MASTERARBEIT / MASTER'S THESIS

Titel der Masterarbeit / Title of Master's Thesis

BOSNIA AND HERZEGOVINA: THE INTERNATIONAL COMMUNITY, DEVELOPMENT AID AND (IN)DEPENDENCE AFTER 1992

Verfasst von / Submitted by

Rade Skoric

angestrebter akademischer Grad / in partial fulfillment of the requirements for the degree of

Master of Arts (MA)

Wien, 2018 / Vienna, 2018

Studienkennzahl lt. Studienblatt /
degree programme code as it appears on
the student record sheet:

A 066 589

Studienrichtung lt. Studienblatt /
degree programme as it appears on
the student record sheet:

Masterstudium Internationale Entwicklung

Betreut von / Supervisor:

Dr. Mag. Beatriz de Abreu Fialho Gomes

-intentionally left blank -

Acknowledgements

I would like to thank my thesis advisor, Dr. Mag. Beatriz de Abreu Fialho Gomes, for her motivating and enthusiastic mentoring, professional advice and tips, as well as the feedback she provided on my proposal. Bea, you were my support since my first days on the university. I hope that you know that, because I will never forget you and "our" English.

Пре свега и изнад свега, желим да се захвалим мојим вољеним родитељима који су ми омогућили и пружили све што је у њиховој моћи, па чак и више од тога. Тата и мама, овај рад је плод нашег заједничког труда, круна наших заједничких маштања и снова, резултат наших одрицања и награда за ваше бесане ноћи проведене размишљајући о мени и мојој будућности. Деда Миленко и Дико сада се још више можете поносити својим унуком.

Добро знам, да ме ни једна друга не би чекала као ти. Добро знам, да се ни једна друга не би радовала мом доласку као ти. Добро знам, да си трпела самоћу и бројала дане и сате до поновног виђења. Добро знам, да си ти она права, само моја Јелена.

Abstract

This master thesis has two parallel, but closely connected tracks. The one track explains the role of the international community in Bosnia and Herzegovina, and second track follows the role of development aid in Bosnia and Herzegovina. On the one hand, this master thesis aims to analyze and clarify the role of the international community in Bosnia and Herzegovina from the outbreak of the Civil War until nowadays. Furthermore, in order to answer the main research question it was absolutely necessary to analyze and describe the complex contemporary political situation in Bosnia and Herzegovina and the role of the High Representative and the OHR as the main representatives of the international community on the ground. On the other hand, this thesis intends to explore and describe the role of development aid in Bosnia and Herzegovina from 1995 till today. In the first post-conflict years, Bosnia and Herzegovina received an enormous amount of post-conflict development aid from various aid providers, but since 2005 the amount of the provided development aid has significantly decreased in comparison with the first post-conflict decade. Furthermore, in recent years, Bosnia and Herzegovina has primarily been relying on the European Union as its main aid provider.

Key words: Bosnia and Herzegovina, international community, development aid, High Representative, European Union.

Kurzfassung

Diese Masterarbeit besteht aus zwei parallelen, aber eng miteinander verbundenen Spuren. Die eine Spur erklärt die Rolle der internationalen Gemeinschaft in Bosnien und Herzegowina, die zweite folgt die Rolle der Entwicklungszusammenarbeit in Bosnien und Herzegowina. Diese Masterarbeit soll einerseits die Rolle der internationalen Gemeinschaft in Bosnien und Herzegowina vom Ausbruch des Bürgerkriegs bis heute analysieren und erklären. Um die Hauptfragestellung zu beantworten, war es außerdem notwendig, die komplexe politische Situation in Bosnien und Herzegowina und die Rolle des Hohen Repräsentanten und des OHR als Hauptvertreter der internationalen Gemeinschaft vor Ort zu beschreiben und zu analysieren. Andrerseits soll diese Arbeit die Rolle der Entwicklungshilfe in Bosnien und Herzegowina von 1995 bis heute beschreiben und erklären. In den ersten Nachkriegsjahren hatte Bosnien und Herzegowina von verschiedenen Hilfsorganisationen enorme Entwicklungshilfe erhalten, aber seit 2005 ist die Höhe der bereitgestellten Entwicklungshilfe im Vergleich zur ersten Nachkriegs-Dekade deutlich zurückgegangen. Darüber hinaus hat sich Bosnien und Herzegowina in den letzten Jahren hauptsächlich auf die Europäische Union als Haupthilfeanbieter gestützt.

Schlüsselwörter: Bosnien und Herzegowina, internationale Gemeinschaft, Entwicklungshilfe, Hohe Repräsentant, Europäische Union.

Rezime

Ova master teza ima dva paralelna, ali usko povezana koloseka. Prvi kolosek objašnjava ulogu Međunarodne Zajednice u Bosnia i Hercegovini, dok drugi kolosek prati ulogu razvojne pomoći u Bosnia i Hercegovini. S jedne strane, master teza ima za cilj da analizira i razjasni ulogu Međunarodne Zajednice u Bosni i Hercegovini od početka građanskog rada pa sve do današnjih dana. Dalje, kako bi se došlo do odgovora na osnovnu istraživačko pitanje, apsolutno je neophodno da se analizira i opiše trenutna kompleksna politička situacija u Bosnia i Hercegovin, te uloga visokog predstavnika i OHR, kao glavne pretstavnike Međunarodne Zajednice na terenu. S druge strane, teza pokušava da istraži i opiše ulogu razvojne pomoći u Bosni i Hercegovini od 1995. godine pa sve do danas. U prvim posleratnim godinama, Bosna i Herzegovina je primila enormnu količinu post-konfliktne razvojne pomoći od različitih donatora, ali nakon 2005. godine iznos obezbeđene razvojne pomoći je značajno manji u poređenju sa prvom posleratnom dekadom, štaviše u prethodnim godinama Bosna i Herzegovina se primarno oslanja na Evropsku Uniju kao na najznačaljnijeg donatora.

Ključne reči: Bosna i Herzegovina, Međunarodna Zajednica, razvojna pomoć, visoki pretstavnik, Evropska Unija.

Abbreviations and Acronyms

BiH   **Bosnia and Herzegovina**

EU   **European Union**

EUFOR   **European Union Force**

EUPM   **European Police Mission**

EUSR   **European Union Special Representative**

FBIH   **Federation of Bosnia and Herzegovina**

GDI   **Gross Domestic Income**

IDA   **International Development Association**

IFOR   **Implementation Force**

IPA   **Instrument for Pre-Accession Assistance**

HDZ   **Croatian Democratic Union**

HR   **High Representative**

NATO   **North Atlantic Treaty Organization**

ODA   **Official Development Assistance**

OHR   **Office of High Representative**

OSCE   **Organization for Security and Co-operation in Europe**

PIC   **Peace Implementation Council**

RS   **Republika Srpska**

SAA   **Stabilisation and Association Agreements**

SAP   **Stabilisation and Association Process**

SDA   **Party of Democratic Action**

SDS   **Serbian Democratic Party**

SFOR   **Stabilisation Force in Bosnia and Herzegovina**

SIDA	**Swedish International Development Cooperation Agency**
SNSD	**Alliance of Independent Social Democrats**
UN	**United Nations**
UNIPTF	**United Nations International Police Task Force**
US	**United States of America**
USAID	**United States Agency for International Development**

TABLE OF CONTENTS

1. INTRODUCTION

This Master's Thesis analyzes the role of the international community in Bosnia and Herzegovina from the outbreak of the Civil War (1992) until today. Additionally, the thesis aims to describe and analyze the role of development aid in context of peace-building and state-building, in years since the end of the Civil War (1995). The main objective of this Master's Thesis is to examine the contemporary role of the international community in Bosnia and Herzegovina, and to analyze the necessity of the further engagement of the international community on the ground. Furthermore, this Master's Thesis aims to examine the contemporary role of development aid in Bosnia and Herzegovina, and its significance for the functionality of the country.

From the late 15th century until 1992, Bosnia and Herzegovina was a part of different empires (the Ottoman Empire 1463 – 1878; the Austro-Hungarian Empire 1878 – 1918), kingdoms (the Kingdom of Yugoslavia 1918 – 1945) and after World War II integral part of the Socialist Federal Republic of Yugoslavia (SFRY). According to some western scholars, including Gale Stokes (1993), Yugoslavia was the most democratic and modern state among all the Eastern European states, yet only the breakup of Yugoslavia was followed by bloody conflict and hundreds of thousands of killed, wounded and displaced persons (Bunce, 1999, p. 217). Most of the deaths related to the dissolution of Yugoslavia were caused during the Civil War in Bosnia and Herzegovina.

After the independence referendum of 1st March 1992 organized by Bosnian Croats and Bosnian Muslims[1] (see footnote), Bosnia and Herzegovina was recognized as an independent country by the United States of America and the member states of the European Community on the 6th and the 7th April 1992, respectively (Bjarnason, 2001, p. 10).

---

[1]From the perspective of the secular nation states, the term "Muslims" immediately conveys the idea of a religious community, but in case of Bosnia and Herzegovina the term „Muslims" was used in order to describe a specific and distinct ethnic group within Bosnia and Herzegovina. Furthermore, there should not be any confusion between the terms "Muslims", "Bosnians" and "Bosniaks". The term Bosnians refers to all citizens of Bosnia and Herzegovina regardless on their ethnicity (Sorabji, 1993, p. 1). On 28th September 1993 on the Congress of Bosniak Intellectuals, Bosnian Muslims changed their name into Bosniaks (Dimitrovova, 2011, p. 98). In the context of Bosnia and Herzegovina, the terms Bosniaks and Bosnian Muslims, or just Muslims, refer to the same ethnic group in different time periods.

First killings and sporadic shootouts began even before the referendum was officially over. The first victim of the Civil War was a Serb civilian who was a guest at a wedding in Sarajevo's Old Town (Harland, 2017, p. 8). He "[…] was shot dead as he waved a Serbian flag" (Harland, 2017, p. 8).

After four years of conflict (1992 – 1995), peace was finally achieved at the end of 1995 through determined efforts of the United States and the European Union, but it is also necessary to mention the big contributions of the neighboring countries (Croatia and the Federal Republic of Yugoslavia). "The Dayton Peace Agreement, which put an end to the war, was designed as the least bad solution at that time, with the hope that one day it would serve to overcome actual partition on the ground" (Juncos, 2005, p. 92). According to Holbrooke (1998) and Chollet (2005), the major success of the Dayton Peace Agreement was the termination of the bloody war.

One of the main features of the post-conflict period (1995 – 2005) is the significant interventionism of the international community. Presence and influence of the international community was visible in almost every social and political aspect, as well as in the economical life in Bosnia and Herzegovina. A peacekeeping force led by the North Atlantic Treaty Organization (NATO) was deployed for securing the implementation of the peace accord. In 2004, the responsibility of peacekeeping was transferred from the NATO to the European Union (EU). It is also important to mention that NATO and UN forces played a role in Bosnia and Herzegovina during the Civil War. Twenty-two years after the end of the brutal Bosnian war, the international community is still intensively engaged in Bosnia and Herzegovina (Kivimäk, Kramer and Pa, 2012, p. 8). After the signing of the Dayton Peace Agreement, the international community sent enormous financial and logistical support to Bosnia and Herzegovina and even today Bosnia and Herzegovina is a recipient of development aid. In recent years, the main responsibility for stability and further development of Bosnia and Herzegovina is on the European Union.

1.1. RESEARCH QUESTIONS

First of all, it is necessary to make a distinction between the international community and various development aid providers. It is important to emphasize that the international community is not only a community of sovereign states, but the international community also

includes non-state entities, such as various international organizations and institutions, scholars and press (Quénivet, 2003, p. 197), yet not all sovereign states are part of the international community. In his work, Mor Mitrani (2017, p. 6) argues that "[…] a conception of the international community as a community of states assumes that groups of states (or other international actors) are capable of both sharing a certain level of communal feeling and acting on behalf of this shared feeling." In the case of Bosnia and Herzegovina, the international community is present on the ground through various institutions and organizations, such as: OHR, High Representative, EUFOR, EUPM, European Union High Representative etc. (see subchapter 4.2.1.). The term "aid providers" or "aid donors" refers to all multilateral and bilateral development agencies which have provided Official Development Aid to Bosnia and Herzegovina from 1995 till today. In this work, I will pay special attention on the most prominent and active aid providers in Bosnia and Herzegovina, such as: EU Institutions, World Bank, USAID, SIDA, GIZ etc.

Regarding the role of the international community during the peace negotiations, the implementation of the achieved peace on the ground and later, during peace-building and state-building processes in Bosnia and Herzegovina, and concerning the current political and socio-economic situation in Bosnia and Herzegovina, the main research question is:

What is the contemporary role of the international community in Bosnia and Herzegovina in the context of state functionality, and in how far is further engagement of the international community in Bosnia and Herzegovina required?

According to Francis Fukuyama (1994, p. 22) there is no universal agreement over the hierarchy of state functions, yet it is noticeable that some kind of hierarchy between different state functions exists. The World Bank's 1997 World Development Report provides a list of state functions divided into three categories by hierarchical order, starting from "minimal" over "intermediate" to "activist" functions of the state:

- Minimal functions of the state include the following functions: Defense, law and order, property rights, macroeconomic management and public health
- Intermediate functions of the state include the following functions: Basic education, environmental protection, regulation of monopolies, infrastructure and social insurance

- Activist functions of the state include the following functions: Industrial policy and wealth redistribution (The World Bank, 1997, p. 27)

State functionality can be defined as the regular fulfillment of the all state functions. Florian Bieber (2011, p. 1784) argues that countries such as Bosnia and Herzegovina „barely fulfill functions generally associated with states".

International community efforts during processes of peace-building and state-building were well supported by massive development aid provided by various multilateral and bilateral aid providers. Furthermore "it has been calculated that Bosnia and Herzegovina has received more *per capita* aid than any European country under the Marshall Plan" (Dostic, Todorovic, and Todorovic, 2013, p. 119). On the trace of these facts, additional research questions are:

1   In how far was the role of development aid important in the process of peace-building and state-building in Bosnia and Herzegovina?

2.   In how far does Bosnia and Herzegovina rely on development aid today?

The main and additional research questions are the backbone of the research and the red thread which goes from the introduction over five extensive chapters until the conclusion.

1.2. METHODOLOGY

In order to provide answers to the main and additional research questions, I will integrate quantitative and qualitative approaches. According to P.V. Young (1968, n.p.),

> „Social research is a scientific undertaking which by means of logical methods, aim to discover new facts or old facts and to analyze their sequences, interrelationships, causal explanations and natural laws which govern them. [...] Since much social research is founded on the use of a single research method and as such may suffer from limitations associated with that method or from the specific application of it, multiple methods offers the prospect of enhanced confidence."

The qualitative part of my research is composed of two parts. The first part is related to the collection of relevant and reliable data and information from secondary sources, which include various scientific papers, books, publications, news papers articles and reports of different international organizations and non-governmental organizations. The second part is related to field work and the collection of information and opinions through semi-structured interviews. In order to get opinions of the domestic political players about the role of the international community and development aid in Bosnia and Herzegovina since 1995, and also about the contemporary political and social situation in Bosnia and Herzegovina, I interviewed four members of The Parliamentary Assembly of Bosnia and Herzegovina. Additionally, in order to get a deeper understanding of contemporary activities and politics of the international community, and the European Union as the most agile part of the international community on the ground, and by far the biggest aid provider, it was necessary to conduct an interview with the official of the Delegation of the European Union in Bosnia and Herzegovina. Furthermore, this interview helped me to get a deeper knowledge and gain additional information about the role of the European Union in Bosnia and Herzegovina in the years since 1995. The semi-structured interview „allows depth to be achieved by providing the opportunity on the part of the interviewer to probe and expand the interviewee's responses" (Rubin and Rubin, 2005, p. 88), furthermore this type of interview "allows for in-depth probing while permitting the interviewer to keep the interview within the parameters traced out by the aim of the study" (Berg, 2007, p. 39). Although the interviews play an important role in my research, the main part of my master's thesis relies on a huge number of relevant secondary sources.

The Quantitative part of my research predominantly relies on The World Bank and OECD data bases, as the most relevant and reliable data source regarding my research topic. Alan Bryman (2012, p. 35) defines quantitative research as, "a research strategy that emphasizes quantification in the collection and analysis of data […]". I used data from The World Bank and OECD data bases for construction of the different charts and tables, in order to make available better understanding of the various data.

1.3. THESIS STRUCTURE

This thesis consists of the five chapters and conclusion structured and detailed as follows.

The main objective of the *second chapter* - Historical and Political Background - is to describe and explain the most important events and periods in the history of Bosnia and Herzegovina from the early Middle Ages until the outbreak of the Civil War in Bosnia and Herzegovina in 1992. This chapter also describes the relations between different ethnic groups (Serbs, Croats and Bosniaks) in the observed period. Additionally, this chapter aims to depict the political situation in the Socialist Federative Republic of Yugoslavia (SFRY) and offers some possible reasons for the breakup of the SFRY and for the outbreak of the Civil War in Bosnia and Herzegovina. Understanding this chapter is crucial for understanding the contemporary situation in Bosnia and Herzegovina and relations between the ethnic groups.

The main purpose of *chapter three* - Bosnia and Herzegovina – from Military Conflict to Political Struggle – is to explore and describe the role of the international community and situation in Bosnia and Herzegovina during the Civil War. The main part of this chapter will be devoted to the Dayton Peace Agreement as the corner stone of modern Bosnia and Herzegovina. The second part of this chapter has the intention to describe the post-conflict social and economic context in Bosnia and Herzegovina and to explain the territorial and institutional structure of post-Dayton Bosnia and Herzegovina. This chapter is important for understanding of contemporary political situation and complex institutional structure of Bosnia and Herzegovina.

The *forth chapter* - International Community Engagement in Post-Conflict Bosnia and Herzegovina – focuses on the peace-building process (1997 – 2005) in Bosnia and Herzegovina and on development aid as an integral part of this process. The first part of this chapter offers a theoretical foundation for the concept of peace-building. Moreover, this subchapter describes the evolution of the peace-building concept and different dimensions of the concept. The second subchapter of this chapter has the main objective to explain the role of the international community in the processes of peace implementation and peace-building in Bosnia and Herzegovina from 1995 till 2005. Furthermore, this subchapter aims to explore and describe roles of the different representatives of the international community on the ground, such as the High Representative, the European Union Special Representative,

Implementation Forces, etc. The third part of this chapter describes and explores the role of development aid in Bosnia and Herzegovina and its influence on the peace-building process. Additionally, this subchapter deals with different views on the relation between the peace-building concept and development aid. The forth part of this chapter provide overview of the development aid in period from 2005 till 2016 and the recent development aid trends in Bosnia and Herzegovina are presented. Additionally, in the final this part of the thesis the modern-day role of development aid in the context of the state functionality is described.

The *fifth chapter* - Bosnia And Herzegovina, European Future and European Support – has the main objective to explore and explain the role of the international community and development aid in the state-building process in Bosnia and Herzegovina from 2005 till today. The main focus of this chapter is on the role of the European Union as the most active part of the international community on the ground. The second part of this chapter aim to describe the contemporary political situation in Bosnia and Herzegovina and the role of the High Representative in the contemporary political life in Bosnia and Herzegovina. The third part of this chapter tries to predict the future role of the international community in Bosnia and Herzegovina.

The *conclusion* shows the summary and the most important findings of this research. Moreover, in this final part of the thesis the answers to the research questions are presented in short.

2. HISTORICAL AND POLITICAL BACKGROUND

It is impossible to understand the present without the past. This chapter aims to highlight some of the most important events and periods of Bosnia's history until 1992, which will provide a better understanding of the Civil War as well as the current situation in Bosnia and Herzegovina. Because of the limited scope of this thesis, most of the historical events and periods will not be portrayed in detail.

2.1. THE HISTORICAL BACKGROUND FROM 1180 UNTIL 1980

The first mention of Bosnia as a territory appeared in the 10th century (Torsti, 2003). Until the late 12th century, the territory of Bosnia was divided or was under the control of its neighboring countries Croatia, Hungary and Serbia, or in some periods under the control of the Byzantine Empire (Chiari, 2007). The medieval Bosnian state got its independence and recognition as a sovereign state in 1180, although Bosnia was under the Hungarian crown (de jure) in this period (Torsti, 2003; Barbirotto, 2012).

2.1.1. The Banate of Bosnia and the Kingdom of Bosnia

The first ruler of the Banate of Bosnia was Kulin Ban (1180-1204). In 1189, during his regency, he signed the first ever Bosnian written document „Charter of Ban Kulin", using the modified Cyrillic alphabet called *Bosančica*, which represents one of the oldest written state documents in the Balkans (Barbirotto, 2012). The charter of Ban Kulin was basically a commercial charter with the Adriatic port of Ragusa (modern Dubrovnik). "[…T]he Chart of Kulin Ban is considered as a Birth Certificate of the Bosnian state as it represents the undisputed evidence medieval Bosnian statehood" (Kurtćehajić, 2012, p. 275). The second important event which occurred during his regency is the establishment of the Bosnian church. This Bosnian church was based on the teachings of the Bogomil movement. Bogomilism was a Bulgarian-originated sect which arrived to Bosnia from Serbia. At that time, all the Balkan states were firmly incorporated into the Roman Catholic Church or the Eastern Orthodox Church, but due to inaccessibility of the terrain, Bosnia had managed to establish its own independent Church, regardless of Rome and Constantinople (Barbirotto, 2012, Dizdar, 2016). Some scholars, including Mehmed Hadžić (1940), argue that the presence of the Bosnian church is one of the most important reasons why the islamization of

Bosnia during the rule of the Ottoman Empire was so successful compared to more or less unsuccessful attempts of islamization of other Balkan countries which were under the rule of the Ottoman Empire.

In order to secure a Bosnian independence (*de facto*), Kulin Ban was forced to balance between the Byzantine Empire on the one side and the Hungarian Kingdom and the Roman Catholic Church on the other side. In 1203 he announced that he was a faithful Catholic in order to avoid a crusade that the Pope menaced to launch against Bosnia (Barbirotto, 2012, p. 10). After his death in 1203, he was succeeded to the throne by his son Ban Stjepan Kulinić. Ban Stjepan Kulinić followed the policy of his father and declared himself a faithful Catholic as well, but with less success. Stjepan was removed from the throne in 1232 by the Bogomils, who were supported by the Byzantine Empire. After this event, the Banate of Bosnia was divided into a few smaller banates (Barbirotto, 2012, p. 11).

The period between 1232 and 1322 is characterized by an internal struggle between different noble families. Ban Stjepan II Kotromanić, who ruled from 1322 till 1353, was one of the most prominent Bosnian rulers. During his regency, Bosnia experienced significant territorial expansion (Kurtćehajić, 2012, p. 276). Through his conquests from 1326, he managed to conquer the Serbian province of Hum, which would later become what we know as Herzegovina today, and that was the first time that Bosnia and Herzegovina politically belonged together (Fath-Lihić, 2006).

One of the biggest successes and one of the most important events in the history of the medieval Bosnian state were achieved during the reign of Tvrtko I Kotromanić, who was crowned as "Stephen, King of Serbs, Bosnia, Littoraland and the Western Parts" in 1377. He managed to transform the Bosnian Ban land into a kingdom (Kurtćehajić, 2012, p. 276). During the regime of Tvrtko I, Bosnia became one of the most influential and powerful states in the Balkans and reached its maximum size (Bogdanić, 2012, p. 162). It should be said that the most powerful ruler of medieval Bosnia, Tvrtko I, was a Serb and he was a female-line descendant of the mighty and holy Serbian Nemanjić dynasty (Svirčević, 2008, p. 279). Moreover, he was not only the King of Bosnia but also the King of Serbia, and in this period, he held the "double crown" (Batković, 2008, p. 279), although the scope of his influence in Serbia is very questionable and unclear (Ćirković, 2014, p. 115).

Soon after the death of Tvrtko I, Bosnia started to lose its power and regional influence. The successor to the Bosnian Crown King Stjepan Tomaš and his son Stjepan Tomašević, who was crowned in 1461 with the Pope Crown, were not able to protect Bosnia from the Ottoman invasion. The fall of Jajce (at that time the capital of Bosnia) in 1463 was the end of the medieval independent Bosnian state. The last king of Bosnia, Stjepan Tomašević, was executed and after that Bosnia fell under the Ottoman rule (Kurtćehajić, 2012, p. 276).

2.1.2. Bosnia and Herzegovina under the Ottoman rule

Between the fall under the Ottoman Empire in 1463 and the end of the First World War (1918), Bosnia was under the rule of two powerful and large empires (Ottoman Empire 1463 – 1878; Austro-Hungarian Empire 1878 – 1918). Each of these empires left a significant mark on Bosnian history and had an important influence on culture, customs, language and even religion.

The Ottoman conquest of Bosnia put an end to the independent Bosnian state from this moment until the late 20th century; Bosnia was not able to regain its independence. After the re-imposition of a foreign rule in Bosnia, a period of radical, social and cultural transformations started and the most important transformation occurred in the sphere of religion (Wynne, 2011, p. 11). These transformations have shaped the Bosnian society into the three-nationality pattern we find today (Barbirotto, 2012, p. 14). Even before the Ottoman occupation, Bosnia was a religiously heterodox country, but after the Ottoman occupation and establishment of an Ottoman rule over Bosnia, Islam was introduced to the land as a new religion. Bosnia was unique between all other occupied Christian countries, because Islam was widely embraced in Bosnia, and very quickly a significant part of the population converted to Islam (Wynne, 2011, p. 11). During the first years of the Ottoman occupation, there was a large loss of population due to religious struggles and a part of the Christian population emigrated to the west and north toward other Christian lands (Lukic Tanovic, Pasalic and Golijanin, 2014, p. 239). Together with the rise of Islam in Bosnia, the fading influence of the Bosnian church was noticeable (Hadžić, 1940). According to John V.A. Fine (1996, p. 13), many people have converted to Islam because of a better social or political position, but also a big majority of the people kept traditions and practices of Christianity together with the new religion. One of the most infamous practices of the new Ottoman rule was the system of *devşirme*. According to this system, Christian boys between twelve and

twenty years were taken from their families and recruited into the Ottoman military force or administrative service, and they were also forced to convert to Islam (Wynne, 2011, p. 13).

> "There were strict rules which the recruiting officers were required to follow. For example, they were not to recruit Muslims, Jews, members of certain skilled trades, orphans, only children and married men. In practice most of the devşirme boys came from Orthodox Christian families of Slav, Greek and Albanian origin. Even if the rules were obeyed, the system was clearly oppressive both to the families whose best sons were torn from them and to the young boys who would never see their parents again." (Singleton, 1989, as cited in Wynne, 2011, p. 13)

Through territorial reforms during the first years of the Ottoman rule, the territory of Bosnia was divided into small areas known as *sanjak* (a smaller administrative unit). Between 1436 and 1537 on the territory of the former Bosnian Kingdom four *sanjaks* were formed and all of them were a part of the *eyalet* (a bigger administrative unit) of Rumelia[2] (Kurtćehajić, 2012, p. 276). In 1580, the Bosnian *Eyalet* was formed, which consisted of four *sanjaks,* the political centre of the Bosnian *Eyalet* was the city of Banja Luka. It is interesting to mention that the borders of the Bosnian *Eyalet* from 1669 almost perfectly correspond with the modern borders of Bosnia and Herzegovina (Kurtćehajić, 2012, p. 276).

2.1.3. Bosnia and Herzegovina under the Austro-Hungarian Rule

The Treaty of Berlin was the final act of the Congress of Berlin (1878) and the main task of this congress was to resolve the situation in the Balkan Peninsula after the Russo–Turkish War (1877–1878). According to article XXV of the Berlin Agreement, the Ottoman Empire had lost (*de facto*) control over Bosnia, and Bosnia was given to be controlled and managed by the Austro-Hungarian Empire, although the Sultan of the Ottoman Empire remained formal sovereign over Bosnia (Kurtćehajić, 2012, p. 27). In his work from 2008 (p. 7), Robert J. Donia even argues that Bosnia was a sort of Austro-Hungarian colony.

