

TRUMP'S TINDERBOX: US POLITICS AND THE NEXT WAR IN THE BALKANS

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SUMMARY

- Over recent years, Serbia's government and Serb nationalists elsewhere in the Western Balkans have increased their revisionist agitation in the region. They recently adopted an "all-Serb declaration" that seeks to overturn the post-Dayton settlement in Bosnia and Herzegovina, and claims Kosovo as an inseparable part of Serbia.
- Though some international observers have criticised the Biden administration for its concessions to Aleksandar Vucic, Serbia's president, it deserves credit for containing Belgrade's ability to realise its ambitions and preventing two worst-case scenarios: the disintegration of the Bosnian state and armed escalation between Serbia and Kosovo.
- That fragile status-quo would come under significant threat from a new Trump presidency in the US. Among other risks, his second administration may seek to reverse sanctions that have constrained separatist appetites among Bosnian Serbs and to revive dangerous proposals for a Serbia-Kosovo land swap. Peace in the region is at stake.
- Particularly in the event of a Trump victory on 5 November, the EU should prepare a package of new deterrence mechanisms that it can apply in the Western Balkans independently from the US and spoiler member states like Hungary. And in either eventuality, it should take more responsibility for stabilising the region.

Biden, Trump, and calamities averted

It was a summer's day in Kyiv in 2018. Russia's initial invasion of eastern Ukraine was four years into the past; its attempted full-scale invasion of the country was four years into the future. John Bolton was holding a press conference. When Radio Free Europe asked then president Donald Trump's national security adviser about the idea of Kosovo and Serbia exchanging territories, he replied: "I think there are new signs that both governments very quietly may be willing to negotiate on this." It was a glib reply to a dark suggestion.

The modern history of the Western Balkans has shown the danger of attempting to align borders with the predominant ethnicities in any given area. Serbia's government was and is known to have designs on northern Kosovo. The territory swaps idea is fraught with peril. It is not consistent with a policy of regional integration into the European Union, and thus gradually less significant frontiers between countries. So Bolton's comment was not well-advised. But it did point to something that deserves urgent European attention as the US presidential election on 5 November nears: the potentially destabilising influence of Trumpian power in America on the fragile peace in the Western Balkans.

During his first term, Trump's policies on the region often trampled over the principles Washington had spent more than two decades promoting. Richard Grenell, his ambassador to Germany and envoy for the Serbia-Kosovo dialogue, sidelined Europeans and glossed over complex political issues in search of a quick deal between the two states as a foreign-policy trophy for the president. In the end, four years of Trump changed relatively little. EU diplomats in Brussels aligned with the United States on the land-swap idea, but ultimately then chancellor Angela Merkel used Germany's leverage on Serbia to resist it. But those four years demonstrated that the idea of border revisions is still alive and well in the Western Balkans — and that the US can easily divide the EU and its member states on the matter.

Would a second Trump term make such a difference? Especially given widespread criticism of the Biden administration's concessions to Aleksandar Vucic, Serbia's politically all-powerful president? This brief argues that it would.

It is true that the current administration has based its Western Balkans policy on the hope that Serbia would eventually turn its back on China and Russia and embrace a pro-Western course and a constructive regional posture. And it is true that this hardly looks to have succeeded. Belgrade has not lived up to outgoing president Joe Biden's expectations. It has indirectly supplied weapons to Ukraine. But it has also proudly refused to impose sanctions on Russia over Moscow's full-scale invasion of the country; maintained close relations with China; and continued to play a destabilising role in the region.

Less obvious, but arguably more important, are the calamities that the Biden administration has been able to prevent. For it has helped to contain a series of political and security crises in regional hotspots – particularly Bosnia and Herzegovina and northern Kosovo – that could have led to political or even armed escalation. Beneath these crises lurk revisionist appetites that may well be unleashed if a new US administration resiles from this deterrence.

There was the moment in late 2021 when the Serb-dominated Republika Srpska, one of the two entities of Bosnia and Herzegovina, laid out a formal plan for the collapse of the country's overarching institutions. Under its president Milorad Dodik it even started to implement this.

