

THE PAST AND THE FURIOUS: HOW RUSSIA'S REVISIONISM THREATENS BOSNIA

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Summary

- The war in Ukraine has given European policymakers a new understanding of how fragile peace is in Bosnia and Herzegovina.
- Russia's main goal in Bosnia over more than two decades has been to keep the state divided and dysfunctional, and to prevent it from developing its own foreign policy – including joining NATO.
- Russia's influence mostly works through Bosnia's post-war constitutional arrangement, a power-sharing system that has given enormous power to local players whose goals and activities overlap with Russia's interests.
- Russia's economic presence in Bosnia is limited, and Republika Srpska, the country's smaller entity, relies heavily on the EU for trade and aid, which would dry up if the entity seceded.
- The immediate threats to Bosnia are homegrown and regional, with revanchist and destabilising forces in Bosnia, Serbia, Croatia, and Hungary determined to undermine the state.
- The EU needs to substantially beef up on-the-ground deterrence, both political and military. This is essential not just for Bosnia's sake, but for the EU's credibility as a foreign policy actor.

Introduction

“Russia’s war on Ukraine threatens to destabilise the Western Balkans. In recent months, the single most important question in the region has been whether a renewed conflict may erupt in Bosnia and Herzegovina, or in the north of Kosovo, where tensions have been rising. The fear is that Russia, even while bogged down in the war in Ukraine, may attempt to destabilise countries in the European Union’s neighbourhood. Moscow could do so either by, for example, paying Serb rioters in the north of Kosovo to shoot at police officers or by conducting a larger-scale operation to encourage the secession of Republika Srpska – one of the two entities that make up Bosnia. A few weeks after Russia began its all-out invasion of Ukraine, Igor Kalabukhov – the Russian ambassador to Bosnia – stated that “Ukraine’s example shows what we expect. Should there be any threat, we will respond.” He appeared to be warning that, if Bosnia sought NATO membership, Russia would invade the country. According to local media outlets, the Russian embassy claimed that Milorad Dodik – the Serb member of the tripartite Bosnian presidency – has a private agreement with President Vladimir Putin about how to proceed in Bosnia.

These threats naturally worry Bosnians. The Kremlin’s full-scale invasion of Ukraine on 24 February 2022 brought back traumatic memories of the 1992-1995 Bosnian war – during which Bosnia’s larger neighbours, Serbia and Croatia, sought to annex parts of its territory. The threats also unsettled Western leaders: in March, NATO’s secretary-general explicitly mentioned Bosnia, alongside Georgia and Moldova, as being at risk of conflict caused by Russian interference.

Until recently, the European Union was keen to demonstrate that Bosnia was stable and ready for the closure of the Office of the High Representative, which oversees the implementation of the Dayton Peace Agreement. But the EU has now reversed its position on this, giving unprecedented political backing to the institution and deploying another 500 troops to Bosnia. Germany has sent 50 soldiers to support EUFOR Althea, the EU military mission responsible for maintaining a safe and

secure environment in Bosnia. While this number of troops is insufficient, the contrast with the situation just a few years ago – when the closure of the Office of the High Representative and EUFOR looked imminent – indicates that Western states now recognise the fragility of the peace in Bosnia, a quarter of a century after the war there ended.

While European policymakers' renewed attentiveness to Bosnia is long overdue, they will need to understand several key issues if they are to prevent another conflict in the country. These issues are: the channels of Russian interference that can destabilise Bosnia; the form that such interference could take; Russia's interests in Bosnia; the political, economic, and security leverage the Kremlin could use to protect these interests; and the ways in which Russia's invasion of Ukraine will affect its capacity to act in Bosnia.

In addressing these issues, Western policymakers will need to separate Russia-related risks from those that are homegrown or regional. All the indications are that the threat to peace in Bosnia is primarily homegrown and regional, while Russia plays a spoiler role where it can do so at a low cost. Bosnia's sovereignty and territorial integrity have been under repeated attack by Bosnian Serb – and, more subtly, Bosnian Croat – nationalist politicians since 1996, when the implementation of the Dayton Peace Agreement began. There has been no structural change in Bosnia or the region that could cause these attacks to abate in the near future. Russia's most important instruments on the ground are these actors and the constitutional blockage mechanisms at their disposal – without them, Russia's influence in Bosnia would be as marginal as it is in Albania.