> „The legal position of Bosnia under Austro-Hungarian Rule was determined by the Regulations of the Berlin Agreement from 1878, Constantinopole

---

[2] Rumelia was a historical term describing the area of the Balkans (Balkan Peninsula) and other parts of European territories when it was ruled by the Ottoman Empire.

Convention from 1879 and Law on Management of Bosnia and Herzegovina from 1880 which changed the title of Bosnia to Bosnia and Herzegovina which was kept up to date." (Kurtćehajić, 2012, p. 277)

During the Austro-Hungarian rule over Bosnia and Herzegovina, modernization and development are noticeable in the country. During this period, many new roads and railways were built, additionally - because of urbanization led by architects educated in Vienna - towns in Bosnia and Herzegovina came to look similar to other provincial towns across the empire. Moreover, many museums, administrative buildings and churches were built (Donia, 2008, p. 2). Economically, Bosnia and Herzegovina was *de facto* the Monarchy's colony, trade between Bosnia and Herzegovina and the Monarchy was similar to trade patterns of other European Empires and their colonies. The Monarchy imported raw materials from Bosnia and Herzegovina and exported mainly manufacturer goods and some agriculture products (Donia, 2013, p. 197).

Until 1908, Bosnia and Herzegovina was managed by the Austro-Hungarian Empire, but *de jure* the Ottoman sultan was the sovereign over Bosnia and Herzegovina. After the Young Turk revolution, the Austro–Hungarian administration saw an opportunity for the annexation of Bosnia and Herzegovina, and in October 1908, Austria-Hungary announced the annexation of Bosnia. Just a few months later, in April 1909, the annexation of Bosnia and Herzegovina was officially permitted after the agreement of the five Great Powers and Turkey through the revision of the treaty of Berlin (Baba, 2013, p. 81). After the annexation, Bosnia and Herzegovina was *de jure* and *de facto* under Austro-Hungarian rule and it was continued with further economic development of Bosnia and Herzegovina with a strong focus on the metal industry and mining.

The annexation of Bosnia and Herzegovina was not welcomed by many young people in Bosnia and Herzegovina, regardless of their ethnicity or religion. The answer of these people to this new situation was the creation of a resistance organization called Young Bosnia (Mlada Bosna), most of its organization members were Serbs and Bosnian Muslims.

"Young Bosnia was an informal youth organization without firmer structural ties and established hierarchy based on the conviction that

Austria-Hungary's colonial administration was untenable and that revolutionary resistance was a legitimate means to liberate the province from colonial rule. The members and supporters of Young Bosnia considered the colonial administration of a European people with clearly defined national identity, modern culture and significant historical traditions impossible at the beginning of the twentieth century. They also rejected the notion that the name, language and identity of a people could be changed through repression as Austro-Hungarian regime tried to do during different phases of the occupation." (Bataković, 2015, p. 143 - 144)

On 28th June 1914, Gavrilo Princip, a member of Young Bosnia conducted the assassination of Archduke Franz Ferdinand, heir apparent to the Austro-Hungarian throne, and his wife Sophie Chotek von Chotkowa and Wognin. This event was a spark that would put the whole of Europe in the horrors of the First World War (Clark, 2012, pp. 257 – 263).

2.1.4. Bosnia and Herzegovina in the Kingdom of Yugoslavia

The Corfu Declaration (July 1917) was the first step toward building the Yugoslavian state. After the end of the Fist World War, the new Yugoslavian state was built based on the Corfu Declaration, the formal name of this new state was the Kingdom of Serbs, Croats and Slovenes (Perovic, 2015, p. 7). According to the Vidovdan Constitution and its article 135, the territorial organization of the kingdom was made in a way that the borders of Bosnia and Herzegovina must stay untouched as they were set during the Austro-Hungarian rule, but this was changed after King Aleksandar Karađorđević announced a proclamation called '6th January Proclamation', according to which the country changed its name to Kingdom of Yugoslavia (Perović, 2015, p. 13; Kurtćehajić, 2012, p. 277). Based on this proclamation the kingdom, was divided into the nine duchies (banovine), and the territory of Bosnia and Herzegovina was divided among four duchies (Vrbaska, Primorska, Drinska and Zetska) (Kurtćehajić, 2012, p. 278). In his work, Stipica Grgić (2014) presents a map with the territorial organization of the Kingdom of Yugoslavia (see figure 1).

Figure 1. Territorial organization of Kingdom of Yugoslavia from 1931

Source: Grgić, S. (2014): Uprava u Savskoj Banovini (1929.-1939.) – Između Državnog Centralizma i
Supsidijarnosti, Zagreb, Sveučilište Zagreb

The Kingdom of Yugoslavia was a multiethnic country with permanent tension between political leaders and political parties of different ethnic groups, especially the Croatian political leaders were not pleased with the position of Croats within the Kingdom. One of the main reasons for these tensions was the so-called Serbian hegemony and supremacy. Also, the political leaders of Bosnian Muslims and Muslim population were not satisfied with their position (Perović, 2015). These tensions were especially noticeable before the outbreak of the Second World War.

2.1.5. Bosnia and Herzegovina in the Second World War

The Kingdom of Yugoslavia capitulated after a few days of resistance, between 6th and 18th April 1941, to the superior German and Italian forces. Even before the official capitulation of Yugoslavia, the Independent State of Croatia (NDH) was established. NDH was nothing more than a German puppet state (Spajic, 1998, p. 22). That country consisted of Bosnia, most of

today's Croatia and some parts of today's Serbia. NDH was ruled by Ustasha regime and their leader Ante Pavelić.

In contrast to Nazi Germany, the main concern of NDH were not Jews, but rather an ethnic cleansing of the Orthodox Serbs. The most notorious symbol of the Ustasha regime was the concentration camp at Jasenovac (Anderson, 1995, p. 3). According to very conservative estimates

> „[...] probably about 325 000 Serbs were killed by the Ustasha in the new Croatian state, including about 60 000 at Jasenovac alone. In other words, about one in every six Serbs in Pavelic's realm was killed. This was the work of a force of about 30 000 Ustashas." (Almond, 1994, as cited in Anderson, 1995, p. 4)

According to some other authors, including Antun Miletić (1986, p. 23) in the concentration camp at Jasenovac between 480.000 and 900.000 people were killed.

In contrast to the Orthodox Serbs, Bosnian Muslims were guaranteed all rights and privileges. Moreover, they were considerd as Croats of Islamic orgin. Additionally, many of the Bosnian Muslims were part of the Ustasha armed forces or German SS armed forces (Spajic, 1998, pp. 22 - 23). Serbs soon became a strong opposition to NDH and Ustasha regime and started armed struggle against Ustasha forces and against German occupation forces.

Due to harsh repression and oppression carried out by Ustasha regime, resistance movements grew rapidly as a response. "The first to emerge was the Chetnik guerilla movement, consisting almost entirely of Serbian freedom-fighters loyal to the vision of Yugoslavia as a 'greater Serbia'" (Anderson, 1995, p. 4) and loyal to the King and the Royal Government in exile. The first mention of the Chetnik units was during the first years of the 20th century, they were guerilla fighters and fought against the Ottoman authorities mainly in south Serbia (Petrović, 2011, p. 45). The second resistance movement was the communist Partisan movement, under the control of the communist leader Josip Broz Tito. In contrast to the Chetnik movement, the Partisan movement managed to draw support from all the peoples of

Yugoslavia, but the main area of the movement activities was in Bosnia and Herzegovina (Anderson, 1995, p, 4).

Chetniks and Partisans provided bitter resistance to the Ustasha forces and German and Italian occupation forces, but toward the end of the war, Chetnik and Partisan movements spend much time fighting each other. The main reasons of the conflict between Chetnik and Partisan movement were a different ideology and a different vision of Yugoslavia after the war ending (Anderson, 1995, p. 4). After all, it must be said that also Partisans and Chetniks have made serious war crimes and massacres over Croatian and Muslim civil population in Bosnia and Herzegovina. Without any doubt, during the Second World War in Yugoslavia, the biggest bloodshed of the South Slavs occurred, tragically most of the killings, massacres and war crimes were not made by German or Italian occupation forces, but by people of Yugoslavia among themselves.

During the summer of 1943, Josip Broz Tito suggested to Bosnian leaders to establish ZAVNOBiH – The National Anti-Fascist Council of the National Liberation of Bosnia and Herzegovina. According to this resolution, the councilors expressed their willingness to form Bosnia and Herzegovina as a federal unit and part of post-war Yugoslavia (Kurtćehajić, 2012, p. 278).

2.1.6. Bosnia and Herzegovina within SFRY from 1945 until 1980

After the end of the Second World War, the communist leaders led by Tito tried to unite the state and most importantly to unite the different ethnic groups within a new Yugoslavia. In order to achieve unification and to avoid political tension between different ethnic groups, a federal structure was developed. According to the new federal structure, Yugoslavia had six republics and two autonomous provinces (Anderson, 1995, p. 5). "Yugoslav federalism was based on an ethno-national sovereignty. [...] Five constitutive nations were so recognized – Croats, Macedonians, Montenegrins, Serbs, and Slovenes – each of which was territorially and politically organized as a republic in the Yugoslav federation" (Pesic, 1996, p. 10). At that time, leading Yugoslav communists considered the Muslim population in Bosnia and Herzegovina as a religious group which should declare themselves either as Serbs or Croats (Torsti, 2003, p. 93).

According to the Constitution of 1963, the Federal State dominated over the republics (federal units). At that time, Yugoslavia was a centralized state with a strong role of the federal government (Kurtćehajić, 2012, p. 279). According to this constitution Muslims gained equal rights like Serbs and Croats in Bosnia and Herzegovina and they could declare themselves "Muslims in the ethnic sense" (Torsti, 2003, p. 93). Bosnia and Herzegovina was in a unique situation compared to other Yugoslavian republics, because only Bosnia and Herzegovina was composed of three constitutive peoples, without an absolute majority of one ethnic group. In order to solve the tensions between Serbs, Croats and Muslims, communist party leaders decided to undertake massive investments and to strengthen Bosnia and Herzegovina. During this massive public work, thousands of kilometers of asphalt roads, many schools, libraries, telephone and electricity lines were built (Torsti, 2003, p. 95).

> „There was a culture of tolerance and diversity in Bosnia-Herzegovina, rooted in the millet system and idealized in the concepts of jugoslavenstvo (Yugoslavism) and bratstvo i jedinstvo (brotherhood and unity). But this culture was severely circumscribed and appears to have existed primarily in large urban areas. Bosnians of different religions may have on occasion shared the same zadruga and lived in the same villages, but they lived their lives apart and nursed images of each other as essentially different." (Sadkovich, 2005, p. 29)

According to the Constitution of 1974, this situation was dramatically changed due to the significant transfer of power from Federal State to the republics, so republics were enabled and the federal government managed to keep only those powers that all federal units agreed upon (Kurtćehajić, 2012, p. 279). This Constitution provided a legal frame for the later dissolution of Yugoslavia.

2.2. POLITICAL BACKGROUND FROM TITO'S DEATH UNTIL 1992 AND THE CAUSES OF THE WAR

In order to understand the political situation in Yugoslavia between Tito's death and the dissolution of Yugoslavia, in this subchapter I will attempt to briefly explain the most important political events and reasons of more or less permanent national and inter-republic tensions, which would later lead to bloody conflict. Moreover, in this subchapter, I will try to

offer and explain some possible causes of the war in Bosnia and Herzegovina. I do not have any illusion that I can explain the whole complexity of the political situation at that time, but I will rather focus on the main political events.

2.2.1. Political background from Tito's death until 1992

Even before Tito's death, national tensions were noticeable, also internal political struggle based on national lines was in progress. The biggest obstacle for national unity was permanent tension and political struggles between the two biggest nations, Serbs and Croats. According to Norman Naimark (2001; as cited in Harmon, 2007, p, 121)

> "The Serbs saw the state's creation as a final reward for their long history of battle and sacrifice on behalf of the south Slavs and they assumed Serbs would govern and rule it as a unitary, centralist polity, as befitted their history and experience. From the very start, Croats and Slovenes, among others, contested this vision, looking to protect their interests through decentralization and confederation, an equal union of equal peoples."

One of the first serious indicators of national and economic tensions between the republics and the internal struggle for power between Serbs and Croats was during the late 1960s. The so-called "mass movement" led by the reformist wing of the Croatian Communist Party demanding to expand cultural autonomy and some economic benefits for Croatia was by many welcomed and supported in Zagreb and other cities in Croatia, but also some Anti-Yugoslav elements were associated to the movement (Batovic, 2003, pp. 13 – 18). However, after the intervention of Tito this movement was crashed.

After Tito's death in May 1980, Yugoslavia lost its most important cohesion force and supreme authority. Tito's death was a trigger point for a long crisis that would culminate a decade later with the state collapse and the bloody war. Tito was succeeded by a collective presidency with eight members representing each the republic and two autonomous provinces rotating annually in the position of chair. Although Tito was succeeded by a collective presidency, Tito's absence left a country without any strong political authority and in some sort of leadership vacuum. Political leaders from different republics discovered that it was in their best personal interest to represent the interests of their republics against the central

government in order to ensure local popularity; some of them even used national tensions in order to secure the support of their power base (Harmon, 2007, p. 131). Tito had also left the country in a very poor economic situation with staggering unemployment and inflation rate, huge foreign debt was a serious problem for a country (Harmon, 2007, p. 131), food and gasoline shortage was a characteristic of everyday life in Yugoslavia during the 1980s. In order to liberate themselves from this poor economic situation, political leaders of the republics accused other republics or the central government as a way of securing their own political positions and to represent themselves as a protector of national (ethnic) and republic interests.

The first ethnic discontent and violent demonstrations after Tito's death occurred in Kosovo during 1981. The Albanian population in Kosovo was unsatisfied with the privileged position of Serbs in the province of Kosovo and they were strongly against Kosovo's subordination to Serbian republican officials in Belgrade (Anderson, 1995, p. 8). Furthermore, Albanian political leaders demanded that Kosovo should change its status from an autonomous province to a republic alongside to the other republics of Yugoslavia. On the other hand, the Serbs in Kosovo claimed that they were being subjected to ethnic cleansing and terror by Albanian nationalists (Anderson, 1995, p. 8).

During the 1980s, a huge majority of the Serb population had a feeling that despite being the country's largest ethnic group, their interests were not recognized by the central government and by leaders of other republics (Anderson, 1995, p. 8). Indeed, Serbia was the only republic which was divided in three parts. During 1985, the members of the Serbian Academy of Sciences and Arts met to discuss different national issues and burning social problems. During this meeting, they made a written statement and parts of this statement would be published in a Serbian newspaper one year later.

> "Except for the time under the Independent State of Croatia, the Serbs in Croatia have never before been as jeopardized as they are today. A resolution of their national status is a question of overriding political importance. [...] A nation which after a long and bloody struggle regained its own state, which fought for and achieved a civil democracy, and which in the last two wars lost 2.5 million of its members, has lived to see the day

when a Party committee of apparatchiks decrees that after four decades in the new Yugoslavia it alone is not allowed to have its own state. A worse historical defeat in peacetime cannot be imagined." (Judah, 2000, as cited in Harmon 2007, pp. 132 – 133)

Until today, it is quite unclear whether Slobodan Milošević was a product of Serbian nationalism and the dissatisfaction of Serbs with their status within Yugoslavia, or Serbian nationalism was his product. Nevertheless, without any doubt the rise of Milošević to power in Serbia in 1987 was one of the central moments in the process of the dissolution of Yugoslavia (Torsti, 2003, p. 97). By 1989, Milošević had managed to acquire an unchallengeable position in Serbia (Harmon 2007, p. 136) and to represent himself as the leader of all Serbs in Yugoslavia. Milošević was not the only politician who had nationalistic rhetoric; he had a "good ally" in Franjo Tuđman, leader of the Croatian Democratic Union (HDZ).

Yugoslavia's fate was sealed by the dissolution of the League of Communists of Yugoslavia and the inability of the federal government to impose national elections, but Yugoslav republics had managed to carry out separate republic elections between April and December 1990. On almost every election, national parties managed to get the majority of the votes (Nation, 2004, p. 97). The disintegration of the communist party in Bosnia and Herzegovina in 1990 resulted in the formation of three national parties. „In Bosnia and Herzegovina Alija Izetbegović's Muslim Party of Democratic Action (SDA) won 34 percent of the vote, the Serbian Democratic Party (SDS) 30 percent, and the Bosnian branch of the Croatian HDZ 18 percent" (Nation, 2004, p. 99). All three parties had a strong national rhetoric and all of them proclaimed themselves as a protector of national interests.

2.2.2. The causes of the war

In June 1991, Croatia and Slovenia proclaimed their independence from Yugoslavia, shortly afterwards their independence was recognized by the international community. The next republic in the Yugoslav Federation that was demanding its independence was Bosnia and Herzegovina. In the first months of 1992, it was clear that Bosnia and Herzegovina would follow Slovenia and Croatia and declare its independence. During this time, Bosnia and Herzegovina was split into two factions, the Serbs on the one side and Croats and Bosnian

Muslims on the other side (Bjarnason, 2001, 27). On 9th January 1992, Bosnian Serbs declared the establishment of a Bosnian Serb "Republic", to become independent of Bosnia and Herzegovina in case Bosnia and Herzegovina (Bosnian Muslims and Croats) attempted to organize the referendum of independence to become independent of Yugoslavia (Harland, 2017, p. 8). After the referendum organized by Bosnian Croats and Muslims on 1st March 1992, Bosnia and Herzegovina was recognized as an independent country by the United States of America, the member states of the European Community and many other countries. On 22nd May, Bosnia and Herzegovina was admitted to the United Nations (Nation, 2004, p. 153). Bjarnason (2001) argues that Bosnia and Herzegovina basically fell apart right after the proclamation of its independence in March 1992. The wars in Slovenia and Croatia were just an introduction for a war in Bosnia and Herzegovina, which would lead to the bloodiest war on European soil after the Second World War.

The Serbs and Croats were the backbone of Yugoslavia, but at the same time, the permanent tension between Serbs and Croats was the major problem and source of political instability in Yugoslavia. The main reason for constant tensions were their different perceptions of the common state, „[...] while Serbs basically opted for the unitarist goal, i.e. the creation of a strong federal state of Yugoslavia, Croatian leaders tended to see Yugoslavia merely as a necessary step towards a holly independent Croat nation-state" (Anderson, 1995, p. 23). Rising nationalism was an additional problem; the two most prominent figures in this context were Slobodan Milišević and Franjo Tuđman. In addition the role of Alija Izetbegović, who was the leader of Bosnian Muslims and the creator of the Islamic declaration[3], shouldn't be forgotten. Serbian and Croatian political leaders had more or less the same views over the fate of Bosnia and Herzegovina and they thought that portioning of Bosnia and Herzegovina between Serbia and Croatia would be the best option. On the one hand, the Bosnian Serbs were strongly against the separation of Bosnia and Herzegovina from the Yugoslavian Federation, but on the other hand Bosnian Croats and Muslims supported the independence of Bosnia and Herzegovina. Although the main responsibility for the Bosnian civil war was on the local political leaders, some part of the responsibility was on the international political players. In this context Anderson (1995, p. 24) argues:

---

[3]The Islamic Declaration is an Islamist essay written by Alija Izetbegović, first published in 1969–70, and republished in 1990. One of the most criticized statements from this essay is: "The Islamic movement must and start taking power as soon as it is morally and numerically strong enough to do so." (Izetbegović, 1990, p. 44)

„[...] the quarrelsome leaders of the Yugoslav republics must bear prime responsibility forthe war, but the international community was inept in its response to the problem. The chief failure was that of the European Community in not diagnosing the problem sufficiently early, or at least in not realising its seriousness. Also, having failed to set up in 1990-91 a new set of institutions suitable for conflict resolution in a post-Cold War world, it lacked the organisation to handle the task."

Last but not least the wounds of the Second World War were not healed and many of the victims wanted their revenge. As in the Second World War, the Serbs were again Chetnicks, the Croats were again Ustashas, but Bosnian Muslims had their own army this time.

3. BOSNIA AND HERZEGOVINA – FROM MILITARY CONFLICT TO POLITICAL STRUGGLE

The aim of this chapter is to explain and to describe the situation in Bosnia and Herzegovina during war time and the dynamics of that war. The focus of the following text will not be on different military actions or battles, but rather on various peace initiatives, peace plans and engagement of the international community during the war. Additionally, I will put a strong focus on the Dayton Peace Agreement and its reflections on post-war Bosnia and Herzegovina. In the second part of this chapter, I will deal with post-Dayton Bosnia and Herzegovina, its territorial and administrative organization, political structure and overall political situation.

3.1. CIVIL WAR AND ROADS TO PEACE

Even before the sporadic killings and shootouts had transformed into violent conflict, during March 1992 the first peace conference was held in Lisbon, chaired by Portuguese diplomat José Cutileiro and under the patronage of the European Community (Greenberg, Barton and McGuinness, 2000, p. 45). The product of the Lisbon peace conference was a peace plan presented by Lord Carrington and José Cutileiro, commonly known as The Carrington-Cutileiro Peace Plan. According to this plan, "Bosnia would be independent, without changes to its borders; the country would be divided into cantons, each dominated by one or other of the ethno-religious communities; and there would be power sharing between the three communities through a weak central government" (Harland, 2017, p. 9). In his work, David Harland (2017, p. 9) presents the map with the territorial organization of Bosnia and Herzegovina according to the agreement achieved in Lisbon (see figure no. 2). The plan also contained various measures and mechanisms that would guarantee the protection of human rights and minority rights in each ethno-religious canton (Eralp, 2012, p. 59). The Carrington-Cutileiro Peace Plan was signed on 18th March; all three sides signed the agreement, Alija Izetbegović for the Bosnian Muslims, Radovan Karadžić for the Bosnian Serbs and Mate Boban for the Bosnian Croats. But this peace agreement did not last long; within a week, the leader of the Bosnian Muslims and at that time head of the Bosnian and Herzegovian collective Presidency Alija Izetbegović withdrew his signature and declared that he could not accept any division of Bosnia and Herzegovina (Abazović and Seizović, 2007, p. 7).

Figure 2. Teritorial organization of Bosna and Herzegovina according to The Carrington-Cutileiro Peace Plan
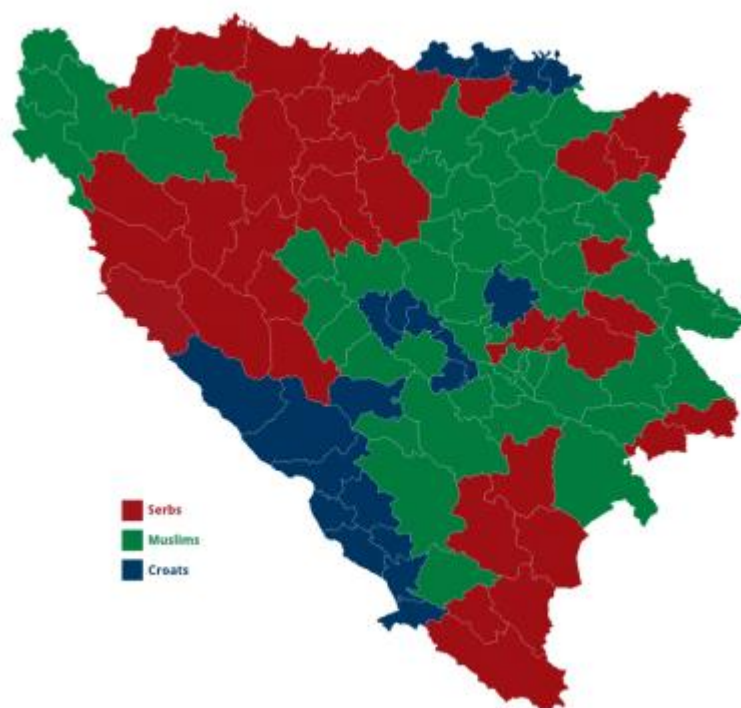
Source: .Approximate map by Alexander Witt, based on Klemenčić, Mladen. 'Territorial Proposal for the Settlement of the war in Bosnia-Hercegovina'. Boundary and Territory Briefing, Vol. 1, Issue 3, University of Durham: 1994 as in Harland, 2017, p. 9.

By April 1992, war in Bosnia and Herzegovina was already in progress, and by the end of the month, Sarajevo was under siege by Bosnian Serbs' forces. In the following three months Serbs managed to put under control around 70% of the territory of Bosnia and Herzegovina (Anderson, 1995, p. 13).

According to the Security Council resolution 770, the UNPROFOR (UN Protection Force) was deployed in Bosnia and Herzegovina in order to support the delivery of humanitarian assistance to Sarajevo and other parts of Bosnia and Herzegovina where that was necessary (Greenberg, Barton and McGuinness, 2000, p. 47). Although the primary mission of the UNPROFOR was to facilitate and to support the delivery of humanitarian assistance, over time the UNPROFOR mission was expanded to include „the protection of Sarajevo Airport, mounting guard for convoys, oversight of ceasefires, monitoring of military exclusion zones, and deterrence of local aggression" (Nation, 2004, p. 172). According to David Harlad (2017,

p. 13) the UN humanitarian intervention was a major success of the international community, during the Bosnian civil war almost no-one died of either hunger or cold. Despite the major success of humanitarian intervention, the world was horrified by the violence in the Bosnian civil war; therefore, a new peace conference was more than necessary.

Under the patronage of the European Community and the United Nations in August 1992, the International Conference on the Former Yugoslavia (ICFY) was established. Co-chairman of the peace conference was former US Secretary of State Cyrus Vance representing the UN and former member of the United Kingdom Parliament and former Foreign Secretary Lord David Owen representing the European Community (Greenberg, Barton and McGuinness, 2000, p. 47). After a few months of negotiations and searching for the most acceptable options for all sides through mediation with Serbia and Croatia and representatives of Bosnian Serbs, Croats and Muslims, Secretary Vance and Lord Owen presented their peace plan in January 1993. This peace plan would ultimately become the Vance Owen Peace Plan. The Vance Owen Peace Plan followed more or less the same consociational[4] logic as the Carrington-Cutileiro Peace Plan, but with different territorial organization of the county. In the work of Silber and Little (1995), a map with territorial organization of Bosnia and Herzegovina according to Vance Owen Peace Plan is presented (see figure no. 3).

According to this plan, the country would be divided into ten cantons, „three with a Serb majority, two with a Croat majority, three with a Muslim majority, and one with a mixed Croat–Muslim majority. Sarajevo, the tenth canton, would be governed through power sharing among the three ethnic groups" (Greenberg, Barton and McGuinness, 2000, p. 48). Additionally, each canton would have a power-sharing administration which reflects the pre-war mix of populations, in order to protect the rights of ethnic minorities (Harland, 2017, p. 14). Moreover, similar to the Carrington-Cutileiro Peace Plan, Bosnia and Herzegovina would have a weak central government and its cantons would have significant power and authorities. After its presentation, the plan was immediately attacked and opposed by the Serbs. Bosnian Serbs had in possession some 70% of territory and they were not ready to accept this plan and

---

[4] According to Lijphart (1977, p. 4), consociational democracy or power-sharing democracy is the best solution for deeply divided societies. „Consociational Democracy, is a democracy of plural societies which are differentiated by sharp cultural, social, and political cleavages than unique societies" (Denker, n.d. p. 4) Furthermore, Lijphar (1997, p. 25) argues that consociational democracy has four main features (1) a grand coalition of political elites from different groups, (2) a veto for each group in the key policy areas, (3) proportional representation in state institutions, and (4) a certain level of autonomy for each group.

to reduce their territory to approximately 43% of Bosnia's territory. Moreover, according to this plan, a corridor between different Serb cantons was not foreseen (Greenberg, Barton and McGuinness, 2000, p. 48).