Then spring and summer 2023 brought a series of Serbian challenges to Kosovo's stability. These included an attack on the NATO-led international peacekeeping force (the Kosovo Force, KFOR) that left more than 90 soldiers injured, and a border-crossing by special forces to abduct three Kosovo police officers.

The geography of Serb revisionism in the Western Balkans



°Self-governing administrative district.

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Then, in the boldest act to date, a joint session of the governments of Serbia and Republika Srpska in June 2024 (entitled “one Nation, one Assembly – Serbia and Srpska”) adopted a 13-page “all-Serbian declaration” that outlined an aggressive vision for regional dominance. The document laid out the governments’ shared ambition to dismantle Bosnia’s sovereignty, dissolve its state-level institutions, and regain control over territories in Kosovo. It challenged the legitimacy of Kosovo’s independence and called for “all available means” to protect Serbian interests, a thinly veiled threat of further violence. Both the Serbian parliament and the national assembly of Republika Srpska subsequently ratified the declaration. It was the crossing of a Rubicon.

Despite the escalatory potential of these moments of crisis over the past four years, sustained US diplomatic engagement, including an increasingly far-reaching sanctions regime, has helped to avoid full-scale conflict. But the Biden administration's failure to pursue a bolder policy towards Serbia – standing up more to its flirtations with all-Serb expansionism – also means that its successes are vulnerable. A US administration with a different agenda, more instinctively favourable to Belgrade and Banja Luka (the main political centre of Republika Srpska) could reverse them within a matter of months.

A second Trump term looks set to be just that administration. It poses five main risks:

- A loss of US neutrality caused by the close business links between the president's family and the Serbian government
- Greater influence for Hungary, under its authoritarian leader Viktor Orbán, on Western Balkans policies
- The revival of the dangerous proposal of a land swap between Serbia and Kosovo
- An emboldening removal of US sanctions against Belgrade-backed disruptors in Republika Srpska and northern Kosovo
- In the worst case, the disintegration of Bosnia-Herzegovina, potentially leading to armed escalation

In other words, the region still has much to lose if revisionist disruptors are given a green light. Who are they, what are their plans, and how could they trigger escalation under a more permissive US president?

All-Serb manoeuvring in the Western Balkans

This so-called Greater Serbia project is rooted in the nationalist ideology of the young, post-Ottoman Serbian state in the 19th century. Its leaders envisioned the unification of all ethnic Serbs into a single country by bringing together all regions with significant Serb populations, including parts of modern-day Croatia, Bosnia and Herzegovina, Montenegro, and Kosovo. The idea persisted throughout the region's tumultuous 20th century and resurfaced in a new, devastating form in its final decade as Yugoslavia crumbled and nationalist movements found new momentum.

As president of Serbia from 1989, Slobodan Milošević capitalised on Serb nationalism, using it

to justify his efforts to dominate the fraying Yugoslav federation. The disintegration of Yugoslavia in the early 1990s led to a series of wars, during which the vision of a Greater Serbia fuelled Europe's worst violence since 1945 in Bosnia and Herzegovina, Croatia, and Kosovo. Milosevic's regime committed campaigns of ethnic cleansing to secure territories for an expanded Serb state. These resulted in massive loss of life, genocide in Srebrenica, and the displacement of millions.

The US played a pivotal (if sometimes belated) role in ultimately containing these ambitions, particularly by intervening militarily and brokering peace agreements. The 1995 Dayton Agreement, which ended the Bosnian war, was a major American diplomatic victory. It preserved Bosnia and Herzegovina as a single state, albeit with significant autonomy granted to Republika Srpska. In Kosovo, the US-led NATO intervention in 1999 helped to halt further Serbian aggression and paved the way for Kosovo's independence.

The concept of a "Serbian world" (*Srpski svet*) has emerged in recent years as a rebranded form of the Greater Serbia project. It seeks to unite Serbs across the region; not necessarily through territorial expansion, but at the very least by consolidating Serbian political and cultural influence over neighbouring countries and particularly Bosnia and Herzegovina, Montenegro, and Kosovo. Vucic and his close ally Aleksandar Vulin, now his deputy prime minister, are among its main proponents. The latter even coined the term "Serbian world". The term bears similarities to Moscow's concept of a Russian world (*Russkiy mir*), which seeks to unify and protect ethnic Russians and Russian-speaking populations abroad, whether through cultural, political, or military means. Both concepts serve as nationalist frameworks for exerting influence over neighbouring states, positioning Serbia and Russia as defenders of their respective ethnic groups.

