RETHINKING THE DAYTON AGREEMENT
Bosnia Three Years Later

by Gary Dempsey

Executive Summary

The Dayton Agreement formally ended the most serious armed conflict in Europe since World War II. But three years after the agreement was signed, its goal of creating a unitary, multiethnic Bosnian state is not realistic. Reintegration is grinding to a halt, the vast majority of Bosnians polled still say they will not vote for a candidate from another ethnic group, and nationalist political parties continue to dominate the political scene.

In addition, international reconstruction aid has been plagued by corruption, and Western dollars often end up in the coffers of the very nationalist political parties that are considered the chief obstacles to peace. Economic growth is artificial, privatization has stalled, and the West has begun resorting to increasingly high-handed measures to force Bosnian Croats, Serbs, and Muslims to live under the fiction of one government.

The Dayton Agreement’s failure is not merely a matter of passing interest; the Clinton administration’s continued and uncritical devotion to the agreement is compromising U.S. national security and saddling the United States with an expensive yet futile nation-building operation of unknown duration. The administration needs to jettison its presumption that there are only two options for U.S. policy on Bosnia: adhere to the Dayton Agreement or cut and run. There is another option: a negotiated three-way partition of Bosnia overseen by a European-led transition force. Partition it is the most politically feasible way to extract U.S. troops without leaving chaos behind.

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Introduction

The General Framework Agreement for Peace in Bosnia-Herzegovina, drafted at Wright-Patterson Air Force Base in Dayton, Ohio, in November 1995 and formally signed in Paris on December 14, 1995, halted the most serious armed conflict in Europe since World War II. Widely referred to as simply the Dayton Agreement, the document has 11 annexes, including provisions for demilitarization, arms control, elections, and human rights. The goal is the creation of a unitary, multiethnic Bosnian state. As then-secretary of state Warren Christopher summarized,

There should be a single Bosnian state, with a single international personality, and a commitment to its internationally recognized borders; a federal government representing all the people of Bosnia with foreign policy powers and other national government powers.¹

From the very beginning, the Dayton Agreement was a U.S. foreign policy initiative; it started with U.S.-led NATO air strikes against Bosnian Serb military targets in September 1995, followed by heavy U.S. diplomatic pressure led by U.S. special envoy Richard Holbrooke. According to Secretary of State Madeleine K. Albright, the Dayton Agreement has been a success. Indeed, during her most recent visit to the Bosnian capital, she asserted that Sarajevo "looks more normal. . . . It has achieved peace."²

Albright's assessment, however, is overly optimistic. Three years after Dayton, the goal of creating a unitary, multiethnic Bosnian state is still not realistic. Reintegration has all but stopped, nationalist political parties continue to dominate the political arena, and 85 percent of Bosnians polled still say they will not vote for a candidate from another ethnic group.³ Moreover, international reconstruction aid has been beset with corruption, and the West has begun resorting to increasingly ill-liberal measures to force Bosnian Croats, Serbs, and Muslims to live under the fiction of one government.

The failure of the Dayton Agreement, however, is not merely a matter of academic concern; the Clinton administration's blind devotion to the agreement is compromising U.S. national security and burdening the United States with an expensive yet futile nation-building operation, with no end in sight. Washington, therefore, should rethink its position and encourage a negotiated three-way partition of Bosnia overseen by a European-led transition force. That is the most politically feasible way to cre-
ate the conditions necessary to allow the departure of U.S. troops at the earliest possible date.

Assessing the Dayton Agreement

The heavy artillery in Bosnia remains quiet, but the larger goal of creating a unitary, multiethnic state remains as elusive as ever. That should have been expected. According to University of Chicago political scientist John Mearsheimer, "History records no instance where ethnic groups have agreed to share power in a democracy after a large-scale civil war... The democratic power-sharing that Dayton envisions has no precedent." What actually exists in Bosnia today is not a nation rebuilding and healing itself but a Potemkin state, a monumental façade erected and maintained by the international community.

That is not to say that the Dayton Agreement has led to no successes. The fighting has stopped, and so far more than 3,600 pieces of heavy weaponry have been removed under the terms of the Agreement on Armaments Control. Moreover, Bosnia has largely met the requirements of the Agreement on Conventional Armaments, which provides for the 2:1 allocation of weapons shown in Table 1.

But the few successes reveal the Dayton Agreement for what it really is: a complicated cease-fire, not a solution to Bosnia's long-term problems. The country is still deeply fractured, divided into two semiautonomous "entities" separated by the Inter-Entity Boundary Line. One entity, the Republika Srpska, is almost entirely Serb.

Table 1
Division of Armaments in Bosnia

<table>
<thead>
<tr>
<th>Type of Armament</th>
<th>Muslim-Croat Federation</th>
<th>Republika Srpska</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tanks</td>
<td>273</td>
<td>137</td>
</tr>
<tr>
<td>Airplanes</td>
<td>41</td>
<td>21</td>
</tr>
<tr>
<td>Helicopters</td>
<td>14</td>
<td>7</td>
</tr>
<tr>
<td>Armored vehicles</td>
<td>227</td>
<td>113</td>
</tr>
<tr>
<td>Artillery (&gt; 75mm)</td>
<td>1,000</td>
<td>500</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1,555</strong></td>
<td><strong>778</strong></td>
</tr>
</tbody>
</table>

The other, the Muslim-Croat Federation, is a made up of rival enclaves that maintain a tense coexistence with one another. Nearly 90 percent of the Serbs who lived in the Muslim-Croat Federation before 1992 were expelled or have left.\textsuperscript{6} The prospect for ethnic reintegration is not promising.\textsuperscript{7} For starters, Bosnians have no history of independence or sense of shared national identity.\textsuperscript{8} Indeed, over the course of the last five centuries Bosnia was, in turn, part of the Ottoman Empire, the Austro-Hungarian Empire, a monarchist Yugoslavia, and a communist Yugoslavia. Moreover, the current "international boundaries" of the Bosnian state have a flimsy historical legitimacy. They were purely artificial creations, imposed by Yugoslav leader Josip Broz Tito shortly after he consolidated his power at the end of World War II. The boundaries were meant to be internal lines of political and administrative demarcation within Yugoslavia, not boundaries that separated nations. They were also a deliberate exercise in political gerrymandering to dilute Serb political influence in Yugoslavia by minimizing Serbia's size and placing large Serb minorities in other political jurisdictions.

**Troubling Refugee Flows**

In addition, ethnic reintegration is grinding to a halt. By the end of 1997, only 431,516, or 19 percent, of Bosnia's 2.3 million refugees and displaced persons had returned home (Table 2).\textsuperscript{9} Moreover, the total number of returnees this year is expected to be only 11 percent of that of 1997.\textsuperscript{10} Even more telling is the fact that over the past three years only 55,000 Bosnians have returned to areas where they are in the minority.\textsuperscript{11} During the same period, 80,000 Bosnians have moved from areas where they were in the minority to areas where they are in the majority.\textsuperscript{12} That means there are 25,000 fewer Bosnians living in integrated communities today than when the Dayton Agreement was signed three years ago. Specifically,

- Fewer than 2,200 ethnic minority residents have returned to the Republika Srpska, and many of those have ventured only as far as the Serb edge of the Inter-Entity Boundary Line.\textsuperscript{13}
### Table 2
Total Returns in 1996 and 1997