Figure 3. Territorial organization of Bosnia and Herzegovina according to the Vance Owen Peace Plan
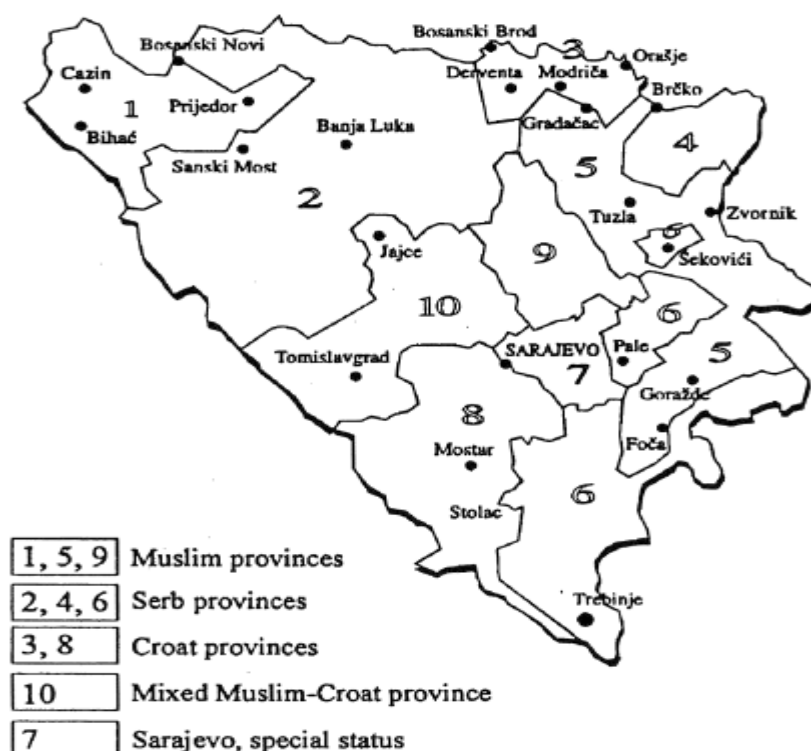
Source: Silber, L. and Little, A. (1995): The Death of Yugoslavia, London, Penguin Books

By April 1993, it was already quite certain that the Vance Owen Peace Plan would not be accepted by all sides. During April 1993, the Bosnian civil war reached its second phase, the fighting between Bosnian Muslims and Croats erupted. The Bosnian Muslims and Croats were allies until this point in time; from then on, all war parties on the ground were at war against each other (Anderson, 1995, p. 16).

After the definitive rejection of the Vance Owen Peace Plan by Bosnian Serbs in May 1993, the co-chairman of the ICFY Cyruc Vance was replaced by Thorvald Stoltenberg, the former Norwegian Minister of Foreign Affairs. The new peace plan was presented in June 1993, generally known as the Owen-Stoltenberg Plan; according to this peace plan Bosnia and Herzegovina would be a loose union of three ethnic republics (Anderson, 1995, p. 15), with

its capital Sarajevo as a special district under a two-year UN administration (Abazović and Seizović, 2007, p. 8). Harland (2017) described the territorial structure of Bosnia and Herzegovina according to this peace plan as follows.

Figure 4. Territorial organization of Bosna and Herzegovina according to the the Owen-Stoltenberg Peace Plan
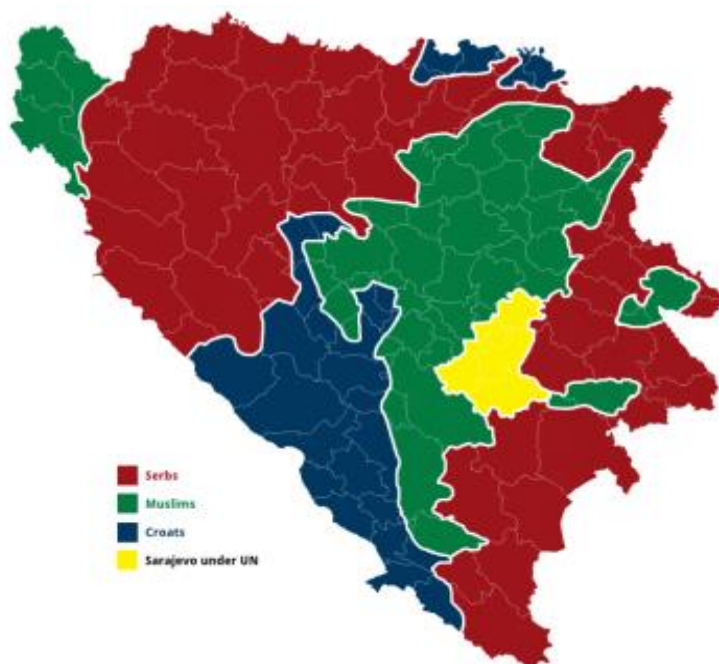
Source: Approximate map by Alexander Witt, based on Klemenčić, Mladen. 'Territorial Proposal for the Settlement of the war in Bosnia-Hercegovina'. Boundary and Territory Briefing, Vol. 1, Issue 3, University of Durham: 1994 as in Harland, 2017. p. 17.

During the spring of 1993 a approach of the international community in order to find the peace plan which would be accepted by all sides was noticable.

> „The logic behind the Owen-Stoltenberg Plan was the opposite of that of the Vance-Owen Peace Plan. Rather than proposing an arrangement for an indivisible country and reversing ethnic cleansing, the emphasis would be on creating a deal that would be easier to implement on the ground. By allocating the Croats and Serbs territories that could easily be detached from Bosnia, the Owen Stoltenberg Plan accepted that the three communities were not going to live together again. The partition that was a reality on the ground would be confirmed by agreement. This was affirmed by the parties,

including in a Muslim-Serb declaration providing for referenda to be held

after two years on whether or not the constituent republics would remain

part of the Union." (Harland, 2017, pp. 17 - 18)

At first, it seemed that this peace plan would finally be able to stop the war and to bring precious peace. Moreover, in July 1993 an agreement was reached between all parties (Abazović and Seizović, 2007, p. 8). During additional negotiations in September 1993 on the British warship HMS Invincible, some additional territory was given to the Bosnian Muslim side and the agreement was once more confirmed by all sides (Greenberg, Barton and McGuinness, 2000, p. 55). However, just two days later, the leader of the Bosnian Muslims Alija Izetbegović rejected the plan.

In the first months of 1994, a more significant engagement of the United States' diplomacy in order to solve the Bosnian Gordian Knot was visible. The first important initiative of the new United States approach was to establish a link between Bosnian Croats and Bosniaks[5] (see footnote), which would later lead to the reestablishment of the Bosnian Croats' and Bosniaks' armed coalition against the Bosnian Serbs. Moreover, under the influence of the United States and Germany, Bosnian Croats and Bosniaks had signed the Washington Accords in March 1994, that established the Croatian-Muslem Federation (Anderson, 1995, p. 17). Under the leadership of the US, the Contact Group was established as an additional effort of the international community in order to stop the bloody Civil War. The members of the Contact Group were the United States, the United Kingdom, France, Germany and Russia. Russia as a traditional friend of the Serbs, was supposed to simultaneously put additional pressure on the Bosnian Serbs to accept the peace plan presented by the Contact Group, and also guarantee for the implementation of the peace plan. According to the peace plan presented to the parties by the Contact Groupin in August 1994, Bosnia and Herzegovina would be organized (divided) into two entities, and - similar to the Owen-Stoltenberg Plan - Sarajevo would be under the administration of the UN. One entity would be a Croatian-Muslim Federation with 51% of the country's territory and the second entity would be Repubika Srpska with control over 49% of the territory (Harland, 2017, p. 19). The Contact Group Peace Plan foresaw the establishing of a weak central government with a collective presidency and parliament. The Contact Group Peace Plan was rejected by the Bosnian Serbs, because they were not ready to

---

[5] On 28th September 1993 on the Congress of Intellectuals of Bosnian Muslims, Bosnian Muslims had changed the name into Bosniaks. From this point onward I will use the term Bosniaks instead of Bosnian Muslims.

reduce their territory from approximately 70%, which they had under effective control, to 49% according to the plan (Greenberg, Barton and McGuinness, 2000, p. 59). Although the Contact Group Peace Plan did not manage to stop the war, this peace plan managed to isolate the Bosnian Serbs and to remove them from further negotiation processes. Moreover, Slobodan Milošević imposed sanctions on the Bosnian Serbs and he personally took part in the negotiation process on behalf of the Bosnian Serbs as their uncontested national leader. Additionally, this peace plan secured the basic principals in the context of territorial division and structure of central government and institutions for further negotiation processes which would later result in the Dayton Peace Agreement.

3.2. THE DAYTON PEACE AGREEMENT AS A CORNERSTONE OF BOSNIA AND HERZEGOVINA

Dayton is one of the most frequently used words on the evening news. It is a noun, a verb, an adjective – a synonym for inertia, neglect and despair.

Borger, 2015

The fall of the Contact Group Peace Plan in the autumn of 1994 was followed by minor military actions of Bosniak and Croatian joined forces, supported with NATO airstrikes (Harland, 2017, p. 21; Vranić, 2014, p. 70). Although Bosniak forces managed to make some territorial gains, they were not able to hold new territories, and shortly thereafter Bosnian Serbs retook lost territories. Former American President Jimmy Carter arranged a four month truce with the leaders of the Bosnian Serbs. The truce started on 1st January 1995 (Vranić, 2014, p. 70). All three sides used the truce to prepare themselves for the upcoming spring offensives, in order to achieve military victory and to put the war to an end.

3.2.1. Situation on the ground shortly before Dayton

In the early summer of 1995, the Bosniak Army supported by Mujahedeens[6] from the North Africa and Middle East started a massive military operation against the Bosnian Serbs' forces in order to break the siege of Sarajevo, though Bosniak political and military leaders were well aware that this operation would be an excuse for Bosnian Serb forces to overrun the three eastern Bosniaks' enclaves of Zepa, Srebrenica and Gorazde (Bjarnason, 2001, p. 50). On

---

[6] Term „Mujahedeen" refers to those Muslims who proclaim themselves warriors for the Jihad (Spencer, 2003, p. 11)

July 11th, the Bosnian Serbs' forces overrun the UN safe areas of Srebrenica, which were protected by a small force of 429 Dutch Blue Helmets, murdering around 7,000 Muslim males (Greenberg, Barton and McGuinness, 2000, p. 60). According to R. Craig Nation (2004, p. 189) "[…] the Serb attack on Srebrenica was not unprovoked — the enclave had not been demilitarized and was used as a base for staging raids against Serb villages during which atrocities were committed." Not preventing war crimes in Srebrenica was, in my point of view, the biggest failure of the UNPROFOR and the entire international community during the Civil War in Bosnia and Herzegovina. Soon after Srebrenica, another UN safe area, Žepa, fell under the control of Bosnian Serbs' forces.

In August 1995, the Republic of Croatia's armed forces launched a large-scale offensive (Operation Storm) against Serbs in Croatia. Just within a few days the positions of Croatian Serbs were overwhelm by superior Croatian armed forces, and up to 200 000 Croatian Serbs looked for refuge in northern Bosnia. After the absolute success of Operation Storm, Croatian forces crossed into Bosnia, advancing in the direction of the Bosnian Serbs' biggest city, Banja Luka. This offensive was in coordination with Bosniaks' forces, which launched a full-scale attack on central Bosnia (Nation 2004, pp. 190 - 191). By late September, Bosnian Serbs' forces had lost a significant portion of their territory and were on the brink of collapse. By early October, the advancing Croatian Army was near the Serb stronghold of Banja Luka (Harland, 2017, p. 23). At this time, the situation on the ground was quite different in comparison to the situation before; now Bosnian Serbs' forces did not have full control over the situation on the ground, and a new peace negotiation was most welcome for the Serbs.

3.2.2. Dayton negotiation process and agreement

With the new situation on the ground, on 5th October, United States President Clinton was able to announce a 60-day ceasefire, which was accompanied by the creation of a NATO led Peace Implementation Force (IFOR). The stage was now set for a new peace conference conducted under strict supervision by the United States at Wright-Patterson Air Force Base in Dayton Ohio, from 1st till 21st November (Nation 2004, p. 192). The peace conference was led by Richard Holbrooke on behalf of the United States and former Swedish Prime Minister Carl Bildt as the representative of the European Union, but without any doubt Holbrooke was the key player during these negotiations. In his book from 1998, Holbrooke describes how he saw the negotiation process.

„It is a high-wire act without a safety net. Much work must precede the plunge into such an all-or-nothing environment. The site must be just right. The goals must be clearly defined. A single host nation must be in firm control, but it is high risk for the host, whose prestige is on the line. The consequences of failure are great. But when the conditions are right, a Dayton can produce dramatic results." (Holbrooke, 1998; as cited in Greenberg, Barton and McGuinness, 2000, p. 67)

The three delegations were led by Alija Izetbegović, leader of the Bosniaks, Croatian president Franjo Tuđman and Serbian president Slobodan Milošević, the representatives of Bosnian Serbs and Croats were present at the conference as part of the Serbian and the Croatian delegation, and their influence on the negotiation process was extremely small. One of the most important differences between previous peace negotiations and the Dayton Peace Conference according to Burg and Shoup (1999, p. 360) was "[...] the willingness of the United States to exert substantial pressure on the parties, especially the Bosnian Muslim leadership, to agree; and the fact that neither the Bosnian Serbs nor the Bosnian Croats – the parties least susceptible to US pressure – were a direct party to the negotiations". Another crucial difference between the previous peace negotiations and the Dayton Peace Conference was a different situation on the ground because the position of Bosnian Serb forces was not as strong as before and they had far less territory under effective control. Moreover, Bosniak forces were strongly dependent on United States support, and because of that the Bosniak delegation was not able to reject the peace proposal which came directly from Holbrook as a fully authorized representative of the United States government. Harmon (2007, p. 197) argues that the main communication during the Dayton Peace Conference was between Milošević, Tuđman and Holbrook, moreover the final map and the structure of post-Dayton Bosnia and Herzegovina was defined with little or none influence of Izetbegović.

In the first two weeks, little progress regarding the territorial issue was made, because of Izetbegović's unwillingness to accept the terms of the agreement, but after an intervention by Warren Christopher (United States Secretary of State) necessary progress was made. During his visit to Dayton, Christopher put additional pressure on the Bosniak delegation and warned them that they would not get any further support of the United States if they became an obstacle to an agreement in Dayton (Greenberg, Barton and McGuinness, 2000, p. 67).

However, the Bosniak side managed to secure Sarajevo and to get some municipalities around Sarajevo which were under control of Bosnian Serbs, moreover the Bosniak side succeeded to get a narrow corridor to the Bosniak enclave of Goražde (Vranić, 2014, p. 73). The final agreement was in reach, but a problem occurred concerning the fact that Bosnian Serbs got only 45% of territory, not a predicted 49%. This issue was solved by giving the Bosnian Serbs Mrkonjić Grad and the territory around it (Vranić, 2014, p. 73). The second critical issue was control over Brčko choke point[7], this issue was solved by the formation of international arbitrage for Brčko which would later make a final decision over the status of Brčko (Nation 2004, pp. 192 – 193). According to the decision of the international arbitrage from March 1999, Brčko got the status of an autonomous district within Bosnia and Herzegovina.

Finally, after three weeks of negotiations, on November 21st 1995 a general agreement was reached. It was later formally signed as a treaty by Alija Izetbegović, Franjo Tuđman and Slobodan Milošević on December 14th in Paris (Harmon, 2007, p. 197). Richard Holbrooke (1998) argues that the intention of the Dayton Peace Agreement was not to create a stable, functional and self-sustainable state but, simply, to end a war. At the same time, the Dayton Peace Agreement was a major success for the international community but it was also the source of many future problems regarding the functionality of the state.

The General Framework Agreement for Peace in Bosnia and Herzegovina, better known as the Dayton Peace Agreement, was composed of eleven short articles and eleven more annexes which were the backbone of the Agreement and they defined the administrative organization of Bosnia and Herzegovina.

3.3. POST-DAYTON CONTEXT IN BOSNIA AND HERZEGOVINA

Carl Bildt (1996, paragraph 8), the first High Representative in Bosnia and Herzegovina, described the Dayton Peace Agreement as „by far the most ambitious peace agreement in modern history". On the one hand, the Dayton Peace Agreement was a peace treaty in a traditional sense, but on other hand the Dayton Peace Agreement was a foundation and source for the establishment of new institutions within the state and the whole new legislative and executive system. In the following lines, I will describe the political system in Bosnia and

---

[7] The so-called Brčko choke point is the tiny corridor in northern Bosnia, which connects east and west parts of the Republika Srpska.

Herzegovina and the role of the main institutions of the system. This is necessary in order to understand the contemporary political situation. However, the first part of this subchapter will be dedicated to the social and economic situation in Bosnia and Herzegovina and the impact of war on everyday life in the first post-conflict years.

3.3.1. Economical and social context after the war

As a result of the 1992-1995 violent conflict in Bosnia and Herzegovina, almost half of its pre-war population of around 4.4 million was displaced internally, 1.3 million refugees had fled the country abroad and another one million people were internally displaced, often living in refugee camps, collective centres or abandoned housing (de Koning, 2008, p. 4). Around 250.000 (5.9% of the pre-war population) were killed or disappeared and most of the country's infrastructure and economy was destroyed (Bisogno and Chong, 2002, p. 62). The Civil War had a significant influence on the ethnic structure of Bosnia and Herzegovina the difference in the ethnic structure before and after the war is best noticeable on the maps below offered by Harland (2017).

Figure 5. Ethnic structure of Bosnia and Herzegovina before and after the war, with boundary line between entities
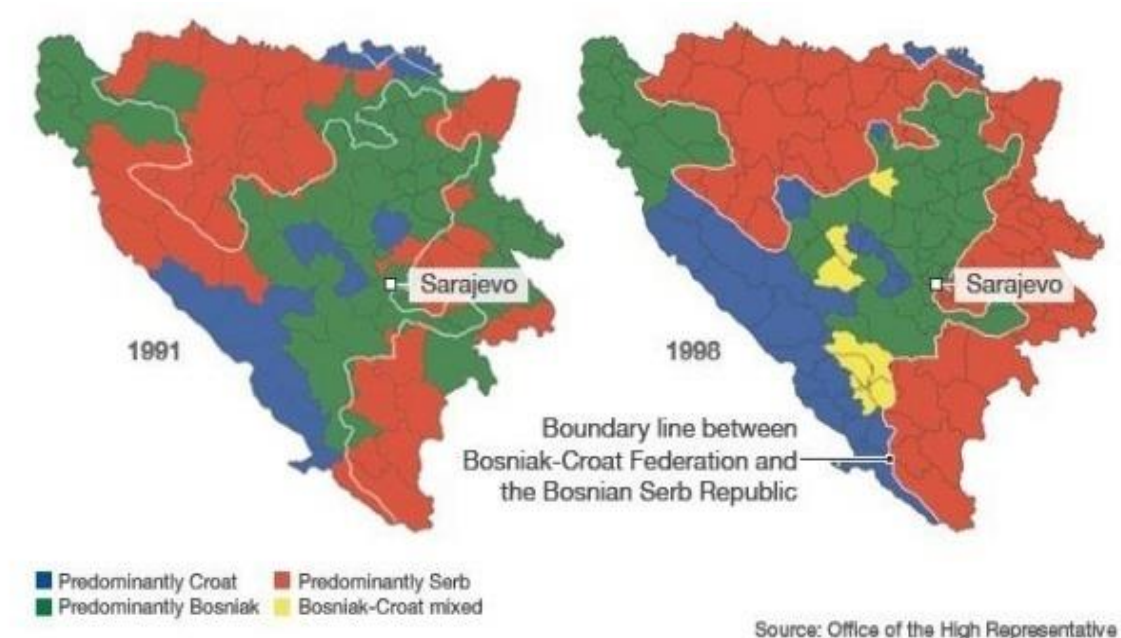
Source: Harland, 2017: Never again: International intervention in Bosnia and Herzegovina, UK Government Stabilisation Unit

During the war, over two thirds of homes were damaged or destroyed. Approximately 30–40% of hospitals were destroyed, almost 70% of school buildings were destroyed or damaged or were out of use (OED, 2004). Additionally, industrial output had fallen to only 5% of the pre-war level and almost half of all industrial plants were destroyed. By 1994, the gross domestic product (GDP) and GDP *per capita* had fallen to less than 20% of 1991 numbers (OED, 2004).

> "Unable to survive by themselves, most of the population started relying on humanitarian assistance that began to flow to Bosnia and Herzegovina in significant amounts. Among the most dramatic legacies of war, with important social consequences, is the emergence of groups with special needs. In parallel, the war altered most of the social protection mechanisms, and in particular social transfers, which came to an end. Vast sectors of population are now displaced and more than 40% of the labor force are ex-soldiers." (Bisogno and Chong, 2002, p. 62)

Unemployment rates in the period between 1995 and 2000 reached between 40% and 50% and most of the employees worked for state administration or state institutions; the situation is not significantly better even today. Additionally, the average salary was extremely low, for example, in 1999 the average salary was between 90 Euros in Republika Srpska and 200 Euros in the Federation of Bosnia and Herzegovina, the average pension in Republika Srpska was 35 Euros and in the Federation of Bosnia and Herzegovina 78 Euros (Foco, 2002, p. 5). "Overall war damage has been estimated to be 50-70 billion US dollars, illustrating the huge task of reconstruction awaiting" (Mandeganja, n.d. p. 9).

3.3.2. The state institutions

According to the Dayton Peace Agreement new state institutions were established, the Presidency of Bosnia and Herzegovina and the Council of Ministers were established as executive institutions, and The House of Representatives and The House of Peoples were established as legislative institutions. According to the Dayton Peace Agreement, these institutions were only symbolic institutions without real power and authorities, for example the Council of Ministers had originally just three ministries with extremely slow and complicated decision-making process. Originally, one of the main purposes of state

institutions was to show state unity, but over time some authorities and powers were transferred from entities level to state level. In the work of Toal, O'Loughlin and Djipa (2006), there is graphical representation of the structure and relations between legislative and executive bodies in Bosnia and Herzegovina (see figure no. 6).

Figure 6.Legislative and executive bodies of Bosnia-Herzegovina today.
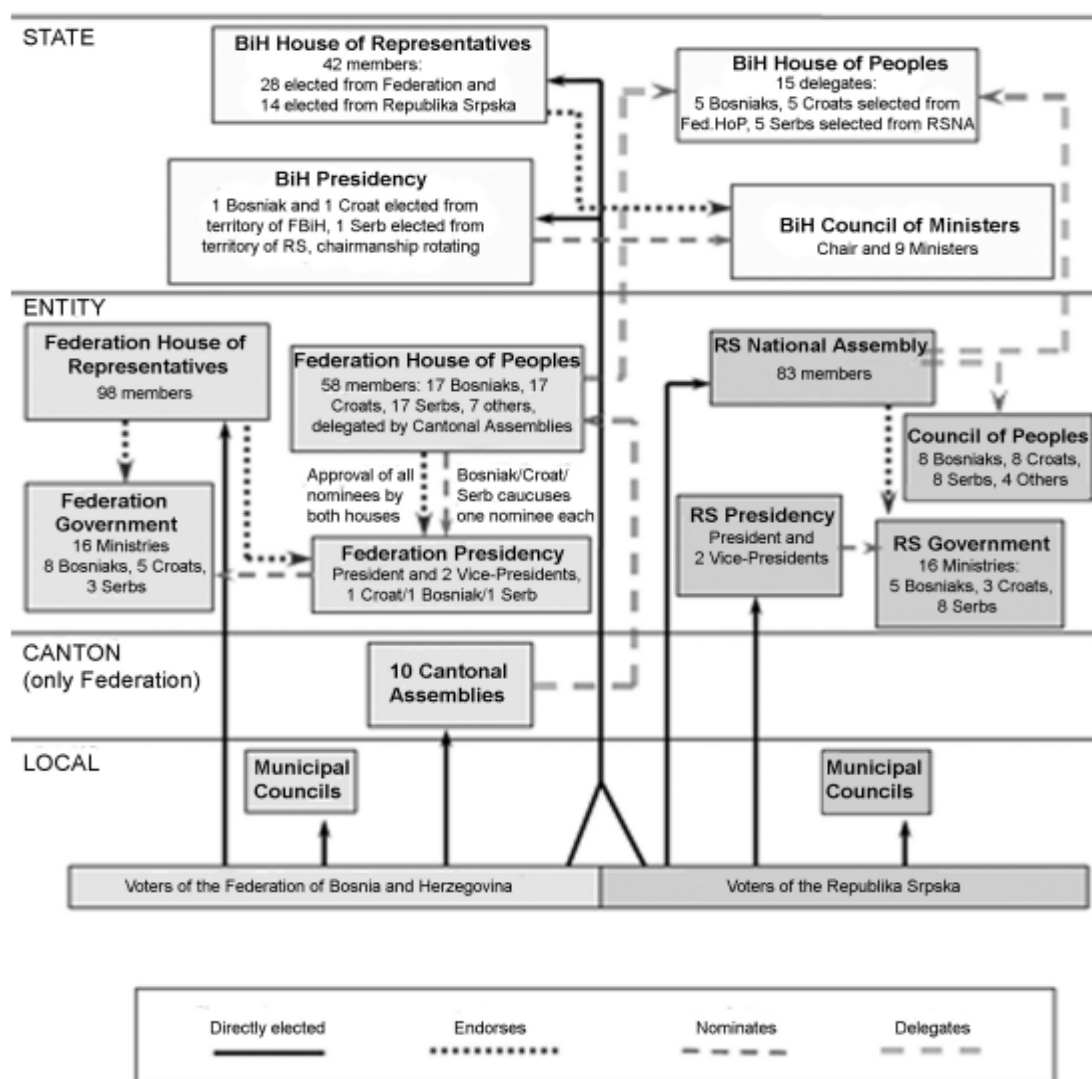
The Presidency of Bosnia and Herzegovina represents the collective Head of the State. According to the Dayton Peace Agreement, the Presidency is an executive body consisting of three members, one Bosniak and one Croat elected from the territory of the Federation of

Bosnia and Herzegovina, and one Serb elected from the territory of Republika Srpska (Gavrić, Banović and Barreiro 2013, p. 31). The members of the Presidency periodically rotate every eight months on the position of Chairman of Presidency (Toal, O'Loughlin and Djipa, 2006, p. 62). It is important to mention that Serbs from the Federation of Bosnia and Herzegovina, and Croats and Bosniaks from the Republika Srpska have no right to vote for their own (from their own national corpus) member of Presidency or to run for Presidency. Moreover, members of other ethnic groups (Jews, Romani people, etc.) do not have a passive electoral right (Toal, O'Loughlin and Djipa, 2006, p. 62). The most important authorities of the Presidency are

> „[...]conducting the foreign policy of Bosnia and Herzegovina (et. al. appointing ambassadors and other international representatives; representing the country in international and European organisations and institutions; arranging international agreements, denouncing, and, with the consent of the Parliamentary Assembly, ratifying treaties etc.); Nominating the Chair of the Council of Ministers (who shall take office upon the approval of the House of Representatives); Proposing (upon the recommendation of the Council of Ministers) an annual budget to the Parliamentary Assembly; Civilian commanding of the armed forces (until the unification of the armed forces the Presidency had authority over the two separate entity armed forces); and Appointing five members to the Governing Board of the Central Bank of Bosnia and Herzegovina." (Gavrić, Banović and Barreiro 2013, p. 31)

The Council of Ministers is the official title for the government on state level, but the Council of Ministers has significantly less authorities in comparison with other state governments around the world. According to the first law of the Council of Ministers from 1997, the Council was composed of only three ministries, namely the Ministry of Civil Affairs and Communication, Foreign Trade and Economic Relations, and Foreign Policy (Gavrić, Banović and Barreiro 2013, pp. 40 - 41). All decisions have to be made by consensus, additionally there was no Prime Minister in the common sense, but the Council of Minister was led by two Co-Chairs and a Vice Chair, the Co-Chairs rotated the chairmanship every eight months (Bieber, 2006, p. 18). This system was extremely complicated, the decision-

making process was slow and in some occasions even impossible, and therefore a new law on the Council of Ministers was more than necessary.