Three landmark moments from the past four years tell of the growing confidence of the "Serbian world" agenda:

- Efforts to dissolve the Bosnian state by Dodik and other leaders in Republika Srpska
- Serbia's repeated and increasingly violent escalations into the north of Kosovo
- The "all-Serb assembly" declaration formalising Serbia's irredentist ambitions

The failed Bosnian-Serb attempt of 2021 and its 2022 aftermath

Dodik is no newcomer. He has been a leading figure in Republika Srpska since 2006 and has threatened to break up Bosnia so often that his threats have become unremarkable. In the past, his strategy has been gradually to salami-slice Bosnia's central government in order to

weaken shared institutions and abolish all those mechanisms of judicial or administrative oversight he could not control. But over time, his agenda has become more ambitious; albeit partly limited by local checks and balances and European measures, and most of all by US pushback.

Dodik's bid in October 2021 to dissolve Bosnia, endorsed by Republika Srpska's parliament, is a case in point. It amounted to a detailed strategy to withdraw unilaterally from almost all of the country's state-level institutions, including the armed forces, judiciary, and intelligence services. By the end of 2021, Dodik's authorities in Banja Luka had prepared a series of draft laws and announced they would draft a new constitution for Republika Srpska to implement this strategy. Ultimately, however, they passed only one piece of legislation: a unilateral bid to reclaim authority over medicines from Sarajevo and establish a separate, parallel medicines agency. But even this remains unimplemented. Dodik subsequently postponed the plan in 2022.

The 2023 Banjska incident and Serbia-Kosovo tensions

In Kosovo, Serbia's government has focused on consolidating control over four Serb-majority municipalities in the north. There it has been able to wield influence through its political proxy, the Serb List (*Srpska Lista*) party, whose former vice-president Milan Radoicic has been sanctioned by the US Treasury for involvement in organised crime networks. Serbia's strategy for the north is to prevent Kosovo's state from exercising sovereignty and to maintain parallel institutions controlled from Belgrade. Its policy has shifted from the land-swap idea to the pursuit of full autonomy in the form of the Association of Serb Majority Municipalities (another Republika Srpska, essentially). The situation there stands in contrast to the six Serb-majority municipalities south of the Ibar River, where Serbs have integrated into Kosovo's institutions and participate in local governance.

Recent efforts by the Kosovan government to assert its authority in the north have resulted in a backlash from both Serb List and the Serbian government. In November 2022, Vucic encouraged Serbs in northern Kosovo to withdraw from all political, administrative, judicial, and police institutions. Kosovo's government stepped in to fill the vacuum by holding municipal elections and appointing four ethnically Albanian mayors, who were elected on a low turnout as, under Belgrade's instructions, Serb List boycotted the elections. In reaction, local Serbian-backed hooligans resorted to armed violence.

In summer 2023, the situation escalated. In May, armed Serb protestors attacked KFOR soldiers, Kosovan police, and journalists, leaving some 90 KFOR soldiers injured. Then in June, Serbian special forces crossed into Kosovo's territory and abducted three Kosovan

police officers. In September, a Serb paramilitary group attempted to smuggle large quantities of weapons across the border, including assault rifles, hand grenades, and explosives, and murdered a Kosovan police officer in Banjska, in northern Kosovo. The clash between local security forces and the paramilitaries ended in three militant deaths and over thirty arrests.

The 2024 declaration of the all-Serb assembly

The declaration adopted on 8 June 2024 by the all-Serb assembly was in many respects the culmination of these other trends. Together, the governments of Serbia and Republika Srpska agreed that the Dayton Peace Agreement was “permanently and significantly damaged”. Their declaration called for a return to the immediate post-war constitutional and institutional structure, which would leave Bosnia's central government with practically no remaining sovereignty. It implied that Republika Srpska can unilaterally claim back powers from the Bosnian state, a move that the country’s highest court has repeatedly declared unconstitutional. In essence, it advocated the disintegration of Bosnia and Herzegovina, veiled in a language of “peaceful” exercise of rights to self-determination.

