Unfinished Business in Southeast Europe: Opportunities and Challenges in the Western Balkans

Testimony of Ambassador Alexander Vershbow Assistant Secretary of Defense for International Security Affairs Subcommittee on European Affairs April 14, 2010

Introduction

Chairwoman Shaheen, Senator DeMint, Senators, and Congressmen: Thank you for inviting me here for this timely discussion on the Western Balkans. As Senators Voinovich and Shaheen observed during their recent visit, the region has made remarkable progress, but still faces a number of daunting challenges.

This year marks the 15th anniversary of the genocidal acts at Srebrenica – a reminder of the violence and brutal ethnic cleansing that followed the break-up of the former Yugoslavia. As a Deputy PermRep at NATO in 1991, as an NSC Senior Director in the mid-90s, and as Ambassador to NATO from 1998 to 2001, I worked closely with our NATO allies and the Congress to end the conflicts in Bosnia and Herzegovina and Kosovo, and to help the Balkans follow the rest of Central and Eastern Europe along the path of Euro-Atlantic integration.

The Western Balkans region has transformed dramatically over the last two decades, from a region in conflict to a region of independent, democratic nations that resolve disputes peacefully and work together to address regional and global challenges. Most nations have transitioned from security consumers to security providers, contributing to NATO operations in Kosovo and Afghanistan. In a region where 11 years ago NATO was carrying out an air campaign, three countries – Albania, Croatia, and Slovenia – are now Alliance members, one – Macedonia – is firmly on its doorstep, and all others are on the path to Euro-Atlantic integration.

However, a number of challenges remain. The global recession has limited the resources available for accomplishing our shared objectives, and exacerbated social pressures within the region. In Bosnia, interethnic tensions and poorly functioning government institutions continue to threaten progress toward Euro-Atlantic integration. In Kosovo, independence has brought political and economic gains, but work remains to integrate all of Kosovo's communities, and we face an important transition as KFOR gradually draws down. Building stronger, more transparent and effective institutions; strengthening rule of law and deepening defense reform remain critical needs for these two countries and for the region.

The key to resolving these challenges lies ultimately with the countries themselves – they must provide responsible and committed political leadership, and their citizens should demand such leadership. The U.S. remains firmly committed to supporting these efforts, building on the progress in the region, and tackling remaining challenges in concert with our European partners.

The possibility of NATO and EU membership has proven to be a powerful incentive for reform and remains the cornerstone of U.S. policy in the region. Allow me to review the progress each of the countries in the Western Balkans has made on that path and briefly address our engagement with each of the nations.

Kosovo

I turn first to Kosovo, the one nation in the region where NATO remains engaged operationally. There are currently just under 10,000 troops from 31 countries (24 NATO and 7 non-NATO) deployed with the NATO-led Kosovo Force (KFOR). U.S. troops make up approximately 10% of the force. KFOR's mission is to maintain a safe and secure environment and to ensure freedom of movement for all citizens, irrespective of their ethnic origin.

Following Kosovo's declaration of independence on February 17, 2008, NATO reaffirmed that KFOR shall remain in Kosovo on the basis of UN Security Council Resolution 1244, and this was welcomed by the government. KFOR continues to work with Kosovo authorities throughout the country and cooperate with and assist the EU, the UN, and other international actors to support the development of stable, democratic, and multi-ethnic institutions. In June 2008, NATO agreed to take on a new task to support the development of a professional, multi-ethnic Kosovo Security Force (KSF).

The United States contributes to the improvement of security in Kosovo by, in addition to other engagement, strengthening the rule of law, working to increase border security, assisting in professionalization of the KSF, and conducting humanitarian assistance operations. The KSF reached Initial Operational Capability in September of 2009, and through NATO, we continue to assist in preparing the KSF for its core missions: explosive ordinance disposal; control and clearance of hazardous materials; search and rescue; and firefighting. The Department of Defense and other inter-agency partners also maintain a robust humanitarian assistance program and play a role in promoting the rule of law and border security.

We are encouraged that the security situation in Kosovo has continued to improve since independence, but while the security situation is generally calm, we need to remain vigilant for potential flashpoints. The November 2009 elections were successfully run by Kosovo institutions and included significant participation from Kosovo Serbs in the south. However, the environment in northern Kosovo remains tense. We continue to monitor the situation closely in advance of an advisory opinion by the International Court of Justice.

KFOR has reshaped and adapted to the changing security environment in Kosovo while still retaining an adequate level of capability to accomplish its tasks. In June 2009, in view of the stabilizing environment in the country, NATO decided to gradually adjust KFOR's force posture to what is called a "deterrent presence." This approach will allow a coordinated, sensible adjustment in force levels and help to avoid uncoordinated, unilateral withdrawals by individual nations. Secretary Gates regularly reminds Allies of the importance of adhering to an "in together – out together" approach in Kosovo.