<table>
<thead>
<tr>
<th>Entity</th>
<th>1996</th>
<th>1997</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Federation</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Refugees</td>
<td>80,114</td>
<td>111,650</td>
<td>191,764</td>
</tr>
<tr>
<td>Displaced persons</td>
<td>102,913</td>
<td>53,160</td>
<td>156,073</td>
</tr>
<tr>
<td>Subtotal</td>
<td>183,027</td>
<td>164,810</td>
<td>347,837</td>
</tr>
<tr>
<td>Republika Srpska</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Refugees</td>
<td>7,925</td>
<td>8,700</td>
<td>16,625</td>
</tr>
<tr>
<td>Displaced persons</td>
<td>61,854</td>
<td>5,200</td>
<td>67,054</td>
</tr>
<tr>
<td>Subtotal</td>
<td>69,779</td>
<td>13,900</td>
<td>83,679</td>
</tr>
<tr>
<td>Total Bosnia</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Refugees</td>
<td>88,039</td>
<td>120,350</td>
<td>208,389</td>
</tr>
<tr>
<td>Displaced persons</td>
<td>164,767</td>
<td>58,360</td>
<td>223,127</td>
</tr>
<tr>
<td>Total</td>
<td>252,806</td>
<td>178,710</td>
<td>431,516</td>
</tr>
</tbody>
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- In 1998 there were only 5,000 minority returnees to Sarajevo, which the West touts as a model of coexistence and tolerance for the rest of Bosnia. That was 75 percent fewer than targeted by the international community.\(^\text{14}\)

- Nearly 30 percent of Bosnia's postwar Croat population has left Bosnia.\(^\text{15}\) The remaining Croats now are only 9 percent of the population, or about half their prewar level.\(^\text{16}\)

Those trends point, not toward the reintegrated Bosnia that the Dayton Agreement envisions, but toward ethnic separation. As Kevin Mannion, former field officer of the UN's International Management Group in Bosnia, explained more than two years ago, "Returns of refugees are not going to happen, so why set impossible goals? We're trying to recreate something here that never really existed and most people never really wanted."\(^\text{17}\)

### The Clinton Administration's Harmful Inflexibility

Nevertheless, the Clinton administration insists that the Dayton Agreement will not be adapted to reality. "There will be no revision of the Dayton Accords," proclaimed Albright in September 1998.\(^\text{18}\) Unfortunately, that unwillingness to rethink the agreement is ill-conceived.
First, it ensures that Washington will continue spending billions of taxpayer dollars trying in vain to superimpose an imaginary Bosnia (united) over the real Bosnia (divided). The United States currently has 6,900 combat troops in Bosnia, plus 3,100 support personnel in Croatia, Hungary, and Italy, all trying to implement the Dayton Agreement. According to the chairman of the Senate Appropriations Committee, Ted Stevens (R-Alaska), the United States is currently "paying about half of the costs of the Bosnia peacekeeping operation."\(^{15}\) And the General Accounting Office estimates that Washington will have spent $10.64 billion on the operation by the end of fiscal year 1999: $8.58 billion for the military aspects and $2.06 billion for the nonmilitary aspects (Table 3).

Second, Washington's unwillingness to revise the Dayton Agreement may, in fact, be making things worse. Indeed, although its goal is to create a unitary, multi-ethnic Bosnian state, the agreement actually attaches a premium to voting along ethnic lines. That pattern has been repeated in election after election as voters cast ballots for hard-liners or self-styled "pragmatic" nationalists to counterbalance the perceived political power of their ethnic rivals, who, in turn, vote for nationalist candidates for the same reason. That circular logic is built into the agreement because it requires three ethnic groups, each of which fears the political ambitions of the other two, to operate under the fiction of a unified state. The political foot-dragging and stalemates brought on by upholding that fiction have crippled Bosnia's economic recovery and perpetuated the central role of nationalists in political discourse. In short, the Dayton Agreement is an impediment to economic and political reform because it artificially preserves an environment of perpetual confrontation and political insecurity.

### Table 3
Estimated U.S. Costs for Military and Nonmilitary Aspects of Bosnia Peace Operation, Fiscal Years 1996-99 (dollars in millions)

<table>
<thead>
<tr>
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<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Military</td>
<td>2,489</td>
<td>2,271</td>
<td>1,973</td>
<td>1,848</td>
<td>8,581</td>
</tr>
<tr>
<td>Nonmilitary</td>
<td>560</td>
<td>500</td>
<td>500</td>
<td>500</td>
<td>2,060</td>
</tr>
<tr>
<td>Total</td>
<td>3,049</td>
<td>2,771</td>
<td>2,473</td>
<td>2,348</td>
<td>10,641</td>
</tr>
</tbody>
</table>

Third, Washington's unwillingness to revise the Dayton Agreement ignores growing congressional and public impatience with the three-years-and-counting peacekeeping operation. The Clinton administration insists that withdrawing U.S. troops now would damage American prestige and probably lead to a resumption of war. But implementing the agreement in an increasingly imperious manner and calling it progress also may lead to the resumption of war. That, too, would damage American prestige.

The administration can avoid both of those possibilities by jettisoning its presumption that there are only two options for U.S. policy on Bosnia: adhere to the Dayton Agreement or cut and run. There is still time to pursue a third option: a negotiated three-way partition of Bosnia overseen by a European-led transition force. That may sound like a drastic solution, but it is far better than the collapse of peace that looms with the other two options.

**Before the Dayton Agreement**

Bosnia was one of the six republics that made up the Socialist Federal Republic of Yugoslavia, which began disintegrating in the summer of 1991 when the republics of Slovenia and Croatia declared their independence. Germany then paved the way for tragedy in Bosnia by officially recognizing the independence of the two breakaway republics and pressuring the other members of the European Union to do the same. As Misha Glenny explains in *The Fall of Yugoslavia*,

The death sentence for Bosnia-Herzegovina was passed in the middle of December 1991 when Germany announced that it would recognize Slovenia and Croatia unconditionally on 15 January 1992. So distressed was [Bosnian president] Alija Izetbegovic by this news that he traveled to Bonn in a vain effort to persuade [German chancellor Helmut] Kohl and [German foreign minister Hans-Dietrich] Genscher not to go ahead with the move. Izetbegovic understood full well that recognition would strip Bosnia of the constitutional protection it still enjoyed from the territorial claims of the two regional empires, Serbia and Croatia.²¹

Germany thought it was helping matters, expecting that that recognition would stem the tide of war. Instead, it exacerbated a volatile situation in Bosnia, which had
large minority populations of Croats and Serbs. When Bosnia's government declared independence from Yugoslavia in April 1992, both Serbs and Croats found themselves living adjacent to Croatia and Serbia, respectively, but governed by a Muslim-led regime. War broke out soon after and was fought among Bosnia's three major ethno-religious groups; Roman Catholic Croats, who made up 17 percent of the population; Eastern Orthodox Serbs, 31 percent of the population; and Muslims, 44 percent of the population. The Croat and Serb factions fought to break away from Bosnia and merge their territories with Croatia and Serbia, respectively. Bosnian Muslims, on the other hand, fought to maintain a unified, multiethnic Bosnian state in which they would be the largest ethnic group.

Although some of the most ferocious fighting during the Bosnian war was between the Muslim and Croat factions in 1993, the war between them formally ended in August 1994 with the signing of the U.S.-pressured Washington Agreements, which created the precarious Muslim-Croat Federation of Bosnia. Thereafter, both Muslims and Croats concentrated their firepower on the Serbs.

In October 1995, following U.S.-NATO bombing the month before, U.S.-led negotiations produced a cease-fire between the warring Muslim-Croat and Serb armies. Several weeks later, the Dayton Agreement was hammered out, and on December 14 it was signed in Paris. The agreement formally ended the war and instituted a new national constitution for Bosnia. According to that constitution, Bosnia is one country consisting of two "entities"--the Muslim-Croat Federation and the Republika Srpska--and has three copresidents--one Croat, one Serb, and one Muslim. As part of the settlement, it was also agreed that NATO would deploy 60,000 peacekeeping troops in Bosnia to implement the military aspects of the Dayton Agreement, such as segregating the warring factions and demilitarizing a buffer zone four kilometers wide between them. Twenty thousand of the NATO troops would be Americans.

