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House Committee on Foreign Affairs

May 17, 2017

The Balkans: Threats to Peace and Stability

Mr. Chairman and members of the Committee, thank you for inviting me to share some thoughts with you on the current situation in southeastern Europe. I will focus my remarks on four issues—the current crisis of Balkan democracies; the dangers inherent in opening a Balkan front in the New Cold War; the need to improve the economies of the Balkan states; and the challenge of confronting Islamist terrorist groups in southeastern Europe.

### *A Region in Turmoil—The Weimar Era in Balkan Democracy*

At this point it is fair to say that most Balkan countries are in a phase similar to the Weimar years in Germany in the 1920s and 30s, insofar as we are dealing with a collection of countries with weak democratic institutions, depressed economies, and high levels of popular dissatisfaction.

The evidence that progress on building democratic institutions and advancing political rights and civil liberties in the region either came to a halt or regressed over the past decade is substantial. The Economist Intelligence Unit's *Democracy Index 2016*, for instance, shows that of the nine countries in southeastern Europe (Albania, Bosnia & Herzegovina, Bulgaria, Croatia, Kosovo, Macedonia, Montenegro, Romania and Serbia), only one (Bulgaria) showed any improvement, one (Albania) showed no improvement, and the remaining seven all regressed in terms of their democratic development.<sup>1</sup> Other democracy monitoring organizations, such as Freedom House and the Bertelsman Transformation Index have similarly shown significant democratic backsliding in the Balkans since 2008.

As one European diplomat with significant Balkan experience, the Slovak foreign minister Miroslav Lajcak, recently summed up the situation in southeastern Europe, two states in the Western Balkans are on the verge of disintegration and three are in deep political crisis.<sup>2</sup> A glance around the region fully bears out this point.

- In **Bosnia & Herzegovina**, just a few days ago the chairman of the Council of Minister's admitted that there is no longer a governing majority in parliament, the divided city of Mostar has been unable to hold elections since 2010, Bosnian authorities have been unable or unwilling to implement the European Court of Human Rights Sejdic-Finci decision since 2009, and some 80 decisions of the Bosnian Constitutional Court have not been implemented, as was most notably in evidence by last year's refusal of RS officials to cancel a referendum on their entity's holiday

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<sup>1</sup> See *Democracy Index 2016: Revenge of the "deplorables"* (London: Economist Intelligence Unit, 2017), 5.

<sup>2</sup> See Elvir Bucalo, "EU okrenula leđa zapadnom Balkanu," *Voice of America*, 6 March 2017, at <http://www.glasamerike.net/a/eu-okrenula-ledja-zapadnom-balkanu/3751849.html>

ordered by that institution. One of the country's two entities, the Federation of BiH, exists in name only, and Bosnian Croats are increasingly raising demands to establish their own entity. Given the fact that 2018 will be an election year in Bosnia there is little chance that there will be any significant political breakthroughs there for the foreseeable future.

- For the past two years **Macedonia** has been undergoing a deep legitimacy crisis, triggered by revelations that the government had been illegally wiretapping up to 20,000 individuals in the country. New parliamentary elections held in December 2016 were inconclusive, with the current president being unwilling to give a mandate to form a new government to the leader of the largest opposition party. One recent analysis noted that Macedonia “does not have a government, it does not have a parliament, it does not have mayors, nor municipal governments, but above all—it does not have a way out [of this crisis].”<sup>3</sup> Since 1994—i.e., during the Clinton Administration--no progress has been made on resolving the Macedonian name dispute between Athens and Skopje, which has blocked Macedonia's Euro-Atlantic integration efforts.
- In **Kosovo**, in just the past week the government has fallen, and a prominent journalist, Arbana Xharra, was the victim of a “savage beating” in front of her apartment. In 2016 sessions of the Kosovo parliament were frequently disrupted by protesters throwing tear-gas canisters in the assembly, the five-year old EU-sponsored Kosovo-Serbia normalization talks have essentially collapsed, the Kosovo parliament is unable to pass a border demarcation agreement supported by the U.S. and the EU, and Kosovo remains unrecognized by five EU states, two members of the U.N. Security Council, and other major powers such as Brazil, India, Israel, Nigeria, and South Africa.
- **Montenegro's** democratic evolution (or lack thereof) is evident in the fact that the same political party has been in power since 1945, and the same individual has been either president or prime minister for most of the past quarter century. In 2015, an international anti-corruption NGO named Milo Djukanović “Person of the Year in Organized Crime.” As the award announcement noted, “Nobody outside of Putin has run a state that relies so heavily on corruption, organized crime and dirty politics. It is truly and thoroughly rotten to the core.”<sup>4</sup>
- **Serbia's** democratic backsliding is evident across a number of dimensions. Serbia last month held probably its most questionable presidential elections since the fall of Milosević. According to one analysis, current Serbian prime minister Aleksandar Vučić's presidential bid received 58 percent of election programming time, and if one included reporting on his activities as prime minister, he received 92 percent of Serbian national TV's political programming.<sup>5</sup> Indeed, one of Serbia's most prominent and respected journalist has said that in many ways there was more freedom of the press under Milosevic than there is now,<sup>6</sup> and civil society activists report increasing levels of intimidation. Police intimidation of opponents was another aspect of the elections; for instance, former Serbian foreign minister Vuk Jeremic was summoned for a police interrogation within twenty-four hours of his return to Serbia to begin his electoral campaign, and his wife (earlier one

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<sup>3</sup> See Tomas Braj, “Bez izlaza u Makedoniji,” *Deutsche Welle*, 10 March 2017, at <http://www.dw.com/sr/bez-izlaza-u-makedoniji/a-37879185>

<sup>4</sup> See “2015 Man of the Year in Organized Crime: Milo Djukanović,” Organized Crime and Corruption Reporting Project, at <https://www.occrp.org/personoftheyear/2015/>

<sup>5</sup> See Srđan Cvijić, “EU the biggest loser in Serbia's elections,” *Politico.eu*, 5 April 2017, at <http://www.politico.eu/article/aleksandar-vucic-eu-the-biggest-loser-in-serbia-elections-eu-the-biggest-loser-in-serbias-elections/>

<sup>6</sup> Personal communication with the author, December 2015.

of the country's most popular newscaster) was slandered by one of Vucic's surrogates and accused of being the leader of Serbia's narco-mafia.

