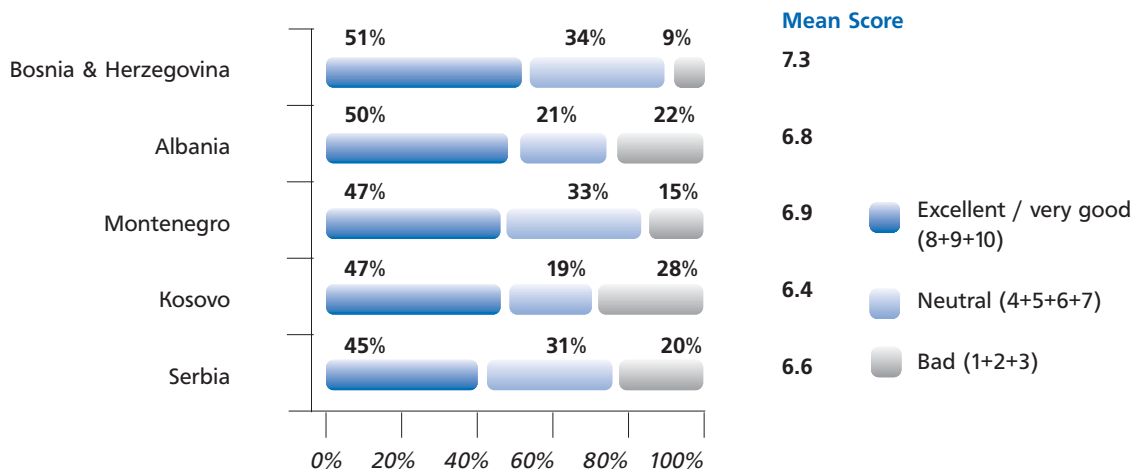


fig. 16

EU Integration

"How good or bad for our country will it be if the EU takes steps towards / makes its objective the accession of to the EU?"

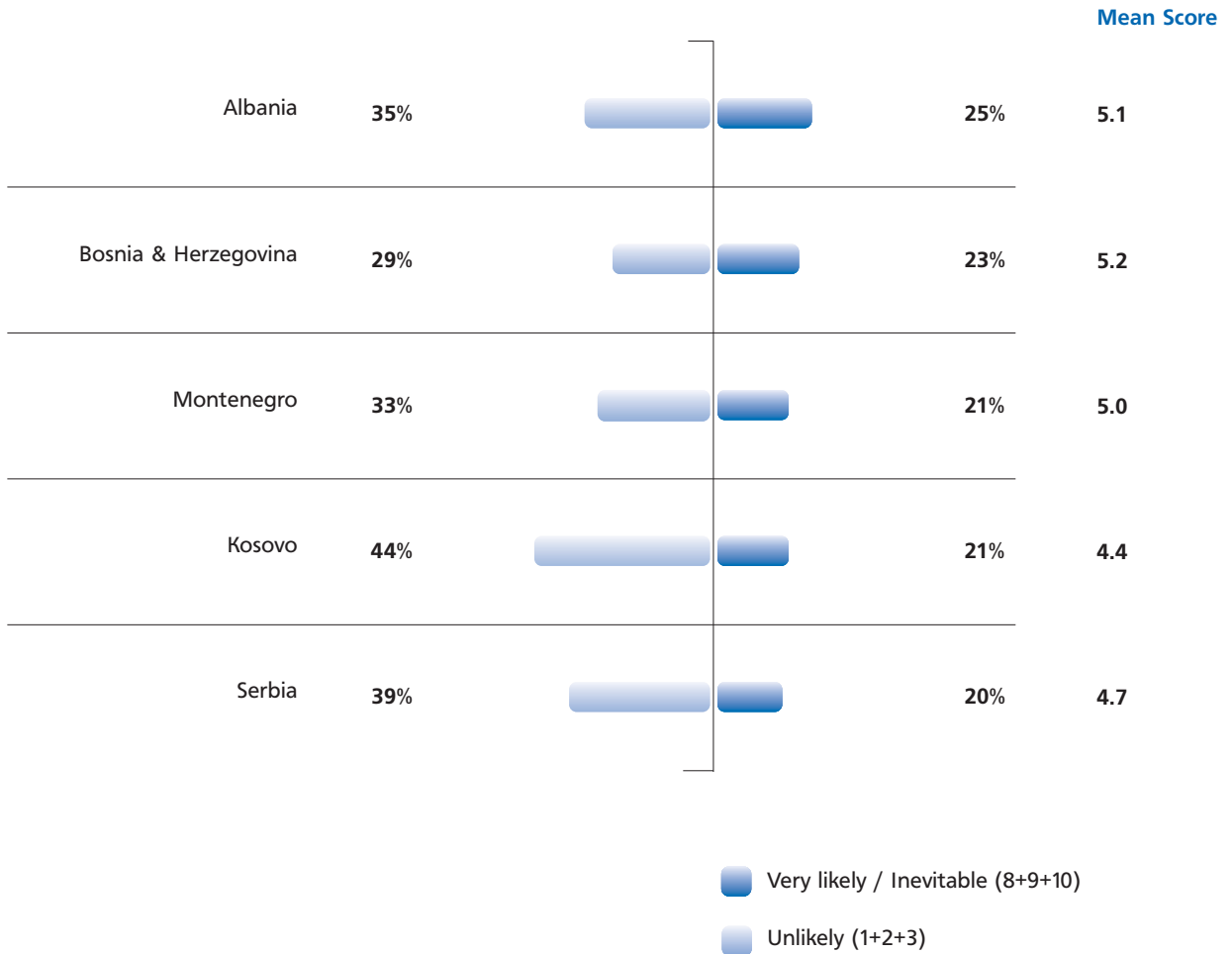


*10-point scale is used, where 10 means "Excellent/very good", and 1 - "Bad"

fig. 17

EU Integration: Expectations

"How likely is that in the next 5 years the EU initiates a procedure for the accession of ... to the EU?"



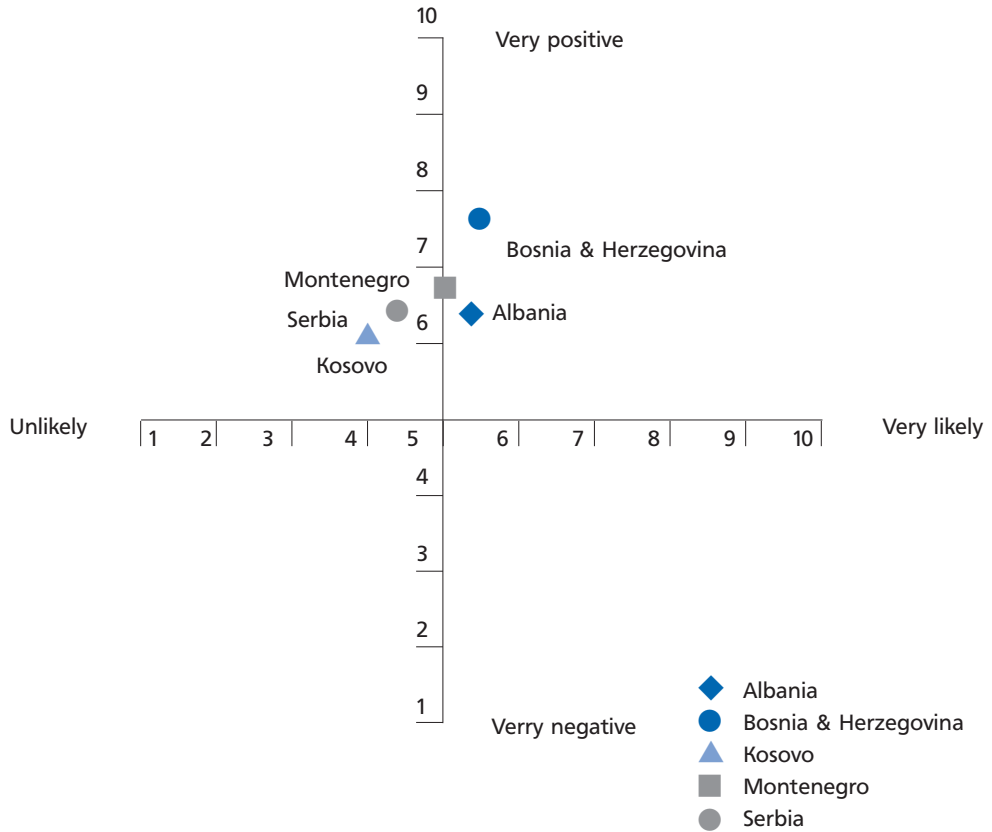
*10-point scale is used, where 10 means "Very likely / inevitable", and 1 - "Unlikely"