**Bait and Switch in Bosnia**

In his November 1995 television address making the case for sending 20,000 U.S. peacekeeping troops to Bosnia to implement the Dayton Agreement, President Clinton assured the American public that the operation he was proposing had a "clear, limited, and achievable" mission and that the total troop deployment "should and will take about one year." The president also claimed, "If we leave after a year, and they [Bosnians] decide they don't
like the benefits of peace and they're going to start fighting again, that does not mean NATO failed. It means we gave them a chance to make their peace and they blew it.\textsuperscript{23} U.S. Deputy Secretary of State Strobe Talbott soon after added, "There will be no 'mission creep'--from purely military tasks into 'nation-building'" in Bosnia.\textsuperscript{24}

Throughout 1996 the Clinton administration continued to lead American voters to believe the one-year deadline was still intact. Even 10 months into the deployment, State Department spokesman Nicholas Burns adamantly denied that there were any plans to not withdraw American troops from Bosnia on time.\textsuperscript{25} As far as Americans were concerned, on the eve of the presidential election, Bosnia was a non-issue. Within two weeks of winning reelection, however, the president suddenly announced a change in his Bosnia plan. Eight and a half thousand U.S. troops would stay until June 30, 1998, another 18 months. Clinton said the policy shift was necessary to overcome an honest error on his part. "Quite frankly," he explained, "rebuilding the fabric of Bosnia's economic and political life is taking longer than anticipated."\textsuperscript{26} A few days later, Defense Secretary William Perry added, "One of the judgments, how long we need to be in there, has proved to be wrong. . . . Unlike the Pope, we are not infallible."\textsuperscript{27}

\textbf{"Benchmarks" and "Mission Creep"}

In December 1997, one year into the 18-month extension, the president traveled to Bosnia to announce that U.S. troops would not, in fact, be coming home by his June 30, 1998, exit date. But instead of setting a new exit date, the president said certain criteria, or "benchmarks," would have to be met in Bosnia before U.S. soldiers would be brought home. The first benchmark was that multiethnic political institutions would have to be created that were strong enough "to be self-sustaining after the military operation."\textsuperscript{28} He also said that an independent judiciary must be created and that the political parties must give up control of the state media, which he called "instruments of hate and venom."\textsuperscript{29}

Sen. Robert C. Byrd (D-W.Va.) later noted that requiring that such benchmarks be met before U.S. troops can be withdrawn "reads . . . like a nation-building strategy," not the purely military tasks the Clinton administration outlined in 1995. In fact, the idea that Bosnia must have multiethnic political institutions, an independent judiciary, and a free press before U.S. troops can exit is simply "a formula requiring the completion of
a new integrated democratic state. That is what nation-building is. I didn't buy on to that. The U.S. Senate has not bought on to that.\textsuperscript{30}

Responding to questions about the administration's decision to make the U.S. troop commitment in Bosnia open-ended, a senior Clinton administration official stated that it is "part of our strategy to convince the opponents [of Dayton] they cannot wait us out . . . . If they believe they can outlast the international community, then they will be hard to move."\textsuperscript{31} Albright later defended the president's decision, adding, "We set the [original one-year] deadline because we believed it. We didn't set the deadline just to fool the American people. That's the last thing we would do."\textsuperscript{32} But according to the memoirs of the chief U.S. negotiator at Dayton, Richard Holbrooke, it was obvious from the beginning that setting a deadline for U.S. troop involvement would give opponents of the Dayton Agreement the impression that they could "outwait" NATO. "Everyone closely associated with implementation knew this from the outset," writes Holbrooke.\textsuperscript{33}

**An Open-Ended Commitment**

Today, three years after the Dayton Agreement was signed, the United States has an open-ended, nation-building commitment in Bosnia. According to the top Western diplomat in charge of implementing the agreement, NATO troops will have to stay another 15 years.\textsuperscript{34} A senior U.S. official thinks it may take longer. "I'm sure that in 20 years, there will be a multiethnic state [like that called for in the Dayton Agreement, but the] lesson of the last two years is that you cannot force these things. They will just take time."\textsuperscript{35} Some analysts think those are overestimations, but when President Clinton visited Bosnia in December 1997, he asked a group of young Bosnians at a Sarajevo café, "What's the most important thing the United States can do?" "Stay!" cried out a young woman. Then a man added, "The next 50 years, please."\textsuperscript{36}

**A Rising Tide of Ethnic Violence**

Earlier this year the General Accounting Office noted that incidents of ethnic violence in Bosnia had "increased significantly."\textsuperscript{37} Indeed, over the past 18 months there have been dozens of bomb attacks, shootings, and acts of ethnic intimidation.\textsuperscript{38} In August 1997, for example, nearly 700 Muslim families who had returned to the Croat-controlled town of Jajce were expelled in one weekend.\textsuperscript{39} And
in April 1998 two elderly Serbs who had returned to Croat-
controlled Drvar to reclaim their home were murdered.
Soon afterward, hundreds of angry Serbs blocked Croat
refugees from attending Mass at a Catholic church in the
town of Derventa, trapping Cardinal Vinko Puljic inside
the church for several hours. The following day, 1,500
angry Croats went on a rampage in Drvar, burning down sev-
eral buildings and nearly beating to death the mayor, a
Serb elected by the town's absentee refugee population.
The crowd also set fire to the UN police headquarters and
attacked buildings housing hundreds of returning Serb
refugees. Two hundred NATO peacekeeping troops with
armored personnel carriers had to step in to restore
order.40

The same month, Bosnian Muslims fired automatic
weapons and exploded hand grenades in the Bosnian Serb
village of Svjetlica. Seven Serbs were injured in the
attack, and Serb residents retaliated by throwing stones
at the Muslim attackers, injuring three. The following
day Serb and Muslim crowds squared off, creating road-
blocks just a few hundred yards apart on the road linking
the Serb-controlled city of Doboj and the Muslim-controlled
city of Tuzla.41 Also in April, a rifle grenade damaged
the façade of a Catholic monastery in Muslim-dominated
central Bosnia just one week before Pope John Paul II's
visit to Sarajevo.42 In June a Bosnian Croat police offi-
cer in the central Bosnian village of Lovrici was killed
by a car bomb.43 Two months later a Croat police officer
was killed and another was injured in nearby Travnik when
a bomb planted in the parking lot exploded. It was the
ninth murder of a Croat in Travnik by unknown assailants.44

But the most severe violence has occurred in and
around the divided city of Mostar in the southwest corner
of Bosnia, where Muslims and Croats still live separately.
Mostar Croats continue to use Croatian money—the kuna—
rather than the new Bosnian currency. Their mobile phones
log on to the network run by the Croatian telecommunica-
tions utility, and mail is still likely to bear a stamp of
Herceg-Bosna, the Bosnian Croat statelet created during the
war.45 The city is so divided, says Ferid Pasovic, general
manager of Sarajevska Brewery, that "we sell in [Muslim]
east Mostar, but it's easier to sell our beer in Libya
than in [Croat] west Mostar."46

Cases of interethnic violence remain frequent in
Mostar, where there was a rash of bomb attacks earlier
this year. On January 2, 1998, an explosion in Croat west
Mostar damaged a shopping center and caused $65,000 in
damage.47 Four weeks later two bombs exploded, one in west
Mostar and one in Muslim east Mostar. In February the city registered six explosions. But the violence is not confined within the Mostar city limits. In October rocket-propelled grenades were fired at a Muslim house in Stolac, south of Mostar. It was the 15th explosion in the town in two months, and there have been more than 70 attacks against returning Muslim refugees this year. In the most serious incident outside Mostar, a group of 25 Muslims trying to return to their homes in Tasovcici in October were attacked by angry crowds. There were five explosions, two houses were set on fire, and a grenade killed one Muslim and injured five other people, including two Croat policemen. With gunfire reported in the village of Maslina and the imposition of NATO roadblocks in November, tension is said to be mounting in and around Mostar.

Separate Militaries

There are still three separate armed forces operating within Bosnia: one Croat, one Muslim, and one Serb. The United States is currently leading an international train-and-equip program aimed at strengthening and integrating the Federation's 70 percent Muslim, 30 percent Croat forces. American M-60 tanks and heavy artillery now are located outside Sarajevo, and retired U.S. military personnel are teaching the Muslims and Croats how to use the equipment. As of April 1998, the total pledges and contributions to the train-and-equip program amounted to $389 million, including $109.1 million from the United States. Unfortunately, reports the New York Times, after training, Croat and Muslim soldiers go back to their own units. The joint command does not function. The government of Croatia continues to finance, direct, and equip the Croat militia. . . . Sarajevo, aided by Islamic countries, is financing and building a parallel Muslim army.