Even states in the region which are both members of the EU and NATO are wobbly. In **Croatia** in 2016, one government collapsed within nine months of taking office, and just a few weeks ago the country narrowly avoided having yet another government collapse. In the first few months of 2017 **Romania** experienced its largest public demonstrations since the fall of Ceaucescu. **Greece** is still in crisis debt crisis has yet to be resolved, which threatens not only Greece but the financial stability of the EU itself. In sum, by any measure southeastern Europe is in deep crisis.

### *The Danger of Creating a Balkan Front in the New Cold War*

In this environment, the region's fragile democratic polities cannot afford any additional stresses and strains. Yet that is precisely what risks happening if the Balkans become another front in the new Cold War between Moscow and Washington. In his recent book Robert Legvold has described the numerous "opportunity costs" of the deterioration of relations between Russia and the West.<sup>7</sup> To add to his list, the opportunity cost of pursuing Cold War in the Balkans could well be sacrificing the democratization of southeastern Europe for yet another generation.

To make this point more clearly, I would like to suggest a comparison with a mistake the U.S. foreign policy establishment made some 15 years ago when it came to Iraq. In 2002-2003, American policy was not responding to what Saddam Hussein's regime was *really* doing, or to its real capabilities. It was responding to highly-questionable allegations, assumptions and rumors about the existence of WMD's in Iraq and Hussein's supposed ties to Al Qaeda. Just as happened back then, we are exaggerating and overinflating some issues at the expense of focusing on what is really happening. As regards the current situation in southeastern Europe, I would argue that U.S. policy is not responding to how influential Russia *really* is in the region. We are responding and reacting to superficial analysis and dubious journalism being produced in the current unhealthy media and political environment that has engulfed Washington and other western capitals.

Thus, a flood of ominous news stories has begun to detail Moscow's growing influence in the Balkans, alleged signs of which can be seen in the visit of a Cossack folklore troop to Bosnia (supposedly analogous to the "little green men" that took over Crimea),<sup>8</sup> a Russian motorcycle gang visiting Podgorica,<sup>9</sup> and the graffiti on a kitschy Russian-built train car scheduled to travel from Belgrade to Mitrovica.

Yet as any detailed analysis reveals, the EU and NATO—the main instrument of U.S. power in Europe—have achieved dominant positions in the Balkans.

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<sup>7</sup> See Legvold, *Return to Cold War* (Malden, MA: Polity Press, 2016), 53-54.

<sup>8</sup> See Christo Grozev, "The Kremlin's Balkan Gambit: Part 1," 4 March 2017, at

<https://www.bellingcat.com/news/uk-and-europe/2017/03/04/kremlins-balkan-gambit-part/>

<sup>9</sup> See Andrew Higgins, "Finger Pointed at Russians in Alleged Coup Plot in Montenegro," *The New York Times*, 26 November 2017.

Militarily, Russia has had little influence in southeastern Europe over the past two decades. Putin withdrew Russian peacekeeping forces from Bosnia and Kosovo back in 2003, and in December 2014 Putin cancelled what was supposed to be the grand instrument of Russian geo-strategic and geo-economic power in the Balkans, the South Stream Pipeline Project.

By way of comparison, over this time frame NATO has essentially locked up southeastern Europe. Since 2004 Albania, Bulgaria, Croatia, Montenegro, Romania and Slovenia have joined NATO, Macedonia is a candidate country, and Bosnia and Serbia are members of NATO's Partnership for Peace Program. The latter two have also concluded Status-of-Forces Agreements (SOFA) with NATO which give alliance personnel immunity from prosecution on their territory. Russia currently has no formalized military alliances with any of the countries in southeastern Europe. Indeed, as *The Economist* sarcastically noted, when Moscow threatened to cancel joint military projects with Montenegro if the latter joined NATO, "the Montenegrins were baffled, because there are none."<sup>10</sup> What is widely cited as a Russian spy base near the Serbian city of Niš reportedly has a full-time staff of five Russian nationals; by way of comparison, the largest U.S. military base built since the Vietnam War is just across the border in Kosovo. Moreover, the Russians in Niš have not been given the same status provided for by Serbia's SOFA with NATO.<sup>11</sup>

While Serbia's recent purchase of MIG-29 fighter jets from Moscow made headlines, this again misses the more important overall point; as defense analyst John Cappello has noted, Serbia's "relations with the Euro-Atlantic alliance have never been stronger . . . the vast majority of its international defense cooperation is with NATO and the West."<sup>12</sup> For example, in 2015 Serbia held two joint military exercises with Russia; in the same year Serbia carried out twenty-two military exercises with NATO.<sup>13</sup> On a recent visit to Belgrade in April 2017, Senator John McCain himself claimed that the U.S. is Serbia's most important defense partner, with the two countries engaging in 90 joint activities a year.<sup>14</sup>

Diplomatically, the U.S. and the EU also enjoy a dominant position. The official foreign policy goal of every country in the Western Balkans is to join the European Union, not to join the Eurasian Economic Union. In keeping with this, most states in the region have aligned their foreign policies with those of Washington and Brussels. Even Serbia, which has refused to join the sanctions regime against Moscow, has also refused to recognize Russia's annexation of Crimea.