On Kosovo, it was less specific but more blunt: asserting that this independent country is an inseparable part of Serbia and calling for all available legal, political, economic and “other” means to protect Serbs in Kosovo — as well as their monasteries, churches, medieval fortresses, private property, and cemeteries. Although it did not explicitly advocate the use of force, “other means” conspicuously hinted at that possibility.

In private meetings and his public statements, Serbia’s President Vucic likes to claim he is committed to peace and stability in the region. And observers ^[1] (with the notable exceptions of Berlin, Zagreb, and Ljubljana) have dismissed the declaration as a symbolic move rather than a serious bid to claim much of the region for the “Serbian world”, as it is understood in much of south-eastern Europe. Yet this is the first time that Serbia’s government has put its signature on a project that so overtly calls for disintegration of Bosnia’s institutions, and that Serbia’s parliament has ratified such a project. Something has changed.

The quiet successes of the Biden administration

The Biden administration could have done more than it did to limit the forces described above. Its failure to hold Serbia responsible for its support of disruptive political agendas is a major shortcoming of its Western Balkans policy. It never imposed penalties on Serbia; nor did it publicly identify Serbia as a perpetrator of instability and supporter of violence. The

official rhetoric of US (and European) officials towards Serbia continues to characterise the country as a reliable partner and source of regional stability, whatever harsher words may be spoken behind closed doors.

Yet in practice, the outgoing US administration has often stopped the worst from happening. It raised the price for Serbia and Republika Srpska of doing greater damage, and in many cases thus prevented it.

Consider Dodik's late-2021 bid to break from Bosnia's central government institutions. He ultimately pulled back in the first half of 2022 for three main reasons. The first was the early failure of Russia's full-scale invasion of Ukraine, causing him and Vucic concern that the EU and US would now respond more forcefully to attempts to destabilise the Western Balkans. The second was mounting financial pressure including Germany's and the European Commission's suspension of investment projects. But the third and most decisive was the US administration's pressure on Republika Srpska's leadership, and individual sanctions on Dodik and his closest associates.

Another example of restraining US influence came with the Serb-Kosovo build-up in 2023, and the Banjska incident. On 27 September, US intelligence officials alerted the White House that Serbian forces were massing along the Kosovo border, raising fears of a possible invasion after the killing of a Kosovan police officer. Jake Sullivan, Biden's national security adviser, responded by approving the declassification of intelligence on Serbia's military buildup. On 29 September, the White House unveiled the Serbian deployment, including artillery, tanks, and mechanised units. This public release sparked international diplomatic pressure, leading to a Serbian military pullback within days.

Then came the all-Serb declaration. The cost of the existing sanctions was already severe by summer 2024. In March that year, Washington had issued a stark warning: Bosnian-Herzegovinian banks that continued to do business with sanctioned individuals or companies could face sanctions themselves, cutting them off from international banking networks. Vucic had openly warned Dodik the sanctions could cause the banking sector in Republika Srpska to collapse. Dodik and his sanctioned associates found themselves unable to access their salaries, use credit cards, or sign essential service contracts such as mobile phone agreements. Following the joint session of the governments of Serbia and Republika Srpska in June and the dangerously revisionist document adopted there, the US extended the sanctions; a forceful warning against putting the declaration's content into effect.

A fragile stability: how the Biden measures could be reversed

Although Vucic has had to balance his nationalist appetites against the costs, particularly those imposed by the Biden administration, he has never voiced any substantive disagreements with the expansionist agenda espoused by Dodik and others. Unspoken but implicit in the Serbian president's statements is that a change of power in Washington which lifts the restraints would alter his calculus, and open the way to more of the drastic action he would ultimately prefer.

Moreover, the US-led de-escalatory policy in the region over the past four years has often left deeper issues unaddressed. Neither Washington nor Brussels has persuaded Belgrade to push back against revisionist Serb narratives, hold the perpetrators of inflammatory acts responsible, or ultimately stop the gradual accretion of those acts. Those who attacked KFOR soldiers and carried out the Banjska incident remain at large. The US pressured Vucic to dismiss Vulin, director of Serbia's Security Intelligence Agency at the time, but Vucic subsequently appointed him to the post of deputy prime minister. Radoicic, the Serb List politician who played a central role in attacks in northern Kosovo, now roams free in Serbia. So the intellectual, political, and logistical infrastructure for further escalation remains in place. The Biden administration's achievements can be reversed within the matter of months if the international circumstances change.