fig. 18

EU Integration: Evaluation

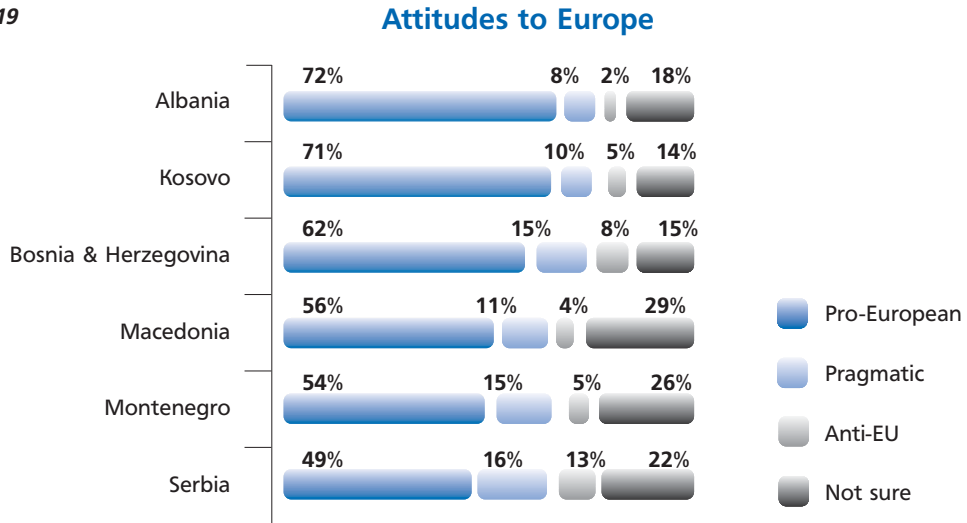
“How good or bad for our country will it be if the EU takes steps towards / makes its objective the accession of ... to the EU?”

“How likely is it in the next 5 years that the EU will initiate a procedure for the accession of ... to the EU?”



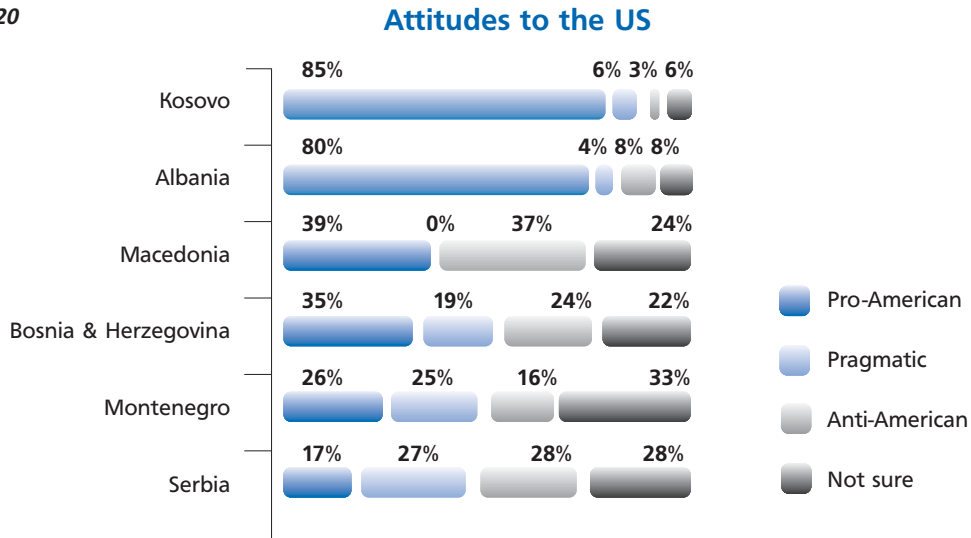
*10-point scale is used, where 10 means "Excellent/very good", and 1 - "Bad"
 **10-point scale is used, where 10 means "Very likely / inevitable", and 1 - "Unlikely"

fig. 19



Definitions: Pro-European : Positive to the EU / come closer to the EU Pragmatic: Come closer to the EU Anti EU: Negative To the EU / stay distanced

fig. 20



Definitions: Pro-American : Positive to the US / come closer to the USA Pragmatic: Come closer to the USA Anti American: Negative To the US / stay distanced

fig. 21

"The peoples of former Yugoslavia will reunite again in the end – in the EU"?

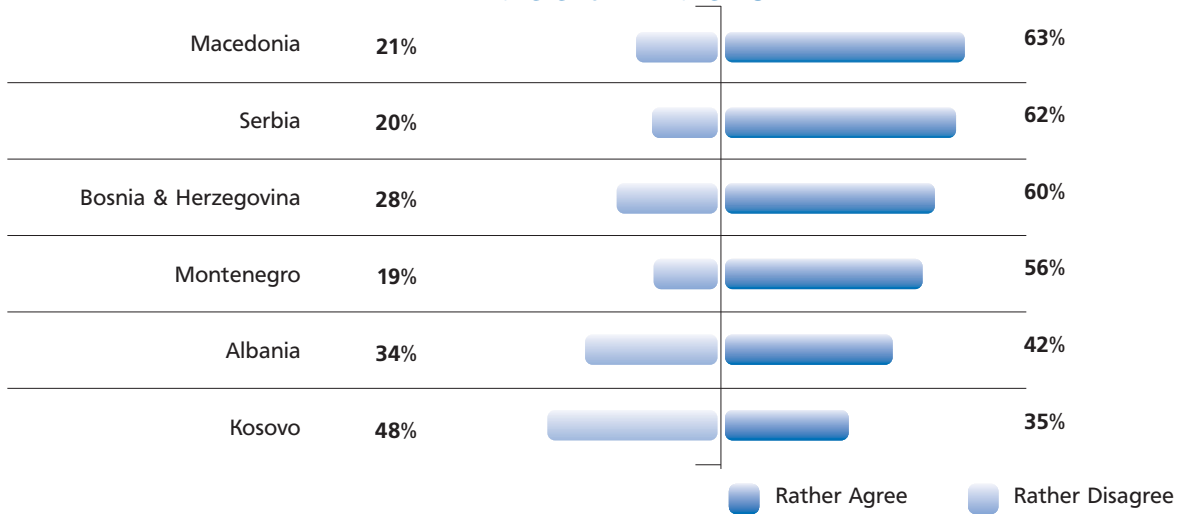
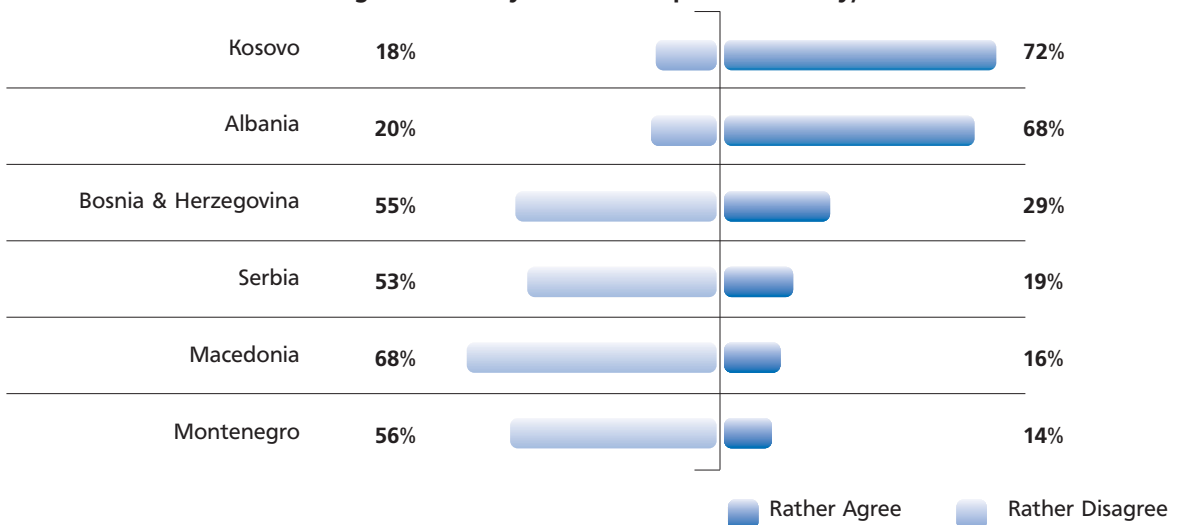