Meanwhile, across the Inter-Entity Boundary Line, the Republika Srpska still maintains its own distinct army and independent command structure. As one senior NATO official has concluded, there is not peace in Bosnia, only an "absence of war."

The West's Undemocratic Democracy Mission

Frustrated with such evidence of entrenched ethnic separation and animosity, the West has begun resorting to
increasingly high-handed and undemocratic measures to force Bosnian Croats, Serbs, and Muslims to live under the fiction of one government. Today, in fact, thousands of aid workers, soldiers, and international diplomats run Bosnia as a virtual protectorate. According to the Soros Foundation's Sarajevo office, there are currently in Bosnia about 18,000 foreign nation builders whose presence provides one-third of the available jobs and accounts for one-third of the country's gross national product. Moreover, there are 32,000 troops from around the globe. Together, that international legion oversees reconstruction, provides security, and decides on everything from church construction to the colors of the national flag. As Christopher Bennett of the nonprofit International Crisis Group observes, "It's surreal. Every day, more foreigners pour in to do every conceivable task, and the more they do, the less the Bosnians do themselves."

**High-Handed High Representative**

With a staff of more than 300 specialists at his disposal, the top nation builder in Bosnia is Spanish diplomat Carlos Westendorp. Known as the High Representative, Westendorp is the international official in charge of implementing the Dayton Agreement for the Peace Implementation Council—the multinational body overseeing the peace plan. In December 1997 the Peace Implementation Council met in Bonn, Germany, and granted Westendorp a broad mandate to make decisions for Bosnian officials if they missed a series of deadlines. It also gave him the power to dismiss elected officials who resist his efforts to build a common government.

Westendorp, however, contends that he did not need the Peace Implementation Council's approval to begin making decisions for Bosnians and dismissing elected officials. In fact, the month before the Bonn meeting he told the Bosnian periodical *Slobodna Bosna*, "You see, if you read Dayton very carefully . . . Annex 10 gives me the possibility to interpret my own authorities and powers. Therefore I do not need anything new, in the legal sense. . . . If they want to give this to me in writing at the Bonn conference it would be the best, and if not, I am going to do it anyway." Westendorp went on to assert that, if Bosnia's elected officials cannot "agree about some decision, for example the passports, the license plates, the flag . . . I will stop this process of infinite discussions. In the future, it will look like this: I will give them . . . a term to bring a certain decision, that is to agree about some decision. If they do not, I
will tell them not to worry, that I will decide for them." 

When asked how Bosnia's elected officials might react to his dictates, Westendorp told the magazine, if they "show resistance towards the implementation of these decisions, and if they block Dayton systematically, I will ask for the resignation of those who are not cooperative." More bluntly, in a December 1997 interview with the Belgrade daily Nasa Borba, he explained to Bosnian officials, "So, if you do not agree, do not worry: I will do it for you. If you don't agree systematically, worry not again: I will liberate you from this duty." "Our job," summarizes Westendorp's deputy Jacques Klein, "is to turn a province into a country--sometimes, whether the people like it or not." 

Undemocratic Measures

Since the December 1997 Peace Implementation Council meeting in Bonn, Westendorp has been increasingly ruling by fiat. He imposed a passport on Bosnia on January 1, 1998, a currency design on January 21, and a national flag on February 4. Today he is working on the Bosnian national anthem. Westendorp has also exercised his power to dismiss elected Bosnian officials, recently removing Dragan Cavic, the number-two man in the hard-line Serbian Democratic Party (SDS), from his Republika Srpska assembly seat for making inflammatory statements about the crisis in Kosovo.

But Westendorp's dominion over Bosnian politics does not end there. According to The Economist, "Westendorp's power to meddle politically would make a coup-rigging CIA operative envious." For example, says the magazine, the election of Milorad Dodik to the prime ministership of the Republika Srpska, "was virtually engineered by his office, which had a whip on the floor of the Serb parliament when it happened." Moreover, Westendorp's staff directly participated in securing the outcome they wanted. As journalist Michael Kelly recounted a few days later in the Washington Post,

[Momcilo] Krajisnik's hard-line [SDS] Social Democrats and their allies, who control 39 of 83 seats, and the speaker's chair, had adjourned parliament late Saturday night and left the building in the hands of Dodik and 41 other . . . moderates. This left the moderates one vote shy of a majority. The missing vote was
held by a member who had left early to drive to Zagreb. . . . When [Westendorp's deputy Jacques Klein] heard about Dodik's situation, he requested NATO troops to intercept the missing delegate on the road and return him to the parliament. Now holding a one-vote majority, Dodik's supporters reconvened the parliament and voted in a new government while Krajisnik's forces slept.  

Westendorp's power over Bosnian politics still continues to grow. In April 1998 his office began creating a truth commission that will have the power to shut down radio and television stations and fine newspapers that it decides are engaging in reporting that undermines the implementation of the Dayton Agreement. Called the Intermediate Media Standards and Licensing Commission (IMSLC), the body will have an annual budget of $2.7 million, financed in part by the United States. The IMSLC is expected to be headed by a non-Bosnian, and half the 30-person staff will be foreigners. A U.S. State Department official has admitted that "there are obvious free-speech concerns," but Western diplomats hesitate to characterize the commission as the sort of censorship organ that has been used by occupying military powers in other contexts.

Westendorp is also contemplating a redesign of Bosnia's electoral laws so that in the future candidates will have to canvass for signatures outside their ethnic groups in order to appear on the ballot. That unseen procedure before the actual election, he hopes, will give moderates an edge because they will be able to get signatures from other ethnic groups, whereas nationalist politicians will not.

More ominous, Westendorp's deputy Jacques Klein contends that political engineering is not enough to reintegrate Bosnia. He says the international community must now help revise the educational system, too. He is convinced that Bosnians do not understand their own past. "[T]heir history is either a nationalistic history, a Marxist interpretation of history, or what's worse, is an anecdotal history. 'My grandfather told me,' 'my uncle told me.' That means their leaders are making political decisions based on very false historic premises." Accordingly, says Klein, the West must now undertake to relieve Bosnians of their ignorance. And in an October 14 report to the UN secretary-general, Westendorp announced that his office was continuing work on the implementation of the "Textbook Review Project" to remove "offensive materials" from textbooks used in primary and secondary
schools in Bosnia. There is also discussion now of creating a "historical commission," headed by a non-Bosnian to write the "official" account of the war.

Westendorp's high-handed actions have caused Western officials to worry. Some question the correctness of his methods. "It troubles me," concedes one Western official, "I mean, here we are with 32,000 foreign soldiers demanding that a country do what we want." Another concern is that Westendorp's power seems to have no limits. As one of his top aides has admitted, "We do not know what we can't do." Still other Western officials worry that Westendorp's power has not always brought competence. Earlier this year, thousands of Westendorp-approved Bosnian passports had to be destroyed after a glaring grammatical error was discovered in the Serbo-Croat case endings. Furthermore, a $17.5 million program to create a non-nationalist television station collapsed when Westendorp fired the news editor and one-third of the local staff. Last, some Western officials wonder whether the national symbols and joint institutions that Westendorp is superimposing on Bosnia represent durable progress or are the superficial window dressings of a failing peace plan.

More Political Engineering

High Representative Westendorp, however, is not alone in his political engineering in Bosnia. According to the New York Times,

In many towns foreign officials disregarded the [1997 municipal] election results somewhat and ordered that the minority groups have enough seats on the local council to feel secure that the government would not abuse them. . . . Distributing power this way runs counter to the Bosnian political philosophy of winner take all. . . . It also, foreign officials concede, violates Bosnian law. But the 1995 Dayton Peace Agreement supercedes all Bosnian laws and increasingly Western governments are interpreting that agreement to impose their views of how the country should be run."