The reason the Bosnian state survived despite this – and why, somewhat paradoxically, Bosnia's central government even became stronger between 1996 and 2006 – is that Western actors made significant political and security investments in the country. While Russia appears to have been a successful spoiler in the UN Security Council, it has little power on the ground in Bosnia relative to the United States and the EU. Russia has no economic leverage with which to either encourage

or bankroll the secession of Republika Srpska. Its ability to shape local politics derives from the fact that its objectives are simpler than those of the EU and the US. The West has sought to persuade local nationalist elites to actively cooperate with the state-building process, but Russia's goal has always been to keep things as they are – by ensuring that its proxies obstruct that process. In other words, Russia has never needed to change Bosnian Serb or Bosnian Croat nationalist leaders' behaviour: on the contrary, their work to undermine the Bosnian state was a weapon Russia was able to pick up. Russia has only succeeded in undermining Western initiatives because, starting in 2008, the US and the EU have progressively disengaged from Bosnia and have tried to placate Russian proxies there.

Russia's legacy and interests in Bosnia

Russia's policy on the Bosnian war placed it firmly on the side of Serbia and Republika Srpska, a largely homogeneous entity that ethnic Serbs carved out during the conflict through the expulsion and mass murder of civilians. Russia sided with the US, the United Kingdom, and France in a vote on UN Security Council sanctions on Serbia, but most of these measures amounted to a deeply flawed Western policy of appeasement. Ideologically and politically, Moscow backed Slobodan Milosevic's Serbia and Bosnian Serb leaders between 1992 and 1995. An estimated 500 Russian volunteers fought alongside Bosnian Serb paramilitary units during the war. (One of them, Igor Girkin, would go on to play a crucial role in Russia's seizure of Crimea in 2014.)

In the aftermath of the war, Russia sent a delegation to the Dayton peace conference, contributed troops to the NATO-led peacekeeping operation in Bosnia, and took a seat on the Peace Implementation Council, a multilateral forum that formally oversees the implementation of the Dayton Peace Agreement. While Russia's cooperation with the West on Bosnia has fluctuated since Putin became president, Moscow has consistently supported Republika Srpska and Serbia through policies and discourse that have undermined Bosnia's sovereignty and territorial

integrity. Despite formally recognising Bosnia's sovereignty, the Kremlin has worked to ensure that the Bosnian central government remains dysfunctional, divided, and incapable of forming any coherent foreign policy that could threaten Russian interests. First and foremost, such obstruction involves efforts to block Bosnia's aspirations of NATO accession and to prevent foreign policy alignment with the EU on Russia policy – be it in regard to the annexation of Crimea, the Russian occupation of eastern Ukraine, or EU sanctions on Russia.

Russia pursues its goals in Bosnia using a two-pronged approach. Firstly, Moscow supports local ethno-nationalist proxies, who use various mechanisms in the Dayton constitution to veto decisions unfavourable to Russia, including in relation to NATO membership. These proxies include the political leaders of Republika Srpska, who have spent the last 15 years undermining Bosnian state institutions and calling for secession. The key figure in this regard is Dodik – who has been the most vocal opponent of Bosnia's NATO accession and EU-led sanctions on Russia. Dodik has used his veto to repeatedly prevent the presidency of Bosnia from generating a consensus on UN General Assembly resolutions calling on Russia to withdraw its military forces from Crimea and to end its occupation of Ukrainian territory. Most recently, the chairman of the Bosnian central government, a member of Dodik's Alliance of Independent Social Democrats, has refused to implement decisions taken by the Bosnian embassy in Brussels to join EU sanctions on Russia.

The nationalist Croatian Democratic Union (HDZ BIH) and its leader, Dragan Covic, also act in support of Russian interests, despite the fact that the party formally backs Bosnia's NATO accession. It is important for Russia that the HDZ BIH opposes the constitutional changes needed to streamline voting procedures and allow Bosnia to move forward with EU and NATO accession. Furthermore, Covic and most HDZ BIH delegates have voted against Bosnia's alignment with EU sanctions on Russia in the upper chamber of the Bosnian parliament, along with the delegates from Republika Srpska

The second channel of Russian political influence is opposition to EU and US policy in multilateral forums, such as the UN Security Council and the Peace Implementation Council. On the UN Security Council, Russia can veto the annual extension of EUFOR Althea – the threat of which it uses as a bargaining chip to gain concessions from the EU and the US on other issues. For example, in November 2021, Russia threatened to block the yearly renewal of EUFOR Althea if the German High Representative, Christian Schmidt, gave a briefing to the UN Security Council. This resulted in a compromise in which the UN Security Council extended EUFOR’s mandate for another year but removed all references to the Office of the High Representative and Schmidt in a resolution on Bosnia – a clear concession to the Kremlin.