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<sup>10</sup> "In the Balkans, NATO has outmuscled Russia," *The Economist*, 11 December 2015 at <http://www.economist.com/news/europe/21683967-montenegros-accession-fills-one-few-remaining-gaps-western-alliance>

<sup>11</sup> See Dusan Stojanovic, "Inside Russian 'spy base' in the Balkans," *Associated Press* (Dateline Nis, Serbia), 6 October 2016, at <http://bigstory.ap.org/article/03f70a64ec5b48bbb1c2f56bdea9255e/inside-russian-spy-base-balkans>

<sup>12</sup> See Cappello, "Russian Information Operations in the Western Balkans," *RealClearDefense.com*, 2 February 2017, at [http://www.realcleardefense.com/articles/2017/02/02/russian\\_information\\_operations\\_in\\_the\\_western\\_balkans\\_110732.html](http://www.realcleardefense.com/articles/2017/02/02/russian_information_operations_in_the_western_balkans_110732.html)

<sup>13</sup> Figures according to Sergey Belous, "How long will Belgrade seesaw between NATO and Russia?," *Oriental Review*, 23 April 2016, at <http://orientalreview.org/2016/04/23/how-long-will-belgrade-seesaw-between-nato-and-russia/>

<sup>14</sup> See "Vučić i Mekejn o regionalnom miru, saradnji i zajedničkim akcijama," *Politika* (Belgrade), 10 April 2017, at <http://www.politika.rs/scc/clanak/378089/Vucic-i-Mekej-n-o-regionalnom-miru-saradnji-i-zajednickim-akcijama>

Where diplomatic differences exist, it is more constructive and healthier for the overall U.S.—Russia relationship for us to recognize that there can be legitimate differences of opinion on some problems rather than trivializing a serious problem international issue and dismissing everything as “Russian meddling.” The Kosovo issue is a prime example. Moscow’s refusal to recognize Kosovo is frequently ascribed to a desire to cause problems for the West in the Balkans.<sup>15</sup> But the reality is much more serious and complex. Georgia and Ukraine, for instance, similarly refuse to recognize Kosovo, and it is difficult to see why they would be following Russia’s lead on this. Moreover, five EU members, as well as Brazil, China, India, Indonesia, Mexico, Nigeria, and other states representing 60-70% of the world’s population also refuse to recognize Kosovo. Clearly, any serious understanding of global politics has to recognize that divisions within the international community over Kosovo’s unilateral declaration of independence are not caused by “Russian obstructionism”; rather, they are driven by the very considerable implications the Kosovo case has for any multiethnic state facing an actual or potential secessionist movement.

Other diplomatic moves by Moscow that are allegedly intended to destabilize the Balkans have been seen in Russia’s rhetorical support for the Bosnian Serbs’ plan to hold a referendum on the judiciary,<sup>16</sup> although most Americans would also take issue with a legal system in which three foreigners sat on the Supreme Court, an Islamist party controlled the attorney-general’s office, and legal practices such as the retroactive application of laws were in effect. Similarly, a recent *Stratfor* analysis decried Moscow’s support for the Bosnian Serbs’ decision to hold a referendum over a holiday,<sup>17</sup> yet it missed the most important development in months—that it was precisely in Moscow on March 2<sup>nd</sup> of this year, after meeting with Russian foreign minister Sergei Lavrov, that Bosnian Serb president Dodik walked back earlier plans to hold an independence referendum. Indeed, the most important point to be made is that (at least as far as this author knows) since 1995 Russian officials have consistently and unequivocally voiced their support from Bosnia’s territorial integrity.

Economically, Russia also has a weak position in the Balkans. Neighbors, EU countries and Turkey easily account for 70-80 percent of the Western Balkan countries’ foreign trade (and China is increasingly becoming an important trading and investment partner as well). As a recent *Financial Times* editorial noted, “As a source of trade, aid and investment, the EU dwarfs Russia. For all the Russian cultural links, migration flows from the Balkans are almost entirely to the rest of Europe.”<sup>18</sup> The one exception here comes in terms of the region’s energy dependence, with Russian gas and other energy products providing well over half of each country’s supply. Russia has made some high-profile economic acquisitions in the region, such as buying Serbia’s *Naftna Industrija Srbije*, oil refineries in Bosnia, Montenegro’s largest industrial concern, etc., but the experience of the past few years has shown that these economic investments only have a limited capacity to sway political and strategic priorities in any major way. Consider the following: Russian individuals and businesses account for 22 percent of the tourist arrivals in Montenegro, Russians own almost one third of all businesses in Montenegro, 40 percent of the

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<sup>15</sup> See Bernd Riegert, “EU looks to contain Russian influence in the Balkans,” *Deutsche Welle*, 10 March 2017, at <http://www.dw.com/en/eu-looks-to-contain-russian-influence-in-the-balkans/a-37891857>

<sup>16</sup> James Lyon, “Is War About to Break Out in the Balkans?” *Foreign Policy*, 26 October 2015, at <http://foreignpolicy.com/2015/10/26/war-break-out-balkans-bosnia-republika-srpska-dayton/>

<sup>17</sup> See “Russia Stirs the Hornet’s Nest,” *Stratfor.com*, 28 March 2017, at <https://www.stratfor.com/analysis/russia-stirs-hornets-nest>

<sup>18</sup> See “Europe and the US face a challenge in the Balkans,” *The Financial Times*, 10 March 2017, at <https://www.ft.com/content/ce3bd714-058a-11e7-ace0-1ce02ef0def9>.

country's real estate, and Russia has provided one third of the foreign direct investment in Montenegro.<sup>19</sup> Yet despite this significant Russian economic position in and control of Montenegro's economy, it was still unable to prevent Montenegro from joining NATO.

It has also been claimed that Moscow's increasingly malign influence in the Balkans has been the fact that many Balkan media outlets have begun running stories by Russian media outlets such as *RT* and *Sputnik*,<sup>20</sup> yet Balkan media also routinely run articles by *Agence France Presse*, *Al Jazeera*, the *BBC*, *Deutsche Welle* and *Voice of America* and *Radio Free Europe*.

In sum, viewed from the military, diplomatic and economic perspectives, Russia can hardly be seen as posing a dangerous threat to Western interests in the Western Balkans. Nevertheless, the inflated and overblown accounts of "Russian meddling" in the Balkans are having very significant—and detrimental—policy consequences. In what has become known as the "stability versus democracy tradeoff," U.S. and European support for democratic institutions and the rule of law are being consistently sacrificed for the sake of legitimizing authoritarian leaders who have learned that by simply expressing a few platitudes about democracy and human rights, and by declaring themselves to be opponents of Russian advances in the Balkans, Washington will give them a free pass to crack down on the political opposition, independent media, engage in large-scale corruption, etc. As one scholar has aptly described this process,

A new generation of autocrats has been taking over the region, sometimes with the direct complicity of overzealous American policymakers and distracted EU officials . . . Both U.S. and EU policymakers have been willing to turn a blind eye to corruption, which plagues the region's governments, and have either downplayed or ignored the creeping rise of autocratic rulers . . . [who] are well-coached in telling Western diplomats what they want to hear, while blatantly undermining democratic principles and the rule of law at home . . . U.S. and EU policymakers need to ask themselves if oligarchs, autocrats and kleptocrats, who happen to be pro-Western, are any better than Putin—or helpful for the West's long-term interests in the region.<sup>21</sup>

Evidence of this dynamic is frequently on display. The most well-known at this point is the claim of an alleged Russian plot to overthrow the Montenegrin government in October 2016. Yet any serious examination suggests that the alleged plot is either a complete hoax, or at most an amateurish exercise by a group more akin to the yahoo militiamen who occupied the Malheur National Wildlife Refuge in 2016 than a serious covert operation.