The Clinton administration, too, has been political engineering. It began by openly backing self-described "pragmatic" nationalist Biljana Plavsic, the moderately pro-Dayton president of the Republika Srpska. In the summer of 1997 armed NATO forces helped Plavsic purge police-
men loyal to the hard-line SDS from stations in and around her stronghold of Banja Luka in northwest Bosnia. In October 1997 NATO forces seized four important television transmitters controlled by the SDS after their operators refused to stop airing anti-Plavsic propaganda and criticizing the international organizations involved in implementing the Dayton Agreement. By December the Clinton administration had initiated an $88 million loan package aimed directly at strengthening Plavsic's support. It is crucial that the people who support Plavsic see there are benefits from doing so. This money is very carefully targeted; these are her towns," explained a senior administration official.

As the September 1998 elections approached, however, Plavsic faced a tough reelection challenge from hard-line nationalist candidate Nikola Poplasen. Albright traveled to Bosnia two weeks before the election to try to buy support for Plavsic. Highlighting the economic benefits Bosnian Serbs would receive if they voted the way Washington wanted, Albright explained that the election offered a "clear, consequential choice," that Bosnian Serbs could "decide whether this country will be a country that prospers from trade and investment or a country that stagnates in isolation."

Signs of a Backlash

International officials began to panic when it became clear that Plavsic would be defeated by Poplasen and that hard-liners had won many other races. "It does not look good. . . . This is not what the international community wants," exclaimed one Western official. Following the close of polling, the Organization for Security and Cooperation in Europe, the international body that supervised the elections in Bosnia, abruptly postponed releasing early results, prompting Serb allegations of vote tampering. The OSCE also disqualified nine Poplasen allies running either for the Bosnian national parliament or the Republika Srpska assembly for violating election rules by appearing in a television interview over the election weekend.

What is worse, Western officials began discussing the option of disregarding the election results altogether. Speaking anonymously, one Western diplomat said that extreme measures were a possibility. Specifically, he suggested that High Representative Westendorp might turn Bosnia into an outright protectorate. Another plan considered would have divided the Republika Srpska into five
cantons, thereby salvaging a political stronghold for the defeated U.S.-backed candidate. Although neither plan was adopted, Plavsic's allies still hope that the West will do something to return them to power. Prime minister Milorad Dodik, for example, noted that, under the constitution, Poplasen will have two attempts to form a coalition government in the Republika Srpska assembly. If he fails, fresh elections will have to be held. "I expect a parliamentary crisis here and hope for more support from the U.S.," says Dodik.

Ultimately, Plavsic's defeat was not surprising. Indeed, toward the end of the campaign, she complained that hard-liners were naturally exploiting Serb fears of foreign manipulation, "blaming us for too much cooperation" with Washington, she explained. Needless to say, Washington's votes-for-dollars scheme backfired. As one analyst concluded following the election, "The policy of handing out cash and expecting Serbs to implement Dayton is now bankrupt."

But some Western diplomats tried to put their best "spin" on Plavsic's defeat, claiming that the election produced a "mixed bag" because Serb nationalist Momcilo Krajisnik was not reelected to Bosnia's collective presidency. U.S. special envoy Robert Gelbard, for example, claimed that "movement among the Bosnian Serbs was totally in favor of those who support implementation of the Dayton Agreement and against the hard-liners, including the really important victory of Zivko Radisic [leader of the Socialist Party of the Republika Srpska] over Momcilo Krajisnik." But Gelbard's analysis is either strangely ill-informed or especially misleading; it ignores the fact that Krajisnik's defeat was not a repudiation of his nationalist politics by Serb voters but a reaction to his ties to organized crime and possible involvement in the murder of a senior Serb police chief. It also ignores the fact that Krajisnik would not have been defeated without the 200,000 or so votes against him from Muslim refugees living outside the Republika Srpska.

Economic Paralysis

Shortly after the Dayton Agreement formally ended the fighting in Bosnia in late 1995, the World Bank announced it would raise $5.1 billion in reconstruction aid. Concerned with securing large pledges from the U.S. and other Western governments, bank officials claimed that the breakaway Yugoslav republic was intent on privatizing its economy as soon as possible. Bosnia was expected to
respond quickly to privatization, explained the bank's director for Central Europe, Kemal Dervis. "This is not an economy like the former Soviet republics," he assured skeptics. "Yugoslavia was halfway to the market when the war started."  

Three years and $4.35 billion in reconstruction aid later, Bosnia has yet to privatize any significant part of its economy. In fact, officials at the International Finance Corporation, an arm of the World Bank, report that the number of privatized companies in Bosnia is negligible. "It is closer to zero percent, than one percent," explains Richard Rutherford, the principal investment officer with the International Finance Corporation in Europe.

Ethnic Politics and the Economy

The primary obstacle to privatization in Bosnia has been political foot-dragging. Many Bosnian officials are resisting privatization in order to protect a highly bureaucratic system of jobs and privileges, and to keep control away from their ethnic rivals. In most cases the heads of Bosnia's major state-owned enterprises are also members of the local ruling political party. For example, the main utility in the Federation, Elektroprivreda, is run by Edhem Bicakcic, vice president of the main Muslim party, the SDA. In the Republika Srpska, the major public utilities and largest companies are run by SDS leaders: in Brcko, for instance, the local telecom is headed by SDS president Mladen Bosic, the local furniture factory is run by SDS official Bosko Maricic, and the Brcko Electric Company is run by a former SDS party chairman.

NATO Funds the Nationalists

Ironically, because so much property in Bosnia is still government owned, NATO peacekeepers are paying in rent for buildings and land millions of dollars that are winding up in the coffers of Bosnia's nationalist political parties. In fact, the United States, Great Britain, Germany, and other NATO countries may be paying as much as $40 million a year to rent space from government-owned companies in Bosnia. That money is then pocketed by the nationalist party that happens to exercise control over the local or regional government and its institutions. "Every important manager of these [government-owned] companies is appointed by the political parties," explains UN economist Didier Fau, and "they do what they are told."
Still, NATO officials claim that they pay rent only to private companies. But an October 1998 report in the New York Times found that "interviews with company and local government officials, as well as financial experts working for Western governments in Bosnia . . . indicate that much of the [rent] money is going to the Bosnian . . . governments, which funnel it to political parties." The following are some examples of rent payments made by NATO allies:

- The Bosnian company that received the most rent from the United States was paid $1.4 million for space at a coal-processing plant. The company's director, Pasaga Muratovic, says that the company is owned by the Federation government.104

- The U.S. Army reports that it paid about $744,000 in rent for space at a private mining site. But Sakib Dizdarevic, the mine's director, says that the company is owned by the Federation government and that the rent payment was nearly three times what the U.S. Army claims.106

- The headquarters of the British Army in Bosnia is located in an unused sheet metal factory near the town of Banja Luka. The financial director of the factory, Milo Milovanovic, says that the factory is owned by the Republika Srpska government.107

- In the town of Sipovo, the deputy mayor, Mile Bosnjak, said early in 1998 that all the rent paid by British forces for an abandoned textile factory was transferred directly from the factory's bank account to the Republika Srpska government.108

- Records of the German Army show that it paid $2.5 million last year to rent warehouses from a Sarajevo company owned by the Federation government.109

What is puzzling about NATO's rent payments to government-owned companies in Bosnia is the obvious contradiction. NATO allies are effectively subsidizing the very nationalist political parties that Western officials consider the principal obstacles to peace in Bosnia. As High Representative Westendorp has asked, "How can they pay money to these people when we are supposed to be here promoting democracy?"110

International aid money is also playing a key role in entrenching the power of Bosnia's nationalist politicians. The World Bank, for example, funnels all of its money
through the Bosnian central government in Sarajevo. Since the government is dominated by members of nationalist parties on all three sides, the money passes through their hands. As former international aid official John Fawcett predicted in 1996, the nationalists "will end up by dominating not only Bosnia's political life but its economic sphere as well." Moreover, the New York Times recently editorialized that civilian reconstruction in Bosnia has left a lot to be desired. "Local politicians, for example, have been able to control the distribution of aid, encouraging corruption, discouraging self-help, and reinforcing ethnic parties."