The Peace Implementation Council oversees the Office of the High Representative. In theory, the latter has the power to impose legislation and remove obstructive local actors from office. The US and the EU have traditionally relied on the Office of the High Representative to improve the functionality of Bosnia’s central government and its decision-making mechanisms. However, Russia usually opposes such initiatives. Moscow has gradually withdrawn its support for the Peace Implementation Council’s efforts to strengthen the sovereignty and territorial integrity of Bosnia. Between 2017 and 2022, Russia opposed the council’s declaration that Republika Srpska had no right to secede; questioned the legitimacy of judgments from the International Criminal Tribunal for the former Yugoslavia; objected to the council’s statements of support for Bosnia’s Constitutional Court and its judges; and, more recently, boycotted the council in defiance of its decision to support Schmidt’s appointment. Russia’s ultimate goals are the closure of the Office of the High Representative, and the departure from Bosnia’s institutions of all Western officials, such as the three European judges on the Bosnian Constitutional Court. Since the appointment of Schmidt as the new High Representative, Russia has boycotted the Peace Implementation Council altogether.

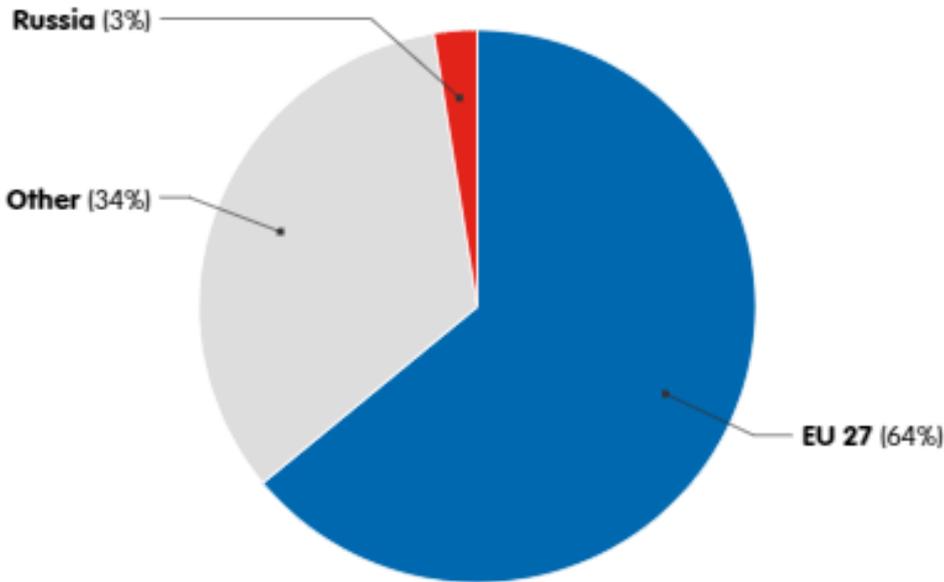
In practice, opportunism dominates the relationship between the leaderships of Russia and Republika Srpska. Both sides reap political benefits from this. Dodik shapes Bosnia's foreign policy according to Russia's interests, and Russia supports Republika Srpska's political goals on the UN Security Council – pressing for the closure of the Office of the High Representative; vetoing a UN Security Council resolution on the Srebrenica genocide; and threatening to veto the extension of EUFOR Althea.

Public opinion in Republika Srpska reflects this political alignment. Members of Bosnia's three main ethno-religious groups – Bosniaks, Bosnian Serbs, and Bosnian Croats – tend to have markedly different attitudes toward Russia, the US, and the EU. The International Republican Institute's 2022 opinion poll found that 89 per cent of Bosnian Serbs have a positive view of Russia's role in Bosnia, compared to 39 per cent of Bosnian Croats and only 27 per cent of Bosniaks – the group that identifies most with a sovereign Bosnian state. Meanwhile, Bosnian Serbs' perceptions are closely aligned with public opinion in Serbia, where 92 per cent of respondents have a favourable view of Russia.

Russia's economic leverage over Bosnia

Russia has relatively limited economic leverage over Republika Srpska and Bosnia. In the first seven months of 2022, Russia accounted for around 2.4 per cent of Bosnia's imports and 0.3 per cent of its exports. In Republika Srpska, the numbers are even lower: Russia accounts for 0.28 per cent of total Republika Srpska's exports and 1.56 per cent of its imports. By comparison, during the same time period, the EU accounted for around 74 per cent of Bosnia's exports, and 69.9 per cent of Republika Srpska's exports to the EU. Similarly, Russia provides only 1.5 per cent of foreign direct investment in Republika Srpska, compared to EU member states' 55 per cent. For Bosnia as a whole, foreign direct investment from Russia accounts for 4 per cent of total foreign direct investment. Prior to its full-scale invasion of Ukraine in 2022, Russian economic activity in Bosnia was concentrated in the financial and energy sectors. Western sanctions have since forced Russian banks out of Bosnia, with two domestic banks taking over the local branch of Sberbank after it experienced a liquidity crisis.

