

"From Oligarchy to Democracy: Bosnia's Challenge 20 Years after Dayton" – Address to Dayton Rotary Club

November 16, 2015

Kurt Bassuener, Democratization Policy Council

Nota Bene: The notes below are the somewhat cleaned-up speaking notes the author used for his Dayton Rotary luncheon speech. They do not reflect verbatim delivery or Q and A after the speech.

15-20 min speaking time, 15 min Q and A

Abstract for Dayton Rotary Bulletin: As we reflect on the current situation in Bosnia and Herzegovina 20 years after adoption of the Dayton Peace Accords, it is important to ask why the country looks in considerably worse shape - both in absolute and relative terms - than it did on the 10th anniversary. In 2005, the prevailing hope was that constitutional/structural reforms were soon to be agreed, and that the country could advance toward EU and NATO membership under its own power, and in the front rank regionally. This has not happened. Kurt Bassuener will give his take on why Bosnia and Herzegovina has regressed in the intervening decade, as well as what can (and cannot) be done by the US and EU to promote a return to durable progress.

Thank you for inviting me here – it’s a pleasure and an honor to be in your city to commemorate this important anniversary.

I know it will sound odd to you all here as Dayton residents, but “Dayton” for those in and dealing with Bosnia and Herzegovina is used as shorthand for the peace agreement and the country’s constitutional structure. It is almost an epithet in some circles. This is easy to slip into, but particularly here and now, I owe it to you as my hosts to be more precise in my language.

The views of BiH’s Dayton structure have changed over time. When it was signed, Dayton was not embraced widely in the Republika Srpska (RS); it was seen as impeding the goal of an independent Serb state. Now, however, Dayton is a touchstone – the high water mark for the RS. So in 20 years we’ve gone from Dayton Peace Accords rejectionism to Dayton fundamentalism. In the Federation, views have also changed in a more negative assessment, though there were always critics of the Accords’ stipulations.

Why is it what it is? – Look at the signatories. The agreement, like all peace agreements, had to be designed around what they would accept. Functionality of governance

was not the primary concern. The order of the DPA annexes illustrates this.

How does it work in practice? Postwar peace implementation has followed a parabolic curve, with progress toward developing a state which could function and integrate into the EU and NATO up until about 2006. The prevailing view by then was that this had been so successful that international authority was no longer needed. The phrase at the time was of a movement “from the push of Dayton to the pull of Brussels.” There were also many assumptions about the EU’s transformative power in 2005 after the “big bang” of EU enlargement – BiH would propel itself into the Euro-Atlantic mainstream. It didn’t happen. Why not?

The structure and function of Dayton BiH were designed around – and work for – the interests of those who led the war. This is typical, as my friend and former boss Lord Paddy Ashdown reminded me over dinner with some other former colleagues a week and a half ago in Sarajevo. But since the system is built around their interests, they have no incentive to reform. Whatever their divergent interests – and these are real and significant – they have a compelling set of common interests: 1) keep what you stole, 2) remain

positioned to keep stealing and 3) remain unaccountable both legally and politically.

So BiH has a remarkably stable political elite; once “made,” it’s effectively a lifetime gig. It’s now a *competitive* oligarchy (unlike in 1996, when the signatories or their local partners were in an unchallenged dominant position), which has led to frictions. But the overall dynamic remains durable.

Fear and Patronage are the two main levers of power for these elites. All in BiH – citizens and politicians alike – are rational actors, but the incentives are perverse. This is why the system is so durable; it’s self-reinforcing. Hence the schizophrenia between what people say they want and their voting behavior. In effect, efforts for organic internal change are fighting Maslow’s pyramid; immediate concerns trump longer term ones.

So the EU now has primacy among international actors, which all other things being equal would be logical. But it doesn’t want the responsibility this entails. For about a decade, the US has been in a support role; not convinced of the EU approach, but also unwilling to deviate from what seems to be the “prime directive” of this administration – play nice with the Europeans.

The result? A rules-free environment. High Representative and EUFOR now paper tigers. Legally needed, but practically defanged.

The dysfunction and lack of accountability in the system led to the Feb 2014 demonstrations and plenums which followed. The common denominator among citizens is a desire for a rules-based society and political accountability. That is why the demonstrations had a distinct class-war feel. But there is no obvious political vehicle or mechanism of change.

Now EU “Reform Agenda” – born of fear of instability, coupled with bureaucratic autopilot and an unwillingness to assess why we are where we are. Politicians know this and will take full advantage. In the choice between stability and progress, the default setting, now more than ever, will be the former. German-led checkbook diplomacy is the basis of the current policy, especially with refugee crisis and fear of violent extremism. We are mistaking quiet for stability, and squandering opportunities to drive progress.

So Dayton BiH is like a leg bone badly set in triage. BiH can hobble along with it (with assistance) for some time, but it will always be at a disadvantage and inherently unstable. This is why BiH has fallen to the back of the class despite the considerable head start the country had because of the strong international presence ensuring fear could not be leveraged and driving reform. Like a badly-set bone, you have to break it to fix it – of course, under controlled conditions.

Now the good news: I remain a frustrated optimist about BiH. If I thought for a moment the political elites were *actually* representative, I would have run away screaming long ago... I firmly believe there is the potential for a supermajority for a rules-based, decentralized – but not ethnoterritorial state of BiH. The frustration comes from a) lack of Western policies that would be conducive to this and b) lack of strategic ground-up activism with this much ambition.

So what is to be done? What can the US do in particular?

It's important to start by recognizing of what external actors cannot do in Bosnia and Herzegovina. We cannot "fix" BiH. I don't believe a "Dayton 2" would be helpful – it might affect

the equation at the edges, but the same players would have to be around the table – including the neighbors. This might even lead to a worse and more intractably dysfunctional outcome. Evolution under these conditions is also highly improbable, given the full-spectrum dominance of political elites.

So what can we do?

First, we can start by stating clearly that while we recognize that there are serious problems with the old rules, we are obligated to enforce them until there is popular agreement on something better. So with the Dayton Peace Accords, you get a High Representative and a Western military deterrent force – for as long as it takes. Credibility needs to be restored. This will disarm the political elites of their ability to use fear. It will also create a safer environment for more assertive reform advocacy.

Then, in the same statement, make clear that until BiH is functional and has accountable governance, it cannot hope for admission to our clubs, the EU and NATO. We have enough dysfunction in both already, thank you. And no longer will we buy social peace. That means no more money until reforms are actually delivered – not just promised.

The US cannot do this alone, but it can play a catalytic role. The US is the universal connector of the West. Brussels is not the place to start on this, it's the endpoint. The place to begin the shift is Berlin. German Chancellor Angela Merkel needs to deliver this message. Then we can move to a mutually reinforcing division of labor, with US and NATO muscle (hard power) and EU incentives for progress (soft power).

So this is not a question of mandates, not even really a question about resources in the aggregate. Rather, it is a question of philosophy, strategy, and will. We need leadership *on the ground*, with backup in the major capitals to change this dynamic.

Thank you for your attention; I look forward to your questions and feedback.