If we do not get wise to this game and continue to view southeastern Europe as yet another front in the New Cold War, and our overarching goal remains "keeping Putin out of the Balkans," we may well be sacrificing Balkan democracy and regional stability for another generation. Leaders and groups that

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<sup>19</sup> See Leonid Bershidsky, "Why NATO Wants Montenegro (Not for Its Military Might)," *Bloomberg.com*, 1 May 2017, at <https://www.bloomberg.com/view/articles/2017-05-01/why-nato-wants-montenegro-not-for-its-military-might>

<sup>20</sup> Jaroslaw Wiśniewski, "Russia has a years long plot to influence Balkan politics. The U.S. can learn a lot from it." *The Washington Post*, 19 September 2016, at [https://www.washingtonpost.com/news/monkey-cage/wp/2016/09/19/heres-how-russias-trying-to-sway-opinion-in-serbia-and-the-balkans/?utm\\_term=.6827a556c4e8](https://www.washingtonpost.com/news/monkey-cage/wp/2016/09/19/heres-how-russias-trying-to-sway-opinion-in-serbia-and-the-balkans/?utm_term=.6827a556c4e8)

<sup>21</sup> See Besnik Pula, "The Budding Autocrats of the Balkans," *Foreign Policy*, 15 April 2016, at <http://foreignpolicy.com/2016/04/15/the-budding-autocrats-of-the-balkans-serbia-macedonia-montenegro/>

believe they enjoy Washington's favor—or believe they know how to manipulate American policymakers—will increasingly press their advantages against both domestic and foreign opponents, resulting in less democracy internally and more aggressive policies externally.<sup>22</sup> Meanwhile, leaders and groups that do not enjoy Washington's favor will increasingly feel the need to turn to Russia (or in the not-too-distant future China) for some modicum of support. The result will be a self-fulfilling logic in which the Balkan states are *impelled* into more and more hostile, divided camps. Taken to the most dangerous extreme, this could result in the kinds of proxy wars we are witnessing in Syria and Ukraine.

Consequently, a far more prudent and beneficial strategy, as Thomas Graham has recently argued regarding the overall European context, would be to bring Russia on board in developing what has widespread acceptance as a new, legitimate political and security order in southeastern Europe in the post-Cold War era. In other words, we should be striving to make Russia part of the solution in the Balkans rather than insisting that it is the source of the problem. With regard to the stability versus democracy tradeoff, as Graham has also argued, the Russian challenge in Europe and throughout the Balkans will be best met by addressing the internal problems countries have with their democratic institutions and economies.<sup>23</sup>

Balkan security specialist Dimitar Bechev has argued along the same lines. In Bechev's proposed strategy of "calling Russia's bluff" in the Balkans, he notes that,

EU members have turned a blind eye to the less appetizing aspects of Balkan politics . . . if there is trouble brewing in the Balkans, it has more to do with the perverse effects of the "stability" provided by incumbent governments than with the risk of all-out conflict. Combined with the weakening pull of the EU and the United States' relative disengagement, democratic decay and insufficient economic growth add up to a general state of stagnation . . . [The West] should take a look at what has gone wrong in the domestic politics of post-Yugoslav states and apply pressure on leaders to take seriously the rule of law, media freedom, and independent civil society.<sup>24</sup>

## Reviving Balkan Economies

One of the most important reasons to avert turning the Balkans into another front in the New Cold War is to avoid the political instability that will inevitably drive away the foreign investment needed to revive the Balkan economies. Indeed, stabilizing southeastern Europe will be impossible unless we are able to reverse the horrible economic decline these countries have confronted since the 1990s, when the destruction of war, the international sanctions regime which effected the entire region, and the difficulties

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<sup>22</sup> For an example of this as it pertains to Kosovo, see Enver Hoxhaj, "Kosovo Feels Russia's Heavy Hand, via Serbia," *The New York Times*, 13 April 2017, at [https://www.nytimes.com/2017/04/13/opinion/kosovo-feels-russias-heavy-hand-via-serbia.html?\\_r=0](https://www.nytimes.com/2017/04/13/opinion/kosovo-feels-russias-heavy-hand-via-serbia.html?_r=0). For a Montenegrin example, see Dusan Stojanovic, "Montenegrin leader: Russia wants to destroy the EU," *The Associated Press* (dateline Podgorica), 14 March 2017, at <https://www.apnews.com/7b98aeea166b4b77ab0145aa91916ab3/AP-Interview:-Montenegro-leader:-Russia-wants-to-destroy-EU>.

<sup>23</sup> See Thomas E. Graham, "Toward a New Equilibrium in U.S.-Russian Relations," *The National Interest*, 1 February 2017, at <http://nationalinterest.org/feature/toward-new-equilibrium-us-russian-relations-19281>

<sup>24</sup> See Dimitar Bechev, "The West Needs to Call Russia's Bluff in the Balkans," 23 February 2017, at <http://www.atlanticcouncil.org/blogs/ukrainealert/the-west-needs-to-call-russia-s-bluff-in-the-balkans>.

inherent in the transition to a market economy caused most of the countries in southeastern Europe to go into an economic decline which lasted far longer and has been deeper than anything Americans experienced during the Great Depression in the 1920's and 1930s.