Total stock of FDI Bosnia and Herzegovina, by 2020



Source: Foreign Investment Promotion Agency of Bosnia and Herzegovina; Europa.rs
ECFR - ecf.eu

Top trading partners of Bosnia and Herzegovina in 2021

Total goods in €m

Imports

Partners	Value	% World
World	10,986	100
EU27	6,480	59
Serbia	1,246	11.3
China	866	7.9
Turkey	646	5.9
Russia	322	2.9
United States	272	2.5
India	117	1.1
Brazil	87	0.8
Switzerland	77	0.7
Vietnam	67	0.6

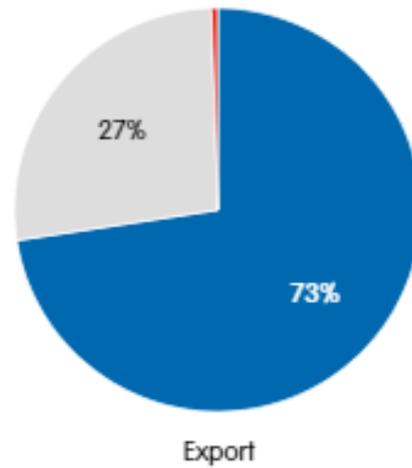
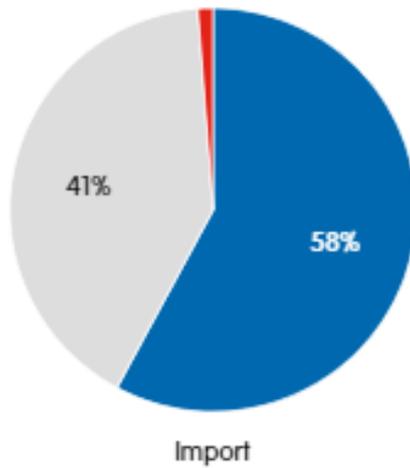
Exports

Partner	Value	% World
World	7232	100
EU27	5292	73.2
Serbia	919	12.7
Montenegro	200	2.8
Turkey	182	2.5
Switzerland	172	2.4
United States	79	1.1
Russia	54	0.8
United Kingdom	46	0.6
Albania	27	0.4
Egypt	22	0.3

Source: International Monetary Fund

Share of imports and exports Republika Srpska, 2021

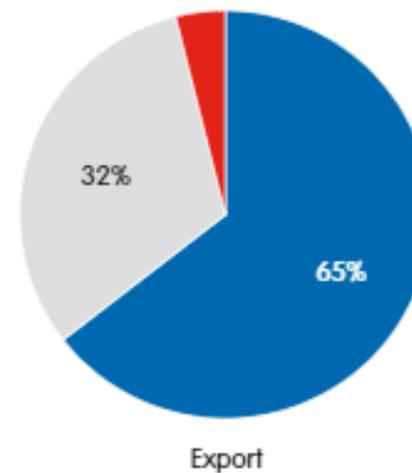
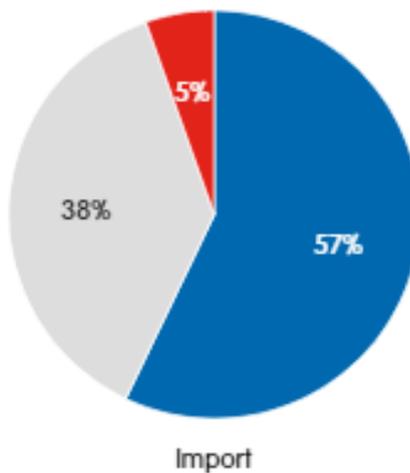
■ EU 27 ■ Other ■ Russia