Vucic has also successfully blocked substantive shifts towards a more settled, stable, and Western-aligned region. Recognise Kosovo? Too difficult, he tells international partners, while proudly and repeatedly boasting to the Serbian public that he is the one keeping recognition off the table. Curb Serb secessionism in Bosnia and Herzegovina? Vucic claims to be a partner on this, but tolerates and even legitimises Dodik's provocations. Decouple from Russia? Public and political opinion in Serbia would never wear it, the country's president insists, without admitting that this is due in part to pro-Russian messaging in state-controlled media as well as Russia Today and Sputnik. (Both propaganda channels continue to operate freely in Serbia.)

Such is the background: under-appreciated Biden administration successes in preventing worst-case scenarios but significant failures to address the structural risks, leaving important avenues for regional progress (including towards EU accession) strewn with obstacles. And such, therefore, would be the background for a second Trump presidency's policies on the region.

Trump 2.0 and Serbian expansionism: The five main risks

What, then, would a Trump win on 5 November mean for the Western Balkans? The restraints the Biden administration placed on Vucic, Dodik, and their allies may have been imperfect, but they kept the worst from happening. And the Republican candidate looks set to lift many of them if he wins. As the election nears, European policymakers need to consider five specific – though closely related – risks in particular.

An erosion of American neutrality

The most immediate risk is that the US would go from seeking to balance power in the Western Balkans (however imperfectly) under Biden to actively preferring Serb interests. Trump does not tend to see the region as a US strategic interest. But during his first presidential term Grenell, as his official envoy, sought to broker a deal between the two sides. A 2020 meeting in Washington between Vucic and Avdullah Hoti, then the Kosovan prime minister, came to little. But during the Biden administration, Grenell has remained loyal to Trump, close to his family, and focused on the Western Balkans. In October 2023, he stated that a second Trump administration would concentrate on the region (among other topics) “right away in his second term”.

The man whom Trump continues to dub “my envoy” has deepened his relationship with Vucic over that time. Grenell claims that he “speaks regularly” with the Serbian president. He has visited Belgrade at least three times between 2020 and 2024. In February 2023, Vucic decorated him with an Order of the Serbian Flag (an honour also bestowed on Sergey Lavrov and Sergei Shoigu, the foreign and former defence ministers of Russia). He also praised his American guest for “witnessing the truth about the events in Kosovo and elsewhere in the region, also after his mandate”.

Grenell has pursued business opportunities in the region, too. In early 2024 Affinity Partners, an investment firm owned by him and Jared Kushner, Trump's influential son-in-law, announced plans for the development of a luxury hotel complex in Belgrade on the site of the old Yugoslav ministry of defence. The building has been a shell since it was bombed during the NATO intervention in 1999 against Milosevic's campaign of ethnic cleansing in Kosovo. On a visit to Belgrade in May 2024, Kushner officially announced his involvement in the project and met with Vucic to discuss the redevelopment plans. These include a memorial "dedicated to the victims of NATO aggression".

What is in these partnerships for Vucic and his allies? Grenell has been a forceful ally to Serbian revisionist ambitions in the region. When, in September 2023, the White House and the State Department issued warnings about a Serbian military build-up along its border with Kosovo, Trump's so-called envoy dubbed these "lies". In April 2024 he railed against the adoption of a UN resolution designating 11 July, the anniversary of the Srebrenica genocide, as an annual "international day of reflection and commemoration". In August this year, Grenell quipped "Radical Lefties together" when Kosovo prime minister Albin Kurti met with Kamala Harris. For his part, Dodik has already endorsed Trump's campaign, arguing that the Republican candidate's victory "could create conditions" and an opportunity for Republika Srpska to declare independence.

Orban more influential on the Western Balkans within the EU

Ever since Trump left the White House, Hungary's authoritarian prime minister Viktor Orban has managed to establish himself as the former president's closest partner in Europe. He has received fawning visits from Trump acolytes like Tucker Carlson and, at the time of writing, had met with Trump at Mar-a-Lago twice in 2024 alone. It is therefore likely that he would gain influence in the event of a second term.

