

# The EU Is Paying a Protection Racket in Bosnia

**By outsourcing conditionality to Bosnia's own politicians, the EU is prioritizing the 'stability' of the elites over the interests of Bosnia's own citizens**

Last Friday, the EU Foreign Affairs Council voted to activate the Stabilization and Association Agreement, SAA, with Bosnia and Herzegovina, which had long been on ice due to Bosnia's noncompliance with conditions set forth by the EU. The new EU initiative for the country, which Germany and Britain launched four months ago, effectively removed an obstacle to activating the SAA, signed in early 2008 - implementation of the European Court of Human Rights' December 2009 Sejdic-Finci ruling.

Instead, political leaders simply had to make an "irrevocable written commitment" to conduct long-overdue reforms, enumerated in the EU-announced Compact for Growth last year.

## Don't Believe the Hype

With an agreement between the political parties now in place to form governments at state level and in the Federation entity, there is a great deal of vocal optimism that Bosnia's "European path" has been reopened. The EU High Representative for the Common Foreign and Security Policy, Federica Mogherini, stated that she hoped to "keep the energy and the momentum that I found in Sarajevo last time on the reform process to get closer to the European Union". Don't believe the hype. It remains far from clear exactly what reforms are to come. The EU-led international community in Bosnia appears to believe that with the SAA in force and with an ostensible commitment from Bosnia's politicians to reform, the usual inducements of the enlargement process will begin to have the desired effect.

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To believe this is to ignore nearly a decade of experience, however.

Bosnia and Herzegovina seems to be only one example of a trend that has now become clearer in the aftermath of the Arab Spring and the deepening carnage in Syria. Stability is now the watchword for all Western actors in the Western Balkans as well as the rest of the Mediterranean basin. Progress is seen as desirable, of course, but not at the price of instability.

While appetites vary between EU and international actors on how much instability might be tolerable in the Western Balkans, the cautious German view is dominant.

This has been manifest in the reluctance to stop payment of Instruments for Pre-accession Assistance, IPA, funds, which occurred last year. It is also evident in the attitude towards using international financial institutions, IFIs, as levers to press political elites - whose survival depends on infusion of foreign capital to fund their patronage systems - to adopt reforms they have resisted. This struggle continues within the EU, with some members, such as Britain and the Benelux countries, calling for a harder line.

It remains to be seen how this will play out in efforts to develop the "written commitment" into a policy agenda. The indications are not promising. As with the written commitment, it seems that the development of the governments' to-do lists, timelines, and consequences will be developed consensually, in the name of "ownership," rather than a common Western front on requirements.

This amounts to the EU outsourcing its own

conditionality - an approach that will hardly impress local politicians as serious. It is like being able to vote on one's own homework assignment.

Because the EU initiative deals solely with the enlargement tools, the EU, led by Berlin, has unilaterally reduced collective international leverage over the politicians it aims to induce to reform.

By refusing to also involve non-EU actors in planning the approach and by sidestepping the enforcement obligations the EU has taken on with EUFOR, the EU has left its flank open on the security - and therefore stability - front.

## External Actors Are Willing to Pay for Stability

The EU is deliberately shunning its responsibility to maintain a safe and secure environment, SASE, freely undertaken in December 2004 when it took this Dayton responsibility over from NATO. EUFOR numbers a mere 600 troops. Were it tested, it would collapse. This leaves the political elite open to employ its most useful tool, the ability to generate fear without restraint. Its other tool of social control, patronage, is thereby secured.

Once one has eschewed clarity on maintaining SASE - which Britain's Foreign Secretary, Philip Hammond tried to remedy in his October op-ed, the only lever to maintain stability is money.

The politicians know this and are therefore unlikely to be intimidated into pursuing painful reforms. They have locked the EU and wider international community into a protection racket.

External actors want to keep Bosnia stable and are willing to pay, thereby protecting the interests of the elites who have no interest in reforms to improve the lot of citizens. Bosnia's resource curse is the international community.

Worse yet, the stage is set for the EU-led international community to actually compound the damage to Bosnia and Herzegovina that is already sustained in the name of reform. The EU is now hostage to its own declarations of progress.

Once political capital has been invested, the effort must be proclaimed a success. Promoting this illusion of momentum - as

seen to date in the Structured Dialogue on justice and home affairs - may well be applied across the full spectrum of SAA/acquis contents.

A process of de-facto confederalization of Bosnia and Herzegovina, for example, is being actively pursued by the Serbian and Croatian parties in Bosnia under the guise of the so-called "coordination mechanism." Furthermore, the EU is painting itself into a corner, both by political circumstance and institutional habit. While the Compact and EU initiative are couched as a response to popular concerns, Bosnia's own citizens are merely accessories in the new approach.

They are expected to assist the EU in the pursuit of its own policy goals, without any prior effort to develop a common agenda to serve the interests of Bosnia's citizens and EU members (and taxpayers) alike.

The potential is thus there for Bosnia's citizens to come to see the EU and wider international community as being aligned with their own oligarchical political class against them. This may well develop into a very uncomfortable position for the EU and one that runs contrary to the *Stabilität über Alles* foundation of the policy.

Of course, this potential trajectory remains contingent on policy decisions that can still be made within the EU structures, membership, and by non-EU actors as well.

Thus far, while there has been grumbling on the part of the US, other non-EU actors, and even among EU members about the course chosen and the method by which it was devised, there has been a projection of unity behind the EU initiative.

However, aligning with a policy that is doomed to fail is hardly a sound policy choice. The EU is choosing to fail in Bosnia, which does not serve its own interests.

Non-EU Peace Implementation Council members, other international actors, and even EU member parliaments need to employ all their leverage to try and steer this initiative in the right direction. If they cannot, they should not simply go along for the ride.

Much of this direction will also depend on the new EU leadership in Bosnia and on the incoming EUSR/Head of Delegation, Lars Gunnar Wigemark. His predecessor, Peter Sorensen, played it safe, failing to define the role of the "reinforced EUSR" as a real player in Bosnia. The policy remains on bureaucratic autopilot.

### The EU Will Have to Leave Its Comfort Zone

Building a popular constituency in Bosnia for a functioning country, which could ultimately join and contribute to the EU, will be necessary to achieve even the short to medium term goals of the initiative and the Compact.

The potential popular constituency is out there. But, to catalyze it, the EU, particularly the Commission, will have to leave its comfort zone: developing domestic pressure on its ostensible partners in the political elite.

Agriculture is an obvious area where this might be done, and where a clear constituency exists. However, there is no evidence yet of such a creative leap being contemplated, let alone strategically pursued.