To make matters worse, many of the Western Balkan countries had barely begun to recover from the decline of the 1990s when the global economic crisis of 2008-2009 and the Greek debt crisis sent them reeling again. The migrant crisis of 2015-2016 provided yet another shock to the region; indeed, in December 2015 Angela Merkel even claimed that war could break out in the Balkans if Europe did not handle the migrant crisis properly.<sup>25</sup>

A few examples of the bleak state of the Balkan economies provide a disturbing picture of the scale of the problem. In 2015, Serbia's GDP was still 25% below what it had been in 1989.<sup>26</sup> Bosnia & Herzegovina reportedly has the highest youth unemployment rate in the world—over 67 percent in 2016.<sup>27</sup> Kosovo is similarly reported to have a youth unemployment rate of over 60 percent, and in just two months (December 2015—January 2016), some 50,000 people fled Kosovo.<sup>28</sup> All of the states in southeastern Europe are literally bleeding medical doctors, engineers, and other professionals, as these groups—the very spark plugs any society needs to promote economic growth—emigrate for better employment and financial opportunities.

Clearly, maintaining political stability in southeastern Europe will be impossible without stabilizing and improving the region's dire economic situation. Unfortunately, doing so will require an international commitment to reviving the Balkan economies even greater than was provided in the 1990s. By 2003, Bosnia had received more financial assistance per capita than was allocated to any country in Europe under the Marshall Plan,<sup>29</sup> and as of 2006, NATO countries had devoted 50 times more money to Kosovo per capita than to their efforts in Afghanistan.<sup>30</sup>

The scale of the economic challenge we face in the Balkans is therefore clearly immense. But it will nevertheless be cheaper than the economic costs we would face if the region again devolved into violence.

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<sup>25</sup> Adam Withnall, "Refugee influx could spark 'military conflict' in Balkans, Angela Merkel warns," *The Independent* (UK), 3 November 2015, at <http://www.independent.co.uk/news/world/europe/refugee-influx-could-spark-military-conflict-in-balkans-angela-merkel-warns-a6719521.html#gallery>

<sup>26</sup> According to Milojko Arsić, "Long-term consequences of the collapse of the Serbian economy during the 1990s: the dynamics of potential GDP in the period between 1989 and 2015," *Quarterly Monitor* 44 (January-March 2016), at: <http://pescanik.net/wp-content/uploads/2016/11/spot44.pdf>

<sup>27</sup> See the statistics on world youth unemployment rates compiled by the World Bank, available at: <http://data.worldbank.org/indicator/SL.UEM.1524.ZS>

<sup>28</sup> All information according to Harriet Alexander, "Exodus from Kosovo: Why Thousands Have Left the Balkans," *The Telegraph* (London), 21 February 2015, at <http://www.telegraph.co.uk/news/worldnews/europe/kosovo/11426805/Exodus-from-Kosovo-Why-thousands-have-left-the-Balkans.html>, accessed on 12 January 2017 at 11:11am EST.

<sup>29</sup> Mehmet Ugur, "Regional Public Goods or Philanthropy? A Critical Assessment of the EU-Balkans Economic Relations." *UNU/CRIS Occasional Papers* (0-2003/1), available at: <http://64.233.169.104/search?q=cache:5J4VW6jtrKMJ:www.cris.unu.edu/admin/documents/mehmet%2520ugur%2520occasional%2520paper%2520final.pdf+Bosnia+Marshall+Plan+per+capita&hl=en&ct=clnk&cd=25&gl=us&client=firefox-a>, 17.

<sup>30</sup> Iain King and Whit Mason, *Peace at Any Price: How the World Failed Kosovo* (Ithaca, NY: Cornell University Press, 2006), 21.



## Confronting the Islamist Extremist Threat in the Balkans

Finally, one of the most serious threats confronting the Balkans (and, indeed, Europe as a whole) is the growth and spread of indigenous Islamist militant movements.

The importance of the Balkans in the international jihadi movement is evident from the frequency with which a Balkan connection can be made to almost every terrorist incident in Europe. Consider, for instance, the following: Anis Amri, the perpetrator of the December 2016 Berlin Christmas Market massacre, had been a roommate of Boban Simeonovic, a Serbian-German extremist well-known in Germany's jihadist circles. Among the individuals who have transited through or set up shop in southeastern Europe have been Abdelilah Himich, the suspected ISIS mastermind of the November 2015 Paris and the March 2016 Brussels attacks.<sup>31</sup> The man who took credit for the January 2015 *Charlie Hebdo* attacks, Nasser bin Ali Ansi, was a veteran of the Bosnian jihad in the 1990s and subsequently became a leader of Al Qaeda in the Arabian Peninsula. Mourad Hamyd (a brother-in-law of *Charlie Hebdo* attacker Cherif Kouachi), was arrested on the Turkish-Bulgarian border after making his way through the Balkans from Paris, apparently on his way to the Islamic State. The ringleader of the later November 2015 Paris atrocities, Abdelhamid Abaaoud, directed preparatory work for the attacks from Athens, and Salah Abdeslam, Ahmad al Muhammad (an alias) and one other suicide-bomber used the migrant's Balkan route to get to France. Atatürk Airport attack mastermind Akhmad Chatayev had been arrested in Bulgaria in 2011, and Ansbach suicide-bomber Mohammed Daleel had lived in Bulgaria in 2013. Mirsad Bektašević, a Serbian-Swedish terrorist involved in a 2005 plot to launch suicide-bombing attacks against western embassies in Sarajevo, was arrested in Greece en route to the Islamic State in January 2016.<sup>32</sup>

Indigenous Balkan extremists have been plotting attacks of their own, and developing their own ISIS-recruiting networks. In December 2015, Italian and Kosovo police discovered a group of four Kosovars (some with reported links to Syria) planning to kill Pope Francis.<sup>33</sup> In November 2016, 19 individuals were arrested in Kosovo after the discovery of a plot to carry out a series of "synchronized terrorist attacks" in Albania and Kosovo, tied to coincide with a World Cup qualifying match played in Elbasan, Albania, in which the Israeli and Albanian national teams were to play. There were indications that in addition to attacking the Israeli national team, the conspirators were also planning on attacking a number

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<sup>31</sup> See Sebastian Rotella, "U.S. Identifies ISIS Planner in Attacks on Europe," *ProPublica*, 22 November 2016 (<https://www.propublica.org/article/us-identifies-isis-planner-in-attacks-on-europe>).