That has implications for the Western Balkans. Orban has long supported nationalist leaders in the region like Nikola Gruevski; the former prime minister of North Macedonia who fled to Hungary to escape a two-year imprisonment sentence for corruption and abuse of power. The Hungarian prime minister has particularly supported Dodik in his bid to dissolve Bosnia and Herzegovina; for example, paying a supportive visit to Banja Luka in November 2021 immediately after the parliament of Republika Srpska had adopted its resolution on withdrawing from all the institutions of the central government. Orban's government also derailed a German initiative to impose sanctions over the move.

Put together those two developments – a more influential Orban under a new Trump presidency and Orban’s longstanding indulgence of Serbian expansionism – and it becomes clear that the EU’s Western Balkans policies would face a particular challenge from an emboldened Budapest if the Republican candidate wins on 5 November. In that event the EU institutions, along with the majority of member-state governments, would need a stronger plan for working around Hungary on those issues.

Renewed calls for a land swap between Serbia and Kosovo

Serbia’s government would likely seek to work with a new Trump administration to advance its designs on the four municipalities in north Kosovo. In that scenario, Washington may not just facilitate this, but even force Pristina to comply. John Bolton’s comments in Kyiv on that summer day in 2018 endorsing the land swap are just one concerning example from Trump’s first term. His support for this perilous bid to align predominant ethnic groups with borders might have prevailed had it not been for strong German opposition. Grenell’s threats to withdraw the US contingent in the KFOR peacekeeping force also helped to bring down Kurti’s first government in 2020.

Precisely how this matter might play out during a second term is of course a matter of speculation. But based on past actions, Belgrade might de-facto freeze the Serbia-Kosovo dialogue and demand that Pristina withdraw its administrative and security presence from the northern Kosovan municipalities, initially returning these to international administration. It might then reopen discussions on sovereignty over those municipalities, testing the possibility of their becoming part of Serbia.

And in doing so, Serbian leaders could draw not only encouragement from a new Trump administration but explicit political support, too. Grenell’s backing for Serb narratives and cases (like his opposition to the UN resolution on Srebrenica) suggests that they could even reach for diplomatic tools to support the land swap, like reducing the US military presence and pressing Kosovo and its EU partners to accept the move. Particularly with Hungary as a close partner within the union, they could pressure Brussels formally to advance Serbia’s accession process even without progress towards a settled agreement on Kosovo’s sovereignty.

Removal of US sanctions as deterrent against implementing the Greater Serbia project

As this brief has argued, the sanctions imposed by the Biden administration have played a major role in preventing escalation in the Western Balkans. Trump’s links with and apparent sympathy for Belgrade suggest that he may seek to lift these if he becomes president again.

Vucic and his allies are now poised to exploit the possibilities of a new policy from Washington if and when it arrives. “We will be smart, patient and wait for a different political opportunity,” the Serbian president has said. Between the lines of such statements: he expects a Trump administration not to stand in the way of Serbia asserting political and military control over north Kosovo or implementing other central stipulations of the all-Serb assembly in Bosnia.

Absent deterrent sanctions, Dodik could quickly return to the implementation of his October 2021 plan, as reiterated in the all-Serb declaration, and push Bosnia and Herzegovina into an escalatory spiral. The possibility that Serbia could indeed back Republika Srpska in implementing that agenda must be taken seriously. Vucic is good at reading the signals coming from the US and the EU and adjusting his government’s policy accordingly. In November 2022, his encouragement of Serbs to leave all political, administrative, judicial and police institutions in those four municipalities in north Kosovo rested on a prediction that such interference would not trigger a major US or EU reaction. As it happened, the prediction turned out to be spot-on.

The functional disintegration of Bosnia and Herzegovina

While in his private meetings and public statements Vucic has been able to convince many Western officials that he is committed to peace, stability, and the territorial integrity of Bosnia and Herzegovina, the contents of the all-Serb declaration and the steps proposed on Bosnia are impossible to implement through peaceful, legal means. Doing so through a constitutional process would require a two-thirds parliamentary majority, which is impossible to obtain given the opposition of the rest of the country. Both Dodik and Vucic are aware of this, so opted explicitly to support unilateral steps in the declaration. This would involve an attack on the constitutional order of Bosnia and Herzegovina, and a security dilemma, triggering a response by the rump central government institutions in charge of defending that order.