fig. 22

New Borders

"It will be best if, under the auspices of the International Community, new borders are drawn in the former Yugoslavia and each large nationality lives in a separate country/state"



LIST OF COMMISSION STUDY TOURS

Serbia and Montenegro (July 2004)

Stojan Cerovic	<i>Journalist, Vreme</i>
Goran Ciric	<i>Mayor of Nis</i>
Nebojsa Covic	<i>Deputy Prime Minister of Serbia and Montenegro</i>
Radivoj Cveticanin	<i>Journalist, Danas</i>
Miljenko Dereta	<i>Civic Initiatives</i>
Milo Djukanovic	<i>Prime Minister of Montenegro</i>
Nemanja Dragicevic	<i>Student Union of Serbia</i>
Vuk Draskovic	<i>Foreign Minister of Serbia and Montenegro</i>
Vladimir Goati	<i>Social Science Institute</i>
Bratislav Grubacic	<i>Journalist, V.I.P. newsletter</i>
Tanja Jordovic	<i>Journalist, Pink</i>
Jasa Jovicevic	<i>MINA Information Agency</i>
Natasa Kandic	<i>Humanitarian Law Center</i>
Dragomir J. Karic	<i>Founding President of International University of Business and Management</i>
Djoko Kesic	<i>Journalist, Kurier</i>
Jelena Kleut	<i>Student Union of Serbia</i>
Vojislav Kostunica	<i>Prime Minister of Serbia and Montenegro</i>
Bilijana Kovacevic Vuco	<i>YUCOM</i>
Miroljub Labus	<i>Deputy Prime Minister of Serbia and Montenegro</i>
Milan Lajhner	<i>Patrimons trading company</i>
Sonja Licht	<i>School of Modern Politics</i>
Svetozar Marovic	<i>President of Serbia and Montenegro</i>
Veran Matic	<i>Journalist, "B92"</i>
Jelica Minic	<i>European Movement</i>
Tomislav Nikolic	<i>President, Serbian Radical Party</i>
Danijel Pantic	<i>European Movement</i>
Dusan Pavlovic	<i>Political Expert</i>
Lila Radonjic	<i>Journalist, Mreza</i>
Zeljka Radulovic	<i>Vijesti</i>
Dusan Spasojevic	<i>Student Union of Serbia</i>
Stojanovic	<i>Political Expert</i>
Milka Tadic	<i>Monitor Weekly</i>
Srbijanka Turajlic	<i>Belgrade University</i>
Ratko Vlajkovic	<i>Mayor of Kragujevac</i>
Hoyt Brian Yee	<i>Principal Officer, US Consulate, Podgorica</i>

Kosovo (July 2004)

Fisnik Abrashi	<i>Associated Press</i>
General Allard	<i>Chief of Operations, KFOR</i>
Snezana Arsic	<i>NGO Dona, Strpce</i>
Zorica Barac	<i>Women Association, Leposavic</i>
Besim Beqaj	<i>Kosovo Coordinator for the Stability Pact</i>
Vesna Bojic	<i>Voice of America, Pristina</i>
Nicolas Booth	<i>Senior Advisor to the Head of Pillar I (Police and Justice)</i>
Charles Brayshaw	<i>Deputy Special Representative of the Secretary General, UNMIK</i>
Miomir Cankovic	<i>Community Coordinator, Lipljan</i>
Zoran Cirkovic	<i>Village of Staro Gradsko</i>
Patrice Coeur-Bizot	<i>acting DSRSG, Deputy Head of Pillar II</i>

Jugoslav Crvenkovic	<i>(UNCA, Civil Administration)</i>
Melihat Dedushi	<i>Village of Staro Gradsko</i>
Vlada Dimic	<i>Program Manager, NGO Flaka</i>
Zlatko Dimitrov	<i>Village of Staro Gradsko</i>
	<i>Director of Office of Political Affairs, Pillar III (OSCE, Institution Building and Elections)</i>
Florina Duli Sefaj	<i>Republican Club</i>
Milorad Durlevic	<i>Director, Fabrika Radiatora</i>
Nafiye Gas	<i>MP, Democratic Party of Turks in Kosovo</i>
Astrit Gashi	<i>Koha Ditore</i>
Bashkim Gashi	<i>Council for the Defense of Human Rights and Freedoms (CDHRF), Prizren</i>
Pater Walter Happel	<i>Prizren</i>
Ramush Haradinaj	<i>MP and President of Alliance for the Future of Kosovo (AAK)</i>
Ylber Hysa	<i>Kosova Action for Civil Initiative (KACI)</i>
Sadik Idrizi	<i>Deputy chairperson and spokesperson of parliamentary group "Other Communities"</i>
Sladjan Ilic	<i>Mayor of Strpce</i>
Oliver Ivanovic	<i>MP, Member of Democratic Alternative (DA)</i>
Rev. Sava Janjic ('Father Sava')	<i>Monastery of Decani</i>
Vesna Jovanovic	<i>MP, Member of Democratic Alternative (DA)</i>
Zorica Jovanovic	<i>Village of Staro Gradsko</i>
Ljubomir Kragovic	<i>MP, Federal Parliament of Serbia and Montenegro</i>
Tina Kraja	<i>Associated Press</i>
Jakup Krasniqi	<i>Minister of Public Services, Secretary General of PDK</i>
Branislav Krstic	<i>Correspondent for Reuters and National News Agency Fonet</i>
Dragisa Krstovic	<i>MP, Member of Democratic Party (DS)</i>
Dojcin Kukurekovic	<i>Vice President of the Serb Chamber of Commerce in Kosovo, President of the Association of Small Businesses</i>
Majka Makarije	<i>Monastery Sokolica</i>
Leon Malazogu	<i>Program Director, Kosovar Institute for Policy Research and Development (KIPRED)</i>
Jill Muncy	<i>Acting Police Commissioner, UNMIK</i>
Muhamet Mustafa	<i>President, RIINVEST - Institute for Development Research</i>
Randjel Nojkic	<i>MP, Member of Serbian Renewal Movement (SPO)</i>
Xhevat Olluri	<i>President of the Municipal Assembly of Lipljan</i>
Dragan Petkovic	<i>Community Coordinator, Gnjilan</i>
Nebi Quena	<i>Kosovo's Public Broadcaster (RTK)</i>
Zivojin Rakocevic	<i>Glas Juga and KiM Radio</i>
Bajram Rexhepi	<i>Prime Minister of Kosovo</i>