<sup>32</sup> For more information on these individuals and their activities, see, for instance, Mariya Cheresheva, "Bulgaria to Send Terror Suspect to France," *BalkanInsight*, 17 August 2016 (<http://www.balkaninsight.com/en/article/bulgaria-to-extradite-charlie-hebdo-attacker-s-relative-to-france-08-16-2016>); Chris Morris, "Paris attacker's escape from Athens," *BBC News*, 8 December 2015, (<http://www.bbc.com/news/world-europe-35045849>); "2015 Paris Terror Attacks Fast Facts," *CNN.com*, 13 April 2016 (<http://www.cnn.com/2015/12/08/europe/2015-paris-terror-attacks-fast-facts/>); Mariya Cheresheva, "Fraud Left Ansbach Bomber Homeless in Bulgaria," *BalkanInsight*, 27 July 2016, (<http://www.balkaninsight.com/en/article/fraud-left-ansbach-bomber-homeless-in-bulgaria-07-27-2016>); Mariya Cheresheva, "Bulgaria Freed Alleged Istanbul Terrorist Mastermind," *BalkanInsight*, 1 July 2016 (<http://www.balkaninsight.com/en/article/alleged-istanbul-attack-ringleader-released-by-a-court-in-bulgaria-07-01-2016>).

<sup>33</sup> See Steve Robson, "Jihadist plot to kill Pope Francis' thwarted as police arrest four Kosovans with links to Italy," *The Mirror* (UK), 3 December 2015 at <http://www.mirror.co.uk/news/world-news/jihadist-plot-kill-pope-francis-6947979>

of Serbian Orthodox churches and monasteries across Kosovo.<sup>34</sup> In January 2017, 800 Austrian police launched raids in Vienna and Graz against a Balkan-based Islamist network linked to Ebu Tejma, an extremist cleric from the Sandžak involved in the recruitment of over 150 ISIS volunteers.<sup>35</sup> In March 2017, Italian police arrested three individuals from Kosovo plotting to blow up the Rialto Bridge in Venice. One of the individuals had been to Syria, and the group had studied ISIS instructional videos intended to train people in bombmaking techniques and how to stab people.<sup>36</sup>

Apart from being the natural gateway and thoroughfare for jihadis intent on attacking Europe, the Balkans have also become a significant source of manpower for the Islamic State and/or the Al Nusra Front. Official estimates suggest that approximately 1000 individuals from the Balkans have joined the Syrian and Iraqi jihads,<sup>37</sup> and it is widely believed that Albania, Bosnia and Kosovo have provided more jihad volunteers per capita than any other countries in Europe.<sup>38</sup> Several dozen individuals from Macedonia, Montenegro, Serbia, and other Balkan states have also become jihad volunteers.<sup>39</sup>

Comparing these numbers with extremist mobilization in the EU reveals the worrying levels to which militant Islamism has grown in southeastern Europe. The Soufan Group, for instance, has estimated that western European (i.e., EU countries) with a total population of some 510 million people, have provided some 5000+ jihad volunteers.<sup>40</sup> By way of comparison, the western Balkan states (i.e., Albania, Bosnia & Herzegovina, Kosovo, Macedonia, Montenegro, and Serbia) with a combined population of some 20 million, have provided some 1000, which suggests that western Balkan countries are generating four-to five-times more jihad volunteers per capita than EU states.

Analysts across the region, however, suggest that the real number of Balkan jihad volunteers could be significantly higher than official figures. Some estimates claim that Kosovo alone may have provided as

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<sup>34</sup> See “Kosovo Arrests 19 ISIS-Linked Suspects Planning Attack on Israeli Soccer Team,” *The Jerusalem Post*, 17 November 2017, at <http://www.jpost.com/Israel-News/Sports/Kosovo-arrests-19-ISIS-linked-suspects-planning-attack-on-Israeli-soccer-team-472842>

<sup>35</sup> See Eleanor Rose, “Austria Cracks Jihadist Network Linked to Balkans,” *BalkanInsight*, 26 January 2017, at <http://www.balkaninsight.com/en/article/several-balkan-jihadists-detained-in-large-scale-terror-raids-01-26-2017-1>

<sup>36</sup> See Elisabeta Povoledo, “3 Are Held on Suspicion of Plot to Bomb Rialto Bridge in Venice,” *The New York Times*, 30 March 2017, at [https://www.nytimes.com/2017/03/30/world/europe/rialto-bridge-venice-arrests.html?\\_r=0](https://www.nytimes.com/2017/03/30/world/europe/rialto-bridge-venice-arrests.html?_r=0), accessed on 31 March 2017 at 10:00am EST; Nick Squires, “Italian police break up alleged jihadist cell that planned to attack Venice’s Rialto Bridge,” *The Telegraph* (UK), 30 March 2017, at <http://www.telegraph.co.uk/news/2017/03/30/italian-police-break-alleged-jihadist-cell-planned-attack-venices/>

<sup>37</sup> Adrian Shtuni claims “more than 1000” individuals from the Balkans have gone to Syria and Iraq; see Shtuni, “Dynamics of Radicalization and Violent Extremism in Kosovo,” *United States Institute of Peace Special Report* 397 (December 2016), 2. Vlado Azinović estimates 950 individuals from the Balkans have joined the jihads in Syria and Iraq. Sniježana Pavić, “STRUČNJAK ZA TERORIZAM U RAZGOVORU ZA JUTARNJI OTKRIVA 'U Siriji i Iraku bori se i šest Hrvata, 70 ljudi iz Bosne i Hercegovine već je tamo poginulo,’” *Jutarnji list* (Zagreb), 27 December 2016 (<http://www.jutarnji.hr/vijesti/svijet/strucnjak-za-terorizam-za-jutarnji-otkriva-u-siriji-i-iraku-bori-se-i-sest-hrvata-70-ljudi-iz-bosne-i-hercegovine-vec-je-tamo-poginulo/5437275/>)

<sup>38</sup> See the estimates by Thomas Hegghammer as cited by Frank Gardner, “Europe Could Feel the Backlash from Jihadist Conflicts,” *BBC News* (<http://www.bbc.co.uk/news/world-middle-east-25155188>). See also the infographic entitled “Foreign Fighters in Iraq and Syria,” *Radio Free Europe/Radio Liberty*, 29 January 2015, at <http://www.rferl.org/content/infographics/infographics/26584940.html>

<sup>39</sup> Predrag Tomović, “Vehabije na Balkanu su izmanipulisane,” *Radio Slobodna Evropa*, 1 June 2013 (<http://www.slobodnaevropa.org/content/vehabije-na-balkanu-izmanipulisane/25003930.html>).