Source: Institute of Statistics Republika Srpska
ECFR - ecf.eu

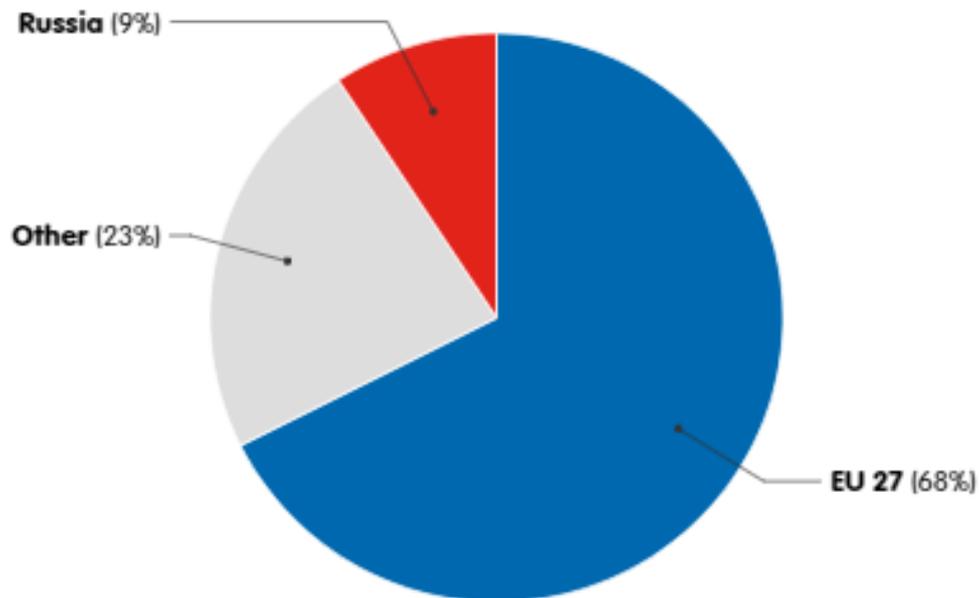
Share of imports and exports Serbia, 2021

■ EU 27 ■ Other ■ Russia



Source: Statistical office of the Republic of Serbia
ECFR - ecf.eu

Total FDI Serbia, 2010-2020



Source: Foreign Investment Promotion Agency of Bosnia and Herzegovina; Europa.rs
ECFR - ecf.eu

In the energy sector, Bosnia imports almost all its gas from Russia. But this makes up only 3.3 per cent of its total energy mix – far less than the EU average of 26 per cent. The Federation of Bosnia and Herzegovina (FBiH) – the larger of the two entities that make up the country – consumes most of this Russian gas. Russia has sometimes used its gas monopoly in Bosnia to punish the FBiH, by charging a relatively high price for the fuel. Meanwhile, oil derivatives make up more than 28 per cent of Bosnia’s energy mix. In Republika Srpska, the largest share of the oil market is held by Russian firm Optima Group – whose parent company, Neftegazinkor, controls around 30 per cent of Bosnia’s oil market. Optima Group owns Oil Refinery Brod and Oil Refinery Modrica in Republika Srpska, which import only Russian crude oil through a pipeline from Serbia. The two refineries continue to record losses, which stand at €514m. Optima Group currently has liabilities of more than €600m. The debts Russian oil companies have accumulated there are likely to become a burden on Republika Srpska. If the authorities in Republika Srpska took over the two refineries in a situation similar to that recently faced by Sberbank, they would inherit Optima Group’s local debts.

Therefore, Russia has little economic leverage over Republika Srpska or Bosnia. In fact, Russia's ability to assert its goals in Bosnia is remarkable, given its limited economic leverage. This ability mostly rests on the fact that its goals overlap with those of its proxies in Bosnia, who hold immense constitutional power that allows them to shape the decision-making process.

Russia's objectives in Bosnia: How far is it willing to go?

Since Russia invaded Ukraine, Western states have been concerned that the Kremlin will back the secession of Republika Srpska to ignite a conflict in Bosnia that could spread across the region. By December 2021, there was a great deal of uncertainty about whether Dodik would attempt secession, after he pushed a resolution through the National Assembly of Republika Srpska announcing his intention to withdraw the entity from Bosnia's central government institutions in areas such as indirect taxation, defence, intelligence, and judicial affairs. Many observers concluded that the Kremlin would push for Republika Srpska's independence as a way to destabilise the EU's neighbourhood.

All this raises the question of whether Republika Srpska could secede without external financing and whether Russia would provide such support. Most estimates suggest that the entity could not afford to do so. For example, if Republika Srpska withdrew from the Indirect Taxation Authority (through which it receives transfers in indirect revenues from the central government), this would cost it hundreds of millions of euros in budget revenues annually. In addition, Republika Srpska's secession would lead to a loss of EU financial assistance and a significant decline in foreign direct investment and trade (which, as discussed, predominantly comes from EU member states).

Moreover, if the National Assembly implemented all its conclusions on secession, it would need to fund the creation of Republika Srpska institutions to replace those Dodik claims he wants to abolish. More importantly, the Republika Srpska

government has €400m in debt service payments to external creditors coming due in 2023. This is approximately 24 per cent of Republika Srpska's annual budget tax revenues. While both Russia and China want to dismantle the Western executive presence in Bosnia, neither of them is likely to bankroll the formation of the institutions that Dodik announced in December last year.

