## Flashpoint: A Path Toward Stability in the Western Balkans

## Testimony Before Committee on Foreign Affairs / Subcommittee on Europe United States House of Representatives

## **December 2, 2025**

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Thank you, Mr. Chairman.

The views I express in this testimony are my own and should not be construed as representing any official position of The Heritage Foundation.

Mr. Chairman, the Balkans are not doing well.

Thirty years after the signing of the Dayton peace accord and billions in U.S. foreign aid spent, Bosnia Herzegovina is a <u>failed state</u>: Relations between its three constituent peoples – Serbs, Croats, and Muslims – is riven with distrust. Its economy is broken. Its population is shrinking fast. The state is in permanent crisis. It is time to end this post-Dayton nation-building disaster.

Foremost, the country's national sovereignty must be restored by dissolving the <u>Office of High</u> <u>Representative</u> who dismisses elected leaders, vetoes legislation, and bans anyone he dislikes. These unaccountable foreign bureaucrats undermine the sovereignty and legitimacy of the state, block its institutions from maturing, and poison inter-ethnic relations.

Second, the State department must end its efforts to create a centralized, Muslim-dominant state. That violates Dayton's guarantee of equality between Bosnia's three self-governing peoples and pushes Serbs to secede. Croats suffer gross discrimination at the hands of a larger Muslim community and are denied the right to elect their own representatives, resulting in a 62% population decline. Only a third entity in majority Croat areas will save that persecuted Christian community.

But the region will not stabilize absent Serbia's normalization. Serbia's leaders remain wedded to a <u>pro-Russia agenda</u> that stokes instability among its neighbors, especially Kosovo and Montenegro, and provides Moscow, Beijing, and Teheran opportunities to undermine NATO's southern flank. The regional answer is to pull Serbia in and push Russia, China and Iran out. Only U.S. leadership can do that.

Mr. Chairman, President Trump's peace through strength global leadership, tied to practical diplomacy, offers Serbia and the Balkans a historic path towards Western integration.

The President's deal-making power elsewhere has not gone unnoticed. Serbia's leaders seek President Trump's personal engagement in the region. Belgrade remembers how during his first

term Mr. Trump brokered peace between Serbia and pro-U.S. Kosovo through trade and investment. President Trump should expand that deal-making approach regionally.

Two strategic developments in Europe make that prospect ripe. First is the dawn of American energy supremacy. <u>U.S. oil and gas</u> can end Balkan energy reliance on Russia, defund Putin's war machine, and minimize Moscow's regional interference.

The US government was right to sanction Serbia's Russian-owned national oil and gas company. An expanded US-fed natural gas pipeline in Bosnia Herzegovina to fuel the Balkans is stalled by Muslim intransigeance in Sarajevo. Pipeline expansions through North Macedonia is delayed by the predations of its neighbors. Skopje is a solid ally of the United States, recently joining us in supporting Israel and condemning the Cuban dictatorship.

These represent unique opportunities to promote American energy dominance. The region also holds massive deposits of strategic minerals to offer the West relief from Chinese blackmail.

Second, NATO's agreement to increase defense spending to 5% of GDP includes enhancing infrastructure. This offers the Balkans billions in investment opportunities, especially for American energy, equity and construction companies. Next April's Three Seas Initiative hosted by Croatia presents a global forum to strike regional deals.

Mr. Chairman, we must not restart past foreign aid programs that promoted social re-engineering, climate madness, and other leftwing agendas that have generated anti-American sentiment.

Finally, the White House should assign political ambassadors to the Balkans to promote a business-focused agenda but be ready to use visa, banking and other sanctions alongside commercial and investment incentives to pull the region out of Russian, Chinese, and Iranian hands.

To conclude, we must stop what we have been doing in the Balkans. Our foreign aid-based anti-sovereignty approach has failed. Instead, we should encourage American leadership to offer the Balkans a grand investment-based bargain that locks the region into the West and locks out our adversaries.

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