In the transition to Deterrent Presence, NATO will gradually reduce the number of forces on the ground through progressive "gates," as security and political conditions allow. We are presently at Gate 1 with a troop strength of approximately 10,000. The next steps along this path will be to draw force levels down to approximately 5,000 troops at Gate 2 and then to 2,500 troops at Gate 3. At lower levels, the remaining forces will be supported by increased intelligence capability and marked by greater operational flexibility.

It's important to emphasize that each stage in this transition will <u>only</u> be implemented if supported by conditions on the ground, at the recommendation of the KFOR Commander to SACEUR and upon approval by the North Atlantic Council. The decision will be based on a thorough and deliberate assessment of all the factors that contribute to a safe and secure environment, including the capacity of the Kosovo government, supported by EU Rule of Law Mission in Kosovo (EULEX), to assume security functions.

I turn now to Slovenia, Croatia and Albania, the three nations of Southeastern Europe that are now members of NATO, as well as Macedonia, which remains firmly on its doorstep.

Slovenia

Slovenia, a NATO member since 2004, is a regional success story and plays an important leadership role within the Western Balkans. The country's key foreign and defense policy priorities are the development, integration and security of the region. Slovenia provides training to its neighbors in critical government functions and organization, as well as economic assistance through connections and expertise in regional business and trade. Slovenia has ardently advocated for neighboring countries' membership in NATO and the EU, including those with which they may have disagreement, as a means of bringing further stability and reform to the region. Notably, this includes working constructively with Croatia on resolving a bilateral dispute, so that Croatia can progress in its EU accession negotiations. These initiatives and others serve to solidify its example as a consistent partner.

Despite its small size, Slovenia participates in regional EU and OSCE missions, KFOR and other peacekeeping missions, and is an able partner for Afghanistan. In part, these engagements are possible due to Slovenia's transformation over the last decade to a more capable and modern military force, which is lauded as extremely professional and effective.

Croatia

Croatia has long been a valued NATO partner, and we are pleased to now call it a NATO Ally. Our bilateral defense relationship is strong, and Croatia's nearly 300 troops in Afghanistan are helping to fill critical requirements, particularly in training the Afghan Security Forces. Croatia also contributes to regional stability through its participation in KFOR. The Croatian Armed Forces have undertaken significant restructuring and reforms but work remains on modernization, deployability, and interoperability. Croatia's continued political and economic progress is reflected in its positive outreach in the region – a trend we encourage and welcome. Even though Croatia still has reforms to complete, it serves as a constructive regional leader and mentor. The current government, for which EU accession is top priority, should be commended for its anticorruption efforts, contributions to NATO operations, and tangible progress on resolving the border dispute with Slovenia. The willingness of Slovenian and Croatian leaders to make tough and politically risky decisions for the longer-term interests of their countries and the region is remarkable, and serves as a model for others to follow. We urge both sides to retain the momentum to deal with the remainder of their unfinished business.

Albania

In 2009, NATO warmly welcomed Albania into the Alliance. Albania has actively contributed to ISAF since 2003, committing over 300 troops. It has also actively supplied troops to peacekeeping operations in Iraq and Bosnia. Challenges in the security sector remain, such as the destruction of excess stockpiles of munitions and weapons, and the further development of a modern, light, and mobile military. Fortunately, the history of NATO enlargement has shown that once countries join the Alliance, they continue the reform process rather than resting on previous achievements and, the U.S. will focus its bilateral defense cooperation on supporting this process.

Macedonia

At the 2009 Strasbourg-Kehl Summit, Allies reiterated that Macedonia will be invited to join NATO as soon as a mutually acceptable solution to the name issue has been reached. Macedonia has successfully implemented key defense reforms as a result of its NATO aspirations, and has consistently punched above its weight in contributions to international security operations, including Afghanistan where it is among the top five per capita contributors. Our bilateral defense relations and cooperation with Macedonia

remain excellent, as evidenced by the recent joint deployment of the Macedonian Armed Forces and Vermont National Guard to Afghanistan.

We view Macedonia's NATO invitation as unfinished business – their membership is important for regional security and stability. We are aware that the dispute over Macedonia's name is a difficult issue, and we continue to encourage renewed efforts under the auspices of the United Nations mediator to resolve this issue.

Across Southeastern Europe, governments face pressures that have implications for continued reform, defense transformation, and international deployments. While emphasizing the need for national responsibility and strong leadership, we must continue to engage and maintain our support for a critical region that we can always count on to answer our call. We must continue to evolve our current relationship by working towards increased collaboration to ensure that the Balkans continue their progress forward toward the Euro-Atlantic community.