A Failure to Privatize

Some gestures toward privatization in Bosnia have been made. The first privatization package is supposed to be implemented in the Federation in the spring of 1999 and is to cover about 2,000 small properties and businesses, such as apartments, shops, and hotels. The public will be issued vouchers, which can be used either to buy state-owned apartments or to buy shares of state-owned businesses.

But the plan is still mired in disputes between Muslims and Croats over the share of vouchers each will receive to pay off more than $4 billion in war debts and back wages owed the veterans of their respective armies, which fought against each other from 1992 to 1994. Muslim critics, such as Bosnian co-prime minister Haris Silajdžić, also say they oppose the plan because it will be carried out at the entity level, rather than the national level. That will reward wartime conquest, he contends. "[It] will be just a division of the war booty and nothing more." In addition, Silajdžić says he worries about the impact privatization will have on inefficient, but job-intensive, state-owned enterprises. Regarding the Zenica steel plant, for example, he asks, "What do you do with 10,000 workers? I don't want to revive a socialist failure. But you can't simply abolish these companies."

Some Westerners, however, are not convinced. According to one senior U.S. official, the Bosnian Muslims "have been tremendously obstructionist in blocking . . . transparent, honest privatization laws . . . because they find it a lot easier to sit back and enjoy the benefits of international economic aid . . . [and] because they basically believe in state control and party control."
The prospect for privatization in the Republika Srpska looks even worse. According to Mirsad Kurtovic, Bosnia's minister of foreign trade and economic relations, the soonest the Republika Srpska could begin privatizing is 2001. Without large-scale privatization, however, there is little prospect for real economic growth and foreign investment in either the Republika Srpska or the Federation.

**Bosnia's Entrenched Socialist Legacy**

Another obstacle to economic growth in Bosnia is the legacy of bureaucratic socialism. The same functionaries who ran things before the war are still running things today. Other remnants of the socialist era--onerous taxes and regulations--also continue to thwart business start-ups and foreign investment. "Things are still so rigidly controlled here that many businessmen can't get off the ground even if they have money and ideas," explains one reconstruction expert. Take the case of Morgon Sowden. Sowden, a British citizen, founded the popular Internet Café in Sarajevo but was forced to close his business recently after confronting exorbitant taxes, burdensome bureaucracy, and multiple layers of regulations. As the Los Angeles Times reported,

Already well-versed in doing business in Eastern Europe after a stint in Prague, Sowden took an early gamble on Bosnia. Arriving just a month after the war ended, he expected hardships. . . . What he did not expect was layer upon layer of bureaucracy and the seemingly deliberate way the government had of making it impossible and expensive to do business. Make that governments, plural. In its post-war development . . . Bosnia has created jurisdictions at the city, canton, entity and state . . . levels, each of which has some form of taxation and regulatory powers. Because it's all new, laws at different levels sometimes contradict one another and are extremely complex. As a consequence, Sowden recently found himself hit with a retroactive tax bill going back to 1996. Authorities simply changed their minds about whether a particular duty was applicable to his business. . . . He was also assessed a payroll tax equal to a full 85 percent of his employees' salaries and seven taxes on alcohol totaling roughly 20 percent, and he must pay 36 to 51 percent tax on his profit annually--in advance. . . . Rather
than continue to fight the bureaucrats and lose money, Sowden has decided to hand the popular café over to his 25 employees and walk away.120

Another small business owner, New Yorker Bethany Lindsley, opened Sarajevo's first Tex-Mex restaurant, but she too complains of cost-prohibitive taxes and reams of regulations that do not allow her to make changes as simple as paying her employees weekly instead of twice monthly. "These problems are not from the war," she explains. "It's communism."121 Similarly, Branimir Lalic, the assistant vice president for McDonald's Europe, complains that Bosnia's socialist legacy has overpriced Sarajevo real estate. Most of the property is still controlled by the government, he says, and in some cases prices are higher than in downtown Geneva.122 McDonald's has since closed down its operation in Bosnia.123

The West Is Rebuilding Socialism

Bosnia's ongoing failure to implement a viable privatization plan and to reform multiple layers of taxation and bureaucracy has had a disastrous economic impact. Although Bosnia's economy is expected to grow 25 percent in 1998, most of that "growth" reflects an influx of billions of dollars in international aid and the purchasing and employment power of a civilian army of nation builders, not an expanding national economy.124 Bosnians may be building bridges and roads with aid money, but that activity only masks the underlying sickness of their economy. "There's really no economic growth," admits Peter Hanney, head of private business development for the Office of the High Representative. "There's no job creation."125

The reality is that Bosnia is in an economic coma. Most state-owned businesses are struggling to stay open. Many are completely dormant. Unemployment, which fell immediately after the war, did not improve in 1997. According to official government estimates, 60 percent of Bosnian workers are unemployed today, but the actual unemployment rate may be as high as 80 percent.126 Meanwhile, 50,000 to 60,000 of the Bosnians who are employed work for one of the 463 reconstruction and humanitarian organizations currently operating inside the country.127

Bosnia's resistance to privatization and bureaucratic reform, of course, was well known in December 1997 when President Clinton informed American taxpayers that they would have to pay for an open-ended military presence in
Bosnia. The question today is, What have Washington's three-year-old military operation and billions of dollars in aid produced? Ironically, after fighting the Cold War for 40 years, the United States now finds itself preserving and subsidizing the institutional remnants of a defunct communist state. As one U.S. official noted, "The goal is not to rebuild a socialist economy" in Bosnia. Unfortunately, that is what has been occurring. In fact, a newly released economic study of 161 nations ranked Bosnia's the seventh least free economy in the world, right behind those of Somalia, Iraq, Laos, Libya, Cuba, and North Korea.

**International Aid and Corruption**

By October 1998 the international community had pledged more than $4 billion toward the World Bank's $5.1 billion Bosnia reconstruction program, to which the United States has already pledged more than $1 billion. Unfortunately, allegations of corruption began surfacing soon after the aid began flowing into Bosnia. Indeed, just six weeks after the Dayton Agreement was signed, the Western media were reporting that local Bosnian authorities were trying to impose arbitrary "taxes" on humanitarian agencies delivering aid to refugees. "Anything we buy, we have to pay a war tax of 10 percent. We have built housing for refugees, and they're telling us, 'you have to pay for the water and electricity that your refugees are using,'" said Kevin Mannion, a field officer for the UN's International Management Group, the agency that oversees much of the World Bank's spending in Bosnia. "We're trying to tell them, 'Don't be so corrupt, or at least don't be so open about it,'" explained one agency head who dealt extensively with municipal officials. "Every time you go into a place with a development project, the first thing the mayor wants to know is when he gets his new Mercedes."

Several months later, the Washington Post reported that it was commonplace to skim off the river of aid money streaming into Bosnia:

The World Bank, for example, is funding a health project through a Bosnian company that is buying medicine at two to three times the market price, a senior Western aid official said. The difference, he said, is going into Bosnian pockets. Bosnian officials are [also] trying to tax every aid project they can find. The European Union, for example, is giving Bosnia millions of dol-
lars' worth of equipment. In theory, the EU should not have to pay customs duty on the goods. But Bosnia's Customs Department is unwilling to process the goods quickly and suggests instead that the EU contract with "private" Bosnian companies, run coincidentally by off-duty Customs officials, to clear the paperwork. All, of course, for a hefty fee.\textsuperscript{134}

By 1997 it was becoming clear that rampant fraud surrounded the international aid program. Millions of dollars of international aid sent to Bosnia to finance reconstruction and bolster the shattered country's fragile peace had gone astray. Much of the money, reportedly, had "been siphoned into private organizations and personal bank accounts by corrupt members of the Balkan state's multi-ethnic leadership."\textsuperscript{135}

Western officials, too, were becoming more concerned with the situation. "There's no clean accounting, there are no open accounts. It's deplorable," lamented one Western diplomat in Sarajevo, adding, "It's really a miserable situation in which everyone is hiding how much they are spending because they are in effect preparing for the next war."\textsuperscript{136}