Not surprisingly, the pro-Bosnian and Bosniak parties have made their response clear. Bakir Izetbegovic, the leader of the largest Bosniak party, has warned of escalation if the declaration were ever implemented: “What matters is the legitimacy of what would remain of the state-level armed forces. This army would be defending the constitution. It would have some 8,000 soldiers, hundreds of tanks, and some anti-aircraft defences. However, these figures would increase very quickly.”

Similar effects could be expected across the other institutions from which Republika Srpska would withdraw. These include security institutions such as the border police, the central

government's investigation and protection agency (the Bosnian FBI), and the police coordination directorate, but also agencies overseeing veterinary and food safety, civil aviation, and elections. Bosnia would be left with broken institutions, large segments of its border unprotected, and trade and transactions disrupted. It would be a legal, economic, and logistical bonfire.

Many observers ^[2] have dismissed the dangers entailed in the all-Serb declaration, claiming that it is simply a symbolic move. But this is the first time that Serbia's government has put its signature on a project that so bluntly calls for disintegration of Bosnia's institutions, and that Serbia's parliament has ratified such a project. A vision for crippling Bosnia and Herzegovina, and its ability to function as a sovereign state, is now a significant force in the region. The possibility of widespread violence ensuing barely needs to be stated. A Trump win on 5 November would probably move that vision much closer to becoming reality; and perhaps all the way.

A European Plan B

The risks of a second Trump term for the Western Balkans show just how sensitive events in the region can be to political shifts in Washington. That is itself an illustration of how – particularly given the stalling of the region's EU accession prospects over the past decade – US rather than European leadership has often placed the most significant limits on nationalism revisionism there. Should the US play a less restraining role under the next administration, it would fall to Europeans to do what they should have been doing for a long time: taking the lead in ensuring stability.

The European track record gives grounds to question their ability to do so. As this brief has shown, divisions in the EU have obstructed common action and confused the messages sent to Belgrade and Banja Luka (for example, on the Serbia-Kosovo land swap idea, which Brussels favoured but Berlin successfully prevented). Hungary's role under Orban as a close ally to Vucic in particular makes consensus difficult to achieve. And meanwhile Serbia – a candidate for EU membership since 2012 – has been drifting farther away from the European mainstream. It remains steadfast in opposition to joining sanctions against Russia, is cultivating increasingly close links with China. According to one study by the International and Security Affairs Centre, an independent think-tank in Belgrade, Serbia was aligned with only 47 per cent of the union's foreign-policy positions as of June 2024, compared with 60 per cent in 2019.

And yet the EU does have leverage. And whether it can step in if the US steps out (and for that matter, whether they can take more responsibility irrespective of the election outcome) is a

basic test of the union's credibility as a foreign-policy actor. It has extensive economic instruments, ways to incentivise the accession process, and the institutional and diplomatic force of the Common Foreign and Security Policy at its disposal. If it cannot marshal these resources to ensure a basic degree of stability in its own immediate neighbourhood, among states that on paper at least are all candidates or (in the case of Kosovo) aspirants to EU membership, what hope does it have of handling the wider global crises of our times?

In Kaja Kallas, the union's incoming high representative for foreign and security policy, the EU has a strong new chief diplomat who, as former prime minister of Estonia, is no stranger to revisionist threats. Assuming she is confirmed in that position in the coming weeks, she should make it an early priority to brief the European Council on the full scale of the threat posed by the summer's all-Serb declaration. She can use her position to raise awareness among governments and European voters of just how dangerous this agenda could be to peace and stability in the Western Balkans, and confirm and reinforce the EU's own red lines on this.