Lutfi Haziri	<i>Mayor of Gjilan/Gnjilane, Kosovo</i>	Jakob Finci	<i>Head of Jewish Community</i>
Guner Ismail	<i>Forum Magazine</i>	Emina Ganic	<i>Director, Sarajevo Film Festival</i>
Murtezan Ismaili	<i>Mayor of Tetovo</i>	Dobriša Govedarica	<i>Executive Director, Soros Foundation</i>
Georgi Ivanov	<i>Social Democratic Institute</i>	Nedžad Grabus	<i>Islamic Faculty, University of Sarajevo</i>
Zoran Jachev	<i>Transparency Macedonia</i>	Tomo Grizelj	<i>Chairman of Bosnian Business Association</i>
Svetozar Janevski	<i>Pivara Skopja AD</i>	Nedžad Hadžimusić	<i>Ambassador, Multilateral Relations, Ministry of Foreign Affairs</i>
Saso Klekovski	<i>Macedonian Center for International Cooperation</i>	Michael Humphreys	<i>Delegation of the European Commission</i>
Hari Kostov	<i>Prime Minister of Macedonia</i>	Jasmen Imamović	<i>Mayor of Tuzla</i>
Slobodan Kovacevski	<i>Mayor of Kumanovo</i>	Mladen Ivanic	<i>Minister of Foreign Affairs, National Government, PDP</i>
Vladimir Milchin	<i>Open Society Institute Macedonia</i>	Bakir Izetbegović	<i>Deputy Chairman, SDA</i>
Ognjan Minchev	<i>Institute for Regional and International Studies, Bulgaria</i>	Hamdija Jahić	<i>Mayor of Mostar</i>
Sasho Ordanovski	<i>Forum Magazine</i>	Zvone Jukić	<i>Dnevni List, Mostar</i>
Vlado Popovski	<i>University of Skopje</i>	Eldin Karić	<i>Editor in Chief, START Magazine</i>
Erol Rizaov	<i>Utrinski Vesnik Daily</i>	Freiherr von Kittlitz und Ottendorf	<i>Ambassador of Germany</i>
Kevin Ross	<i>Representative of the International Monetary Fund in Macedonia</i>	Zeljko Komsić	<i>Mayor of Novo Sarajevo, SDP</i>
Iso Rusi	<i>Albanian language weekly Lobi</i>	Boro Kontić	<i>Director, Media Centar</i>
Michael Sahlin	<i>EU Special Representative in Macedonia</i>	Zeljko Kopanja	<i>Nezavisne Novine Newspaper</i>
Behicudin Sehapi	<i>El Hilal</i>	Senka Kurtović	<i>Oslobodenje Daily</i>
Radmila Shekerinska	<i>Deputy Prime Minister of Macedonia</i>	Lejla Letić	<i>Student of the Postgraduate Course, Human Rights and Democracy in Southeastern Europe</i>
Gordana Siljanovska	<i>University of Skopje</i>	Sefić Lojo	<i>Journalist, Dani</i>
Archbishop Stefan	<i>Head of Orthodox Church</i>	Ivan Lovrenović	<i>Former Mayor of Municipal Centre Sarajevo, SDP</i>
Veton Surroi	<i>Publisher, Koha Ditore, Kosovo</i>	Marković	<i>Ambassador of USA</i>
Attila Szendrei	<i>CEO, Makedonski Telekomunikacii</i>	Douglas McElhaney	<i>Brcko District Government</i>
Sladjana Taseva	<i>former chair of Macedonia's Anti-Corruption Commission, director of the Police Academy</i>	Dapo Mirsad	<i>Director, MESS Theatre Festival</i>
Biljana Vankovska	<i>University of Skopje</i>	Dino Mustafić	<i>Head of IC Council</i>
Arben Xhaferi	<i>President Democratic Party of Albanians</i>	Hilmo Neimarlija	<i>Executive Director, Centers for Civil Initiatives</i>
Richard Zink	<i>Director European Agency for Reconstruction (Thessalonica)</i>	Zlatan Ohranović	<i>Former Deputy Mayor of Mostar</i>
Bosnia and Herzegovina (December 2004)			
Nidzara Ahmetasević	<i>Slobodna Bosna</i>	Orucević	<i>Economy Expert, IBHI</i>
Fatmir Alispahić	<i>Valten Newspaper</i>	Zarko Papić	<i>Presidency Chairman (Serb), National Government, SDS</i>
Edo Arsnalagić	<i>Bosnaljek Pharmaceuticals Sarajevo</i>	Borislav Paravac	<i>Youth Communication Center Dani</i>
Paddy Ashdown	<i>High Representative, OHR</i>	Zeljko Pauković	<i>Executive Director, Mozaik - Community Development Foundation</i>
Ivan Barbalic	<i>President of the Alumni Association of the Center for Interdisciplinary Postgraduate Studies</i>	Senad Pecanin	<i>Owner, Dnevni Avaz</i>
Becirević	<i>Mayor of Municipal Centre Sarajevo</i>	Zoran Puljić	<i>Minister of Defence, National Government, SDS</i>
Taida Begić	<i>Deputy Director of the Center for Interdisciplinary Postgraduate Studies</i>	Fahrudin Radončić	<i>Bosmal</i>
Ivica Cavar	<i>Centers for Civil Initiatives, Mostar</i>	Nikola Radovanović	<i>director of the Forum of Tuzla Citizens</i>
Dragan Cavić	<i>President, Republika Srpska; Chairman, SDS</i>	Hilmo Selimović	<i>Brewery Sarajevo</i>
Mustafa Cerić	<i>Head of Islamic Community</i>	Fadil Sero	<i>Executive Manager, Civil Society Promotion Center</i>
Dragan Cović	<i>Presidency Member (Croat), National Government, HDZ</i>	Faruk Sirbegović	<i>contruction businessmen</i>
Dragoljub Davidović	<i>Mayor of Banja Luka</i>	Zekerijah Smajić	<i>Sense agency</i>
Saba D'Elia	<i>Ambassador of Italy</i>	Adnan Terzić	<i>Chairman, Council of Ministers, National Government; Deputy President of SDA</i>
Boris Diviak	<i>Transparency International</i>	Sulejman Tihic	<i>Presidency Member (Bosniak), National Government; President of SDA</i>
Srdan Dizdarević	<i>Helsinki Committee on Human Rights</i>	Neven Tomić	<i>Former Mayor of Mostar</i>
Dino Djipa	<i>PRISMA</i>		
Petar Djokić	<i>Former President of Federal Assembly, Socialist Party of Republika Srpska</i>		
Milorad Dodik	<i>Chairman, SNSD</i>		
Sacir Filandra	<i>Professor of Political Science</i>		

Osman Topcagic *Director, EU Integration Department at Council of Ministers*

Henry Zipper de Fabiani *Ambassador of France*

Kresmir Zubak *New Croat Initiative*

Edin Zubvevic *Director, Jazz Festival*

Croatia (December 2004)