By July 1997 allegations of fraud and corruption had become such a problem that British foreign secretary Robin Cook traveled to Sarajevo to discuss that and other issues with Bosnia's collective presidency. On the eve of his arrival, reports were circulating in the Bosnian capital that as much as $150 million of World Bank assistance was missing. During his meetings with Bosnia's three presidents, Cook said that the rampant corruption had to stop, and he cited their failure to publish proper accounts of where two and a half years of international aid had gone. "You must understand that neither our patience nor our resources are unlimited," he told them pointedly.\textsuperscript{137}

Cook's scolding apparently had little effect. By March 1998 a delegation of Bosnian parliament members informed British officials and auditors that nearly $600 million in aid given by the United States, the European Union, and the United Nations had been embezzled since the Dayton Agreement was signed. Much of the fraud was conducted with the foreknowledge and cooperation of ministers and senior government officials in Bosnia, they added. They also reported that "tens of millions" of dollars sent to Bosnia for industrial reconstruction had gone into the pockets of government officials, mafia bosses, and criminals.\textsuperscript{138}
In November 1998 U.S. diplomat Richard Sklar reportedly stated, "All politicians in Bosnia-Herzegovina are corrupt." In an unusually insolent letter, Bosnia's top Muslim officials, the chief beneficiaries of U.S. aid dollars, promptly declared Sklar a liar, challenging him to come up with specific names or "get off our backs." Sklar then backpedaled, but only so far: "I never said all politicians in Bosnia-Herzegovina are corrupt. I said they tolerated the failure of privatization and corruption. Corruption exists. . . . All three national [army] corps tolerate corruption. Perhaps some politicians are corrupt [too]."

Compromising U.S. National Security

The costs associated with the Bosnia peacekeeping mission are not only financial. It and other noncombat operations around the globe threaten to diminish U.S. national security by keeping military personnel away from combat training for months and creating an operations tempo that undercuts U.S. military readiness. In fact, over the past decade, the U.S. Army has been used in 29 significant overseas operations, compared with 10 over the preceding 40 years. The strain of that operations tempo on a shrinking force has shown up in negative trend lines across all military services across various readiness categories.

Noncombat Distractions

Responsibility for peacekeeping in Bosnia has been shifted to Ft. Hood's First Cavalry Division--one of the premier U.S.-based combat divisions--to relieve the European-based units that have carried out most of the mission so far. But the move to deploy a large portion of a first-tier Army division on a noncombat operation has raised concerns on Capitol Hill. "The Army is disassembling one of its most ready, most fearsome war-fighting divisions," explained a member of the staff of the House National Security Committee. "The action shows how the requirements of Bosnia are detracting from the military's ability to do high-intensity conflicts."

Bosnia and other overseas operations have also caused the Air Force's readiness to slip. For instance, the Air Force units that fly over Bosnia and the Persian Gulf have priority for plane rotation, support equipment, and pilots. As a result, fighter squadrons based in the United States are at their lowest readiness level in years. In 1992, 86
percent of U.S.-based fighter jets were designated "mission capable." Last year only 75 percent were.

**Bosnia Mission Damages Retention and Recruitment**

Even more worrisome, there is mounting evidence that peacekeeping and other noncombat operations have adversely affected the retention of soldiers, sailors, and pilots. The Pentagon reports that first-term soldiers assigned to peacekeeping in Bosnia generally reenlisted at the same rate as their American counterparts stationed elsewhere in Europe during fiscal year 1997: 57.6 and 57.8 percent, respectively. But first-termers in Bosnia were offered a tax-exempt reenlistment bonus, which artificially inflated their retention rate. The gap between retention rates for midcareer soldiers stationed in Bosnia and elsewhere was more noticeable. Those stationed in Bosnia reenlisted at a rate of 70.2 percent in fiscal year 1997, compared with 76.3 percent for their American counterparts stationed elsewhere in Europe.

Or take the U.S. Air Force. Since 1996 the Air Force has performed hundreds of peacekeeping missions in 11 countries, including Bosnia. Those mundane and repetitive missions have negatively affected pilot morale because there is no compelling national interest to keep them motivated. "We're not really fighting the country's wars; we're just acting like the world's policeman," explains one pilot who served in both Bosnia and Saudi Arabia. This year nearly 45 percent of eligible Air Force pilots did not renew their service contracts, a dramatic increase from 14 percent in 1994. Such an anemic retention rate cannot long be sustained without compromising U.S. military readiness. In fact, last year the Air Force had 45 fewer pilots than needed. That number has grown to 700 this year and is expected to reach 2,000 by 2002.

At the same time, there is increasing evidence that peacekeeping operations—in contrast with traditional national defense—deter prospective recruits from joining the military. The U.S. economy is strong and has plenty of private-sector jobs. Replacements, therefore, are not refilling the military's shrinking ranks. In fact, both the Navy and the Air Force failed to meet their recruiting goals for fiscal year 1998. The Army was more successful, but only because its recruiting objective was significantly lowered and because it pulled forward into late 1998 some enlistees who were previously contracted to join in early 1999. Navy recruitment was short of its annual target by
13 percent, and it was recently reported that the Navy has 18,022 too few sailors at sea.\textsuperscript{154}

Unfortunately, the recruitment problem is likely to worsen with the current demographic downturn in the prime recruiting pool: males between 18 and 21 who are physically fit high school graduates and who score in the upper half on the military's standardized entry examination. At present that population down 15 percent from the mid-1980s.\textsuperscript{155}

\textbf{An Alternative to the Dayton Agreement}

Given the political and economic failures of the Dayton Agreement, and the West's increasingly high-handed efforts to implement it, the United States should rethink its self-appointed role as peacemaker and extricate its troops from Bosnia before readiness, retention, and recruitment problems become acute. American policymakers should also be concerned about how the spiraling costs of the Bosnia peacekeeping operation, combined with the administration's exit date vacillations and obvious "mission creep," may be compromising U.S. national security by hazardously eroding the American public's willingness and resolve to intervene elsewhere in the world should the United States' vital interests be truly threatened.

A more viable and prudent U.S. policy now would be to encourage Europeans to take lead responsibility for Bosnia. The first step would be to convene a "Dayton II" conference that recognizes the reality that has existed on the ground in Bosnia for three years--ethnic separation. That conference could be organized by the European Union, the Organization for Security and Cooperation in Europe, the Dayton's Agreement's Peace Implementation Council, or an ad hoc international summit. Its responsibilities would be to work out the details of formalizing Bosnia's de facto partitions and to update the agreement's arms control, demilitarization, elections, and human rights provisions.

On the military side, arrangements could simultaneously be made to replace NATO's current 32,000-strong Stabilization Force (SFOR) with a European Force (EFOR) to oversee the transition.\textsuperscript{156} The EFOR operation could be conducted with Western European Union troops with, perhaps, a prominent eventual role for the Southeast European Brigade, a new regional security initiative being developed by seven NATO and non-NATO countries in or near the Balkans.\textsuperscript{157} With a few exceptions--such as providing logistics support, cargo airlift and sealift, and space-based communications
and intelligence--U.S. forces could be extracted from Bosnia before the Dayton Agreement's fourth anniversary in December 1999.