Vucic has launched a charm offensive at the EU in recent months; most notably sealing a deal to provide the union's industries with lithium, an essential battery component found in large quantities under Serbian ground. Kallas, and other senior Commission figures including Ursula von der Leyen, can clarify more firmly that such partnerships are intended not as a free pass for Serbian revisionism in the western Balkans, but rather as a pathway towards closer EU integration and alignment with the union's principles. The deal is contentious among Serbian voters, and would be more so without clear backing from Brussels. So it is the EU that has leverage over Belgrade when it comes to the 'white gold', not the other way around.

Having done this, Kallas should then work with the European Council to build a package of new deterrence measures, agree those with the most influential EU governments, and communicate these clearly to Belgrade and Banja Luka. Naturally, the prospect of a Trump inauguration on 20 January 2025 should add particular urgency to that process. This immediate package should have three main pillars.

First, EU governments be ready to withhold funds earmarked for Serbia and Republika Srpska under the union's New Growth Plan for the Western Balkans in the event that either proceeds with the implementation of the all-Serb declaration. Adopted by the Commission in November 2023, this plan aims to accelerate the convergence of the region's economies with those of the EU as part of the accession process. It is supported by a new financial instrument worth €6bn over 2024-2027. Threatening to cut access to these funds would raise the costs of moves to undermine further the central Bosnian state or challenge Kosovo's territorial integrity.

Second, member state governments in the union should also be ready to freeze other pre-accession funds if those moves are taken. As an EU candidate country, Serbia benefits from financial assistance through the Instrument for Pre-Accession Assistance, which funds administrative, institutional, and other reforms consistent with EU standards of governance, rule of law, and infrastructure. Under its last cycle (2014-2020) Serbia received €1.5bn. (The current, 2021-2027 cycle has a larger overall budget still.) Republika Srpska, as part of Bosnia and Herzegovina, is also a beneficiary. Freezing access to these funds would further sharpen the incentives for restraint in Belgrade and Banja Luka.

Third, and most significantly, major EU economies in partnership with Brussels should develop a non-US sanctions mechanism specifically tailored to any additional attempts by Dodik and his allies to challenge Bosnia and Herzegovina's statehood. This should comprise targeted sanctions on individuals central to secessionist or otherwise destabilising activities, and include freezing assets, imposing travel bans, and restricting access to financial institutions within the union.

Preparing these measures in advance would enable EU governments rapidly to activate them (and if necessary, ratchet them up) in response to concrete aggressions by Republika Srpska like bids to withdraw from state institutions or reclaim powers vested in the central government under the Dayton Agreement. Likewise they should develop an equivalent sanctions plan for the event of Serbian escalation in Kosovo, and particularly the four Serb-majority municipalities in the country's north. As EU-wide consensus on such sanctions would be unlikely – Hungary under its current leadership would not participate – so instead these mechanisms should emerge from a coalition of member states whose political and economic weight or commercial relevance (or both) would contribute to a strong disincentive effect. At a minimum this would need to include Germany, France, Austria, and Cyprus, but others such as the Nordic group would likely follow.

EU governmental and institutional leaders could complement these financial measures with other, less formal, penalties that they could use with greater flexibility: political measures such as declaring a corrupt or obstructive official persona non grata in one or more European capitals would have a significant signalling effect. Denying entry to political players who seek to destabilise the regional order would also be quick and easy to implement.

Of course, EU governments and institutions should hope not to have to use these measures. Rather, they would ideally serve as an effective message of the price Belgrade and Banja Luka would pay for exploiting any new ambiguity about the United States' commitment to order and even-handedness in the region to escalate tensions. But the threats have to be credible and acted on confidently and consistently if needed.

“Dobro je sve dok se ne puca,” goes a common Bosnian phrase: “All is well as long as we are not shooting at each other.” Locals often use it jokingly to put the country’s post-conflict political and economic difficulties in context, as a reminder that however tortuous its peacetime progress, things could be much worse. Under the Biden administration, Washington’s policies on Serbia, Bosnia and Herzegovina, and Kosovo have been true to the saying. They were far from perfect, but they kept the worst from happening. A different administration with different instincts may not be as effective. It should not be beyond the capabilities of the EU’s institutions and its major governments to fill the gap this would leave. If there is one region where the union can still exercise leverage and make a difference, then it is the Western Balkans.

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[1] Authors' conversations with European analysts and policymakers, June-September 2024

[2] Authors' conversations with European analysts and policymakers, June-September 2024

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