Tomo Aracic *President, Association of Croatian Settlers from BiH (ZUNH), Knin*

Damir Azenic *GONG*

Zvezdana Bajic-Zeljak *Association Zvonimir Knin*

Ivan Begovic *County Prefect of Viroviticko-Podavska County*

Nikolina Colovic *Activist from Knin*

Mirela Despotovic *Center for Civil Initiatives*

Milan Dukic *Mayor of Donji Lapac, Member of Serbian National Party (SNS)*

Andrea Feldman *President, Soros Foundation Croatia*

Boris Grigic *Head of EU Department, Ministry for Foreign Affairs*

Nenad Ivankovic *President of Party "Independence and Progress" (SIN)*

Ivan Jakovic *County Prefect of Istarska County*

Suzi Jasic *GONG*

Ljubo Jurcic *MP, Professor at Faculty of Economics*

Bojana Kovacic *Central State Administrative Office*

Josip Kregar *Professor at the Faculty of Law, University of Zagreb*

Bruno Lopandic *Vjesnik*

Zoran Maksic *Director of Finance Agency (FINA)*

Stjepan Mesic *President of the Republic of Croatia*

Sasa Milosevic *Serbian Democratic Forum*

Sladana Miodic *former Assistant Minister, Ministry of Environmental Protection*

Sevko Omerbasic *Head of Islamic Community in Croatia*

Miroslav Parac *Businessman from Knin*

Petar Pasic *Mayor of Evenik*

Nebojsa Paunovic *UNHCR Office Knin*

Antun Petrovic *President, Transparency International Croatia*

Milorad Pupovac *Vice-President of Independent Democratic Serb Party (SDSS)*

Vesna Pusic *President of Croatian People's Party (HNS)*

Ivica Racan *President of Social Democratic Party (SDP)*

Miroslav Rozic *Vice President of Croatian Party of the Right (HSP)*

Nikola Safer *County Prefect of Vukovarsko-Srijemska County*

Ivo Sanader *Prime Minister of the Republic of Croatia*

Zdenka Sintraga *Association Hocu Kuci*

Olgica Spevec *Agency for the Protection of Market Competition*

Gordana Stojanovic *Coalition for Promotion and Protection of Human Rights*

Vojislav Stanimirovic *President of Independent Democratic Serb Party (SDSS)*

Mladen Vedris *Economic analyst*

Damir Vidovic *Komunalno Poduzece Knin*

Boris Vujcic *Deputy Governor, Croatian National Bank*

Kosovo (February 2005)

Goran Bogdanovic *Serbian List for Kosovo and Metohija*

Ramush Haradinaj *Prime Minister of Kosovo*

Oliver Ivanovic *Leader of Serbian List for Kosovo and Metohija*

Marko Jaksic *Law student, Kosovska Mitrovica*

Stojna Jevtic *Director of elementary school „21. Novembar” in Gojbulja*

Vesna Jovanovic *Serbian List for Kosovo and Metohija; Member of Democratic Alternative (DA)*

Faruk Korenica *Public prosecutor, Kosovska Mitrovica*

Bratislav Kostic *Teacher at elementary school „21. Novembar”, Gojbulja*

Stojan Kovacevic *Coordinator for the Serbian community in the Office for Minorities*

Nebojsa Maric *Public servant, Kosovska Mitrovica*

Suncica Masic *Director of the Center for Social Work, Priluzje*

Snezana Milic *Village of Vucitrn*

Vuceta Milenkovic *Teacher at elementary school „21. Novembar”, Gojbulja*

Adem Mripa *Kosovska Mitrovica*

Randjel Nojkic *Serbian List for Kosovo and Metohija, Member of Serbian Renewal Movement*

Misko Popovic *Community Coordinator in Vucitrn*

Slavisa Petkovic *Minister for Returns*

Ibrahim Rugova *President of Kosovo*

Zecir Rusiti *Kosovska Mitrovica*

Veton Surroi *President of ORA („Time”)*

Dragisa Terentic *Village of Priluzje*

Hashim Thaci *MP and President of Kosovo Democratic Party (PDK)*

Dragisa Terentic *Village of Priluzje*

Hashim Thaci *MP and President of Kosovo Democratic Party (PDK)*

Macedonia (February 2005)

Silvana Boneva *VMRO-DPMNE*

Vlado Buckovski *Prime Minister of Macedonia*

Argon Buxhaku *Vice President of the Democratic Union of Integration*

Branko Crvenkovski *President of the Republic of Macedonia*

Nikola Gruevski *President of VMRO-DPMNE*

Gordana Jankuloska *General Secretary, VMRO-DPMNE*

Trajko Slaveski *VMRO-DPMNE*

Arben Xhaferi *Leader of the Democratic Party of Albanians*

Serbia (February 2005)

Srdjan Bogosavljevic *Strategic Marketing*

Nebojsa Covic *President of the Joint Coordinating Center for Kosovo and Metohija*

Biljana Jovic *Joint Coordinating Center for Kosovo and Metohija*

Vojislav Kostunica *Prime Minister of Serbia and Montenegro*

Jelica Minic *European Movement in Serbia*

Boris Tadic *President of Serbia and Montenegro*

BIOGRAPHIES OF COMMISSION MEMBERS

GIULIANO AMATO

**Former Prime Minister
Italy**

Mr. Amato was Prime Minister from 1992 to 1993 and from 2000 to 2001. Thereafter he served as Vice President of the Convention.

Mr. Amato was a Member of Parliament from 1983 to 1994; Under Secretary to the Prime Minister's Office from 1983 to 1987; Minister for the Treasury from 1987 to 1989 and from 1999 to 2000; Minister for Constitutional Reforms from 1998 to 1999; Deputy Prime Minister from 1987 to 1988. He also headed the Italian Antitrust Authority from 1994 to 1997.

Full Professor of Comparative Constitutional Law at the University of Rome, School of Political Science, from 1975 to 1997, he had been Full Professor at the Universities of Modena, Perugia, Florence. Presently he is Global Law Professor at the NYU Law School and part time Professor at the EUI in Florence.

Mr. Amato has written books and articles on the economy and public institutions, personal liberties, federalism and comparative government.

CARL BILDT

**Former Prime Minister
Sweden**

In Sweden, Mr. Bildt served as Member of Parliament from 1979 to 2001, Chairman of the Moderate Party from 1986 to 1999 and Prime Minister from 1991 to 1994.

Mr. Bildt served as European Union Special Representative to the Former Yugoslavia as well as the first High Representative in Bosnia between 1995 and 1997, and then as Special Envoy of the Secretary-General of the United Nations to the Balkans between 1999 and 2001.

In the United States, he is the only non-US member of the Board of Trustees of the RAND Corporation and on the Board of the Centre for European Reform as well as the Council of the International Institute for Strategic Studies in London.

Apart from numerous other awards, Mr. Bildt has an honorary degree from the University of St. Andrews in Scotland, where he is a Fellow at its renowned Institute

for the Study of Terrorism and Political Violence.

AVIS BOHLEN

**Former Assistant Secretary of State
United States**

Until May 2002, Ms. Bohlen was Assistant Secretary of State for Arms Control. A career Foreign Service officer, she also served as US Ambassador to Bulgaria, Deputy Chief of Mission at the US Embassy in Paris, and Deputy Assistant Secretary for European and Canadian affairs for European security issues. She previously served as Director of the Office of European Security and Political Affairs, Executive Director of the US Delegation to the US-Soviet Nuclear and Space Arms Talks in Geneva, Deputy Political Counsellor at the US Embassy in Paris, and Chief of the Strategic Affairs and Arms Control Section in the Office of NATO Affairs.

Currently member of the Board of Directors of the International Research and Exchange Board IREX in Washington, DC. In 2003 was a Public Policy Scholar at the Woodrow Wilson International Centre.

Ms. Bohlen received the President's Distinguished Service Award in 1991.