Russia did not step in to help the Republika Srpska government with its financial difficulties during the covid-19 pandemic or other crises. It has not even kept its 2014 promise to provide the government with €250m in credit. While there are rumours that several Russian oligarchs have bought Republika Srpska government bonds – which would give them leverage over Dodik – there is no official data to confirm this.

Accordingly, it is hard to see how Dodik would be able to afford secession. Russia has always acted as a spoiler in Bosnia at a low cost. And it seems unlikely to change its approach at a time when the Russian economy is under severe pressure from Western sanctions and the Kremlin's war on Ukraine.

There is also the fact that Russia's goals are best served by ensuring that Bosnia remains as dysfunctional as possible without changing its borders. This is because, as discussed, Russia's main goal in Bosnia is to prevent the central government from adopting a coherent foreign policy that would threaten its interests. Until now, Russia could pursue this objective with little investment. Dodik has done most of the work by gradually destroying the checks and balances on his power. He has followed the same script since entering office in 2006: threatening secession to gain US and EU concessions as international and domestic constraints on his activities weakened. One concession that he gained in this way – in cooperation with the HDZ BIH – was the departure from Bosnia of foreign judges who ruled on corruption and organised crime cases. The absence of these judges helped facilitate state capture in Bosnia.

Russia and Dodik aim to use the same tactics to remove all remaining Western oversight from the country. This includes the Office of the High Representative and the three international judges on the Constitutional Court, both institutions that can counter his attacks on the Dayton Peace Agreement. Should Dodik achieve this aim, the current constitutional system – which is already loaded with opportunities for procedural blockages, financial mismanagement, and abuse of office – would likely never be reformed and would only weaken over time. This would be the ideal scenario for Russia – because Bosnia would continue to be unable to pursue an independent foreign policy on either NATO or Russia’s occupation of parts of Ukraine. Internally, it would allow Dodik or like-minded political leaders to eliminate the few remaining institutions that have retained a degree of independence from the ruling political parties, such as the Constitutional Court, the Central Election Commission, and the High Judicial and Prosecutorial Council.

Prior to Russia’s all-out war on Ukraine, the EU’s objectives on the closure of the Office of the High Representative were close to those of the Kremlin. It was only after a sharp increase in the risk of conflict in Bosnia that the EU stopped calling for the closure of the office and started to provide political support for the use of executive instruments such as the Bonn Powers.

A crisis that recently erupted in Bosnia around the Office of the High Representative’s plan to change the constitution and the country’s election law is indicative of the lasting split between the EU and the US regarding the use of the Bonn Powers. The proposal caused a great deal of controversy in Bosnia, as it includes a gerrymandering component that would favour the HDZ BIH in elections – although other parts of the package are designed to address the dysfunctionality of the FBIH and to remove HDZ BIH’s veto over the workings of the FBIH. The members of the Quint adopted positions that are telling of their general attitudes towards the Office of the High Representative. France and Italy showed their general opposition to the use of Bonn Powers, Germany opposed the initiative because it did not want to encourage the ethnicisation of the election law, and the

US and the UK supported both the use of the Bonn Powers and the proposal. Regardless of what one thinks of the plan, the episode reflected a wider challenge in the Quint's lack of joint strategy on how to move forward and strengthen Western influence in Bosnia.

The regional picture

Hungary's influence in Bosnia

Ever since Dodik started threatening secession, his main partner in the EU has been Hungary's prime minister, Viktor Orbán. Orbán demonstrated his commitment to cooperation with like-minded illiberal leaders from the Western Balkans when he offered asylum to Nikola Gruevski – the fugitive former prime minister of North Macedonia, who was facing trial at home on corruption charges. Similarly, Orbán publicly supported Dodik in his quest to break up Bosnia by visiting him in Banja Luka immediately after the National Assembly adopted its resolution on withdrawal from all institutions of the central government. There, Orbán promised economic investment in Republika Srpska and announced that Hungary would block potential initiatives within the EU to sanction Dodik for undermining the Dayton Peace Agreement. Dodik regularly praises Orbán's far-right stance on immigration and his Islamophobic statements, using similar rhetoric to justify his destabilising actions in Bosnia.

Therefore, while Hungary is one of the largest contributors of troops to EUFOR Althea, it also severely undermines the EU's capacity to deter obstructive behaviour and secessionism in Bosnia. The EU has established a legal framework for sanctioning the anti-Dayton policies of local politicians, but has never used it. Germany showed an appetite to change this in 2021, after Dodik withdrew Republika Srpska from Bosnia's central government institutions. Yet the German initiative fell flat. Following Orbán's veto threat, member states agreed to change the voting requirements on the issue from a qualified majority to unanimity, thereby ensuring that the EU would never sanction Republika Srpska.