<sup>40</sup> *Foreign Fighters: An Updated Assessment of the Flow of Foreign Fighters into Syria and Iraq* (The Soufan Group, December 2015).

many as 1000 ISIS recruits,<sup>41</sup> and Albanian security specialist Ilir Kulla has suggested that the number of jihad volunteers from the region could be “in the thousands” if one includes individuals from the Balkan diaspora.<sup>42</sup> Aida Skorupan, a Montenegrin journalist tracking the Islamist extremist movement in her country, believes the number of Montenegrin jihad volunteers is significantly higher than the estimate of thirty or so individuals usually used.<sup>43</sup>

Unfortunately, these numbers are only the tip of the extremist iceberg in southeastern Europe. As security specialist Adrian Shtuni has noted, the Balkan jihad volunteers going off to Syria and Iraq constitute “merely a fraction of an extensive network of like-minded militants, supporters, and enablers who not only openly share the same ideology, but are also actively engaged in its dissemination and recruitment efforts through physical and virtual social networks.”<sup>44</sup>

Although hard data on the actual size of the Balkan militant Islamist movement is difficult to come by, one indicator of the pool of individuals psychologically and politically predisposed to ISIS’ message and activities can be seen in the results of the Pew Research Center’s 2012 survey of Muslim public opinion around the world.<sup>45</sup> Although in general the Balkan Muslim populations can be seen as the most moderate and tolerant Muslim societies in the world, nevertheless a cluster of questions within the survey provided disturbing evidence of the progress of radicalization within the Balkans. Thus, in response to questions on the desirability of imposing sharia law, on support for suicide bombing and other forms of violence, on support for public whippings and cutting off the hands of alleged thieves, on stoning accused adulterers to death, on imposing the death penalty for apostasy, and on the moral acceptability of polygamy ----- some 400,000 people across Albania, Bosnia and Kosovo expressed their support for all of these things. In the Sandžak, a May 2016 survey found that twenty percent of those interviewed believe that the use of violence is legitimate to defend one’s religion, eleven percent believe it is acceptable to go to a foreign country to wage war, and over 35% claimed that there were individuals or groups in their area who express extremist positions.<sup>46</sup> Such numbers suggest that some five- to ten-percent of the Balkans’ Muslim populations have become radicalized. Although not all of these people should be considered active threats, they do, to paraphrase Mao Zedong, provide the proverbial sea terrorists swim in.

The Balkans also play an important role in the European terrorist threat matrix as a source of armaments. Thanks to the Yugoslav wars of the 1990s and Albania’s near-meltdown in 1997-98, jihadis

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<sup>41</sup> David Phillips, “Islamism in Kosovo,” *The World Post*, 21 December 2015

([http://www.huffingtonpost.com/david-l-phillips/islamism-in-kosovo\\_b\\_8855128.html](http://www.huffingtonpost.com/david-l-phillips/islamism-in-kosovo_b_8855128.html)).

<sup>42</sup> Kamil Arli, “Albanian Expert: Turkey Waypoint for Balkan Jihadists,” *Today’s Zaman*, 19 July 2014

([http://www.todayszaman.com/interviews\\_albanian-expert-turkey-waypoint-for-balkan-jihadists\\_353477.html](http://www.todayszaman.com/interviews_albanian-expert-turkey-waypoint-for-balkan-jihadists_353477.html)).

<sup>43</sup> See Aida Skorupan’s comments as cited by Petar Komnenić, “Crnogorske vlasti najavile reakciju nakon vijesti RSE o odlasku na strana ratišta,” *Radio Slobodna Evropa*, 18 September 2014

(<http://www.slobodnaevropa.org/content/dobrovoljci-iz-crne-gore-u-isiriji-i-iraku-vlast-reagovala-nakon-vijesti-rse/26592466.html>); Dejan Peruničić, “ANB drži na oku džihadiste iz Crne Gore,” *Vijesti*, 20 September 2014

(<http://www.vijesti.me/vijesti/anb-drzi-na-oku-dzihadiste-iz-crne-gore-796626>); Samir Kajošević, “U ISIL otišlo tri puta više državljana Crne Gore,” *Vijesti*, (no date given, but appears to be September 2014)

(<http://www.vijesti.me/vijesti/u-isil-otislo-tri-puta-vise-drzavljana-crne-gore-843389>); Dusica Tomovic,

“Montenegro to Keep Track of ISIS Threat,” *BalkanInsight*, 21 July 2015

(<http://www.balkaninsight.com/en/article/montenegro-on-guard-after-isis-threats>).

<sup>44</sup> Shtuni, “Dynamics of Radicalization and Violent Extremism in Kosovo,” p. 2.

<sup>45</sup> See *The World’s Muslims: Religion, Politics & Society* (Washington, DC: Pew Research Center, 2013).

<sup>46</sup> See the survey conducted by Prof. Dr. Vladimir Ilić, *Stavovi Mladih u Sandžaku: Koliko Su Mladi Otvoreni*

*Prema Islamskom Ekstremizmu* (Beograd: Helsinški Odbor za Ljudska Prava u Srbiji, May 2016).

can obtain practically whatever weapons they might want in southeastern Europe's black market arms bazaars. A rocket launcher and ammunition used in the *Charlie Hebdo* attack in January 2015 were manufactured in the Balkans, and guns used in the attack on the Bataclan Theater in November 2015 were AK-47s produced by Zastava of Serbia. Guns and ammunition used in the March 2016 Brussels attacks have also been traced to the former Yugoslavia, and Balkan arms smugglers have in some of these cases been implicated in helping the terrorists obtain their weapons.<sup>47</sup> In July 2016, an Albanian couple was arrested on suspicion of providing weapons to Mohamed Lahouaiej Bouhlel, the "ISIS soldier" who killed 84 people in a truck attack along Nice's seaside promenade.<sup>48</sup> There is also cause for concern due to the fact that the hundreds of foreign jihadis who remained in Bosnia after the war were never forced to give up their weapons.<sup>49</sup> Balkan weapons and ammunition go in the other direction as well. Armament Research Services (ARES) has found that 17% of the ammunition used by ISIS in parts of Iraq come from the Balkans.<sup>50</sup>