According to the new law on the Council of Ministers from 2002 imposed by High Representative Paddy Ashdown, the previous system of co-chairmen was abolished and replaced by one Chairman and two Deputies, representing three constituent peoples (Gavrić, Banović and Barreiro 2013, p. 40 - 41). Moreover, the system of rotation was also abolished, the Chairman and his/her Deputies according to new law have a four year mandate, furthermore the Chairman of the Council of Ministers has been granted with additional executive authorities (Chandler, 2006, p. 29 - 30). The decision-making process was also changed in a way that consensus is not necessary, but a two third majority of cabinet members. Over time, the number of ministries was increased from originally three to nine (Bieber, 2006, p. 19).

The Parliamentary Assembly of Bosnia and Herzegovina is in charge of legislative work in Bosnia and Herzegovina; it works through the Upper House and Lower House. The House of Representatives is the Lower House and it is composed of 42 members, two thirds of parliamentarians are directly elected from the Federation of Bosnia and Herzegovina and one third are directly elected from the Republika Srpska regardless of their nationality (Gavrić, Banović and Barreiro 2013, p. 36). The Upper House is the House of Peoples, containing 15 delegates (5 Bosniaks, 5 Croats and 5 Serbs) who are indirectly delegated by the Parliamentary Assemblies of their own entities on the same principle, as in case of The House of Representatives two thirds from the Federation of Bosnia and Herzegovina and one third from Repubilka Srpska (Gavrić, Banović and Barreiro 2013, p. 36). All decisions must be accepted by both Houses, a simple majority vote is needed for passage of legislation in the House of Representatives, additionally "the House of Peoples has the power to block legislation that passes the lower House of Representatives by evoking a 'vital national interest' clause" (Toal, O'Loughlin and Djipa, 2006, p. 65). The House of Peoples is based on ethnic caucuses, and therefore it is primarily tasked with preserving the different national interests, while the House of Representatives takes care of state issues (Deblauwe, 2014, p. 17).

3.3.3. Federalism in a Bosnian way

The political system in Bosnia and Herzegovina is very complicated and at the same time very decentralized, it is so much decentralized that some authors including Bose (2005) and Savić (2003) argue that Bosnia and Herzegovina is a confederate state. Moreover, Bildt (1996, paragraph 7) argues, "Bosnia of the two entities will probably be the most decentralised state in the world". According to the Dayton Peace Agreement, Bosnia and Herzegovina is composed of two entities. Bose (2005, p. 326) argues that Bosnia and Herzegovina is not just a confederate state but also consociational[8] state, moreover he argues that consociationalism and the so-called national key is built into all aspects and levels of political life in Bosnia and Herzegovina from the Presidency and Council of Ministers to the level of municipalities. In their work, Gavrić, Banović and Barreiro (2013) provide the map with territorial and administrative organization of Bosnia and Herzegovina (see figure below).

Figure 7. Administrative structure of Bosnia and Herzegovina

Source: Gavrić, S., Banović, D. and Barreiro, M. (2013): The Political System of Bosnia and Herzegovina Institutions – Actors – Processes, Sarajevo, Sarajevski otvoreni centar/Sarajevo Open Centre

---

[8]"Consociationalism is an empirical model of government developed by the political scientist Arend Lijphart and other scholars as an institutional prescription for plural and divided societies which gives primacy to collectivities rather than individual citizens." (Bose, 2005, p, 326)

One entity is the Republika Srpska with a quite simple structure; the second entity is the Federation of Bosnia and Herzegovina with an extremely complicated internal structure and the most competencies are devolved to the ten cantons. Additionally, a third, self-governing unit, Brčko District was established during 1999 as a result of the international arbitration foreseen by the Dayton Peace Agreement. „According to the Constitution, the entities have relative constitutional autonomy and therefore, extensive rights when it comes to delegating responsibilities. The real power of the state of Bosnia and Herzegovina rests with the entities" (Gavrić, Banović and Barreiro 2013, p. 51).

The Federation of Bosnia and Herzegovina is the legal successor of Croatian-Muslim Federation based on terms of the Washington Peace Agreement from 1994 (Markert, 2003, p. 88). The political system of the Federation of Bosnia and Herzegovina is similar to the political system of a central government based on consociational principles. The territory of the Federation of Bosnia and Herzegovina is divided into ten cantons with significant power and authorities over policy fields like police, culture, education, media and health. Additionally, each canton has its own government, Prime Minister and Parliament. Five cantons have a majority Bosniak population, three cantons have a majority Croatian population and in two cantons none of the ethnic groups has an absolute majority (Gavrić, Banović and Barreiro 2013, p. 51). The structure of executive and legislative institutions on entity level is quite similar to their structure on state level. The Federation of Bosnia and Herzegovina has its own Presidency with one president and two vice-presidents (one Bosniak, one Croat and one Serb), also the Federation has a government composed of 16 ministries. Similar to state level, the Federation of Bosnia and Herzegovina has a two Houses legislative system; the Federative House of Representatives is the Lower House, the members of the Federative House of Representatives are elected directly by the territory of Federation of Bosnia and Herzegovina, regardless of their nationality. The Upper House is the Federation House of peoples composed of 58 delegates (17 Bosianks, 17 Croats, 17 Serbs and 7 others) who are delegated from cantonal assemblies (Toal, O'Loughlin and Djipa, 2006, p. 62).

The second and smaller entity is the Republika Srpska. Republika Srpska has a very simple and quite centralized internal structure with a compact territory and only two levels of government, entity level and municipality level. Republika Srpska has a President with two vice-presidents and a government with 16 ministries. The National Assembly is the main

legislative body, composed of 83 members directly elected from the territory of Republika Srpska, regardless of their nationality. The Members of the National Assembly delegate 28 members to the Council of Peoples (8 Bosniaks, 8 Croats, 8 Serbs and 4 others) (Toal, O'Loughlin and Djipa, 2006, p. 62). The Council of Peoples has no significant influence on everyday political life but the delegates have the right to veto laws which are already adopted in the National Assembly, based on concerns of vital national interest (Gavrić, Banović and Barreiro 2013, p. 54).

4. INTERNATIONAL COMMUNITY ENGAGEMENT IN POST-CONFLICT BOSNIA AND HERZEGOVINA

The international community has been present in Bosnia and Herzegovina in different forms since 1995. In the last twenty-three years, strong engagement of the international community was the feature of political life in Bosnia and Herzegovina. The international community was and still is present in all spheres of the socio-economic and political life in Bosnia and Herzegovina.

The role of the international community has changed over time. In the first phase (1995 – 1997) of its engagement in Bosnia and Herzegovina, the international community was present on the ground through the Implementation Forces (IFOR) and the Stabilization Forces (SFOR) in order to ensure the implementation of the Dayton Peace Agreement in a military context. Additionally, the Office of High Representative was established to ensure the implementation of the Dayton Peace Agreement in a civil and political context. The second phase (1997 – 2005) partly overlaps the first phase, but the peace-building process as a second phase should be seen as a much more complex and much longer process than the peace implementation process. Moreover, the peace-building process was well supported by the strong engagement of various international aid agencies. The state-building process from 2006 onward is the third phase of the international community's and international aid agencies' engagement in Bosnia and Herzegovina.

Additionally, the engagement of the international community in Bosnia and Herzegovina could be seen through two approaches. The first part of the engagement (1995 –2005), which corresponds with the first and second phase of the international community engagement, was characterized by an authoritarian approach, while the second part (2006 – today) has been characterized by the European Union's integrative approach.

First of all, it will be necessary to carefully explain and describe the concept of peace-building, this will help us understand the role of the international community and development agencies in Bosnia and Herzegovina. In this chapter I will deal with the role of the international community in Bosnia and Herzegovina in the peace-building process, the main focus will be on the Office of High Representative and High Representative as the key

political players of the international community on the ground. Additionally, I will examine and describe the roles of other institutions under the auspices of the international community, especially the EU. In the last part of this chapter I will put attention on the role and significance of the development aid in the peace-building process.

4.1. THE CONCEPT OF PEACE-BUILDING

One of the main features of various conflicts in the second part of the 20[th]century, especially after the end of the Cold War, was the fact that most of the conflicts took place not between two or more sovereign states, but rather inside of one state or region between different ethnic groups, different religious groups, between government and opposition or in some cases the root of conflict was different ideologies (Kappler, 2012, p. 20). Additionally, de Zeeuw (2001, p. 11) argues that this kind of conflict had spillover effects on regional instability and usually involve many external factors, moreover it is not easy and very often it is not possible to determine one cause of a conflict, but rather this new kind of conflict had multiple and interconnected causes.

4.1.1. The evolution of the peace-building concept

In order to address this new kind of conflict, it was necessary to develop a new approach. Although the peace-building concept is a quite new concept, the question of how to bring lasting peace preoccupied politicians and political philosophers for centuries. The term peace-building was first used by Johan Galtung (1975) who called for the establishment of peace-building structures, in order to promote stable peace by supporting local (domestic) institutions. Furthermore, he made a difference between negative peace (absence of physical violence) and positive peace (absence of structural violence). In his work from 1978, Kenneth E. Boulding defines stable peace as „a situation in which the probability of war is so small that it does not really enter into the calculations of any of the people involved."

The contemporary concept of peace-building emerged from "An Agenda for Peace" promoted by UN Secretary General Boutros Boutros-Ghali in 1992, as part of the new approach of the UN for the resolution of the conflicts in the post-Cold War period (Grävingholt, Gänzle and Ziaja, 2009, p. 4; Latif, 2005, p. 18). An Agenda for Peace was composed of four elements.

- *"Preventive diplomacy*; action to prevent disputes from arising between parties, to prevent existing disputes from escalating into conflict and to limit the spread of the latter when they occur;
- *Peacemaking*; action to bring hostile parties to agreement, essentially through such peaceful means as is foreseen in chapter IV of the Charter of the United Nations;
- *Peacekeeping*; The deployment of a United Nation presence in the field, hitherto with the concern of all the parties concerned normally involving United Nations military and/or police personal and frequently civilians as well. Peace-keeping is a technique that expands the possibilities for both the prevention of conflict and the making of peace." (Boutros-Ghali, 1992, paragraph 20)
- *Post-conflict peace-building; "*actions to identify and support structures that will tend to strengthen and solidify peace in order to avoid a relapse into conflict." (Boutros-Ghali, 1992, paragraph 21)

Paffenholz (2010) argues that the understanding of peace-building in „An Agenda for Peace" from 1992 was too narrow and put focus, more or less, only on the post-conflict peace-building and efforts to prevent the return of physical violence. The basic concept from 1992 was improved and expanded by the "Supplement to An Agenda for Peace" from 1995. According to the Supplement, peace-building was expanded on prevention diplomacy as well, additionally the peace-building concept also included "[…] the creation of structures for the institutionalization of peace" (Boutros-Ghali, 1995, paragraph 49), as one of the main goals. The Brahimi definition of peace-building was the last attempt by a major UN report to formally define peace-building. The Brahimi Report on the Peacekeeping Reform (2000) expanded and partly redefined the previous definitions of the peace-building.

> „Peace-building [...] defines activities undertaken on the far side of conflict to reassemble the foundations of peace and provide the tools for building on those foundations something that is more than just the absence of war. Thus, peace-building includes but is not limited to reintegrating former combatants into civilian society, strengthening the rule of law (for example, through training and restructuring of local police, and judicial and penal reform); improving respect for human rights through the monitoring, education and investigation of past and existing abuses; providing technical

assistance for democratic development (including electoral assistance and support for free media); and promoting conflict resolution and reconciliation techniques." (Brahimi, 2000, p. 3)

It seems that the definition of peace-building is equally difficult as the implementation of this concept in practice; therefore, it is not a surprise that many scholars and international organizations offered their own definitions. Moreover some organizations have their own terminology or even do not accept the concept of peace-building. Over time, two main concepts of peace-building have been established, one part of the scholar community promote a narrow concept of peace-building, following the logic of Boutros-Ghali's Agenda for Peace, while the other part argues for a broad concept. The narrower conception set focus on the security-led instruments and policies in order to prevent a return to physical violence, while the broader conception favors a development-led approach, and establishment of solid domestic institutions and addressing root causes of conflict (Duke and Courtier, 2009, p. 22; Wyeth, 2011, p. 1).

4.1.2. Dimensions of peace-building

The peace-building concept is a very complex concept with the intention to address different issues of post-conflict society, and therefore it is possible to make a distinction between three different dimensions of the peace-building concept (OECD, 2005). Graphical representations of the three dimensions of the peace-building are presented in the OECD (2005) issues brief (see figure no. 8).

Figure 8. Three dimensions of peace-building
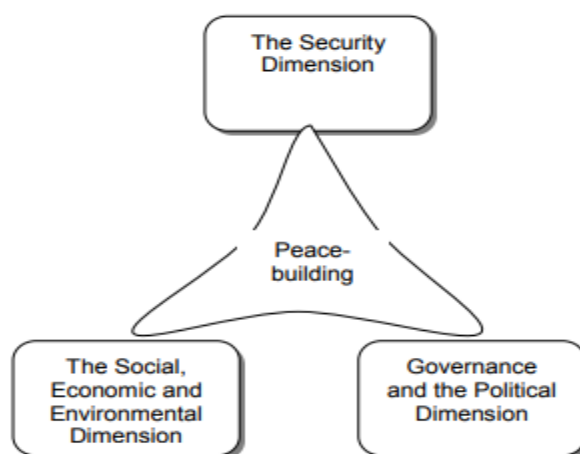
Source: OECD, 2005

The first dimension tends to establish long lasting peace between conflict parties and to discourage them from returning to military conflict. Some elements of this dimension are disarmament, demobilization, reintegration of ex-combatants into the local community, imposing civil control over military forces and the dissolution of paramilitary formations (Barnett et al, 2007, p. 49).

The second dimension tends to reestablish key state functions and to impose the rule of the law, an additional aim of this dimension is to eliminate causes of original conflict. Some elements of this dimension are: support for political and administrative authorities, structures and institutions in order to promote democracy, human rights and good governance. Furthermore, it is necessary to support peace oriented elements of civil society, including the media and civil sector (OECD, 2005, p. 3). "The third dimension is the attempt to build not only the state's but also society's ability to manage conflict peacefully and develop the socioeconomic infrastructure necessary to underpin economic development" (Barnett et al, 2007, p. 49).

4.2. THE ROLE OF THE INTERNATIONAL COMMUNITY IN BOSNIA AND HERZEGOVINA IN THE FIRST DECADE AFTER THE WAR

The role of the international community in the first post-Dayton years was more than significant, at first through successful implementation of the Dayton Peace Agreement and securing peace, and later through imposing various policies and the establishment of different domestic institutions. In this subchapter I will explain and describe the role and achievements of the international community in the first ten years after the Dayton Peace Agreement. I do not use this time frame because ten years is a symbolic period, but because after 2005 none of the High Representatives used their authorities in such a manner and to such an extent as their predecessors in the first post-conflict decade, and I see that as a significant change of approach of the international community toward resolving different political issues in Bosnia and Herzegovina. Moreover, the first decade of international community engagement in Bosnia and Herzegovina corresponds with the period of authoritative approach of the international community toward Bosnia and Herzegovina.

4.2.1. The implementation of the Dayton Peace Agreement as a first phase of the international community engagement in post-Dayton Bosnia and Herzegovina

The Dayton Peace Agreement is a quite unique peace treaty of modern time, because of three following characteristics. First, it was imposed by the countries which were not part of the conflict. Moreover, the parties in conflict had a marginal influence on the final agreement. Second, the main purpose of the agreement was not just to stop the war but to be the foundation for post-Dayton Bosnia and Herzegovina. Third, the terms of the agreement gave far-reaching powers to international actors, not just in the military and peace-keeping domain but also in domains of politics, justice, monetary politics, legislature etc. (Chandler, 2007, p. 339). The first step of the international community in order to secure the smooth implementation of the Agreement was the organization of the Peace Implementation Conference. The conference was held in London on 8th and 9th December 1995. Its main purpose was to ensure the co-ordination between the military and civil (political) wings of the Agreement (Watson and Dood, 1996, p. 5).

Figure 9. Simplified Overview over the Authority and Co-ordination Structures
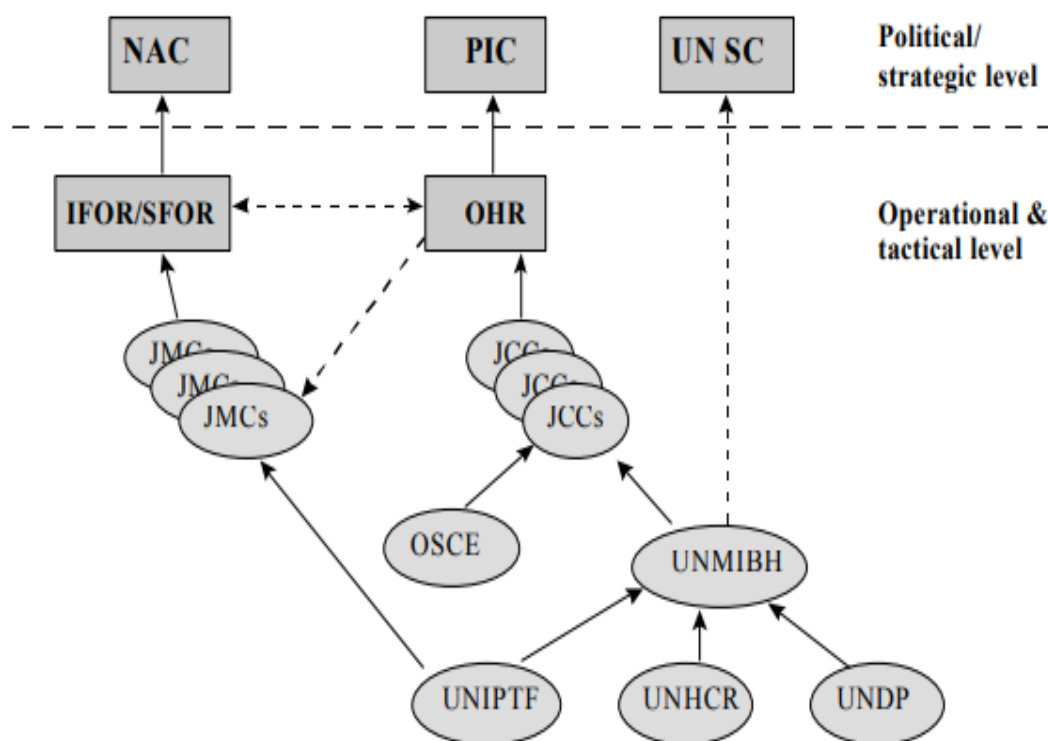
Source: Hansen, A. (2000): International Security Assistance to Peace Implementation Processes: The Cases of Bosnia-Herzegovina and Angola, Oslo, University of Oslo

The military wing of implementation was under the control of the United States and the first commander of 60.000 members of Implementation forces (IFOR), was U.S. Admiral Leighton Smith (Nation, 2004, p. 196). The transfer of authority from UNPROFOR to the NATO led Implementation Force (IFOR) occurred on 20th December 1995 (Watson and Dood, 1996, p. 6). In the first post-war year, IFOR was a crucial element for securing peace on the ground, the main objective of the IFOR was to secure the cease-fire line, disarmament of war parties and prevention of potential military conflict. Just a few days after their deployment, IFOR forces were on the positions and standing between the former war parties along the Inter-Entity Boundary Line (IEBL) (Butler, 2005, p. 14). Thanks to fast and decisive reaction of the IFOR, a secure environment was quickly established. A secure environment was a necessary precondition for starting the second phase of the peace implementation with focus on the civilian aspects of the peace agreement (Boyadjieva and Grozev, 2004, p. 339). In December 1996, the IFOR mission was succeeded by a NATO led SFOR (The Stabilization Forces) mission with the main aim to stabilize achieved peace (Boyadjieva and Grozev, 2004, p. 341). All NATO forces on the ground (IFOR, SFOR) were under the control of North Atlantic Council (NAC) as a political authority (Hansen, 2000, p. 81).

By spring 1996, the focus was switched from military aspects of peace implementation on civil (political) aspects of implementation. According to conclusions of the Peace Implementation Conference, the Peace Implementation Council was established in order to oversee peace implementation, especially civil aspects of implementation. The Peace Implementation Council is "[…] composed of all those states, international organizations and agencies attending the Conference" (Watson and Dood, 1996, p. 5). At the same conference, The Office of High Representative (OHR) and the position of High Representative were established, the first High Representative was Carl Bildt, the former Swedish Prime Minister, and one of the key people during Dayton negotiations (Cousens, 1997, p. 803). The main mission of OHR was

> „[...] an overall coordinator of those efforts, the now-disbanded UN International Police Task Force (UNIPTF), the European Union Police Mission (EUPM), the UN High Commissioner for Refugees (UNHCR), the Organization for Security and Co-operation in Europe (OSCE) and the International Criminal Tribunal for the former Yugoslavia (ICTY). Many

other inter-governmental and non-governmental organisations also played important roles." (Boyadjieva and Grozev, 2004, p. 344)

Furthermore, in her work from 1997, Elizabeth M. Cousens argues „[…] the High Representative has authority as the interpreter of last resort of the Dayton Agreement's civilian provisions and a capacity to establish new mechanisms (such as commissions or task forces) to help him execute his mandate" (Cousens, 1997, p. 803). As support to IFOR, the United Nations International Police Task Force (UNIPTF) was sent to Bosnia and Herzegovina. UNIPTF was under the authority of the High Representative with obligation to report to High Representative and also to Commander of IFOR. Additionally, IPTF was a member of the Joint Civilian Commissions (JCCs) and the Joint Military Commissions (JMCs) (Hansen, 2000, p. 82). The Organization for Security and Co-operation in Europe (OSCE) also played a very active role on the ground. The main mission of the OSCE was preparing and conducting the first post-war elections, which were held in September 1996 (Boyadjieva and Grozev, 2004, p. 340). The simplified structure of international organizations and institutions in Bosnia and Herzegovina is provided in the work of Hansen (2000) (see figure no. 9).

4.2.2. Bosnia and Herzegovina from 1997 till 2005 – the second phase of the international community engagement in Bosnia and Herzegovina

As the goals of the international community broadened from peace implementation in a narrow sense and reconstruction of infrastructure to the reintegration of society, creation and strengthening of central institutions and economic reforms, it became obvious that the political leaders in Bosnia and Herzegovina undermined these efforts (Cox, 2001, p. 12). It was clear that the international community would not be able to proceed to the second phase of the peace-building process, which corresponds with "Governance and Political Dimension" of peace-building, without a stronger role and more power in the hands of the High Representative. The Bonn Implementation Conference held in December 1997 adopted a new document "Bosnia and Herzegovina 1998: Self-sustaining Structures" as a frame for further engagement of the international community (Šelo Šabić, 2005, p. 189). According to this document the High Representative was granted with additional powers and authorities which include

„[...] the power to directly impose legislation, giving international officials both executive and legislative control over the formally independent state. The OHR was now mandated to enact 'interim measures' against the wishes of elected state, entity, cantonal and municipal elected bodies. These decrees were to remain in place until formally assented to by the respective level of government. The 'Bonn powers' also enabled the High Representative to dismiss elected representatives and government officials held to be obstructing the OHR's task of implementing the Dayton agreement." (Chandler, 2007, p. 340)

These new powers are commonly known as "Bonn powers". Additionally, earlier the same year, new High Representative Carlos Westendorp was appointed instead of Carl Bildt. In only a few years the role of the High Representative dramatically changed, the High Representative became the most important and the strongest political figure in Bosnia and Herzegovina and some kind of a modern governor over the protectorate of the United Nations and later of the European Union. In his interview from 1997 to *Slobodna Bosna*, Westendorp said: „If you read Dayton very carefully [...] Annex 10 [of Dayton Peace Agreement] even gives me the possibility to interpret my own authorities and powers". With the new sets of powers and authorities the scene was set for the new active role of the High Representative and the acceleration of necessary reforms.

Shortly after the accumulation of vast powers and authorities the High Representative started using his powers and imposing legislature and reforms. At first, Carlos Westendorp's focus was on economic reforms. The first step of economic reforms was reforming financial institutions. Westendorp managed this by using his powers to forcefully introduce the Convertible Mark as a new currency and a prerequisite for necessary economic reforms (Mair, 2015, p. 30), this was one of the most successful economic reforms (Cox, 2001, p. 13). However, the next step in the process of economic reforms was not as successful as the reform of financial institutions. The privatization of state-owned capital based on voucher privatization imposed by the High Representative was all but successful; due to a lack of knowledge and experience of a particular Yugoslav socialist framework, international actors were not able to predict the outcomes of privatization (Živaljević, 2015, p. 177). For instance, just one third of all privatized state-owned firms in Republika Srpska managed to continue

with their work, more or less the same situation took place in the Federation of Bosnia and Herzegovina (Živaljević, 2015, p. 177).

The reforms of Westendorp were not only limited to economic reforms, a whole new set of laws on the media was imposed in order to reduce political influence of national parties on the media and to support the development of professional standards in the media (Šelo Šabić, 2005, p. 190). Additionally, he introduced a common vehicle license plate and a national passport, these reforms had a significant impact on improving the freedom of movement (Šelo Šabić, 2005, p. 190) and this was also an important step toward the creation of a centralized state.

During Westendorp's "regime" in Bosnia and Herzegovina, one very significant event occurred, regarding the authorities and powers of the High Representative. He introduced the practice of suspension and removing legally and legitimately elected officials from their positions. On 5th March 1999, the OHR removed Nikola Poplašen from the Office of President of Republika Srpska, accusing him of allegedly abusing his power and acting against democratic principles, the will of the National Assembly of Repubilka Srpska and refusing to appoint Milorad Dodik for prime minister (Banning, 2014, p. 268). Moreover, the OHR used its authority in the political struggle between different political parties in Republika Srpska in order to influence the outcome of elections and to support Milorad Dodik, who was at that time the favorite of the international community and a moderate politician in comparison with SDS (Cox, 2001, p. 14).

The Successors of Carlos Westendorp on the position of High Representative, Wolfgang Petritsch (1999 – 2002) of Austria and Paddy Ashdown (2002 – 2006) of Great Britain, maintained to extensively use Bonn powers in order to impose reforms, but sometimes also in order to influence political life in Bosnia and Herzegovina, especially in Republika Srpska. In the summer of 1999, Wolfgang Petritsch dismissed the elected Serb mayor of the small town of Drvar in the Federation of Bosnia and Herzegovina, Mile Marceta. Mile Marceta was a non-nationalist leader and his dismissal was not linked to a specific violation of the Peace Agreement (Knaus and Martin, 2003, p. 66). This was a turning point in the use of Bonn powers. From now on, all elected officials and politicians were under threat of dismissal or suspension regardless of their actions, politics or positions. The most famous case of direct

influence of the High Representative on political life in Bosnia and Herzegovina was the Paddy Ashdown's decision to remove more than 100 officials in Republika Srpska, most of them were important members of SDS. Just in a single day in 2003, Ashdown removed 60 Serb politicians from office (Biddle, 2010, p. 26). Some scholars, including Szewczyk (2010) and Knaus and Martin (2003), argue that the position and actions of Ashdown were similar to the position and behavior of an imperial governor over colonial possessions. During his "regime" Paddy Ashdown removed Dragan Čović from his position of a Member of the Presidency of Bosnia and Herzegovina (OHR, 2005). But "[…] it is remarkable how little opposition has been offered by the nationalist parties or the Bosnian public to the new role of the High Representative. On numerous occasions, what appeared to be intractable political problems were easily bypassed by the High Representative, and soon forgotten" (Cox, 2001, p. 13).

The removal of politicians and elected officials was one side of the medal; the other side was imposing various reforms, establishment of new central institutions and transfer of authorities from entity level to state level. The defense reform was the success of Ashdown and his top-down approach. Under the huge pressure of Ashdown, political leaders from Republika Srpska agreed to give up on their own armed forces and accepted integration of armed forces on national level (Živaljević, 2015, p. 149). This was a major success, because national leaders had lost control over armed forces as a significant source of their political power. But this was not the end of Ashdown's reform policy. Again, after the huge pressure of Ashdown, the Parliamentary Assembly was forced to pass the Law on Indirect Taxation and to establish Indirect Taxation Authority. In the following year of 2004, Ashdown had succeeded to integrate entity customs and to build state customs under the authority of Indirect Taxation Authority (Živaljević, 2015, pp. 181 - 182). Belloni (2007, p. 102) argues that economic reforms were "an indispensable component of peace building".