The U.S. continues to strongly support Montenegro's and Bosnia and Herzegovina's aspirations for Euro-Atlantic integration.

Montenegro

We can point to notable successes in Montenegro. We have a strong partnership with the second-newest country in the world and our defense ties are particularly robust. Montenegro joined NATO's Membership Action Plan (MAP) in December 2009 and is focused on implementing the reforms necessary to meet NATO standards. In March, Montenegro sent its first unit to support ISAF. Montenegro has recognized Kosovo's independence and is a contributor to regional security. Montenegro applied to join the EU in December 2008 and expects to get candidate status later this year. Fighting organized crime and corruption remain key challenges for Montenegro as it progresses on its Euro-Atlantic integration path. Fortunately, Montenegro has suffered less from the world's economic downturn than most and the government has reaffirmed its commitment to meeting the challenge of overhauling its institutions to meet NATO and EU membership standards.

Bosnia and Herzegovina

The U.S. firmly supports Bosnia's NATO membership aspirations; however, its political leadership has done little to break through nationalistic barriers in order to advance its candidacy.

Bosnia's passage of the 2005 defense legislation, which ended conscription, dissolved entity-level armies, and created a State-level Ministry of Defense, was a significant

success. Bosnia has also made important contributions to international security with a number of successful rotations in Iraq and its current contributions to Afghanistan.

Unfortunately, despite commendable efforts by the Bosnian Ministry of Defense, progress on defense reform has faltered as it has fallen victim to the broader political stalemate. The wrangling among the three main ethnic groups has intensified ahead of the October elections and has stalled the process of building a more functional government capable of implementing needed reforms. This is vividly illustrated by the Bosnian Presidency's inability to adopt a critically needed decision to destroy its increasingly dangerous and unstable munitions and light weapons stockpiles. Besides the obvious threats of theft or self-ignition, the presence of the excess materials burdens the Armed Forces, which dedicate a significant portion of the infantry to guard duty, and impedes efforts to reform or modernize the Armed Forces. There are indications that a solution to this issue may finally be at hand, which is welcome. But the fact that it took over two years to resolve this issue is illustrative of the fundamental structural and political issues that need to be addressed for the country to successfully carry out the reforms that will be necessary to carry out the rigorous requirements that will be necessary as part of a Membership Action Plan.

The Administration remains concerned that narrow ethnic and personal agendas still trump common objectives in Bosnia, stilting the country's development and ability to keep pace with the rest of the region. But we are pleased that we continue to receive excellent cooperation on practical and technical defense and military issues that are not subject to political infighting. We are committed to continuing to work closely with Bosnia to ensure that progress on the defense reform and modernization agenda can continue, wherever possible. Earlier this year, we held bilateral defense consultations in Sarajevo in order to ensure that security assistance priorities were being addressed and that U.S. funding was targeting those priorities. We will continue to provide support and training to Bosnian Armed Forces, execute assistance programs for state-level defense institutions, assist with building capacity for ammunition destruction, and support the strengthening of defense institutions.

Serbia

A stable, democratic, and economically prosperous Serbia is integral to the integration of the Balkans to the European community. Serbia has made great progress since the elimination of the Milosevic regime. Radical nationalist political parties have been marginalized and the majority of Serbians, particularly the young, have rejected isolation and yearn to integrate into the European community. The current government, under the leadership of President Boris Tadic, has dedicated itself to performing the various reforms necessary to achieve EU membership, and Serbia has made significant progress on this path. In an effort to close a chapter of its history, Belgrade is committed to actively pursuing Ratko Mladic and Goran Hadzic, the remaining two fugitives indicted

by the International Criminal Tribunal for the Former Yugoslavia for war crimes. Additionally, bilateral U.S.-Serbian relations, particularly between our militaries, continue to grow.

However, this encouraging vision could be hindered by Belgrade's continued focus on one particular part of its past: Kosovo. During Vice President Biden's May 2009 visit, we "agreed to disagree" on Kosovo's independence, so we could focus instead on other areas of our bilateral and multi-lateral relationship. However, Serbian leadership has continued to pursue an active campaign against Kosovo's independence. These activities threaten to reverse the trend toward regional stability and could potentially limit Serbia's EU ambitions. Serbia is at a crossroads -- will it move toward the European future it says it desires, or be mired in an obsession with the past. Currently Belgrade is attempting to do both, a position we believe to be unsustainable.

Conclusion

The U.S. is committed to ensuring continued stability in the Western Balkans. This effort is only possible with the leadership of nations in the region and cooperation with our European partners and international organizations. EU and NATO membership serve as a powerful incentive for continued reforms, the peaceful resolution of disputes and regional cooperation. The continued spread of this zone of security and prosperity is critical to the consolidation of peace in the Balkans and a Europe whole, free, and at peace.