JEAN-LUC DEHAENE

**Former Prime Minister
Belgium**

Mr. Jean-Luc Dehaene gained his degrees in law and economics at the Universities of Namur and Leuven. From 1971, he held the position of advisor, then as Head of Cabinet for several different Ministers. He first held a ministerial post in 1981. From 1988 to 1992, he then became Deputy Prime Minister and Minister of Traffic and Transport and Institutional Reform. Finally, as Prime Minister, he led two governments, from 1992 to 1995, and subsequently from 1995 to July 1999.

He is seen as the architect of state reform. He led Belgium into the Euro economy and reorganised the government finances.

Mr. Jean Luc Dehaene was vice chairman of the European Convention and is at present a Member of the European Parliament.

KEMAL DERVIS

Member of Parliament Turkey

Mr. Dervis holds a Degree in Economics from the London School of Economics and Political Science and a PhD in Economics from Princeton University, USA.

Following his studies, Mr. Dervis lectured at the Department of Economics of the Middle Eastern Technical University. In 1973-1976, he served then Prime Minister Bulent Ecevit as an advisor on issues relating to the economy and international relations. He then returned to Princeton University teaching economics and international relations.

In 1978, he took office at the World Bank, where in 1991 he became Head of the Central Europe Department, including former Yugoslavia and Albania. In 1996, he became a Vice-President of the World Bank in charge of Middle East and Africa Region. In May 2000, he was appointed Vice-President responsible for Poverty Reduction and Economic Management. In March 2001 he left the World Bank to become Minister for Economic Affairs of his country, called back to deal with the financial crisis that erupted in February 2001. After the crisis was overcome he resigned from the government in August 2002 and was subsequently elected to Parliament in November of 2002. He also represented the Turkish parliament in the Convention for the Future of Europe.

Mr. Dervis has published numerous articles on economic policy and development economics. He is co-author of "General Equilibrium Models for Development Policy" and recently published a new book entitled "A Better Globalization".

MIRCEA DAN GEOANA

Former Minister of Foreign Affairs Romania

An alumnus of the Polytechnic Institute and, respectively, the Law School at the University of Bucharest, Mr. Mircea Geoana graduated in 1992 the "Ecole Nationale d'Administration" in Paris, France. He served as professor at the National School for Political and Administration Sciences and the "Nicolae Titulescu" University in Bucharest. He graduated the 1999 World Bank Group Executive Development Program at the Harvard Business School.

In February 1996, was appointed Ambassador Extraordinary and Plenipotentiary of Romania to the United States of America. Prior to his appointment to

Washington, he was Director General at the Ministry of Foreign Affairs of Romania. From 1993 to 1995 he also served as Spokesman for the Romanian Foreign Ministry.

Mr. Mircea Geoana was Minister of Foreign Affairs of Romania in 2000-2004. In this capacity, he served as OSCE Chairman-in-Office in 2001. In December 2004 he was elected Member of the Romanian Senate.

KIRO GLIGOROV

President of the Republic of Macedonia (1991-1999)

Mr. Gligorov graduated from the Law Faculty in Belgrade in 1939. At the outbreak of the Second World War, he took part actively in the anti-fascist and people's liberation movement in Macedonia. From 1945 to the beginning of the 60s, he held specialised executive functions in the spheres of economy and finance in Belgrade. From 1963 to 1969 he was Minister of Finance of the SFR of Yugoslavia.

One of the leading economists supporting the advancement of market economy in Yugoslavia, he was elected a member of the Presidency of the Socialist Federal Republic of Yugoslavia (1974-1978) and President of the Parliament of the Socialist Federal Republic of Yugoslavia. Thereafter he was forced to abstain from political activities.

At the onset of the crises in Yugoslavia (1989-1990) he made a comeback in the political life of Macedonia, promoting multi-party elections and the introduction of a market economy. These activities resulted in his election as President of the Republic of Macedonia, in the first free, multi-party elections held in January 1991.

While he was in office as President, the Republic of Macedonia proclaimed its independence and became the only Republic of the former SFR Yugoslavia to attain its independence through a peaceful and legitimate manner. On the first general presidential elections in the Republic of Macedonia held in October 1994, Mr. Kiro Gligorov was re-elected President of the Republic of Macedonia with a five year term, which he completed in 1999.

ISTVAN GYARMATI

Chairman, Centre for Euro Atlantic Integration and Democracy Hungary

Mr. Gyarmati is currently Chairman of the Board of the Centre for Euro Atlantic Integration and Democracy in Budapest and Co-Chairman of the International Security Advisory Board for Southeast Europe of the Geneva-based Centre for the Democratic Control of Armed Forces.

He has been a Foreign Service officer since he graduated from the Budapest University of Economics, Faculty of Diplomacy, in 1974. His postings include member of the Hungarian delegation to the MBFR and IAEA (1981-86, Vienna), to the CSCE Follow-up Meeting (1987-89, Vienna), Head of Delegation to the CFE, CSBM, Opens Skies Negotiations (1990-92, Vienna), Head of Security Policy Department, MFA (Budapest, 1992-96); Personal Representative of the CSCE/OSCE Chairman-in-Office in Georgia (1992-93), Chechnya (1995) and the Negotiations on CSBMs in Bosnia and Herzegovina (1996), Chairman of the OSCE Senior Council (1995), Executive Secretary of the Budapest CSCE Summit (1994); Under-Secretary of Defence (1996-99), Chairman of the Missile Technology Control Regime (1998-99), Chief Adviser of the Foreign Minister on Security Policy and Chairman of the OPCW (1999-2000), Senior Vice President for Policy and Programs of the East West Institute.

Mr. Gyarmati holds a Ph.D. in Political Science and is a candidate of Strategic Studies. He is member of the IISS, of numerous scientific projects, Associate Professor at the Zrinyi Miklos National Defence University. He is author of numerous publications on security policy, European security, conflict management and Hungarian defence policy.

FRANÇOIS HEISBOURG

Director

**Fondation pour la Recherche Stratégique
France**

Mr. Heisbourg began his career as a member of the French foreign ministry's policy planning staff followed by a position at the French Permanent Mission to the U.N. (New-York).

From 1981-84 he was the International security adviser to the French Minister of Defence as well as a founder member of the French-German Commission on Security and Defence. He took over the Directorship of the International Institute for Strategic Studies (IISS) in London. In the years 1992-98, he was Senior Vice-President (Strategic development) at MATRA-Defense-Espace and subsequently was made Director of the Fondation pour la Recherche Stratégique in Paris. He is adviser to the French Foreign Ministry Planning Staff; Board member of the Aspen Institute in Berlin and Member of the Royal Society for the Encouragement of Arts, Manufacture and Commerce; Chairman, Geneva Centre for Security Policy.

Mr. Heisbourg has published numerous articles and interviews in the academic and general media in both English and French among which 'Hyperterrorisme: la nouvelle

guerre', 2001, and 'La Fin de l'Occident? L'Amérique, l'Europe et le Moyen Orient', 2005.

BRUCE P. JACKSON

President

**Project on Transitional Democracies
United States**

Mr. Bruce Jackson is the founder and President of the Project on Transitional Democracies, a multi-year endeavour aimed at the integration of post-1989 democracies into the institutions of the Euro-Atlantic.

From 1986 to 1990, he served in the Office of the Secretary of Defence in a variety of policy positions pertaining to nuclear forces and arms control. In 1990, Mr. Jackson joined Lehman Brothers, an investment bank in New York. Between 1993 and 2002, Mr. Jackson was Vice President for Strategy and Planning at Lockheed Martin Corporation.