The following numbers will give us a better understanding of how much of an important and active role a High Representatives had during the first decade after Dayton. Westendorp (1997–99) handed down an average of four impositions a month, his successor Petritsch (1999–2002) had 12 impositions per month on average and the last High Representative in the era of Bonn powers Ashdown (2002 - 2006) imposed 14 decisions per month on average (Knaus and Martin, 2003, p. 68). For example, only in the period from 2000 to 2005 High

Representatives „imposed 757 decisions, removed 119 officials and enforced 286 laws or amendments to the laws" (Agir and Gursoy, 2016, p. 7).

4.2.3. The role of the European Union in the peace-building process in Bosnia and Herzegovina in the period of authoritative approach

The engagement of the EU in post-Dayton Bosnia and Herzegovina should not be seen as a whole new process but rather as a continuation of EU peacemaking efforts during the Civil War. EU involvement in Bosnia and Herzegovina started immediately after the signing of the Dayton Peace Agreement with the provision of non humanitarian assistance through the PHARE[9] program and the EU support program OBNOVA for the rebuilding of Bosnia and Herzegovina, Croatia and FYROM (Macedonia) providing trade preferences with the EU (Kappler, 2012, p. 52). Although, Bosnia and Herzegovina was in the focus of EU engagement on Western Balkans[10], the EU had a regional approach rather than a country specific approach. Both EU programs (PHARE and OBNOVA) were not specifically designed to support one specific country but rather to support a region, and in this context should be seen an engagement of the EU in Bosnia and Herzegovina. Furthermore, "due to its geographic position, sharing borders with EU, instability of the Western Balkan region was perceived to have spillover effects in terms of economic and social instability, illegal migration, drug trafficking and criminality" (Skara, 2014, p. 29).The most important instrument of EU regional peace-building policy for Western Balkan was initiating a Stabilization and Association Process (SAp) for South-Eastern Europe in 1999, with the main aim to prepare countries of South-Eastern Europe for eventual EU membership (Kappler, 2012, p. 52).

In the first years, EU engagement in Bosnia and Herzegovina was restricted on infrastructure reconstruction and institution-building, this was alongside with social cohesion, economic

---

[9] The "PHARE" - Poland and Hungary Assistance for the Restructuring of the Economy - initially described as the international efforts to provide economic support to the emerging Polish and Hungarian democracies - is the EU's main financial instrument for accession of the Central and Eastern European countries (The European Parlament, 1998, p. 4)

[10] In they work from 2016, Malović and Škorić argue „The Western Balkans is a relatively new term used by the European Union and Euro-Atlantic structures since the beginning of XXI century in order to, above all, mark the countries in the Balkans that are not members of the European Union (except Turkey). This imply: Serbia (including Kosovo and Metohija within the framework of the United Nations resolution 1244), Croatia, Bosnia and Herzegovina, Albania, Macedonia and Montenegro" (Malović and Škorić, 2016, p. 28)

reforms and development, a priority of the EU between 1998 and 2000 (Kappler and Richmond, 2011, p. 2). After 2000, there has been noticeable strengthening of EU influence and increased presence through various institutions and missions on the ground. Over time the EU took control over the most of UN or NATO driven missions and institutions. Additionally, the EU established new institutions. As a part of strengthening EU influence the new CARDS[11] program for Western Balkan in 2001 was established, as the main financial and technical instrument of SAp to promote political reconstruction, democracy and reforms (Kappler, 2012, p. 52). The Thessaloniki Summit (2003) shaped EU policy toward the West Balkans, Eviola Prifti (2013, p. 15) argues „the Thessaloniki Summit can be seen as a pivotal moment whereby the EU approach towards the region shifted from post-conflict stabilisation and reconstruction (security) to democratic consolidation and European integration (enlargement).“ As part of the process of strengthening of EU influence on peace-building process in Bosnia and Herzegovina in 2002, the new EU institution European Union Special Representative (EUSR) was formed (Blagovcanin, 2016, p. 35). The mandate of the EUSR was combined with the mandate of the High Representative in order to facilitate the efforts of the whole international cummunity by

> "[...]complementing the role of the HR with the tasks of the EUSR, thereby maximizing synergies. In other words, the 'hard power' of the Bonn powers was complemented by the 'soft power' of the EUSR, charged with bringing the country towards the negotiations of the SAA and to pursue the European destination of BiH." (Grevi, 2007, p. 82)

Moreover, EU engagement was expanded from the political and civil field to providing security on the ground through military and police missions. The EU Police Mission (EUPM) was launched in January 2003, taking over the UN Mission in Bosnia-Herzegovina (UNMIBH) and the International Police Task Force (IPTF). Additionally, in the following year, the EU forces in Bosnia and Herzegovina (EUFOR) substituted NATO-led SFOR (Novosselof, 2011, p. 4). EUFOR focuses on military aspects and regional stability, while the main objectives of EUPM are related to the training and strengthening of local police forces (Kappler and Richmond, 2011, p. 2). The first phase of EU engagement in Bosnia and

---

[11] The programme of Community Assistance for Reconstruction, Development and Stabilisation (CARDS) for the Western Balkan countries

Herzegovina finished with opening the negotiations process in November 2005 between Bosnia and Herzegovina and the EU over the Stabilisation and Association Agreement (SAA) (Kappler and Richmond, 2011, p. 2).

4.3. THE ROLE OF DEVELOPMENT AID IN POST-CONFLICT BOSNIA AND HERZEGOVINA

After the signing of the Dayton Peace Agreement, the international community sent enormous financial and logistical support to Bosnia and Herzegovina. In the first post-war years the bulk of development aid was focused on the reconstruction and rebuilding of infrastructure, but in the second phase the focus was on governance, building institutions and democratisation. In this sub-chapter I will try to explain the role of development agencies and development aid in the context of peace-building, I will not deal with the macro-economic effects of development aid on economy of Bosnia and Herzegovina.

The late 20th century was characterized by huge geopolitical changes. On the one hand, there was the dissolution of the Soviet Union, Yugoslavia and Czechoslovakia and the fall of the Iron Curtain. At the same time in Western Europe these years were years of unification (Germany), integration (creation of European Union) and economic progress. The political and economic collapse of communism in Central and Eastern Europe (CEE) created a new challenge for Western democracies. One part of the challenge was to provide necessary financial developmental aid and the second equally important part was to carry out the transition from a centrally planned economy to market economy (Dąbrowski, 1995, p. 3) and from a one party system to a multiparty system by democratic standards.

4.3.1. The development aid and peace-building nexus

It is important to understand and recognize that development aid cannot stop a conflict or promote peace without other instruments of peacemaking and peace-building concepts, but at the same time it should not be minimized to the role of development aid in the peace-building process (Leonhardt, 2000, p. 3). „Foreign aid has figured increasingly prominently as an element of peace-building alongside diplomatic and military interventions since the early 1990s. Most official and non-governmental development agencies have peace-building policies and many have specialist staff or dedicated departments" (Burke, 2012, p. 45). Although development aid plays a significant role in peace-building process, among the

scholars there is not any consensus about the influence of development aid on post-conflict societies or on developing countries. Some scholars, such as Papanek (1973), Dowling and Hiemenz (1982), Gupta and Islam (1983), Hansen and Tarp (2000), argue that development aid has a positive impact on economic growth and on the prevention of further conflict. On the other hand, Burnside and Dollar (2000) and Brautigan and Knack (2004) find evidence for negative correlation between foreign aid and growth, moreover Grossman (1992) and Collier and Hoeffler (2007) argue that development aid in post-conflict societies increases the potential for insurgency and conflict, and therefore some scholars, including Polman (2010) and Uvin (1998), argue that a primary consideration in granting foreign aid is the principle *do no harm*. Finally, Mosley (1980), Boone (1996), and Jensen and Paldam (2003) find evidence to suggest that aid has neither positive nor negative impact.

At this point it is also necessary to distinguish between post-conflict aid and conventional development aid. The major difference stems from the stark environment into which post-conflict aid is distributed, another difference between post-conflict aid and conventional aid are the aims of donors (Demekas, McHugh, Kosma, 2002). One of the main goals of post-conflict aid includes peace consolidation and prevention of recurrence of conflicts. However, it is very interesting that OECD data shows that there is almost no difference between the focus sectors of development aid in post-conflict countries and peaceful countries. Moreover, in his work Hoeffler (2012) presents a chart which supports this conclusion (see chart no. 1).

Chart 1. Aid to peaceful and post-war countries by purpose, 1995-2008
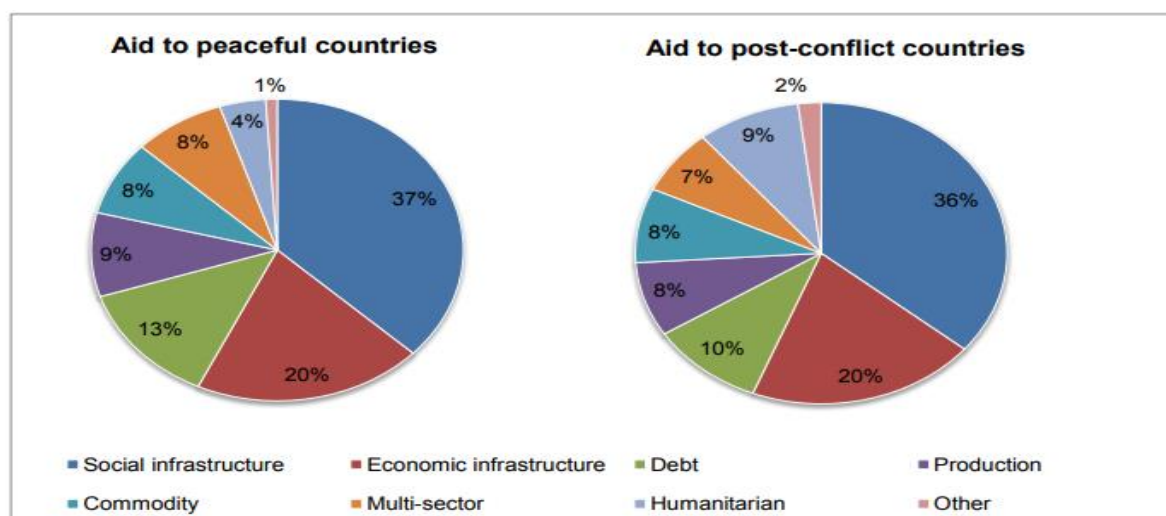
Source: Hoeffler, A. (2012): Growth, aid and policies in countries recovering from war, a thematic paper supporting the OECD DAC INCAF project 'Global Factors Influencing the Risk of Conflict and Fragility'

4.3.2. Brief overview of post-conflict development aid in Bosnia and Herzegovina

The First Donor Conference for Bosnia was held in Brussels on December 20th and 21st, just one week after the official signing of the Dayton Peace Agreement, cochaired by the World Bank and EU (Nedić, 2006, p. 9), which would later become the biggest multilateral donors.

> „The objectives of the conference were to (a) present the assessment of priority reconstruction needs prepared by the Bank in cooperation with the EC and EBRD; (b) mobilize financial support for these needs, particularly for the first quarter of 1996; and (c) discuss existing donor efforts and plans and implementation and coordination mechanisms for the broader reconstruction program. The need for the donor community to begin providing reconstruction assistance rather than relief was emphasized.“ (Kreimer et al, 2000, p. 32)

The conference result with major success and significant financial resources had been mobilized (Nedić, 2006, p. 9), the World Bank and the EU as the biggest multilateral donors pledged 1.23 billion USD (Drozdiak, 1996). During the first post-conflict years the major part of development aid was focused on humanitarian relief, reconstruction of infrastructure and resettlement of refugees. After this initial period, the focus of development agencies and the international community shifted toward peace-building and institution building, democratization and securing sustainable economic development (HORIZONT 3000, 2017, p. 6). The biggest part of total development aid was sent to Bosnia and Herzegovina during the first post-conflict years; alone in the period from 1996 to 1999 Bosnia and Herzegovina received 3.7 billion USD of development aid, which was sent by 48 countries and 14 international organizations (Dostic, Todorovic, and Todorovic, 2013, p. 119), from 1996 until 2002 Bosnia and Herzegovina received 750 million USD of development aid annually, which means 1400 USD *per capita* annually (HORIZONT 3000, 2017, p. 6). After 2005, the significant decrease of provided Official Development Aid to Bosnia and Herzegovina is more than noticeable, for example from 2005 until 2016 "only" 2.65 billion USD of aid was sent to Bosnia and Herzegovina (HORIZONT 3000, 2017, p. 6). The decline of provided development aid corresponds quite accurately with a shift of EU policy in Bosnia and Herzegovina.

The European Union together with the World Bank was by far the biggest multilateral donor to Bosnia and Herzegovina. In the period from 1996 until 2000, the EU was present on the ground through two regional development programs, PHARE and OBNOVA. These programs' focus was on the reconstruction of infrastructure, the return of refugees and internally displaced persons and other activities related to emergency post-conflict assistance (Denti, 2011, p. 23). In the period between 1996 and 2000 Bosnia and Herzegovina received 890 million USD through the PHARE and OBNOVA programs (Hasic, 2004, p. 20). Although both programs were active simultaneously, there are some important differences between these programs. The PHARE program was not an unconditional development program, but rather an incorporation of a country into the PHARE program is closely related with the process of economic transition toward a free market economy, the process of country democratization and fulfillment of other political conditions. Furthermore, the PHARE program offers transfer of know-how, including consulting and training of public private and non-governmental organizations (Kotios, 2001, p. 2). OBNOVA program was designed to support the reconstruction of Bosnia and Herzegovina, Croatia, the Federal Republic Yugoslavia and FYR of Macedonia. "The particular targets of this initiative were economic development, the rehabilitation of civil society and the cooperation among the Republic of the Former Yugoslavia within the sphere of the regional approach that the EU has adopted in the area of the Western Balkans" (Kotios, 2002, p. 6).

In December 2000, the PHARE and OBNOVA programs were replaced with the CARDS program (Community Assistance for Reconstruction, Development and Stabilisation) as the main financial instrument of Stabilisation and Association Process. Moreover, the CARDS program was designed to support countries with EU membership perspective (Denti, 2011, p. 23). Similar to OBNOVA, the CARDS program had a regional approach toward the West Balkans, but also the CARDS program was a conditional program like PHARE. The main conditions of the CARDS program were related to the Stabilisation and Association Process, which includes the following:

(1) „Evidence of credible commitments to democratic reform and progress in compliance with the generally recognised standards of human and minority rights, including commitments on facilitating refugee return.

(2) a credible commitment to engage in economic reform.

(3) willingness to develop regional economic and political relations and commitment to good-neighborly relations.

(4) compliance with the obligations under the Peace Agreements and with ICTY

(5) respect of other conditionalities defined by the Council. If these principles are not respected, the Council, acting by qualified majority on a proposal from the Commission, may take appropriate measures through the SAp review mechanism. Where SAp conditionality is not respected, assistance may be frozen or granted through other means." (EC, n.d. p. 24)

From 2001 until 2006, the EU granted 240 million EUR to Bosnia and Herzegovina in order to support stabilization and association process (Hasic, 2004, p. 21).

"The four primary areas of intervention of CARDS funds included: (a) reconstruction, democratic stabilisation, reconciliation and refugee return; (b) institutional and legislative development, including harmonisation with European Union norms and approaches, to underpin democracy and the rule of law, human rights, civil society and the media, and the operation of a free market economy; (c) sustainable economic and social development, including structural reform; and (d) the promotion of closer relations and regional cooperation among target countries and between them, the EU and the candidate CEE countries." (Denti, 2011, p. 25)

After the EU the World Bank is the biggest multilateral donor to Bosnia and Herzegovina, but in contrast to EU development aid, which was mostly provided through form of grants, World Bank assistance was provided through loans and credit schemes (Hasic, 2004, p. 22). The role of the World Bank in the first post-conflict years in Bosnia and Herzegovina could be seen as a two-track assistance strategy (Kreimer et al, 2000, p. 33). As part of the first track, just a few months after the signing of the Dayton Peace Agreement, the World Bank established the 150 USD million Trust Fund for Bosnia and Herzegovina (TFBH), so that loans and grants for emergency projects could be granted as soon as possible, even before Bosnia and Herzegovina became a member of the World Bank (OED, 2004, p. 5). The second track includes the following: „normalization of BiH's financial relationship with the international community, starting with clearing of arrears to the Bank and membership; development and

implementation of a full-scale medium-term assistance strategy to support BiH's systemic reform program" (Kreimer et al, 2000, p. 33).

Table 1. Allocation of PRRP by sectors

Sector	1996-1998 firm commitments, % share
1. Physical Reconstruction	**58%**
Network Infrastructure	
Transport	9%
Telecommunication	2%
Electric Power & Coal	12%
Community Revival	
Water & Sanitation	5%
District Heat & Gas	2%
Housing	16%
Landmine Clearance	2%
Social Sectors	
Health	5%
Education	5%
2. Economic Restart	**18%**
Industry & Finance	10%
Agriculture	5%
Employment Generation	3%
3. Transition: Fiscal Support/Government Institution Building	**16%**
Fiscal/Government support	12%
Social Protection	4%
Transition TA	1%

Source: Kuntz, J.B. (2010): Samaritans and Patrons: The Long Road to Civil Society in Bosnia and Herzegovina, University of Pittsburgh

In 1996, Bosnia and Herzegovina joined the World Bank and the International Development Association (IDA). In order to support the strengthening of the Bosnian economy through market reforms and the transition of Bosnian central planned economy to market economy, the World Bank made IDA allocation to Bosnia and Herzegovina in the amount of 400 million USD for the period between 1996 and 1999 (Hasic, 2004, p. 22; OED, 2004, p. 7). Furthermore, in 1997 World Bank added additional 120 million USD for IDA program in Bosnia and Herzegovina (OED, 2004, p. 7). As part of the coordination process between the biggest multilateral donors (The World Bank and EU) and the Bosnian government the Priority Reconstruction and Recovery Program (PRRP) was established, in order to allocate 4.2 billion USD of development aid in a three year period starting in 1996 (Kuntz, 2010, p.

20). In her work, Jessica B. Kuntz (2010) also provides the table with Priority Reconstruction and Recovery Program (PRRP) allocation by sectors (see table no. 1).

Between 2000 and 2002, the World Bank managed to secure additional 300 million USD for the IDA program, furthermore in 2002, the World Bank allocated 128 million SDR to Bosnia and Herzegovina through IDA for the period between 2002 and 2005 (OED, 2004, p. 7). The effort of the World Bank in the process of post-conflict reconstruction of Bosnia and Herzegovina and the transition of Bosnian economy toward market economy was without precedent, the IDA loans were granted unusually fast in comparison to average World Bank practice (Kreimer et al, 2000, p. 53), furthermore the amount of granted IDA loans *per capita* were four times bigger in comparison with average IDA loans granted to other countries (OED, 2004, p. 7).

Between many bilateral donors the United States are the most prominent and the most active on the ground. USAID was by far the most important development agency. Only in the period from 1996 to 2000, USAID granted 860 million USD (Car and Papic, 2007, p. 21). USAID development aid in this period was granted for the reconstruction of infrastructure and housing of internally displaced persons on the one hand and on the other hand for the private sector, especially for small and medium size enterprises (Zupcevic and Causevic, 2010, p. 15) "Under its 2001-2005 Strategic Plan, USAID provided another 200 million USD for three strategic objectives that supported minority returns; assisted economic restructuring; and aided in building democratic institutions" (Car and Papic, 2007, p. 21).

4.3.3. Statistics of the post-conflict development aid in Bosnia and Herzegovina

The European Union, the World Bank and the United States were without any doubt the most prominent and biggest aid providers, but the role of other countries and development agencies is more than significant. Due to the scope of this work, it is impossible to encompass the roles of all development agencies which were active on the ground during this period; therefore in the charts below only the most important bilateral and multilateral aid providers in period from 1995 till 2005 are presented.

As shown in the chapter no. 2, the role of the US among bilateral aid providers is more than noticeable, but also in the first post-conflict years, United States development efforts in

Bosnia and Herzegovina were well supported by Germany and Austria. At the same time, the roles of Sweden, Japan and Switzerland were very important because of more or less constant amounts of aid, although the amounts of aid were far smaller in comparison with Germany or, especially, the United States. In the period between 1995 and 2000, the United States managed to secure more than a quarter of 4.76 billion USD bilateral development aid sent to Bosnia and Herzegovina (author calculation based on data from OECD.Stat). Germany and Austria managed to secure 14.5% and 8.8% of all bilateral development aid, respectively.

Chart 2. Official Development Aid to Bosnia and Herzegovina by bilateral aid providers from 1995 till 2000 in millions USD
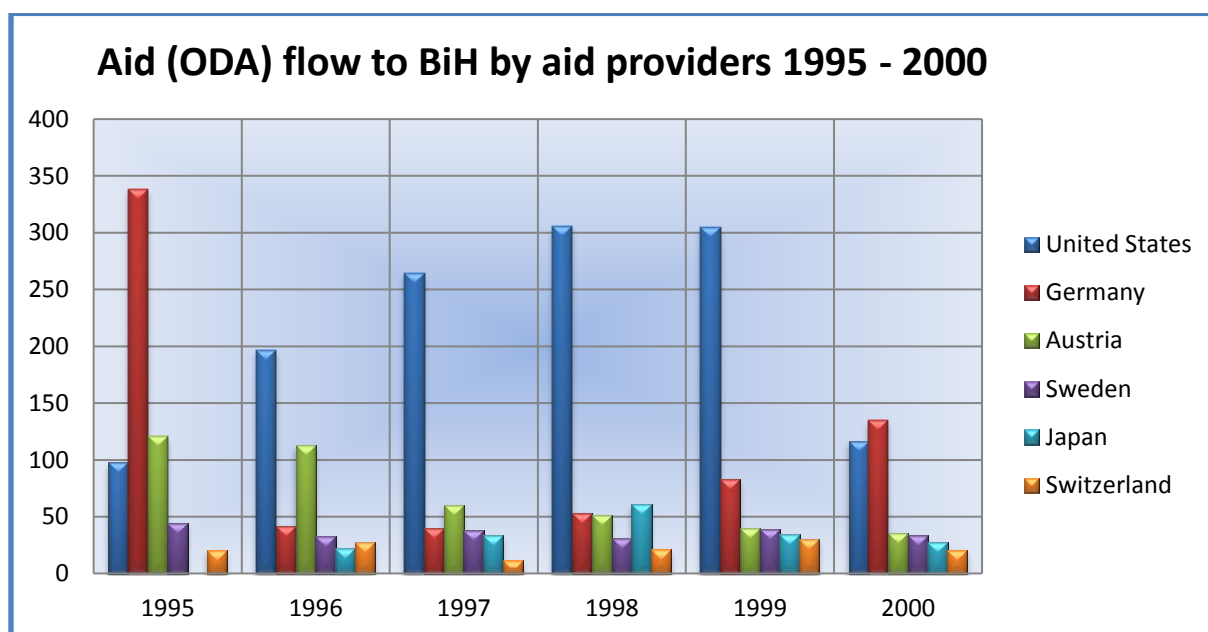
Source: Author's representation based on datafrom OECD.Stat[12]

By comparing chart no. 2 and chart no. 3 a major decrease of development aid provided for Bosnia and Herzegovina is evident, from 4.76 billion USD of total bilateral development aid to 2 billion USD (author calculation based on data from OECD.Stat). The most significant decrease is noticeable in the case of the United States, although the United States was the major aid provider even in this time frame and the share of the United States development aid provided for Bosnia and Herzegovina in the period from 2001 till 2005 maintained on the level of one quarter of overall bilateral development aid provided for Bosnia and Herzegovina in this period. Only in the case of Sweden, there is a visible increase of provided development

---

[12]Data extracted on 25th. April 2018; Available on http://stats.oecd.org/

aid from average 36 million USD per year in the period from 1995 till 2000 to 42.1 million USD per year in the period between 2001 and 2005.

Chart 3. Official Development Aid to Bosnia and Herzegovina by bilateral aid providers from 2001 till 2005 in millions USD

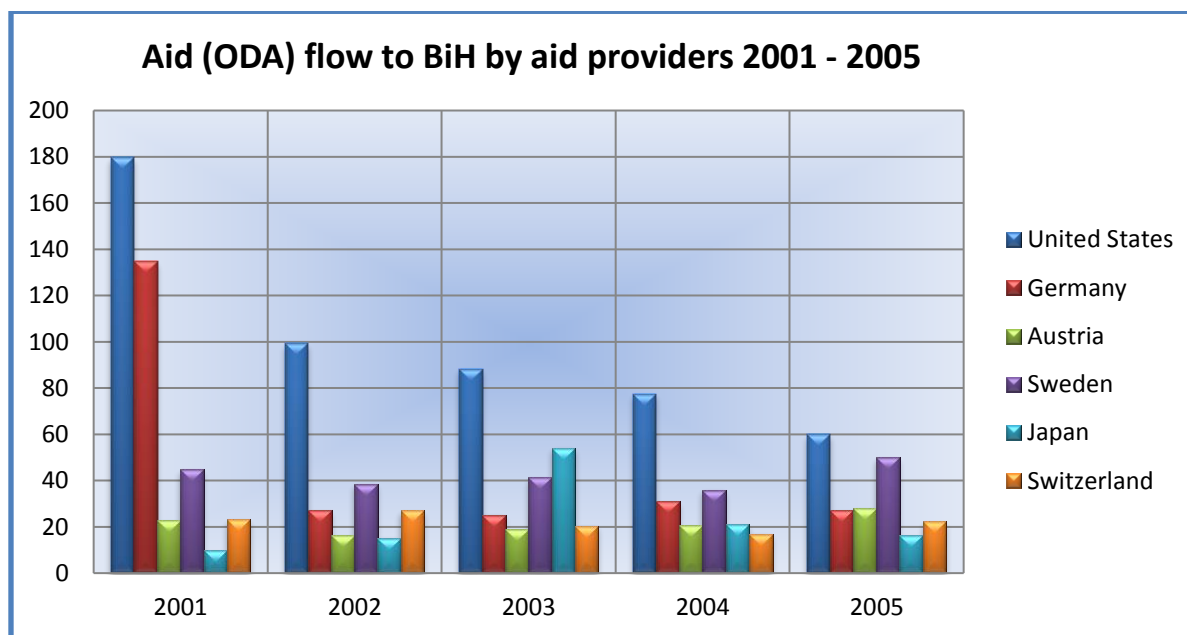**Aid (ODA) flow to BiH by aid providers 2001 - 2005**

Source: Author's representation based on datafromOECD.Stat[13]

In the period between 1995 and 2005, the largest amount of development aid was provided to Bosnia and Herzegovina in the form of bilateral development aid (6.76 billion USD), but multilateral development aid also played an important role with a total of 3.5 billion USD of development aid (OECD.Stat). By far the biggest and most prominent multilateral aid provider are EU institutions with 2.2 billion USD of development aid, which represents 62% of total multilateral development aid and even 21.7% of total development aid (bilateral + multilateral) (author calculation based on data from OECD.Stat).

The World Bank was also a major player in the process of post-conflict reconstruction of Bosnia and Herzegovina. The World Bank managed to secure around 1 billion USD of development aid for Bosnia and Herzegovina in the period between 1995 and 2005, which represents 30% of total multilateral development aid and roughly 10% of overall development aid (author calculation based on data from OECD.Stat).