There are, of course, understandable moral objections to formal partition; critics point out that it would reward "ethnic cleansing" and allow separatism to prevail over multicultural cosmopolitanism. Ideally, the people of Bosnia should enjoy equal rights regardless of such incidental factors as religion or ethnic background, and it is an exceptional tragedy that they have refused to uphold that principle. But a multiethnic Bosnia in which liberal toleration is practiced is not a realistic expectation; there is simply too much enmity and suspicion on all sides. Sometimes even an ugly divorce is preferable to preservation of a futile and destructive marriage especially when the union was forced. Moreover, there are increasing academic research and statistical evidence suggesting that post-ethnic-war partition, although distasteful to Western sensibilities, generally saves more lives than does forced unity and reduces the influence of political extremists.158

Another objection to partition expressed by supporters of the Dayton Agreement is that things really are not so bad in Bosnia. Barbara McDougall of the International Crisis Group, for example, dismisses much of the violence and political opposition to reintegration as nonrepresentative of the general population, noting that "the 'civil' disturbance [in Drvar in April] was carried out by men of military age with hand-held communications equipment and concealed weapons; many of them were clearly identifiable as coming from hard-line Croat towns well outside the region."159 McDougall's view, however, is just as simplistic as dismissing Bosnia's ethnic tensions as the inevitable product of "ancient hatreds." It is easy, yet quite incomplete, to blame hard-liners. What McDougall overlooks is that the political insecurity that incited hard-liners to violence in 1992 still exists in Bosnia. Moreover, the perpetual confrontation created by forcing Croats, Serbs, and Muslims to live under the fiction of a unified state simply preserves that political kindling for the next conflagration.

Some defenders of the Dayton Agreement respond that partitioning Bosnia will not work either. David Bosco, an analyst with the Geneva-based Refugee Policy Group, for example, argues that while the Serb and Croat areas of Bosnia could survive by joining or confederating with Serbia and Croatia, respectively, what "is difficult to conceive is a small [independent] Bosnian Muslim state.
... This entity would be economically stillborn, politically bitter, and a constant source of tension in the region.\textsuperscript{160}

But those descriptions aptly apply to all of Bosnia today: economic growth is artificial, the vast majority of voters still will not cast a ballot for a candidate from another ethnic group, and nationalist political parties continue to dominate the political arena. With a negotiated partition overseen by a European-led transition force, however, Bosnian Croats, Serbs, and Muslims would be able to escape the current atmosphere of chronic political confrontation and nationalist rancor and concentrate on rebuilding normal lives.

Most important, a negotiated partition is the last, best chance to create a relatively stable environment that will allow for the timely departure of U.S. military forces from Bosnia without unleashing chaos. Absent a negotiated partition, one of two things likely will happen: either American (and European) troops will be stuck in Bosnia indefinitely upholding a Potemkin state, or congressional and public patience will run out, U.S. troops will be abruptly withdrawn, and Bosnia will collapse back into war. Each of those outcomes would be an ignominious end to the Dayton Agreement.

Notes


3. See R. Jeffrey Smith, "Bosnians to Decide on Path toward Future," Washington Post, September 12, 1998, p. A21. Smith's own experience as an observer of the September 1998 Bosnian elections confirms that many refugee voters would react in disgust when they received a ballot that did not have candidates from their own ethnic groups listed. In some cases ballots were declined or crumpled and discarded.


5. It should be noted, however, that the allocation of armaments applies only to the quantity, not the quality,
of weapons, and that the Muslim-Croat Federation has weapons that are superior to and more up-to-date than those of the Republika Srpska.


7. One veteran of the European Community Monitoring Mission in Bosnia observed that "something as basic as playing interethnic football remains totally beyond the scope of most people's toleration. . . . there are now three separate football leagues—one for Muslims, one for Croats, and one for Serbs—and in many places former clubs can no longer use their old stadia because they are now located on the wrong side of an artificial monstrosity called the 'Interentity Boundary Line' (IEBL). Two Serb football referees sitting at a bar outside Sarajevo summed up the whole situation rather well: 'When you spend four years seeing someone through gun sights you cannot [then] play sport with them. Maybe our grandchildren will, but not us.'" Brendan O'Shea, Crisis at Bihac: Bosnia's Bloody Battlefield (Phoenix Mill, United Kingdom: Sutton, 1998), p. 233.


10. Smith, "Bosnians to Decide on Path toward Future."

11. Mearsheimer.


16. Buchan, "Bosnia Struggles to Find Formula That Will Make Old War Wounds Heal."


29. Quoted in ibid.


32. Quoted in Carter.


35. Quoted in Smith, "How Far Off Is 'Self-Sustaining' Bosnian Peace?"


39. Bosco, p. 70.


46. Quoted in ibid.


55. Hedges, "Dayton Peace Accord Meets Bosnia Stalemate."

56. Quoted in ibid.


58. King.

59. Quoted in ibid.

60. Ibid.

61. Ibid.


64. Quoted in King.


69. Ibid.


71. Shenon.

72. Ibid.

73. Ibid.

74. "Europe: The Protectorate."

75. "Foreigners Still Involved in Bosnia."


79. Quoted in "Europe: The Protectorate."

80. "Carlos Westendorp, Bosnia's Euro-Spanish Viceroy."

81. "Europe: The Protectorate."

82. O'Connor, "On Local Level, at Least, Bosnians Try to Get Along."

83. That policy direction was predicted by a number of analysts. See, for example, Ted Galen Carpenter and Amos Perlmutter, "Strategy Creep in the Balkans," National Interest, no. 44 (Summer 1996): 53-59.


85. Quoted in ibid.

87. Quoted in ibid.


92. Ibid.


94. Quoted in Smith, "Dollar Diplomacy in Bosnia."


102. O'Connor, "Political Parties Opposed to Bosnia Peace Get Millions in Rent from NATO."

103. Quoted in ibid.

104. Ibid.

105. Ibid.

106. Ibid.

107. Ibid.

108. Ibid.

109. Ibid.

110. Quoted in ibid.

111. Quoted in Pomfret.


115. Quoted in Buchan, "Trappings of Fragile Statehood."


120. Tracy Wilkinson, "Bureaucracy, Corruption Plague Foreign Investment in Bosnia," Los Angeles Times, March

121. Quoted in ibid.

122. Ibid.

123. Giacomo.

124. Buchan, "Trappings of a Fragile Statehood."


127. Ibid.

128. Quoted in Smith, "How Far Off Is 'Self-Sustaining' Bosnian Peace?"


131. Nevertheless, in late 1997 High Representative Carlos Westendorp and others denied that any reconstruction aid had been used inappropriately by the Bosnian or entity governments. But the General Accounting Office has warned, "We did not conduct an investigation to obtain information to support or refute [Westendorp's] claims." General Accounting Office, "Bosnia Peace Operation: Pace of Implementing Dayton Accelerated As International Involvement Increased," p. 137.


133. Quoted in ibid.

134. Pomfret.

136. Quoted in ibid.


140. Quoted in ibid.


145. Department of Defense, Information papers and cover letter on Army recruitment and retention, November 9, 1998.


147. Moreover, since 1992 the Air Force has flown more than 500 humanitarian missions to the former Soviet Union, and it still flies over 70 percent of the air patrols over Iraq. See ibid.

148. Quoted in ibid.

149. Ibid.


153. Ibid.


155. Sullivan.

156. The idea of an EFOR operation has been raised by a number of analysts. See, for example, Marie-Janine Calic, "Post-SFOR: Towards Europeanization of the Bosnia Operation?" in The Issues Raised by Bosnia, and the Transatlantic Debate (Paris: Western European Union Institute for Security Studies, 1998), pp. 10-22; and Robert Hunter, "Balkan Challenge to the European Security and Defense Identity," in Italy and the Balkans (Washington: Center for Strategic Studies, 1998), pp. 79-86.

157. The Southeast European Brigade, or SEEBRIG, came into existence on September 26, 1998, when the defense ministers of seven southeastern European countries met in Macedonia to sign a pact creating a multinational military force to be used for peacekeeping or aid operations in the Balkans and elsewhere. Three NATO allies—Italy, Greece, and Turkey—joined Albania, Bulgaria, Macedonia, and Romania in creating the force, which will be a brigade with 3,000 to 4,000 troops divided into 14 companies by the time it is ready sometime next year. The seven countries, along with observer members Slovenia and the United States, are part of what is called the Southeastern European Defense Ministerial, a cooperative forum launched by former secretary of defense William Perry in 1996 as a way to promote military cooperation in southeastern Europe and stability in the Balkans.

158. See, for example, Chaim Kaufmann, "When All Else Fails," International Security 23, no. 2 (Fall 1998): 120-56; Daniel Byman, "Divided They Stand: Lessons about Par-


160. Bosco, p. 66.