From 1995 until 2003, he was the President of the US Committee on NATO, a non-profit corporation formed in 1996 to promote the expansion of NATO and the strengthening of ties between the United States and Europe. During the 2002-2003, he served as the Chairman of the Committee for the Liberation of Iraq.

He continues to serve on the Board of Directors of the Project for the New American Century, a non-profit corporation involved in educating American opinion on foreign policy and national security.

ZLATKO LAGUMDZIJA

President, Social Democratic Party

**Former Prime Minister
Bosnia and Herzegovina**

Mr. Lagumdžija holds a Ph.D. in computer Science and Electrical Engineering at University of Sarajevo. He is a professor of Management Information System at the School of Economics and at the Computer Science and Electrical Engineering School, University of Sarajevo since 1989.

President of the Social Democratic Party of B&H (SDP) since 1997. Member of Parliament of B&H, House of Representatives since 1996.

Chairman of the Council of Ministers of B&H (Prime Minister) 2001 - 2002. Minister of Foreign Affairs of B&H in 2001 - 2003. Acting Prime Minister 1993. Deputy Prime Minister of B&H 1992 - 1993.

Member of "Global Leaders for Tomorrow" of the World Economic Forum, since 1998. Awarded with numerous international and national awards for his professional and expert results.

Postdoctoral research at MIS Department and CCIT at University of Arizona, Tucson 1988/89. Consultant to various business and governmental organizations. Author over hundred research and expert papers and four books in MIS area. Author of numerous articles on Bosnian political and economic issues and series of independent TV forums on Bosnian future.

ILIR META

Former Prime Minister Albania

Mr. Ilir Meta is Chairman of the Socialist Movement for Integration, which began in September 2004 as a reform movement within the Socialist Party. He has graduated from the Faculty of Economy, Tirana University. He was involved in political life at the beginning of the 1990s as a member of the leadership of the Student Movement. A member of the Socialist Party Leading Council since 1992, Mr. Meta was SP vice chairman during 1993-1996. In the period 1996-1997, Meta was deputy chairman of the Foreign Policy Parliamentary Commission.

Mr. Meta was appointed Prime Minister of Albania in 1999, and was reconfirmed in this post after the June 2001 elections. Mr. Meta resigned in January 2002 to give way to a solution of a government crisis.

In August 2002 he was appointed Deputy Prime Minister and Minister of Foreign Affairs, from which he resigned in June 2003, as result of the failure of the government to pursue the reforms toward EU integration.

NEVEN MIMICA

Former Minister for European Integration Croatia

Mr. Mimica received in 1976 a degree in Economics from the University of Zagreb and in 1987 a Master's degree from the Faculty of Economics.

Between 1979-83 he was a Research Associate and Adviser at the Republic Committee for International Relations, in 1983-87 he became Assistant to the President of the Republic Committee for the International Relations in Charge of Foreign Exchange System and Foreign Trade System.

Between 1987 and 1997 he served at the Ministry of Foreign Affairs of the Republic of Croatia.

In 1997 Mr. Mimica was appointed Assistant Minister for International Economic Relations at the Croatian Ministry of Economy. In 2000, he was appointed Chief Negotiator for Stabilization and Association Agreement and Deputy Minister of Economy of the Republic of Croatia. In 2001-2003 he occupied the position of Minister for European Integration. Since November 2003 he is member of the Croatian Parliament.

DAME PAULINE NEVILLE-JONES

Former Governor of BBC United Kingdom

Ms. Dame Pauline Neville-Jones is Chairman of QinetiQ Group plc, a defence technology company with government customers in the UK and USA and Chairman of the Information Assurance Advisory Council (IAAC). She is a member of the UK governing Board of the International Chambers of Commerce (ICC) and of the governing Council of Oxford University.

From 1998-2004 she was the International Governor of the BBC with responsibility, among other things, for external broadcasting, notably the BBC World Service (radio and online) and BBC World (television).

Prior to that, she was a career member of the British Diplomatic Service serving, among other places, in Singapore, Washington DC, the European Commission in Brussels and Bonn. She was a foreign affairs adviser to Prime Minister John Major (1991-1994), chairman of the Joint Intelligence Committee in Whitehall (1993-1994). As Political Director in the Foreign and Commonwealth Office (1994-96), she was leader of the British delegation to the Dayton peace conference on Bosnia.

She is a graduate of Oxford University and was a Harkness Fellow of the Commonwealth Fund in the United States (1961-1963). She was made a Dame Commander of the Order of St Michael and St George (DCMG) in 1995. She is a Doctor of the Open and London Universities.

JANEZ POTOCNIK

Member of the European Commission Slovenia

Mr. Janez Potocnik graduated with honours from the Faculty of Economics at the University of Ljubljana, where he did his Ph.D. degree in 1993.

For several years (1989-1993), he worked as a researcher at the Institute of Economic Research in Ljubljana. In July 1994, he was appointed Director of the Institute of Macroeconomic Analysis and Development of the Republic of Slovenia. In 1998 he was appointed Head of the Negotiating Team for Accession of the Republic of Slovenia to the European Union.

In 2002, the Government of the Republic of Slovenia appointed Mr. Potocnik the Minister without portfolio responsible for European Affairs.

Since 2004 he is Member of the European Commission responsible for Science and Research.

ALEXANDROS GEORGE RONDOS

**Former Ambassador at Large
Greece**

Mr. Rondos, a Greek national, born in Dar-es-Salaam, Tanzania, was educated in Kenya and the UK where completed BA (Hons) at Oxford University (Brasenose College).

Career has included journalism at West Africa Magazine, followed by twelve years work in relief and development work.

After two years at the World Bank, became an adviser to the Foreign Minister of Greece, counselling him and implementing changes in Greek strategy in the Balkans as well as helping manage the Greek Presidency of the European Union during the Iraq crisis.

Throughout this period also served as a personal envoy of the Foreign Minister on missions to Turkey, governments in the Middle East, Europe and the USA.

GORAN SVILANOVIC

**Chair, WT I, Stability Pact for SEE
Former Minister for Foreign Affairs
Serbia and Montenegro**

Mr. Svilanovic graduated from Belgrade University's School of Law in 1987, and received his M.A. degree in 1993. At the end of 1998, Svilanovic, along with another six professors, was expelled from the Law School for his participation in a strike organized to protest against the new and restrictive university Law.

In 1993 Mr. Svilanovic organized a legal aid department "SOS line for the victims of national, ethnic and religious policy and trade union discrimination" in the Centre for Anti-War Action, dealing with the protection of minorities in Serbia.

In December 1995, Mr. Svilanovic was elected president of the centre's Council for Human Rights in Belgrade, member of FIDH.

President of the Civic Alliance, political party 1999-2004. Member of Federal Parliament 2000-2003. Federal Minister of foreign affairs of the Federal Republic of Yugoslavia, later Serbia and Montenegro, 2000-2004. Since January 2004 Member of the Parliament of Serbia. Since November 2004, Chair of the Working table I of the Stability Pact for South Eastern Europe.

In 1996 the University of Belgrade published his book "Proposal for Repetition of Legal Proceedings." Svilanovic wrote a large number of articles in the sphere of law, most of them concentrating on the condition of human rights in Yugoslavia.

RICHARD VON WEIZSÄCKER

President of Germany (1984 - 1994)

Mr. Richard von Weizsäcker studied philosophy and history in Oxford and Grenoble. In 1938 he joined the army and participated in World War II. In 1945-1950, Mr. von Weizsäcker continued his studies in Göttingen.

Mr. von Weizsäcker was elected to the Bundestag in 1969. He served as vice president of the Bundestag (1979-1981), but he resigned the office to become the governing mayor of West Berlin (1981 - 1984).