What should be of particular concern to western intelligence and security organizations, as security analyst Ebi Spahiu has warned, is the degree to which Balkan militant Islamists can (or have) established ties with southeastern Europe's flourishing organized crime networks, which are amply skilled in human trafficking, and drugs and weapons smuggling.<sup>51</sup> Indeed, given the current state of the Balkans it would not be difficult to put together all of the elements needed to make everyone's nightmare scenario— Islamist terrorists acquiring nuclear weapons—come true. At least three times over the past five years, the FBI has helped to thwart efforts to sell nuclear and radioactive material in Moldova.<sup>52</sup> We have been lucky so far, but the combination of weapons-grade uranium on the black market, organized crime groups skilled in smuggling, weak, unprotected borders, and terror groups with known ambitions to acquire nuclear weapons should be a loud wake-up call to everyone concerned.

## Conclusions

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<sup>47</sup> "Serbia makes its biggest arms haul in 16 years," *BBC News*, 16 November 2016 (<http://www.bbc.com/news/world-europe-37998805>), Lindita Arapi, "The Balkan route to Western Europe for Yugoslavia guns," *Deutsche Welle*, 5 November 2015 (<http://www.dw.com/en/the-balkan-route-to-western-europe-for-yugoslavia-guns/a-18896280>); Adrian Schutuni, "The Balkans: An Often Overlooked Hotbed for ISIS Recruitment," *NPR Weekend Edition Saturday*, 28 May 2016 (<http://www.npr.org/2016/05/28/479824670/the-balkans-an-often-overlooked-hotbed-for-isis-recruitment>); Gordon N. Bardos, "Charlie Hebdo: The Balkan Connection," *World Affairs*, 4 February 2015 (<http://www.worldaffairsjournal.org/blog/gordon-n-bardos/charlie-hebdo-balkan-connection>).

<sup>48</sup> Susannah Cullinane and Margot Haddad, "2 arrested in connection with Nice attack," *CNN.com*, 17 July 2016 (<http://www.cnn.com/2016/07/17/europe/france-attack-on-nice-arrests/>).

<sup>49</sup> Ljudmila Cvetkovic, Marija Arnautovic, and Vlado Azinovic, "Reakcije na hapšenje vebabija u Novom Pazaru," *Radio Slobodna Evropa*, 19 March 2007 (<http://www.slobodnaevropa.org/a/698868.html>).

<sup>50</sup> "The Balkan arms trade: Ask not from whom the AK-47s flow," *The Economist*, 16 April 2016 (<http://www.economist.com/news/europe/21697019-answer-often-serbia-croatia-or-bulgaria-ask-not-whom-ak-47s-flow>).

<sup>51</sup> Ebi Spahiu, "Militant Islamists, Organized Crime, and the Balkan Diaspora in Europe," *Jamestown Foundation Terrorism Monitor* 13 (2 December 2015) (<https://jamestown.org/program/militant-islamists-organized-crime-and-the-balkan-diaspora-in-europe/>).

<sup>52</sup> Kathy Gilsinan, "Why Moldova Might Be the Scariest Place on Earth," *The Atlantic*, 8 October 2015 (<http://www.theatlantic.com/international/archive/2015/10/moldova-nuclear-weapons-isis/409456/>); Evan Perez, Michael Martinez and Cosmin Stan, "FBI helped thwart nuclear smuggling plot in Moldova," *CNN.com*, 8 October 2015 (<http://www.cnn.com/2015/10/07/politics/fbi-helped-thwart-nuclear-smuggling-plot-in-moldova/>).

Mr. Chairman and members of the committee, thank you once again for inviting me to share some thoughts with you on the current situation in southeastern Europe. I apologize for providing such a bleak assessment, but empirical and political reality is such as it is. Nevertheless, there are steps the U.S. can take to try to stabilize the situation.

First, we need to take every step possible to maintain political and strategic stability. This requires us to work with major powers such as Russia and Turkey, alongside EU and NATO countries, to exert pressure on all regional actors to act responsibly, and to foster a security environment in which local politics can play out peacefully. U.S. diplomatic time and energy in this situation is best served by engaging other major powers into legitimizing and enforcing a new political and security order in the Balkans. The history and experience of the past two decades has shown that attempts to micro-manage the political affairs of individual countries are ineffective, and frequently counter-productive. Far too often, our political projects and political ambitions in the region have not aligned with the reality of the region's political culture and traditions.

Above all, we must strive to avoid turning southeastern Europe into another front in the New Cold War. In the current political and media climate, this will not be easy. Yet I would draw on one historical example to show the necessity of this even in the lowest points of the relationship between the United States and Russia. In the early 1980s, even in the midst of the Soviet invasion of Afghanistan and the imposition of martial law in Poland, one of the great American statesmen of the 20<sup>th</sup> century, W. Averell Harriman, was urging President Reagan to continue to pursue nuclear arms control agreements with the Soviets because the stakes for all of humanity in the U.S.-Soviet relationship were simply too high. In this spirit, we need a balanced, informed, and dispassionate analysis of what is really happening in southeastern Europe. As Harriman himself put it, "To base policy on ignorance and illusion is very dangerous. Policy should be based on knowledge and understanding."

Second, apart from maintaining political stability, the U.S. must lead an effort to revive the Balkan economies. Absent an improvement in southeastern Europe's dire economic situation, it will be impossible to sustain political stability in the region.

Third, we need to shut down the threat posed by the spread of Islamist terror networks in the region. Inattention to this problem has given these groups the operational space and time needed for them to grow, and to use the region as a recruiting ground and launching platform for attacks around the world. Individuals involved in the attack on the USS Cole, the 9/11 attacks, the Madrid Train bombings of 2004, the Istanbul attacks of 2003, and countless other attacks had all operated in the Balkans in the 1990s. If we had been paying attention and taken action back then, there is a good likelihood that Al Qaeda would never have become the global threat it eventually turned out to be.