Furthermore, enlargement commissioner Oliver Varhelyi seems to tacitly support Dodik – or, at least, did so prior to Russia’s invasion of Ukraine. Varhelyi reportedly offered to make concessions to Dodik, pledging to provide €600m credits to Republika Srpska if Dodik toned down some of his rhetoric. At the same time, Germany withheld €105m in project assistance to Republika Srpska in reaction to Dodik’s anti-Dayton activities.

Therefore, Hungary has proven effective at blocking Germany’s efforts to deter the obstructive activities of leaders in Republika Srpska (however minimal these efforts may be).

Serbia’s and Croatia’s influence in Bosnia

Serbia’s and Croatia’s roles in the Bosnian war are well documented. As confirmed by the rulings of the International Criminal Tribunal for the Former Yugoslavia, the two countries focused on carving out ethnically homogeneous territories in Bosnia for annexation. In recent years, Serbia and Croatia have both tried to maintain plausible deniability about their destabilising activities in Bosnia.

Croatia has been especially persistent in its push for electoral reforms that would further divide Bosnia along ethnic lines and solidify HDZ BIH’s electoral fortunes. The HDZ-led government of Croatia relies on its sister party, the HDZ of Bosnia and Herzegovina, to support its interference in Bosnia’s internal affairs, frequently influencing policies to the benefit of Croatia and at the expense of Bosnia’s national interests. These include: HDZ BIH’s votes against addressing important bilateral issues such as the ratification of the 1999 border agreement between Bosnia and Croatia, which Croatia is contesting; Croatia’s attempts to build a nuclear waste disposal close to the border with Bosnia; HDZ BIH’s support for Croatia paying a symbolic fee considerably below the market price for water from Lake Busko in Bosnia to operate Croatian hydropower plants (two HDZ BIH MPs were expelled from the party after demanding fairer compensation by Croatia); or interventions by

the members of Bosnia's Competition Council to influence its rulings to the benefit of Croatia's and Serbia's companies.

Earlier this year, the Croatian Academy of Sciences published a memorandum calling for the creation of a Croat entity in Bosnia as a precondition of the country's accession to the EU. The current announcement that the Office of High Representative would impose changes to the election law – while promising to remove a number of institutional blockages in the FBiH – would change the method of electing delegates to the upper chamber of the FBiH parliament, which would then also affect the appointment of the delegates to the upper chamber of the Bosnian parliament. It would do so in such a way as to give more weight to the votes of Bosnian Croats who live in HDZ BiH-dominated cantons, and thus further solidify HDZ BiH's political power at both levels of government.

Serbia, Russia's main ally in the Western Balkans, continues to be a powerful regional player and to meddle in the affairs of its neighbours, particularly Bosnia and Kosovo. Important figures in the Serbian government maintain a revisionist discourse that glorifies war criminals, promotes the idea of a "Serbian world", and frequently calls for unification with Republika Srpska – all of which is reminiscent of Russia's narrative on Ukraine. President Aleksandar Vucic pays lip service to Bosnia's sovereignty and territorial integrity while lending political support to nationalist actors that try to dismantle Bosnia's government and the Dayton Peace Agreement. Dodik's appearance as a distinguished speaker at Serbia's largest military exercise since the wars of the 1990s is a case in point. Dodik's speech, which came at the height of his boycott of Bosnia's central government, emphasised the strength that Serbia's army could potentially bring to bear. One could have been forgiven for assuming that Dodik was Serbia's minister of defence rather than a politician in a separate sovereign state.

Against this backdrop, and given Serbian society's persistent lack of catharsis over the wars of the 1990s, the recent increase in Serbia's military expenditure is a cause for concern about its long-term plans for the region. In 2019 this expenditure was 1.7

times as much as that of the other five Western Balkans countries combined. Moreover, Belgrade's arms imports – which increased more than tenfold between 2016 and 2019 – increasingly include advanced Chinese and Russian weapons.

Conclusion

The main threat to Bosnia's sovereignty comes less from Russia's leverage over the country and more from local and regional actors. The leaders of Republika Srpska have never entirely given up on the idea of gaining independence from Bosnia and joining Serbia. However, if it broke away, Republika Srpska could not survive financially without becoming part of Serbia: its key economic partners in the EU would refuse to recognise it as an independent entity and would block trade with it. Despite Republika Srpska's pro-Russian stance, the vast majority of its trade remains with EU countries.