---

[13]Data extracted on 25th April 2018; Available on http://stats.oecd.org/

Chart 4. Official Development Aid to Bosnia and Herzegovina by multilateral aid providers from 1995 till 2005 in millions USD

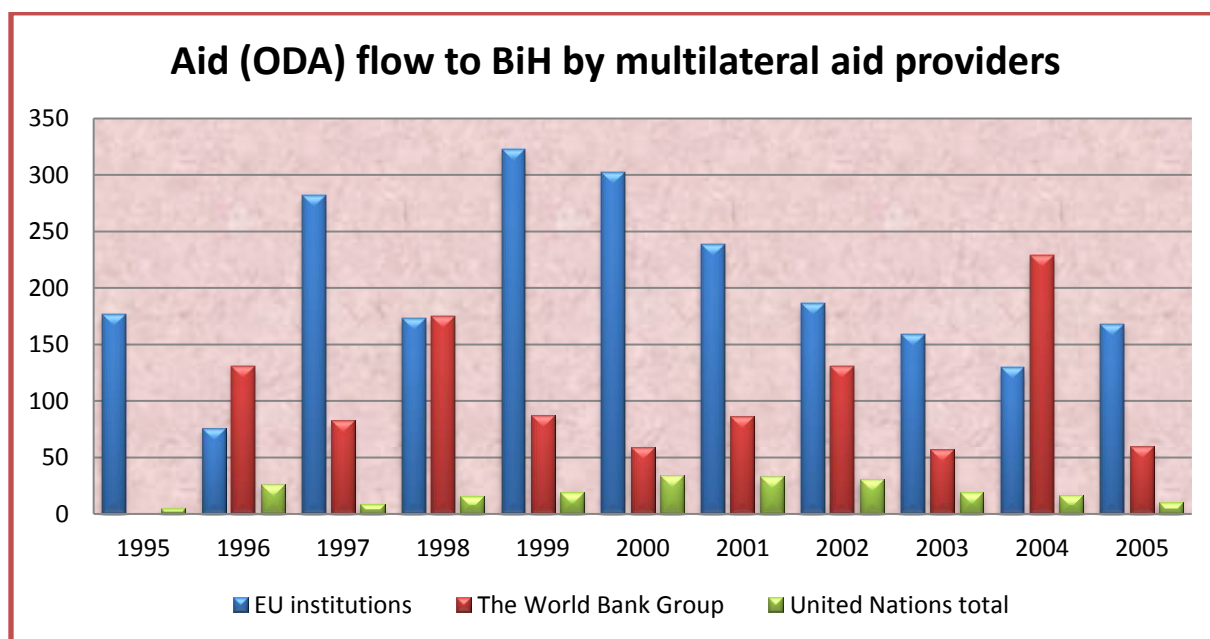*Source: Author's representation based on datafrom OECD.Stat[14]*

If we compare multilateral and bilateral aid flows, it is obvious that the decrease of multilateral development aid, over time, was not as evident as in the case of bilateral development aid. In the period from 1995 till 2000, the amount of multilateral development aid provided for Bosnia and Herzegovina per year was circa 332 million USD; and in the period between 2001 and 2005 the amount was 313 million USD per year, which represents a decrease of only circa 6%. However, in the case of bilateral development aid the decrease was more than significant. In the period from 1995 till 2000, the amount of total bilateral development aid provided for Bosnia and Herzegovina per year was approximately 794 million USD, but in the period from 2001 till 2005 the amount of total bilateral development aid decreased by 49.5% (author calculation based on data from OECD.Stat). Although the amount of overall multilateral development aid was not as large as the amount of total bilateral development aid, due to its relative constant volume on a yearly base, multilateral development aid was an important and reliable financial source of Bosnia and Herzegovina.

---

[14] Data extracted on 25th April 2018; Available on http://stats.oecd.org/

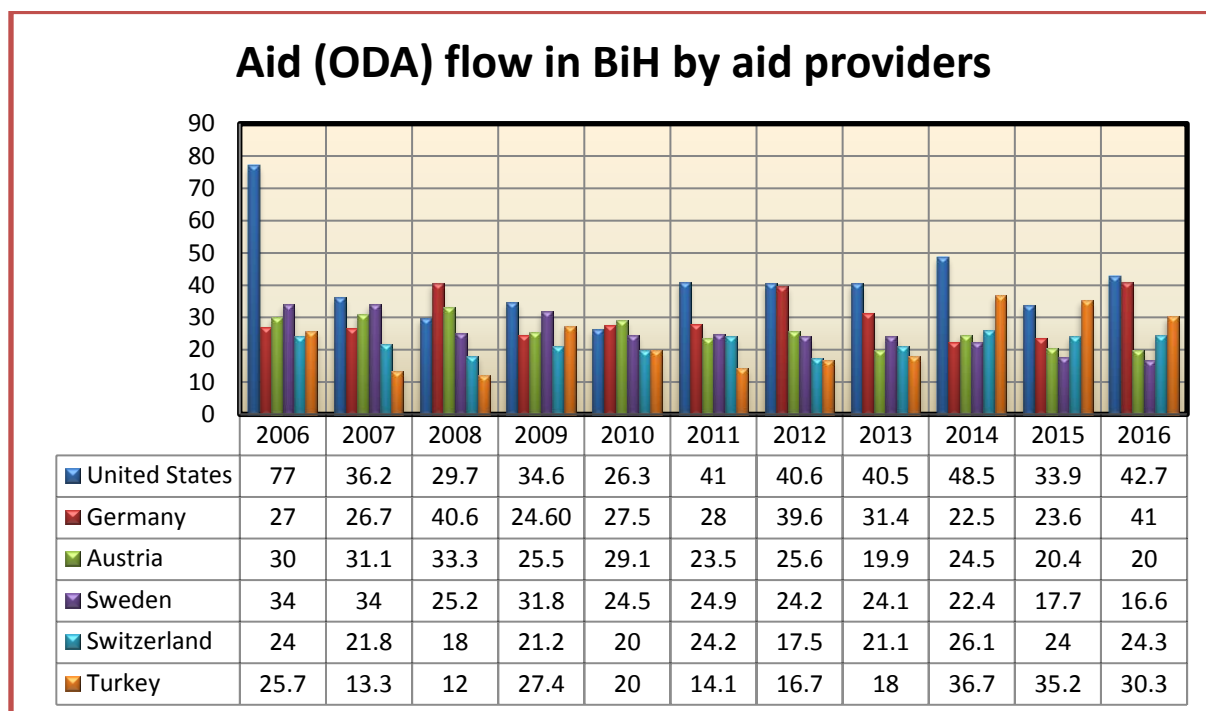## 4.4. DEVELOPMENT AID IN BOSNIA AND HERZEGOVINA UNDER EU LEADERSHIP

After 2005, it became apparent that the main provider of development aid in Bosnia and Herzegovina would be EU institutions, replacing the United States as the most important aid provider. After 2006, the European Union has developed IPA (Instrument for Pre-Accession Assistance) as the new instrument for the cadidate and potential candidate countries, replacing all previously existing pre-accession instruments, including CARDS (Szemlér, 2008, p. 9). However, the role of bilateral aid providers is still significant, although the amount of bilateral development aid from 2006 till today shows a slight but constant decrease (see chart no. 5).

4.4.1. Brief overview of bilateral development aid in Bosnia and Herzegovina since 2006

From 1995 till nowadays, there is a noticeable strong role of the "traditional" aid providers (US, Germany, Austria, Sweden and Switzerland) in Bosnia and Herzegovina, but after 2006 Turkey appears as an important aid provider. Moreover, in 2016 Turkey was the third biggest bilateral aid provider behind the US and Germany (OEDC.Stat). In the following lines, I will provide a brief overview of activities of the three most prominent aid providers in Bosnia and Herzegovina since 2006.

From 1995 till today, the United States have been biggest bilateral aid provider, although in recent years they have not been as dominant as they once were. A unique feature of US development aid in Bosnia and Herzegovina in comparison with other aid providers is the fact that a considerable amount (41% in 2011) of the development aid, even until 2011, was bounded for conflict prevention (Bosnia and Herzegovina Ministry of Finance and Treasury, 2013, p. 120). Together with conflict prevention, the main focus of US development aid was economic development and private sector development, especially in the period till 2015 (ibid, 2017, p. 118). After 2015, the focus of US development aid was shifted toward sectors of Democracy and governance and Rule of Law and Fundamental Rights (ibid, 2015, p. 118).

Chart 5. Official Development Aid to Bosnia and Herzegovina by bilateral aid providers from 2006 till 2016 in millions USD

Aid (ODA) flow in BiH by aid providers

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
United States	77	36.2	29.7	34.6	26.3	41	40.6	40.5	48.5	33.9	42.7
Germany	27	26.7	40.6	24.60	27.5	28	39.6	31.4	22.5	23.6	41
Austria	30	31.1	33.3	25.5	29.1	23.5	25.6	19.9	24.5	20.4	20
Sweden	34	34	25.2	31.8	24.5	24.9	24.2	24.1	22.4	17.7	16.6
Switzerland	24	21.8	18	21.2	20	24.2	17.5	21.1	26.1	24	24.3
Turkey	25.7	13.3	12	27.4	20	14.1	16.7	18	36.7	35.2	30.3

Source: Author's representation based on data from OECD.Stat[15]

Behind the United States, the biggest bilateral aid provider in Bosnia and Herzegovina has been Germany, with an average of 30.2 million USD of net ODA per year in the period between 2006 and 2016 (OECD.Stat). However, the focus of German development aid in the observed period was mostly on infrastructure, but since 2013 it has been noticeable that the major portion of development aid was directed to the sectors of Environment and Climate Change and Energy (Bosnia and Herzegovina Ministry of Finance and Treasury, 2013a, p. 81). The shift of the focus of development aid from infrastructure to energy and environment, corresponds with the change of the leading German development agency on the ground. Till 2011, most of German development aid was allocated through GTZ (Deutsche Gesellschaft für Technische Zusammenarbeit), in 2011 that responsibility was transferred to GIZ (Deutsche Gesellschaft für Internationale Zusammenarbeit).

One of the most important aid providers for Bosnia and Herzegovina has been Austria. Moreover, in comparison with all other aid providers which were or are active in Bosnia and Herzegovina, only in the case of Austria Bosnia and Herzegovina has continually been in the

---

[15] Data extracted on 25th April 2018; Available on: http://stats.oecd.org/

top ten of aid recipients from 1995 till today (OECD.Stat). The distribution of development aid by sectors was quite even between the sectors of Education, Conflict prevention, Good governance and Economic development (Ibid, 2011a, p. 177; 2012b, p. 101; 2013, p. 119). Nevertheless, after 2009 there was an evident decrease of distributed aid in the sector of Conflict prevention, and in 2012 any further aid distribution in the sector of Conflict prevention was suspended (Ibid, 2011a, p. 101; 2013a, p. 119).

4.4.2. The European Union as the key aid provider

Since 2007, the European Union has implemented the IPA program as a successor of the CARDS and other programs. From 2007 till 2013, IPA I had provided 11.5 billion EUR for candidates and potential candidate countries (Szemlér, 2008, p. 9). IPA I consists of five components (transition assistance and institution building, cross-border cooperation, regional development, human resources development and rural development). However, a potential candidate has the right to use only the first two components, while candidate countries have full access to IPA founds (Szemlér, 2008, p. 9).

Bosnia and Herzegovina as a potential candidate county had access to Transition assistance and institution building and Cross-border cooperation components of IPA I. The first component goes in line with the three Copenhagen accession criteria, the political criterion was supported by 25% - 30%, the economic criterion with 25% - 30%, and "building the ability to assume the obligations of membership" as the third criterion was supported with 40% - 50% of IPA founds reserved for the first component (Deronja Suljić and Ćilimković, 2016, p. 43).

The main part of the IPA I fund intended for potential candidate countries are related to the first component (see table no. 2). In the first years after the activation of IPA I (2007 – 2009), the major problem was the implementation of the programs on the ground and the use of already allocated funds. For example, between 2007 and 2009 only 29.7% of allocated funds were contracted for certain projects (EC, 2010, p. 10). After problems with implementation in the initial period, at a later stage there was significant improvement, which resulted in the increase of contracted funds to around 65% of allocated funds in the period 2007 – 2013 (EC, 2014, pp. 25 – 26).

Table 2. IPA I allocation to Bosnia and Herzegovina by components in millions EUR

Component	2007	2008	2009	2010	2011	2012	2013
Transition Assistance & Institution Building	58.1	69.9	83.9	100.7	91.3	84.7	58.3
Cross-border Cooperation	4	4.9	5.2	5.3	1.5	5.2	5.3

Source:Author's calculation and representation based on data from EC annual reports[16]

The Official of the Delegation of the European Union in Bosnia and Herzegovina (personal interview 10th April 2018) argues, "[…] the implementation of IPA I was quite slow, especially in the first years, but since 2011 the implementation goes faster and a significant part of allocated funds were contracted and paid". After the conclusion of IPA I in 2013, the European Commission concluded that IPA I had managed to successfully replace all previous pre-accession instruments and that IPA II would be the successor of IPA I with a few adaptations (Djurhuus, 2017, p. 26). The budget of IPA II is 11.7 billion EUR for cadidate and potential candidate countries, which shows a slight increase as compared to IPA I (Djurhuus, 2017, p. 26).

> „The new generation of Instrument for Pre-accession Assistance (IPA) –
> IPA II 2014-2020 has been available to BiH as of August 2015, when the
> Framework Agreement between the EC and BiH was signed and ratified.
> The financial assistance under IPA II for BiH the period 2014-2017,
> foreseen in the Indicative Strategy Paper (ISP) for BiH amounts € 165.8
> million (annual allocation amounts € 40 million on average). It supports
> four sectors: 1. Democracy and governance 2. Rule of law and fundamental
> rights 3. Competitiveness and innovation: local development strategies 4.
> Education, employment and social policy. Such a limited annual allocation
> of IPA II 2014-2017 funds for BiH derives from the absence of sector
> country wide strategies in BiH in the sectors such as transport, environment,
> energy and agriculture and rural development - the sectors to which greater

---

[16] All European Commission annual reports on financial assistance for enlargement are available on: ec.europa.eu/neighbourhood-enlargement/instruments/overview_en. (25.04.2017)

funds are earmarked to be allocated under IPA II." (Bosnia and Herzegovina Ministry of Finance and Treasury, 2017, p. 123)

Although the Bosnian and Herzegovian institutions had shown a high level of incompetence to adopt specific sector strategies, which was the key precondition for using a substantial part of IPA II funds, EU institutions are by far the largest aid provider for Bosnia and Herzegovina, as it shown in the chart below.

Chart 6. Share of the largest aid providers in total aid (ODA) flow to Bosnia and Herzegovina for the period 2006 – 2016 in million USD
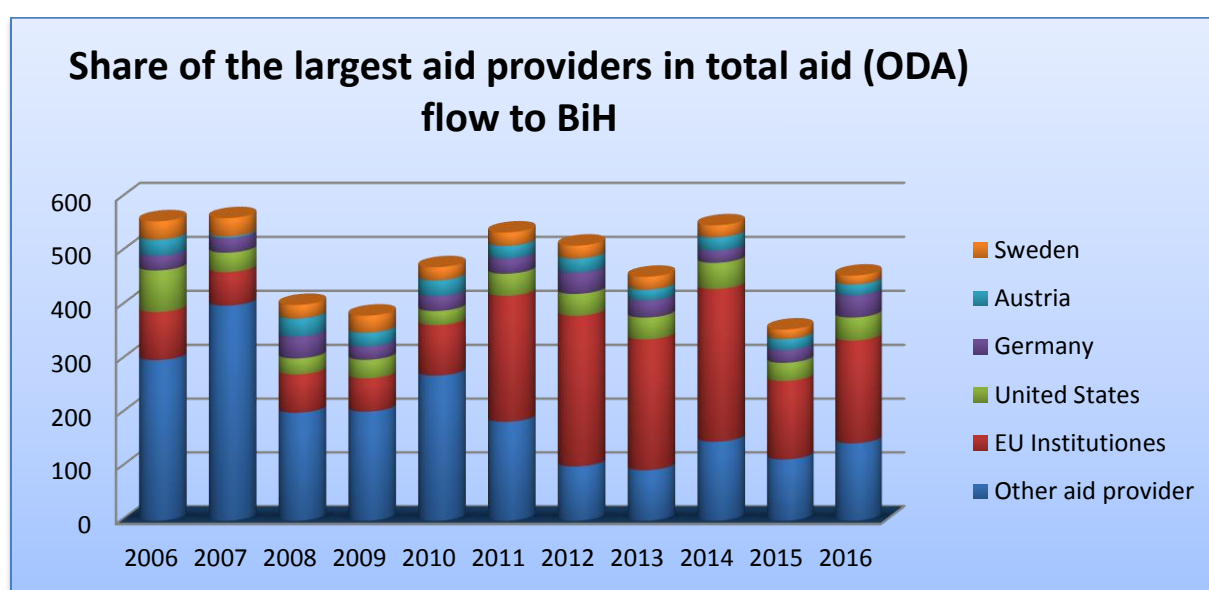
Source: Author's representation based on data fromOECD.Stat[17]

However, the amount of provided aid could be significantly higher. In comparison with other West Balkans countries, Bosnia and Herzegovina has received, after Montenegro, the smallest amount of development aid within IPA II (see chart no. 7). This information is especially problematic regarding the fact that Bosnia and Herzegovina, after Serbia, has the biggest population among the observed countries. This brings us to the conclusion that Bosnia and Herzegovina had received by far the smallest amount of funds provided within IPA II *per capita*. For example, in the period between 2014 and 2017 Bosnia and Herzegovina has received approximately 47 EUR *per capita*, while in the same period Montenegro received approximately 245 EUR *per capita* (author calculations based on EC data and countries censuses).

[17] Data extracted on 27th April 2018; Available on: http://stats.oecd.org/

Chart 7. Allocation of IPA II funds by West Balkan countries[18] in million EUR (2014 -2017)
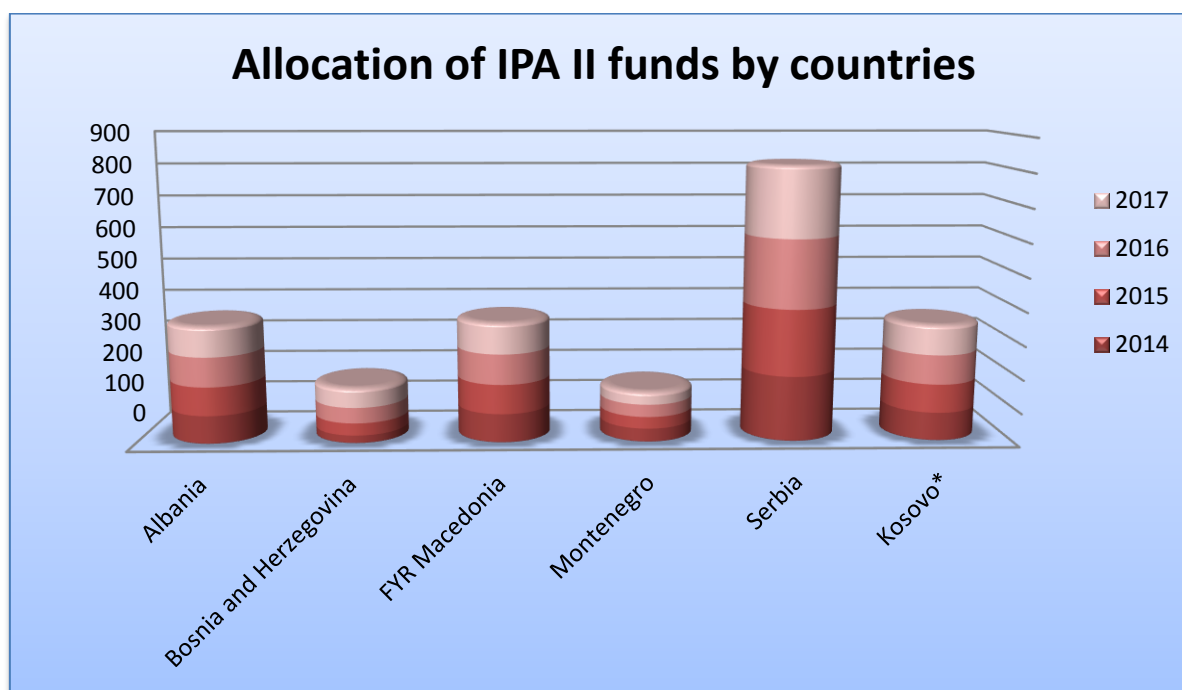
*Source: Author's representation based on data from "Indicative country strategy papers (2014-2020)",
European Commission, 2014[19]*

Due to the incompetence of Bosnian and Herzegovian institutions, lack of political will and compromise between the key political leaders, the funds related to sectors such as environment, energy and agriculture and rural development were out of reach for Bosnian and Herzegovina. The major part of IPA II funds was allocated in the first two policy areas, while the third policy area was well underestimated. Moreover, Bosnia and Herzegovina did not manage to "unlock" the forth policy area, "agriculture and rural development", although all other West Balkans countries "unlocked" this policy area a long time ago. Agriculture and rural development has a share between 10% and 20% of IPA II funds, depending on the recipient country's profile. In the table no. 3, provided by EC (2017), the allocation of IPA II funds per policy areas and sectors is shown.

---

[18] Kosovo* This designation is without prejudice to positions on the status, and in line with UNSCR 1244/1999 and the ICJ Opinion on the Kosovo declaration of independence.
[19] Available at:
https://ec.europa.eu/neighbourhood-enlargement/news_corner/key-documents_en?field_file_theme_tid%5B%5D=192

Table 3. Allocation of IPA II funds per policy areas and sectors in millions EUR

| Bosnia and Herzegovina	2014	2015	2016	2017	Total 2014-2017	Of which climate change relevant (%)
a. Reforms in preparation for Union membership	7.6	37.2	21.9	40.3	**107**	0
Democracy and governance		49.7				
Rule of law and fundamental rights		57.3				
b. Socio-economic and Regional development	14	0	20	20	**54**	0
Competitiveness and innovation: local development strategies		34				
Transport		20				
c. Employment, social policies, education, research and innovation, promotion of gender equality, and human resources development	1	0	5.1[2]	0[2]	**6.1**	0
Education, employment and social policies		6.1				
TOTAL	22.6	37.2	47	60.3	**167.1**	0

Source: EC (2017): Indicative Strategy Paper for Bosnia and Herzegovina (2014-2017), Brussels, European Commission

4.4.3. Recent trends of development aid in Bosnia and Herzegovina

Today, twenty-three years after the war, Bosnia and Herzegovina is still receiving considerable amounts of development aid. According to the latest OECD data, Bosnia and Herzegovina has received 445.36 millions USD of net ODA in 2016. Although the amount of total Net ODA is still quite significant, the share of net ODA in Bosnian and Herzegovian GNI is just 2.7% with a tendency of further decrease. Additionally, the share of the Net ODA in central government expense in 2016 was 7.5%, which was well below the average of other European aid recipient countries (The World Bank, Data). These data show that Bosnia and Herzegovina has managed to overcome its dependency on development aid from the early post-conflict years. In the following years, it is reasonable to expect a further decrease of the share of net ODA in Bosnian and Herzegovian GNI due to the two following aspects. First, from 2010 until 2016, Bosnia and Herzegovina annually received quite stable amounts of total net ODA, without large oscillations, except in 2015 when the amount of the received total net ODA was well beyond the yearly average (see chart no. 6). Second, according to World Bank Data[20], for 2019 and 2020 an annual increase of Bosnian and Herzegovian GNI 3.4% and 3.5% respectfully is predicted.

---

[20] Available on : http://www.worldbank.org/en/publication/global-economic-prospects#data

Chart 8. Net ODA received as % of GNI and % of central government expense in period form 1995 till 2016
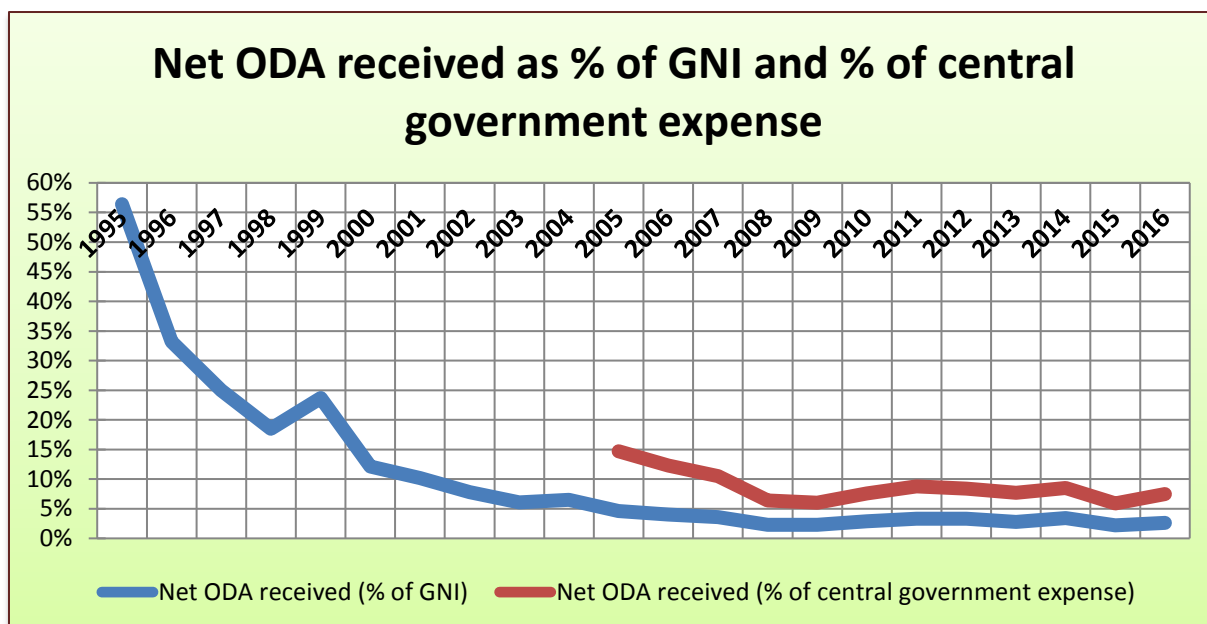
Source: Author's representation based on data from The World Bank Data[21]

The huge question mark regarding future amounts of development aid is closely related to the IPA II for Bosnia and Herzegovina, because it is still unknown what amount of funds will be allocated for Bosnia and Herzegovina. The amount of IPA II funds is directly related to the development of the political situation in Bosnia and Herzegovina, and capability of Bosnian and Herzegovian institutions to adopt necessary development strategies in order to secure additional IPA funds. The Official of the Delegation of the European Union in Bosnia and Herzegovina (personal interview 10th April 2018) argues, "the allocation of IPA II funds for Bosnia and Herzegovina predominantly depends on the capability of domestic institutions and their ability to meet EU standards and requirements". All of my interview partners of Parliament minority and majority agreed that Bosnian and Herzegovian institutions should do their best in order to secure additional funds provided through IPA II program.

---

[21]*Extracted on 27th April 2018 from The World Bank Data.* Available on: https://data.worldbank.org/indicator/DT.ODA.ODAT.GN.ZS?locations=BA

5. BOSNIA AND HERZEGOVINA, EUROPEAN FUTURE AND EUROPEAN SUPPORT

After ten years of international community peace-building efforts in Bosnia and Herzegovina and imposition of various laws and decisions by using the Bonn powers in numerous occasions, it became clear that a new approach was needed in order to reform Bosnia and Herzegovina as a self-governing and sustainable country with a European perspective. As it mentioned before, the role of the international community in state-building process in Bosnia and Herzegovina from 2006 onward could be seen as the third phase of the international community engagement in Bosnia and Herzegovina.

5.1. EUROPEAN INTEGRATION PROCESS AND STATE-BUILDING IN BOSNIA AND HERZEGOVINA

In this subchapter the focus of my attention will be on the role of the European Union in the state-building process in Bosnia and Herzegovina. In the first part of this subchapter I will deal with the concept of state-building and in the second part I will try to explain the new approach of the international community toward Bosnia and Herzegovina and the role of European Union and European representatives on the ground in the process of state-building in Bosnia and Herzegovina. Furthermore, I will emphasize the European integration process as a driving force of the state-building process in Bosnia and Herzegovina.

The European integration process is a very demanding process for each country; this process is characterized with internal reforms, adaptations on EU standards and norms and fulfillment of a vast number of the EU requirements. But this process is even harder for Bosnia and Herzegovina as a post-conflict country, whose constitution and internal political and institutional organization is based on compromise and peace agreement, rather than on democratic principles which would allow for a "normal" functioning of the state. Therefore, the focus of EU integration process is on the state-building process (Keil, 2013, p. 345), based on the Copenhagen criteria imply: "[…] countries must have stable institutions guaranteeing democracy, the rule of law, human rights and respect for and protection of minorities, a functioning market economy and the capacity to cope with competition and market forces in the EU" (Taylor, 2013, p. 185).