In 1984, Mr. von Weizsäcker as the CDU/CSU candidate won the presidential election. On May 8, 1985 - the 40th anniversary of the end of World War II in Europe - he made a dramatic speech to the Bundestag that articulated the historic responsibility of Germany and Germans for the crimes of Nazism. Running unopposed for the first time in the history of presidential elections in Germany, Weizsäcker was re-elected in 1989. His second term witnessed the process of the unification of Germany and collapse of the Communist regimes in Eastern Europe.

He was one of the "Three Wise Men" who were requested by the President of the European Union, Romano Prodi, to elaborate suggestions for institutional reform of the European Union in preparation for the integration of new member states (1999).

IVAN KRASTEV

**Chairman, Centre for Liberal Strategies
Bulgaria**

Mr. Ivan Krastev is a political scientist and Chairman of the Board of the Centre for Liberal Strategies in Sofia, Bulgaria.

In the last decade he has been visiting fellow at St. Anthony College, Oxford; Woodrow Wilson Center for International Scholars in Washington; Collegium Budapest, Wissenschaftskolleg, Berlin; Institute of Federalism, University of Fribourg, Switzerland; Institute for Human Sciences, Vienna and Remarque Forum, New York.

Since October 2003 he has been the research director of the project "Politics of Anti-Americanism in the Beginning of the 21st Century" coordinated by the Central European University, Budapest. Since January 2004 Mr. Krastev is the executive director of the International Commission on the Balkans.

Among his latest publications in English are: *De-Balkanizing the Balkans: The State of the Debate*; *The Balkans: Democracy Without Choices*; *Corruption, Anti-Corruption Sentiments, and the Rule of Law*. His paper "The Anti-American century?" appeared in the April 2004 issue of *Journal of Democracy*. His book "Shifting Obsessions. Three Essays on Politics of Anti-corruption." was published by CEU Press in 2004.

SENIOR STAFF

Sandra Breka

Ms. Sandra Breka joined the Berlin Office of the Robert Bosch Stiftung as Program Director in January 2001. Her portfolio primarily includes international programs focusing on Southeast Europe and transatlantic relations. Ms. Breka furthermore runs the newly established Bellevue-Fellowship-Program involving several EU member states. Prior to joining the Robert Bosch Stiftung, she served as Program Director for Southeast Europe, transatlantic relations and security issues at the Aspen Institute Berlin after a previous assignment with the American Council on Germany in New York City. Ms. Breka is affiliated with several international institutions such as the TRANSFUSE Association and Women in International Security (WIIS). After studies in Germany, France and the United States, she obtained her M.A. at Columbia University in New York.

Vessela Tcherneva

Ms. Vessela Tcherneva is a Program Director at the Centre for Liberal Strategies, a Bulgarian think-tank since November 2003. She manages the Centre's programmes related to the Balkans and the transatlantic relations, as well as security-related projects. She is the Managing

Editor of *Foreign Policy Bulgaria* magazine. Ms. Tcherneva is a career foreign service officer on sabbatical for the time of existence of the International Commission on the Balkans. Her last assignment was at the Bulgarian Embassy in Washington, DC, where she was the political officer responsible for political-military and security issues including NATO enlargement; liaison to the US administration and NGOs; South Eastern Europe. Ms. Tcherneva holds a M.A. in Political Science from the University in Bonn, Germany.

LIST OF EXPERTS

Srdjan Bogosavljevic, Strategic Marketing and Media Research Institute, Belgrade

Srdjan Darmanovic, CEDEM, Podgorica

Misha Glenny, editor

Damir Grubisa, Department for International Economic and Political Relations, University of Zagreb

Fabrice de Kerchove, Project Manager, King Baudouin Foundation

Gerald Knaus, Director, European Stability Initiative

Josip Kregar, School of Law, University of Zagreb

Remzi Lani, Executive Director, Albanian Media Institute

James O'Brien, analyst

Stevo Pendarovski, Head of the Macedonian Electoral Commission

Jean-Louis Six, Honorary Vice-Chairman, King Baudouin Foundation, Director, EBRD

Jovan Teokarevic, Faculty of Political Science, Belgrade

Walter Veirs, Program Officer, Charles Stewart Mott Foundation

Ivan Vejvoda, Executive Director, Balkan Trust for Democracy

Antonina Zheliazkova, Director, International Centre for Minority Studies and Intercultural Relations, Sofia

THE INTERNATIONAL COMMISSION ON THE BALKANS WAS INITIATED AND SUPPORTED BY:

ROBERT BOSCH STIFTUNG

The Robert Bosch Stiftung GmbH (Robert Bosch Foundation), established in 1964, is one of the largest German foundations associated with a private company. It embodies the philanthropic endeavors of founder Robert Bosch (1861-1942) within the structure of the Bosch organization. The Foundation pursues the following purposes: health care, international understanding, social welfare, education, the arts, culture, the humanities, social and natural sciences. It represents the philanthropic and social endeavors of founder Robert Bosch (1861-1942) and fulfils his legacy in a contemporary manner in the following program areas:

- Science in Society, Research at Foundation Institutes;
- Health, Humanitarian Aid;
- International Relations;
- Youth, Education and Civil Society.

Its work is organised into five program areas of which two are dedicated to international understanding. The Foundation operates three institutions in Stuttgart: The Robert Bosch Hospital, the Dr. Margarete Fischer-Bosch Institute for Clinical Pharmacology and the Institute for the History of Medicine.

KING BAUDOUIIN FOUNDATION

The King Baudouin Foundation is a public benefit foundation, based in Brussels. It was established in 1976 on the occasion of the 25th anniversary of the reign of late King Baudouin with the aim of improving the living conditions of the population. Four main themes are currently central to its work: the 'Social Justice' programme seeks out new forms of social inequality and supports initiatives to give greater autonomy to vulnerable people. The 'Civil Society' programme aims to stimulate civic engagement and strengthen the NGO sector. The 'Governance' programme seeks to involve citizens more closely in the decision-making that determines how goods and services are produced and consumed, and in developments in the medical sciences. Through the 'Funds & Contemporary Philanthropy' programme, the Foundation wishes to encourage modern forms of generosity. The Foundation is active at local, regional, federal, European and international level, with a special focus on Southeastern Europe since 1999.

GERMAN MARSHALL FUND OF THE UNITED STATES

The German Marshall Fund of the United States (GMF) is a non-partisan American public policy and grantmaking institution dedicated to promoting greater cooperation and understanding between the United States and Europe. GMF does this by supporting individuals and institutions working on transatlantic issues, by convening leaders to discuss the most pressing transatlantic themes, and by examining ways in which transatlantic cooperation can address a variety of global policy challenges. In addition, GMF supports a number of initiatives to strengthen democracies. Founded in 1972 through a gift from Germany as a permanent memorial to Marshall Plan assistance, GMF maintains a strong presence on both sides of the Atlantic. In addition to its headquarters in Washington, DC, GMF has five offices in Europe: Berlin, Paris, Bratislava, Brussels, Belgrade, and Ankara.

CHARLES STEWART MOTT FOUNDATION

The Charles Stewart Mott Foundation is an endowed, nonprofit, private grantmaking foundation based in Flint, Michigan, U.S.A. Charles Stewart Mott, who was an automotive pioneer in the General Motors Corporation, established the Foundation in 1926. Through its Civil Society program, the Foundation awards grants to nonprofit, non-governmental organizations working in Eastern Europe, including South Eastern Europe, and Russia. The mission of the Civil Society program is to support efforts to assist in democratic institution building, strengthen local communities, promote equitable access to resources, and ensure respect of rights and diversity. Through the Civil Society program and all of its programs, the Foundation seeks to fulfill its mission of supporting efforts that promote a just, equitable, and sustainable society.