The only scenario in which an independent Republika Srpska could survive is one resembling the situation with the Turkish Republic of Northern Cyprus, whereby Belgrade provided substantial financial support. This remains unlikely at the moment. The idea of unification with Serbia permeates Republika Srpska's public discourse and political campaigns, but the political and economic costs of such a move are currently too high for Belgrade to seriously consider making it: Serbia has a close relationship with the EU in trade and investment, and with the US in military procurement.

However, this does not mean that peace and stability in Bosnia can be taken for granted. Despite Russia's limited economic leverage, Moscow's firm intention is to continue subverting existing Western political and security initiatives in Bosnia. Russia will no doubt persist in deploying all instruments at its disposal to achieve this goal. Notably, this includes once again using a veto at the UN Security Council this autumn to prevent the extension of EUFOR Althea.

Serbia continues to hedge its bets by maintaining strong relations with China and Russia, while it waits to see who will prevail in the economic war between Russia and the West. And revanchist actors in Bosnia and Serbia are patiently hoping for the return of Donald Trump, whom they expect to be more permissive when it comes to ideas of border changes. If the context were to change, Belgrade could act on its revisionist narrative or encourage others to do so. It is therefore not possible to rule out a Republika Srpska attempt at secession, or Belgrade's support for border changes elsewhere in the region. In such a scenario, Russia would happily go along for the ride.

Many policymakers in European capitals would struggle to imagine how such developments could come about. Yet the same was true of Russia's attempts to dismantle Ukraine – right up until the moment that Russian troops began their advance on Kyiv. Similarly, in 1991, after conflict broke out in Slovenia, the German ambassador in Belgrade reportedly said: “I will not be told that there is a war in Yugoslavia.”

Examples abound of decision-makers' cognitive dissonance leading to a lack of timely and effective deterrence. The main lessons for Bosnia from Russia's war on Ukraine concern not so much the danger of its potential invasion of Bosnia, but the need to establish a deterrent against local and regional revanchism. Those who dismiss the need for such deterrence often point out that Bosnia is already too dependent on political and security support from the US and the EU. There is some truth to the argument. But, until the power-sharing system enshrined in Dayton is reformed, local revisionist actors will continue to hold Bosnia hostage. The West's political strategy therefore must focus on freeing Bosnia's governance structures from the nationalist grip.

Furthermore, dependence on external support is not unique to Bosnia: South Korea, Taiwan, Japan, and Gulf Cooperation Council states are heavily dependent on US security guarantees to ward off threats of invasion. The US deploys more than 80,000 troops in Japan and South Korea to deter potential attacks by China and North

Korea. In Bosnia, a country in which there is a high risk of a conflict that could destabilise the EU, it is mind-boggling that member states are unwilling to deploy more than the 1,000 troops that currently make up EUFOR Althea.

The US played a critical role in the post-war stabilisation of Bosnia, contributing all 52,000 NATO troops in the country and gradually reducing this number before it allowed the EU to take the lead. A majority of Bosnians want American troops to return to their country, as the US is the only partner they trust to defend them in a conflict. However, Europeans should recognise that, although the US is still politically engaged with Bosnia, it expects its European allies to take the lead as security guarantor in the Balkans. Therefore, they should strengthen both their political and security engagement with Bosnia now, to prevent the political crisis from developing into military escalation.

If the EU wants to fulfil its ambition of becoming a geopolitical actor that can contain Russia in its immediate neighbourhood, it will not be able to do so through the enlargement framework alone, (which, in any case, is malfunctioning). The EU needs to create a credible foreign and security policy that is backed by powerful military capabilities. The EU should do so not just for Bosnia and the Balkans but also for its own sake.

In the past 30 years, the EU's policy, from Bosnia to Ukraine, has been characterised by its unfulfilled ambition to become a credible player in foreign policy and security. The EU failed the Balkans in the 1990s: former Luxembourg foreign minister Jacques Poos declared that the collapse of Yugoslavia was the “hour of Europe” – only for Europeans to prove incapable of preventing the wars that followed. This failure gave impetus to that era's *Zeitenwende* for the EU: the Helsinki Headline Goal. Its aim was to build up the capability to deploy 60,000 troops within 60 days on a mission lasting up to a year.

Three decades on, as the horrors experienced by Bosnia in the 1990s are repeated in Ukraine, the EU's Strategic Compass has set out the far more modest ambition of

developing a Rapid Deployment Capacity of 5,000 troops. This is less than a tenth of the number of NATO soldiers who kept the peace in Bosnia in 1996. Unless the EU becomes more assertive in foreign policy and military affairs, it will never achieve its geopolitical goals in the Balkans – or anywhere else.

About the author

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