5.1.1. The concept of state-building

Although the concept of peace-building proved to be an effective concept in the context of preventing a return to physical violence and building institutions which would prevent future conflict, "[…] by the mid-1990s, however, there were growing concerns that these first-generation peace-building missions had been too brief, too limited, and too focused on speedy political and economic reforms to consolidate peace in the host states" (Paris and Sisk, 2007, p. 2), and therefore it was necessary to shift the attention from short-term objectives of peace-building to long-term objectives of state-building. In this context the state-building process could be seen as a continuation of the peace-building process.

Among the scholars, there is no consensus about the relation between peace-building and state-building. On the one hand, Scott (2007, p. 6) argues that peace-building is a subset of state-building, on the other hand Paris and Sisk (2007, p. 2) argue that state-building is the main objective and subset of peace-building.

Francis Fukuyama (2004, p. 17) defines state-building as "[…] the creation of new governmental institutions and the strengthening of existing ones", additionally he (2004, p. 1) argues that "[…] weak or failed states are the source of many of the world's serious problems", including terrorism and poverty, and therefore effective state-building is one of the main issues for global society. In its definition the OECD (2008) underlines the importance of the legitimacy of state institutions and the relation between society and state institutions.

> "[State-building is a]n endogenous process to enhance capacity, institutions and legitimacy of the state driven by state-society relations. In its simplest form, state building is the process of states functioning more effectively. Understood in this positive context, it can be defined as an endogenous process to develop capacity, institutions and legitimacy of the state driven by state-society relationships. Positive statebuilding processes involve reciprocal relations between a state that delivers services for its people and social and political groups who constructively engage with their state." (OECD, 2008, p. 1)

Fritz and Menocal also point out the importance of legitimacy. "State-building refers to the set of actions undertaken by national and/or international actors to reform and strengthen the capacity, legitimacy and the institutions of the state where these have seriously been eroded or are missing" (Fritz and Menocal, 2007, p. 13). According to Bieber (2011, pp. 1790 - 1791), the EU has developed three types of state-building strategies, the first type of state-building consists of direct involvement of EU actors through the imposition of various laws, creation of institutions and suspension of elected officials. The second type or second stage of external state-building is characterized by monitoring and pressure on domestic democratic institutions to adopt various laws promoted by the EU, in this stage the EU or international actors do not impose laws or decisions. The third type of state-building is related to perspective EU membership of the country; according to this type of state-building domestic political elites will transform the country institutions in order to secure EU membership.

5.1.2. Bosnia and Herzegovina in post-Ashdown era

The era of Paddy Ashdown as the High Representative in Bosnia and Herzegovina was the last effort of the international community to impose significant political and structural reforms in Bosnia and Herzegovina by using brutal political force, which was without precedent in modern European political life. The end of Paddy Ashdown's mandate in late 2005 together with the formal opening of negotiations on the SAA gave the EU opportunity to introduce a new political approach toward Bosnia and Herzegovina (Blagovcanin, 2016, p. 40). The appointment of Christian Schwarz-Schilling, an experienced German politician and diplomat, in early 2006 could be seen as part of the new approach of the EU toward Bosnia and Herzegovina. In one of his first statements after the appointment he argued that Bosnia and Herzegovina soon will become a self-governing country supported by the EU, even more he argued that the OHR will be terminated in the near future and replaced with the EUSR (Schwarz-Schilling, 2006, p. 84).

Soon after his appointment, the new High Representative Schwarz-Schilling launched an initiative in order to Bosnian authorities enhance important laws, such as: the Law on Obligations, the Salary Law, the Law on National Fiscal Council and the Pharmaceuticals Law, and facilitating the creation of a Central Banking Supervision System. According to the plan of the High Representative, all these laws should be enhanced within 100 days before the general election in Bosnia and Herzegovina in October 2006 (Blagovcanin, 2016, p. 43).

However, this initiative was without any success. On the general elections held in October 2006, the majority of votes in Republika Srpska were won by SNSD, at that time a moderate and pro-European party. In the FBIH, the SDA, a relatively conservative and nationalist party won by a majority of votes (Blagovcanin, 2016, p. 43). The new balance of power in the political life of Bosnia and Herzegovina was seen by the High Representative, as an opportunity to restart negotiations about the reform of police. The main goal of the police reform was to establish a centralized police structure under the control of the Ministry of Security of Bosnia and Herzegovina (Blagovcanin, 2016, p. 45). After a few rounds of negotiations led, at first by Schwarz-Schilling and later by the newly appointed High Representative Miroslav Lajčák, the leaders of the political parties were not able to find a compromise solution.

> „But it would be wrong to blame only the Serbs for the difficult discussions – after all, they had the most at stake. The Bosniaks knew that the reforms pushed for by the international community would most probably favour their interests, while the Croats could mainly hide behind Serb opposition, only needing to ensure that any final agreement did not compromise their position with the Federation. In the end, the political representatives of all three groups pursued their own political interests in the discussion on police reform." (Muehlmann, 2007, p. 40)

After the police reform collapsed, the new High Representative decided to re-activate the Bonn powers and to impose the amendments to the Law on the Council of Ministers. However, this decision was not well accepted by the political leaders of the Repubilka Srpska and they decided to blockade state institutions. This situation provoked a new political crisis in Bosnia and Herzegovina. In order to resolve the political crisis Lajčak had managed to bring together the leaders of the six biggest political parties in Mostar (Blagovcanin, 2016, p. 45).The result of this meeting was the so-called "Mostar Declaration". According to this declaration "The signatories […] agree to undertake all necessary activities for implementation of the police reform in accordance with the principles of the European Union, and which are indispensable for continuing the process of association of Bosnia and Herzegovina with the European Union" (Declaration 1). In November 2007, just a few weeks after adopting the Mostar declaration, the leaders of the political parties signed the Action

Plan on Police Reform with clear deadlines for the adoption of two new laws regarding police reform and establishing new police institutions on state level (Maras, 2009, p. 15; Blagovcanin, 2016, p. 46). The EU immediately welcomed this agreement and announced that it would open the door for the Stabilisation and Association Agreement (SAA) to Bosnia and Herzegovina. Indeed, the SAA was signed on June 16th 2008 in Luxembourg (Maras, 2009, p. 16). „EU Commissioner for Enlargement Olli Rehn welcomed it as 'a turning point' opening a new phase in the relations between the EU and Bosnia-Herzegovina" (Maras, 2009, p. 16).

5.1.3 "Progress" of Bosnia and Herzegovina in process of EU integration

Indeed, the signing of the SAA was a turning point in relations between the EU and Bosnia and Herzegovina. The signing of the SAA was a step toward the second phase of EU state-building in Bosnia and Herzegovina. The phase of imposition of laws by the High Representative was finished; the second phase - characterized by monitoring and pressure on domestic democratic institutions in order to adopt various laws by EU representatives - was opened (see Bieber, 2011, p. 1790 – 1791). This step was necessary because of two strong reasons. First, it was necessary to transfer power and responsibility of decision making on local political parties and on local democratic institutions in order to prepare Bosnia and Herzegovina for eventual EU membership. Second, even a few years prior to the signing of the SAA, the role of the OHR was under strong criticism of international organizations and institutions.The Parliamentary Assembly of the Council of Europe (2004, paragraph 13) argued as follows:

> „[...] the Assembly considers it irreconcilable with democratic principles that the High Representative should be able to take enforceable decisions without being accountable for them or obliged to justify their validity and without there being legal recourse".

The new phase of relations between Bosnia and Herzegovina and the EU corresponded with the appointment of Valentin Inzko as the new High Representative / EU Special Representative in 2009. The period after 2009 was characterized by very slow progress of Bosnia and Herzegovina with regard to the process of European integration, but some achievements were made. In May 2010, the EU Commission adopted a proposal enabling the citizens of Bosnia and Herzegovina to travel to Schengen countries without visa; this was

presented to citizens of Bosnia and Herzegovina as a major success in process of EU integration (Bărbulescu and Troncotă, 2012, p. 15).

Together with the SAA, on the same day, an Interim Agreement on Trade and Trade-related issues was signed, which entered into force on 1st July 2008 (HORIZONT 3000, 2017, p. 5). The main objective of the agreement was to be a bypass for the SAA until the SAA became fully operative. The key obligations of Bosnia and Herzegovina in order to activate the SAA were the following:

> „[...] conducting of national census, adoption of a law on state aid and creation of single body responsible for the relations with the EU. EU also required the amendment to the Constitution (in line with the Finci and Sejdic ruling of the ECHR) to allow members of minorities to be elected to the Presidency of Bosnia and Herzegovina and to gain seats in the House of Peoples." (HORIZONT 3000, 2017, pp. 5 - 6)

After almost seven years of unsuccessful negotiations between political parties in Bosnia and Herzegovina concerning necessary amendments to the constitution in the case of Finci and Sejdić, the EU decided to activate the SAA without the implementation of the constitutional amendments, "[…] under the condition that Bosnian authorities approve a declaration committing to the reforms required for EU integration" (HORIZONT 3000, 2017, p. 6). The SAA between the EU and Bosnia and Herzegovina entered into force on 1st June 2015, this was an important step in the process of EU integration. "The SAA establishes a close partnership between the EU and BiH and deepens the political, economic and trade ties between the two parties. It is from now on the main framework for the relations between the EU and BiH, further preparing the country for future EU membership" (EC, 2015, p. 1).

In the following month under the pressure of the EU the Council of Ministers of Bosnia and Herzegovina and The Parliamentary Assembly of Bosnia and Herzegovina adopted the Reform Agenda.

„In July 2015, a Reform Agenda was adopted aimed to address the challenging socio-economic situation and enhance the rule of law and public administration reforms, and the European Commission has noted a meaningful progress regarding its implementation. After meeting the targets, in February 2016 Bosnia and Herzegovina finally and officially submitted the application for joining the EU and received the accession questionnaire by the Commission in December 2016." (HORIZONT 3000, 2017, p. 6)

During the mandate of Valentin Inzko, the role of the High Representative and EU Special Representative was decoupled and Danish diplomat Peter Sørensen took over the position of EUSR in September 2011 (Jovanović, 2013, 19). This way the EU managed to emphasize its presence in Bosnia and Herzegovina, and to accelerate EU integration of Bosnia and Herzegovina.

5.2. CONTEMPORARY POLITICAL SITUATION IN BOSNIA AND HERZEGOVINA AND THE ROLE OF THE INTERNATIONAL COMMUNITY

Jovan Vukovljak, a member of the majority in The House of Representatives (from Republika Srpska) points out, "unfortunately, even now, twenty-three years after the Dayton Peace Agreement, there is no political and economic stability in Bosnia and Herzegovina" (Vukovljak, personal interview16[th] January 2018). A more or less very similar opinion had other interview partners (namely Milovanović, Sokolović and Zovko). Moreover, Inzko, in his report to the Secretary-General to the UN from June 2017, argues:

"[…] the political parties have already begun their pre-electoral campaigns a full year ahead of the October 2018 General Elections. In such an environment, in which political differences are hardened and ethnic divisions are exploited and amplified, the need to address real reforms is both challenging and urgent." (OHR, 2017a, p. 6)

Liljana Zovko, a member of majority in The House of Peoples (from the Federation of Bosnia and Herzegovina) stressed, "the contemporary political situation in Bosnia and Herzegovina is just a reflection of wrong decisions from 1995 until today […] Moreover, interventionism of

the international community is one of the key reasons for today's political situation in Bosnia and Herzegovina" (Zovko, personal interview 18th January 2018). Salko Sokolović (personal interview 18th January 2018), member of minority in The House of Representatives (from the Federation of Bosnia and Herzegovina), argues that the current political crisis in Bosnia and Herzegovina is due to nationalistic politics of the main political leaders, and that just a few prominent politicians think of and work for the benefit of all people in Bosnia and Herzegovina. Because of this kind of politics, a heterogenization of the Croatian, Serb and Bosniak national corpuses is present, and in some ways they are in opposition to each other.

The current political situation in Bosnia and Herzegovina is difficult to such an extent, that even a normal functionality of the state and basic democratic principles are on stake. The basic democratic principle of the separation of powers between executive, legislative and judicial branch is undermined. A good example for the violation of basic democratic principles is the following paragraph.

> „[...] the RS authorities continue to flaunt the constitutional order and the rule of law, not just ignoring decisions of the BiH Constitutional Court on the "RS Day" holiday, but also adopting acts that implement the unconstitutional referendum and its annulled results. The RS has also disregarded the judgement of the BiH State Court concerning the registration of defense property" (OHR, 2017a, p. 2).

This example is a clear indicator that Bosnia and Herzegovina, in some segments, does not even fulfill minimal functions of a state. Moreover, this example is an obvious display of collision between state and entity institutions. Furthermore, it is quite clear that the central government institutions are not capable of ensuring the implementation of their own decisions, which is a serious threat for the functionality of the state. However, "[…] in the Federation, Croat parties continue to advocate for a 'federalization' of BiH, which increasingly appears to imply a further ethnic division of the country into three to four 'federal units', one of which would have a Croat majority" (OHR, 2017a, p. 2). These kinds of initiatives further undermine already weak central government institutions and put a question mark on the Dayton organization of Bosnia and Herzegovina. "Equally troubling, the Bosniak member of the BiH Presidency ignored the implorations of his fellow Presidency members about the role

of the Presidency in an attempt to seek a revision in the ICJ's 2007 judgment in the BiH v Serbia and Montenegro genocide case, damaging relations within a key BiH institution" (OHR, 2017a, p. 2) and neighboring countries.

On the one hand, the central state institutions are under pressure of the national political leaders, who more or less think and work only for the benefit of their own national corpus. On the other hand, the central state institutions are usually even not capable of working, even in their own interest. A good example for such a situation is provided in an OHR report to the Secretary General of the UN from May 2017.

> „Increasingly, the authorities in BiH appear unable to act even in their own self-interest in a win-win situation, for instance in addressing the commitments made under the International Monetary Fund's (IMF) Extended Fund Facility (EFF) arrangement with BiH. The completion of the first review of BiH's performance under the IMF EFF and thus the second IMF disbursement to the country are still awaiting the completion of several measures at the State and Federation levels. The failure to meet the IMF deadline to allow the completion of the first quarterly review and release the second tranche of funds will additionally increase fiscal pressures on the country." (OHR, 2017a, pp. 2 - 3)

In the most recent time, the burning political issue is unwillingness and lack of political will among the political parties in FBIH to enact the necessary amendments on the Bosnian and Herzegovian Election law. This situation puts the conduction of General Elections in October 2018 in danger and certainly will further delay the conduction of local elections in Mostar (OHR, 2017b, p. 3).The last local elections in Mostar were held in 2008, since than the citizens of Mostar have been unable to elect a city major and city parliament (Kapidzic, 2016, p. 127).

Generally, the political situation in Bosnia and Herzegovina is extremely unstable, due to completely opposing positions of the main national political leaders. The current President of the Republika Srpka Milorad Dodik (SNSD) calls for independence of Republika Srpska from Bosnia and Herzegovina, almost on a daily basis. Furthermore, he openly argues that Bosnia

and Herzegovina is not his state and that state institutions work against Republika Srpska (OHR, 2017b, 1; Buka, 2016; Blic, 2017). TheBosniak member of the Presidency of Bosnia and Herzegovina, Bakir Izetbegović (SDA) promotes the idea of unitarization of Bosnia and Herzegovina into one solid state without any entities (ABC, 2018). On the third side Dragan Čović, leader of HDZ and Croat member of the Presidency of Bosnia and Herzegovina, supports the idea of further federalization of Bosnia and Herzegovina and the establishment of a territorial unit (a third entity) with Croatian majority. The contemporary political situation in Bosnia and Herzegovina puts the future and even the existence of the country under a question mark.

The actions and policy of the international community in Bosnia and Herzegovina in recent times should be observed through actions and statements of the two major represeners of the international community, the High Representative and OHR. The opinions of my interview partners (Vukovljak, Milovanović, Sokolović and Zovko) about the contemporary role of the High Representative and OHR are reasonably different. On the one hand, Vukovljak (personal interview16[th] January 2018), Milovanović (personal interview16[th] January 2018) and Zovko (personal interview 18th January 2018) argue that the current role of the High Representative in Bosnia and Herzegovina is neither confidence-building nor furthering cooperation between different ethnic groups in Bosnia and Herzegovina. Moreover, Miroslav Milovanović, member of minority in The House of Representatives (from Republika Srpska), points out, "During the first post-conflict years, the role of the international community was positive and necessary, but after that they [international community] started to lose their authority and purpose. I believe that today we not need the OHR and the High Representative in Bosnia and Herzegovina" (Miliovanović, personal interview 16th January 2018). Zovko (personal interview 18th January 2018) argues that, "despite the bad performance of the High Representative in recent years, his obligation is to stay in Bosnia and Herzegovina and help us to overcome the present political situation. After all, they [OHR and High Representative] are also responsible for the current terrible situation in Bosnia and Herzegovina". On the other hand, Sokolović (personal interview18[th] January 2018) has the opinion that the role of the international community in Bosnia and Herzegovina from 1995 till today was more than positive, and that the contemporary engagement of the international community in Bosnia and Herzegovina through the High Representative and OHR is very positive and important, especially in the context of the European integration process.

Recently, it has been noticeable that the OHR and the High Representative were not that prominent and dominant in political life in Bosnia and Herzegovina. Despite the huge authorities of the High Representative regarding the Bonn powers, the role of the High Representative is marginalized and he is not as important a player in the political life of Bosnia and Herzegovina as compared to the period between 1995 and 2005. Currently, the main role of the High Representative is mediation between different political parties over various political and legal issues, although in some rare occasions he has shyly mentioned a potential use of the Bonn powers. For example, in an interview for Acta TV, Inzko argued:

> "Bosnia and Herzegovina wants to join the European Union and it would be good that it is able to solve its internal question about the Electoral Law […] I do not intend to get involved with Bonn powers at the moment, but of course they [Bonn powers] still exist." (Inzko, 5th May 2018).

In his recent reports to the Secretary General of the United Nations in paragraph B „Decisions of the High Representative during the Reporting Period", High Representative wrote:

> „Despite ongoing challenges to the rule of law and the GFAP during the reporting period, I have refrained from using my executive powers, in accordance with the Peace Implementation Council (PIC) Steering Board policy of emphasizing "local ownership" over international decision-making." (OHR, 2017b, p. 3).

5.3. PERSPECTIVE AND DIRECTIONS OF THE FUTURE ENGAGEMENT OF THE INTERNATIONAL COMMUNITY IN BOSNIA AND HERZEGOVINA

Further engagement of the international community in Bosnia and Herzegovina through the institutions of the OHR and the High Representative is related to the fulfillment of the five objectives and two conditions defined in the 5+2 agenda set by the PIC Steering Board in 2008. At the same time, the fulfillment of the five objectives and two conditions is a condition for the closure of the OHR. The objectives that need to be met by Bosnia and Herzegovina prior to OHR closure are:

1. Resolution of State property;

2. Acceptable and Sustainable Resolution of Defense property;

3. Completion of the Brčko Final Award;

4. Fiscal Sustainability and

5. Entrenchment of the Rule of Law (Tirak, 2010, p. 6)

In addition to the five objectives, the PIC SB agreed that the following two conditions need to be fulfilled before closure of the OHR.

1   Signing of the SAA

2   a positive assessment of the situation in Bosnia and Herzegovina by the PIC Steering Board based on compliance with the Dayton Peace Agreement (Tirak, 2010, p. 6)

Over the last ten years some progress regarding the fulfillment of the five objectives and two conditions has been made. The objectives from number three till number five are fulfilled, but resolutions of the state and defense property are still big political and legal issues, and from today's perspective it is very hard to predict a solution for these two burning issues (Tirak, 2010, p. 6). Although the Constitutional Court of Bosnia and Herzegovina made the decision, that defense property must be registered as property of Bosnia and Herzegovina (central government), the government of Repubilka Srpska does not accept this decision (OHR, 2017b, p. 3) and believes that defense property should stay property of the entities. The first of two conditions have been fulfilled a long time ago, however the second condition still needs to be fulfilled (Tirak, 2010, p. 6). Although the fulfillment of this condition does not depend only on domestic political leaders, but also on the political assessment of the PIC Steering Board, which could be the result of a compromise or disagreements between the countries represented in the PIC Steering Board.

Considering the generally unstable political situation in Bosnia and Herzegovina and the incapability of political leaders to achieve compromise over the most trivial political issues, further engagement of the international community in Bosnia and Herzegovina is more than necessary. Emphasis on local ownership and gradual decrease of influence of the OHR and High Representative on domestic institutions and political life is an important and necessary process, at the same time it is essential to secure a clear perspective of EU membership for Bosnia and Herzegovina. Future engagement of the international community in Bosnia and Herzegovina should be focused on the fulfillment of the two remaining objectives and the last condition. Only after the fulfillment of the all objectives and conditions set by the PIC

Steering Board, it is reasonable to expect the closing of the OHR and the institution of the High Representative. Furthermore, the closing of the OHR and High Representative and the transfer of full sovereignty to domestic democratic institutions is a precondition for starting the third type of the EU state-building (see subchapter 5.1.1). Bosnia and Herzegovina is currently trapped between "the OHR push power" and "EU pull power". The OHR push power is not strong enough to accelerate Bosnian and Herzegovian path toward the EU, and at the same time the "pull power" of the EU is still quite weak. In order to avoid this situation, the OHR or the EU, or both together, should take additional effort, otherwise Bosnia and Herzegovina will be a prisoner of its own incapable political leaders for a long time.

CONCLUSION

Without any doubt, the role of the international community over the last twenty-six years in Bosnia and Herzegovina was more than essential. Moreover, in a certain sense Bosnia and Herzegovina was a project of the international community, especially regarding the huge influence of the US administration on the Dayton Peace Agreement, which is a corner stone of the modern Bosnia and Herzegovina. Any serious research about the political life and situation in Bosnia and Herzegovina in the last two and a half decades could not be complete without mentioning the role of the international community. Even today, twenty-three years after the end of the Civil War, the international community is still present and active in everyday political life in Bosnia and Herzegovina through various institutions (OHR, High Representative, EUSR etc.).

Over time, the role of the international community has evolved. During the first phase of its engagement the main role of the international community was the implementation of the Dayton Peace Agreement. Implementation Forces (IFOR) and Stabilization Forces (SFOR) were responsible for the implementation in a military context, while the OHR and the High Representative were responsible for peace implementation in a political context.

The second part of the international community engagement was characterized by huge efforts of the international community in the process of peace-building in Bosnia and Herzegovina. Throughout the first and second phase of its engagement, from 1995 till 2005, there is a noticeable authoritarian approach of the international community. The main feature of this approach was the extremely frequent use of the Bonn powers by the High Representatives, while the culmination of this kind of practice was during "the regime" of Paddy Ashdown. During this period, the High Representatives used their authorities for imposing various laws or amendments, for the removal and suspension of democratically elected officials, and even for the suspension of courts decisions. This amount of authorities in the hands of only one man or institution were not recorded in the history of modern democracy up to that point.

The third phase of international community engagement in Bosnia and Herzegovina, which started in 2006, was characterized by the transition from peace-building processes to state-building processes. Moreover, after 2006 there is evidence for change from an authoritarian

approach to an EU integrative approach, with main focus on state-building and EU integration process. Regarding the role of the High Representative, the main feature of the new approach is monitoring and pressuring the domestic institutions in order to adopt various laws and to fulfill EU standards and norms is the essential part of the new role of the High Representatives (see Bieber, 2011, p. 1790 - 1791). The contemporary role of the international community in Bosnia and Herzegovina could be seen as part of the state-building process and efforts of the international community to build a functional state. In his work from 2011 (p. 1784), Florian Bieber, argues that Bosnia and Herzegovina, is a "minimalist state" which is unable or hardly able to provide security, social security, economic growth and political stability. According to my research this statement is valid even today. In recent years, there has been a noticeable shift from an active to a more passive role of the representatives of the international community on the ground. Recently, the role of the international community in Bosnia and Herzegovina has been restricted predominantly to monitoring domestic institutions and mediation between different political parties and political leaders over various political and economical issues. Moreover, it is apparent that in the last years the High Representative promotes local ownership over international decision-making (OHR, 2017b, p. 3). Milovanović (personal interview 16th January 2018) and Zovko (personal interview 18th January 2018) argue that the OHR and the High Representative have lost their authority and that the High Representative has no legitimacy to use the Bonn powers again. Concerning the current unstable political situation in Bosnia and Herzegovina and the very slow progress in the process of EU integration, further engagement of the international community is more than required. Additionally, it is clear that the closure of the OHR and institution of the High Representative is directly connected with the fulfillment of five objectives and two conditions of the 5 + 2 agenda. Only after the fulfillment of all objectives and conditions of the 5 + 2 agenda, a shift to the final stage of EU state-building can be expected. According to this type of EU state-building, domestic political elites will reform the country's institutions in order to secure EU membership for Bosnia and Herzegovina (Bieber, 2011, p. 1791). Although there is no consensus between my interview partners about the future role of the international community, all of them agree that the current difficult political and social situation in Bosnia and Herzegovina is impossible to overcome without support of international political players. It is questionable, would the current passive role of the High Representative will lead to a more stable and predictable political situation in the future, especially concerning the general election in October and the possibility that right nationalistic parties take absolute majority of

the votes. Despite the passive role of the High Representative it is clear that even today, twenty-three years after the Civil War, Bosnia and Herzegovina is not fully an autonomous and sovereign state regarding the huge power that the High Representative has, especially according to the Bonn powers.

During the last twenty-three years Bosnia and Herzegovina has received a staggering amount of development aid, especially in the first post-conflict years. Development aid played a crucial role in the post-conflict reconstruction of Bosnia and Herzegovina. Moreover development aid was a major part of the Bosnian and Herzegovian GNI (see chart no. 8). In the processes of peace-building and later in the process of state-building, development aid played both a passive and an active role.

First, development aid provided additional legitimacy to the representatives of the international community in Bosnia and Herzegovina and it was an excellent instrument for the conditioning of local political elites. Second, a considerable part of development aid was allocated for sectors directly connected with peace-building and state-building processes. As it mentioned before, one of the primary areas of intervention of the CARDS funds were "[…] institutional and legislative development, including harmonisation with European Union norms and approaches, to underpin democracy and the rule of law, human rights, civil society and the media, and the operation of a free market economy" (Denti, 2011, p. 25). Additionally, one of the three strategic objectives of USAID, the 2001-2005 Strategic Plan, was the building of democratic institutions (Car and Papic, 2007, p. 21). Today, ODA is not that essential for state functionality, and net ODA had a share of just 2.7% in the Bosnian and Herzegovian GNI in 2016 (The World Bank, data). However, 445.36 millions USD of net ODA in 2016 (OECD.Stat) should not be underestimated, especially while the majority of these funds are allocated for social services (OECD.Stat). In addition, the share of the net ODA in central government expenses in 2016 was 7.5%, which was well below the average of other European aid recipient countries (The World Bank, Data).

After all, it could be argued that Bosnia and Herzegovina is not dependent on development aid, but rather that development aid is a good support for the vast number of social programs and services and some infrastructure projects.

BIBLIOGRAPHY

Abazović, D. and Seizović, Z. (2007): *Country specific report: conflict settlement agreement Bosnia and Herzegovina*, Bozen, European Academy

Agir, B.S. and Gursoy, B. (2016): *The European Union's State-Building Efforts in the Case of Bosnia and Herzegovina,* Ankara Avrupa Çalışmaları Dergisi Cilt:15, No:1 (Yıl: 2016), p. 1-27

Anderson, D. (1995): *The Collapse of Yugoslavia Background and Summary*, Canberra, Department of the Parliamentary Library, ISSN 1321-1579

Baba, M. (2013): *The Annexation of Bosnia-Hercegovina by Austro-Hungarian Monarchy in 1908,* The Studies of International Society, Vol.2, 75-823

Bataković, D. T. (2015): *The Young Bosnia and the "Black Hand"*, Belgrade, Serbian Academy of Sciences and Arts

Batovic, A. (2003): *The Balkans in Turmoil – Croatian Spring and the Yugoslav position Between the Cold War Blocs 1965-1971,* London, LSE Cold War Studies Programme

Banning, T. (2014): *The 'Bonn Powers' of the High Representative in Bosnia Herzegovina: Tracing a Legal Figment*, Goettingen Journal of International Law, Vol. 6, No. 2

Barbirotto, P.I. (2012): *Bosnia and Herzegovina Nationalism and Constitutionalism,* Universita Ca'Foscari Venezia

Barnett, M. Hunjoon K. O'Donnell, M. and Sitea, L. (2007): *Peacebuilding: What Is In a Name*? In: Global Governance, vol. 13, no. 1, pp. 35-58.

Barbulescu, I.G. and Troncotă, M. (2012): *The Ambivalent Role of the EU in the Western Balkans. "Limited Europeanization" – between Formal Promises and Practical Constraints. The Case of Bosnia-Herzegovina,* Bucharest, Romanian Journal Of European Affairs

Belloni, R. (2007): *State Building and International Intervention in Bosnia*. London: Routledge.

Berg, B. L. (2007): *Qualitative research methods for the social sciences*. London: Pearson.

Bieber, F. (2006): *After Dayton, Dayton? The Evolution of an Unpopular Peace,* Ethnopolitics, Vol. 5, No. 1, 15–31, March 2006

Bieber, F. (2011): *Building Impossible States? State-Building Strategies and EU Membership in the Western Balkan*s, Europe-Asia Studies, 63:10, 1783-1802

Biddle, C. (2010): *International Failure in Bosnia and Herzegovina: The Problem With Local Ownership,* University of North Carolina at Chapel Hill

Bildt, C. (1996) , '*Response to Henry Kissinger's Article in the Washington Post of 8 Sept. entitled, "In the Eye of a Hurricane*"', OHR Article by the High Representative', 14 Sept. 1996, at www.ohr.int/articles/a960914a.htm.

Bisogno, M. and Chong, A. (2002): *Poverty and inequality in Bosnia and Herzegovina after the Civil war,* World Development Vol. 30 No 1, pp 61 – 75, Elsevier Science Ltd.

Bjarnason, M. (2001): *The War and War-Games in Bosnia and Herzegovina from 1992 to 1995,* ISBN 9979-60-669-x

Bogdanić, D. (2012): *Society and organizational culture and leadership expectations in Bosnia and Herzegovina,* Technischen Universitat Chemnitz

Borger, J. (2015): *Bosnia's bitter, flawed peace, Twenty Years On. The Guardian* (November 10, 2015) Retrieved from: https://www.theguardian.com/global/2015/nov/10/bosnia-bitter-flawed-peacedeal-dayton-agreement-20-years-on.

Bose, S. (2005): *The Bosnian State a Decade after Dayton,* International Peacekeeping, Vol.12, No.3, Autumn 2005, pp.322–335

Bosnia and Herzegovina Ministry of Finance and Treasury (2011a): *Donor Mapping Report 2009 - 2010,* Sarajevo, Donor Coordination Forum (DCF)

Bosnia and Herzegovina Ministry of Finance and Treasury (2011b): *Donor Mapping Report 2008 - 2009,* Sarajevo, Donor Coordination Forum (DCF)

Bosnia and Herzegovina Ministry of Finance and Treasury (2013a): *Donor Mapping Report 2011 - 2012,* Sarajevo, Donor Coordination Forum (DCF)

Bosnia and Herzegovina Ministry of Finance and Treasury (2013b): *Donor Mapping Report 2010 - 2011,* Sarajevo, Donor Coordination Forum (DCF)

Bosnia and Herzegovina Ministry of Finance and Treasury (2015): *Donor Mapping Report 2014,* Sarajevo, Donor Coordination Forum (DCF)

Bosnia and Herzegovina Ministry of Finance and Treasury (2017): *Donor Mapping Report 2015,* Sarajevo, Donor Coordination Forum (DCF)

Boulding, K.E. (1978): *Stable Peace* , Austin, University of Texas Press

Boone, P. (1996): *Politics and the effectiveness of foreign aid*, European Economic Review, vol.40, p.289–329.

Boyadjieva, N. and Grozev, K. (2004): *Diplomacy, International Intervention and Postwar Reconstruction: Interactions Between States, International Organisations and Local Authorities in the Implementation of the Dayton Accords for Bosnia and Herzegovina.* Intercultural Communication and Diplomacy. Ed by H. Slavik

Brautigam, D. A. and Knack, S. (2004): *Foreign aid, institutions, and governance in Sub-Saharan Africa,* Economic Development and Cultural Change, vol.13, p. 255-285.

Bryman, A. (2012): *Social research methods*. New York: Oxford University Press.

Burnside, C. and Dollar, D. (2000): *Aid, policies, and growth*, American Economic Review, vol.90, p.847–868.

Bunce, V. (1999): *Peaceful versus Violent State Dismemberment: A Comparison of the Soviet Union, Yugoslavia, and Czechoslovakia*, Politics & Society, Volume 27 (2)

Burg, S. L. and Shoup, P.S. (1999): *The War in Bosnia-Herzegovina: Ethnic Conflict and International Intervention*. Armonk, M.E. Sharpe

Burke, A. (2012): *Foreign aid and peripheral conflict: a case study of thefar south of Thailand*. PhD Thesis. SOAS, University of London

Butler, L. (2005): *Lessons in Peacemaking: The View from BiH*, Washington DC, Woodrow Wilson Center,

Car, O. and Papic, Z. (2007): *Reconstruction National Integrity System Survey Bosnia and Herzegovina 2007*, London: Tiri

Chandler, D. (2007): *From Dayton to Europe,* International Peacekeeping, 12:3, 336 – 349

Chandler, D. (2006*): State-Building in Bosnia: The Limits of 'Informal Trusteeship',* International Journal of Peace Studies, Volume 11, Number 1, Spring/Summer 2006

Chiari, B. (2007): *Wegweiser zur Geschichte, Bosnien-Herzegowina,* Ferdinand Schöningh, Paderborn, ISBN 978-3-506-76428-7

Chollet, D. (2005): *The road to the Dayton Accords*, New York, Palgrave

Ćirković, S.M. (2014): *The Double Wreath. A Contribution to the History of Kingship in Bosnia,* Beograd, Balcanica XLV, DOI: 10.2298/BALC1445107C

Clark, C. (2012): *The Sleepwalkers: How Europe Went to War in 1914*, London, Penguin Books

Collier, P. and Hoeffler, A. (2002): *Aid, Policy and Peace: Reducing the Risks of Civil Conflict*, Washington, World Bank

Cousens, E. M. (1997): *Making Peace in Bosnia Work*, Cornell International Law Journal*: Vol. 30 : No. 3 , Article 10.*

Cox, M. (2001): *State Building and Post-Conflict Reconstruction: Lessons From Bosnia. The rehabilitation of war-torn societie*s: A Project co-ordinated by the Centre for Applied Studies in International Negotiations (CASIN), Geneva

Dąbrowski, M. (1995): *Western Aid Conditionality and the Post-Communist Transition, Warshaw,* CASE Research Foundation, ISBN 83-86296-33-X

Deblauwe, H. (2014): *International Involvement in the State Consolidation in Bosnia and Herzegovina,* Honors Theses. Paper 32. College of Saint Benedict and Saint John's University

Declaration 1 (2007): *Declaration on honouring the commitments for implementation of the police reform with aim to initial and sign the Stabilisation and Association Agreement*, Mostar, 24 October 2007

Demekas, D.G., McHugh, J. and Kosma T. (2002): *The Economics of Post Conflict Aid*, IMF Working Paper

Denker, S.M. (n.d.): *The Plural Society and Consociational Democracy Theory: Malaysia's Case,* Dumlupınar Üniversitesi Sosyal Bilimler Dergisi

Denti, D. (2011): *Building Member States? The EU's Instrument for Pre-Accession Assistance for the Western Balkan Countries,* College of Europe, Natolin (Warsaw) Campus, European Interdisciplinary Studies

Deronja Suljić, L. and Ćilimković, A. (2016): *IPA Fondovi u BiH (ne) Iskorištene Prilike i Mogućnosti,* Sarajevo, Centar Civilnih Inicijativa

Dimitrovova, B. (2001): *Bosniak or Muslim? Dilemma of one Nation with two Names,* Southeast European Politics Vol. II, No. 2, pp. 94-108

Dizdar, G. (2016): *The Standing Stones Of Medieval Bosnia: Heresy, Dualism and Symbols In Pre-Ottoman Balkans*, York University, Toronto, Ontario

Djurhuus, S. (2017): *Democracy Promotion through the Lens of Governmentality: The EU and Civil Society in Bosnia-Herzegovina and Kosovo,* Erasmus Mundus Master of Arts, Eurocultuer

Drozdiak, W. (1996): *Donor Conference Pledges More aid To Rebuild Bosnia*, Washington ,The Washington Post

Donia, R. J. (2008): *The Proximate Colony Bosnia-Herzegovina under Austro-Hungarian Rule,* New York, Peter Lang

Donia, R. J. (2013): *Bosnia and Herzegovina: The Proximate Colony in the Twilight of Empire*, Sarajevo, Godišnjak/Jahrbuch 2013, 42:197-202, ANUBiH

Dostic, G., Todorovic, Z. and Todorovic, I. (2013): *International Aid and Principal-Agent Relationship: Evidence from Bosnia and Herzegovina,* Podgorica,The Montenegrin Journal of Economics

Duke, S. and Courtier, A. (2009): *EU Peacebuilding: Concepts, Players and Instruments,* Centre for the Law of EU External Relations, ISSN 1878-9595

Dowling, M. and Hiemenz, U. (1982): *Aid, Savings and Growth in the Asian Region*, Manila, Economic Office Report Series 3, Asian Development Bank

EC (2015): *Stabilisation and Association Agreement with Bosnia and Herzegovina enters into force today,* Brussels, European Commission - Press release

EC (2017): *Indicative Strategy Paper for Bosnia and Herzegovina (2014-2017)*, Brussels, European Commission

Erlap D. U. (2012): *Politics of the European Union in Bosnia and Herzegovina, Between Conflict and Democracy*, Plymouth UK, Lexington Books

European Commission, (n.d): *CARDS Assistance Programme to the western Balkans, Regional Strategy Paper 2002-2006*, Brussels, External Relations Directorate General Directorate Western Balkans

European Parlament (1998): *The Phare Programme and the Enlargement of the European Union,* Briefing No 33, The Coordinator Luxembourg

Fath-Lihić A.M. (2006): *Nationswerdung zwischen innerer Zerrissenheit und äußerem Druck. Die bosnischen Muslime auf dem Weg vom ethnischen Bewusstsein zur nationalen Identität,* Universität Mannheim

Fine, V. A. J. (1996): *Medieval and Ottoman Roots of Modern Bosnia,* in Mark Pinson, ed., The Muslims of Bosnia-Herzegovina, Cambridge, MA: Harvard University Press

Fritz, V. and Menocal R. A. (2007): *Understanding State-Building from a Political Economy Perspective: An Analytical and Conceptual Paper on Processes, Embedded Tensions and Lessons for International Engagemen*t, report prepared for DFID's Effective and Fragile States Teams, Overseas Development Institute.

Fukuyama, F. (2005): *Building Democracy after Conflict: 'Stateness' First*; Journal of Democracy 16 no. 1. 84-88

Fukuyama, F. (2004): *The Imperative of StateBuilding,* Journal of Democracy 15(2):17-31
Galtung, J. (1969): *Violence, Peace and Peace Research*, Journal of Peace Research

Galtung, J. (1975): *Three Approaches to Peace: Peacekeeping, Peacemaking, and Peacebuilding,* Copenhagen, Ejlers, pp. 282 - 304

Gavrić, S., Banović, D. and Barreiro, M. (2013): *The Political System of Bosnia and Herzegovina Institutions – Actors – Processes*, Sarajevo, Sarajevski otvoreni centar/Sarajevo Open Centre

Ghali B. B. (1992): *An Agenda for Peace: Preventive Diplomacy, Peacemaking and Peacekeeping*, New York: United Nations

Ghali B. B. (1995): *Supplement to An Agenda for Peace*, New York: United Nations,UN Doc. A/50/60-S/1995/1

Grävingholt, J. Gänzle, S and Ziaja, S. (2009): *Policy Brief: Concepts of Peacebuilding and State Building – How Compatible Are They?* German Development Institute

Greenberg C. M., Barton H.J. and McGuinness, E. M. (2000): *Words Over War, Mediation and Arbitration to Prevent Deadly Conflict*,Rowman & Littlefield Publishers, INC

Grevi, G. (2007): *Pioneering Foreign Policy: The EU Special Representatives*, European Institute for Security Studies (eds.), Chaillot Paper, No.106, Paris

Grgić, S. (2014): *Uprava u Savskoj Banovini (1929.-1939.) – Između Državnog Centralizma i Supsidijarnosti*, Zagreb, Sveučilište Zagreb

Grossman, H. I. (1992): *Foreign Aid and Insurrection.* Defence Economics, 3 (4), pp. 275-288.

Gupta, K. L. And Islam, M. A. (1983): *Foreign Capital, Savings and Growth—An International Cross-Section Study*, Reidel Publishing Company: Dordrecht.

Hadžić, H.M. (1940): *Islamizacija Bosne i Hercegovine i Porijeklo Bosansko-Hercegovačkih Muslimana* [Islamisation of Bosnia and Herzegovina and Origin of Bosnian and Herzegovinian Muslims],Sarajevo, Islamska Dionička Štamparija

Hansen, A. (2000): *International Security Assistance to Peace Implementation Processes: The Cases of Bosnia-Herzegovina and Angola,* Oslo, University of Oslo

Hansen, H. and Tarp, F. (2000): *Aid effectiveness disputed*, Journal of International Development, vol.12, p.375–398.

Harland, D. (2017): *Never again: International intervention in Bosnia and Herzegovina,* UK Government Stabilisation Unit

Harmon, G. (2007): *War in the Former Yugoslavia: Ethnic Conflict or Power Politics?* Boston College

Hasic, T. (2004): *Reconstruction Planning in Post-Conflict Zones, Bosnia and Herzegovina and the International Community*, Stockholm, Royal Institute of Technology

Hoeffler, A. (2012*): Growth, aid and policies in countries recovering from war,* a thematic paper supporting the OECD DAC INCAF project 'Global Factors Influencing the Risk of Conflict and Fragility

Holbrooke, R. (1998): *To end a war*, Random House inc

Horizont 3000 (2017): *Bosnia and Herzegovina Country Paper*, Balkan Civil Society Development Network

Izetbegović, A. (1990): *The Islamic Declaration, a Program for the Islamization of Muslims and the Muslim Peoples, Sarajevo*

Jensen, P. S. and Paldam, M. (2003): *Can the New Aid-Growth Models Be Replicated*?, Working Paper No.2003–17, Aarhus. Institute for Economics: Aarhus

Jovanović, J. (2013): *Does Bosnia and Herzegovina still need the OHR,* Brno,Masaryk University, Faculty of Social Studies, Bachelor Thesis

Judah, T. (2000): *The Serbs: History, Myth and the Destruction of Yugoslavia*, 2 ed. New Haven: Yale University Press,

Juncos, A. (2005): *The EU's post-Conflict Intervention in Bosnia and Herzegovina: (re)Integrating the Balkans and/or (re)Inventing the EU?*,Southeast European Politics, Vol. VI, No. 2, pp. 88 – 108

Kapidzic, D. (2016): *Local Elections in Bosnia and Herzegovina,* Graz, Contemporary Southeastern Europe, Centre for Southeast European Studies

Kappler, S. (2012): *Mysterious in Content': The European Union Peacebuilding Framework and Local Spaces of Agency in Bosnia-Herzegovina,* University of St. Andrews

Kappler, S. and Richmond, O. P. (2011): *Peacebuilding in Bosnia and Herzegovina: Resistance or Emancipation?*, Security Dialogue, 42(3)

Keil, S. (2013): *Europeanization, state-building and democratization in the Western Balkans*, Nationalities Papers, 41:3, 343-353, DOI: 10.1080/00905992.2013.768977

Kivimäk, T., Kramer, M. and Pa, P. (2012): *The Dynamics of Conflict in the Multi-ethnic State of Bosnia and Herzegovina,* Sarajevo, Friedrich-Ebert-Stiftung (FES)

Knaus, G and Martin, F. (2003): *Lessons from Bosnia and Herzegovina, Travails of the European Raj*, Journal of Democracy Volume 14.

Kreimer, A., Muscat, R., Elwan, A. and Arnold, M. (2000): *Bosnia and Herzegovina Post-Conflict Reconstruction, Country Case Study Series,* Washington, D.C, The World Bank

de Koning, M. (2008): *Return Migration to Bosnia and Herzegovina Monitoring the Embeddedness of Returnees,* Amsterdam, AMIDSt / University of Amsterdam, the Netherlands CIDIN / Radboud University Nijmegen, the Netherlands

Kotios, A. (2001): *The European Union's Balkan Development Policy,* Intereconomics - Review of European Economic Policy, Vol. 36

Kotios, A. (2002): *European Policies for regional and cross-border economic cooperation in South-eastern Europe*, in P. Liargovas and G. Petrakos (eds) *Regional Development and Cross-Border Cooperation in Southeastern Europe*, Volos: SEED - University of Thessaly Press.

Kuntz, J.B. (2010): *Samaritans and Patrons: The Long Road to Civil Society in Bosnia and Herzegovina,* University of Pittsburgh

Kurtćehajić, S. (2012): *State-Legal Vertical Bosnia And Herzegovina,* International Journal of Interdisciplinary

Latif, D. (2005): *Peace Building After Humanitarian Intervention: The Case of Bosnia and Herzegovina*, The Graduate School of Social Sciences of the Middle East Technical University

Leonhardt, M. (2000): *The Challenge of Linking Aid and Peacebuilding,* a contribution to Peacebuilding: A Field Guide, Lynne Rienner - 2000 edited by Thania Paffenholz and Luc Reychler

Lijphart, A. (1977): *Democracy in Plural Societies: A Comparative Exploration*, New Haven, Yale University Press

Lukic Tanovic, M., Pasalic, S. and Golijanin, J. (2014): *Demographic development of Bosnia and Herzegovina from the Ottoman period till 1991 and the modern demographic problems,* Procedia - Social and Behavioral Sciences 120, 238 – 247

Malović, M. and Škorić, R. (2016*): Impact of Croatia's Accession to the European Union on the Trade Orientation of Bosnia and Herzegovina,* Belgrade, Economic Analysis, Vol. 49, No. 3-4, 25-39

Mair, D. (2015): *Whereto from here? The International Engagement with Bosnia Herzegovina An account of past failures and future remedies,* Faculty of Humanities of Leiden University
Mandeganja, R. (n.d.): *(Re) construction of BiH: Actors, Factors and "Space for Improvement,* National and Kapodistrian University of Athens

Maras, I. (2009): *Exploring European Union-assisted Police Reform in Bosnia-Herzegovina, A Preliminary Assessment of the European Union Police Mission to Date,* Paper presented at the 50th Annual Convention of the International Studies Association New York City, 15-18 February 2009

Markert, T. (2003): *Der Beitrag der Venedig-Kommission, in: Vitzthum, Wolfgang/ Winkelmann, Ingo (eds.): Bosnien-Herzegowina im Horizont Europas: demokratische und föderale Elemente der Staatswerdung in Südosteuropa*, Berlin, pp. 87-108

Miletić, A. (1986): *Koncentracioni Logor Jasenovac 1941-1945,* Beograd, Narodna Knjiga

Milovanović, M. (16th January 2018): *Personal Interview*

Mitrani, M. (2017): *The Discursive Construction of the International Community: Evidence from the United Nations General Assembly,* KFG Working Paper Series, No. 78, April 2017,

Kolleg-Forschergruppe (KFG) "The Transformative Power of Europe", Freie Universität Berlin.

Mosley, P. (1980): *Aid, savings and growth revisited*, Oxford Bulletin of Economics and Statistics, vol.42, no.2, p.79–95.

Muehlmann, T. (2007): *Police Restructuring in Bosnia-Herzegovina: Problems of Internationally-Led Security Sector Reform,* Journal of Intervention and State Building – Volume 1 Special Supplement

Naimark, N. M. (2001): *Fires of Hatred: Ethnic Cleansing in Twentieth-Century Europe*. Cambridge, Harvard University Press

Nation, R.C. (2004): *War in the Balkans, 1991-2002,*University Press of the Pacific

Nedić, G. (2006): *Financial and Technical Assistance in the Reconstruction and Development of Post-Conflict Bosnia and Herzegovina,* Vienna, The wiiw Balkan Observatory

Novosseloff, A. (2011): *Options for Improving EU-UN Cooperation in the Field of Peacekeeping*, GGI Analysis 3/2011, Brussels: Global Governance Institute

OECD (2005): *Peace-Building Overview, Peace-building encompasses measures in the context of emerging, current or post-conflict situations for the explicit purpose of preventing violent conflict and promoting lasting and sustainable peace,* Available at www.eda.admin.ch/dam/deza/en/documents/themen/fragile-kontexte/92802-peace-building-overview_EN.pdf

OECD (2008): *Statebuilding in Situations of Fragility*: Initial Findings, August.

OED (2004): *Bosnia and Herzegovina Post-Conflict Reconstruction and the Transition to a Market Economy,* Washington, DC, The International Bank for Reconstruction and Development / The World Bank

Official of the Delegation of the European Union in Bosnia and Herzegovina (10th April 2018): *Personal Interview*

OHR, (2005): *Decision removing Dragan Covic from his position as a Member of the Presidency of BiH,* Sarajevo, www.ohr.int/?p=65331Available on 04.04.2018

OHR (2017a): *51st Report of the High Representative for Implementation of the Peace Agreement on BiH to the Secretary-General of the UN,* 17.05.2017 Sarajevo, OHR /www.ohr.int/?p=97409&print=pdf Available on 24.04.2018

OHR (2017b): *52nd Report of the High Representative for Implementation of the Peace Agreement on BiH to the Secretary-General of the UN,* 06.11.2017,Sarajevo, OHR www.ohr.int/?p=98165&print=pdf Available on 24.04.2018

Paffenholz, T. (2010): *Civil Society and Peacebuilding – a critical assessment*, Colorado and London, Rienner

Papanek, G. F. (1972): *The effect of aid and other resource transfers on savings and growth in less developed countries*, Economic Journal, vol.82, no.327, p.935–950.

Parliamentary Assembly of the Council of Europe (2004): "*Resolution on strengthening of democratic institutions in Bosnia and Herzegovina*", 23 June 2004.

Paris, R. and Sisk, D.T. (2007): *Managing Contradictions: The Inherent Dilemmas of Postwar Statebuilding,* International Peace Academy

Perovic, L. (2015): *The Kingdom of Serbians, Croatians and Slovenians (1918–1929) / the Kingdom of Yugoslavia (1929–1941): Emergence, Duration and End*, Belgrade, YU Historija

Pesic, V. (1996): *Serbian Nationalism and the Origins of the Yugoslav Crisis,* Washington, United States Institute of Peace

Prifti, E. (2013): *The European future of the Western Balkans: Thessaloniki@10 (2003-2013),* European Union Institute for Security Studies, ISBN 978-92-9198-226-4

Polman, L. (2010): *The Crisis Caravan: What's Wrong with Humanitarian Aid?* London, Viking

Quenivet, N. (2003): *The United States VS The International Community: Are Their Two Approaches Towards the Eradication of Terrorism Compatible*? Perceptions: The Journal of International Affairs 7, no. 4 (December 2002- February 2003): 196-224.

Rubin, H. J. and. Rubin, I. S. (2005): *Qualitative Interviewing – The Art of Hearing Data*. 2. Edition, Sage Publications, Thousand Oaks, London, New York.

Sadkovich, J. J. (2005): *Reconsidering Bosnia-Herzegovina*, Spaces of Identity 5.1 ISSN 1496-6778

Savić, S. (2003): *Die Staatsorganisation von Bosnien-Herzegowina, in Vitzthum, Wolfgang/Winkelmann*, Ingo (eds.): Bosnien-Herzegowina im Horizont Europas: demokratische und föderale Elemente der Staatswerdung in Südosteuropa, Berlin, pp. 17-30.

Schwarz-Schilling, C. (2006): *Bosnia's Way Forward, Bosnians will soon take over from the international administration,* Global Issues pp. 84 - 86

Scott, Z. (2007): *Literature Review on State-Building,* University of Birmingham International Development Department

Silber, L. and Little, A. (1995): *The Death of Yugoslavia,* London, Penguin Books

Singleton, F. (1989): *A Short History of the Yugoslav Peoples*, Cambridge: Cambridge University Press

Skara, G. (2014): *The Role of the EU as a Peacebuilder in the Western Balkans,* Romanian Journal of European Affairs Vol. 14, No. 4, December 2014

Sokolović, S. (18th January 2018): *Personal Interview*

Sorabji, C. (1993): *Bosnia's MuslimsChallenging Past and Present Misconceptions,* RSP Documentation Centre.

Spencer, R. (2003): *Onward Muslim Soldiers, How Jihad Still Threatens America and The West,* Washington, Regneri I Publishing, inc.

Stokes, G. (1993): *The Walls Came Tumbling Down: The Collapse of Communism in Eastern Europe*. New York: Oxford University Press.

Svirčević, M. (2008): Review of: Robert J. Donia & John V. A. Fine, Jr., *Bosnia and Hercegovina. A Tradition Betrayed*, New York: Columbia University Press, 1994. Pp. 318.Robert J. Donia, *Sarajevo: A Biography*. Ann Arbor: University of MichiganPress, 2006. Pp. 435. Belgrade, Balcanica XXXVIII, YU ISSN 0350–7653

Szemlér, T. (2008): *EU Financial Support for the Western-Balkans: Well-Suited to Real Needs,* Budapest, CEU

Szewczyk, B.M.J. (2010): *The EU in Bosnia and Herzegovina: powers, decisions and legitimacy,* EU Institute for Security Studies

Taylor, A. J. (2013): *The European Union and State Building in the Western Balkans*. Politics and Governance, 1(2), 183-195.

The World Bank (1997): *World Development Report 1997, The State in a Channing World*, Oxford University Press, Inc

Tirak, G. (2010): *The Bosnian Hiatus: A Story of Misinterpretations,* CEPS Policy Brief, No. 2019

Toal, G., O'Loughlin, J. and Djipa, D. (2006): *Bosnia-Herzegovina Ten Years after Dayton: Constitutional Change and Public Opinion,* Eurasian Geography and Economics, 47, No. 1, pp. 61-75, V. H. Winston & Son, Inc

Torsti, P. (2003): *Divergent Stories, Convergent Attitudes*, Helsinki, Kustannus Oy Taifuuni, ISBN 951-581-091-4

Vranić, I. (2014): *International Community Peace Plans in Croatia and Bosnia-Herzegovina 1991 – 1995*, Budapest, Central European University, History Department

Vukovljak, J. (16th January 2018): *Personal interview*

Uvin, P. (1999): *The Influence of Aid in Situations of Violent Conflict*, Paris, Development Assistance Committee, OECD.

"UN, Report of the Panel on United Nations Peace Operations," October 2000. Available onhttp://www.un.org/peace/reports/peace_operations/. 23.03.2018

Watson, F.M. and Dodd, T. (1996): *The Dayton Agreement: Progress in Implementation*, London, International Affairs and Defence Section House of Commons Library

Westendorp, C. (1997): '*Interview*', Slobodna Bosna, 30 Nov. 1997, availableat www.ohr.int/press/ i971130a.htm

Wynee, A. S. (2011): *Multi-Confessionalism in Medieval and Ottoman Bosnia-Herzegovina*, Berlin, Institute For Cultural Diplomacy E.V. (Icd)

Young, P.V. (1968): *Scientific social surveys and research: an introduction to the background content, methods, principles and analysis of social studies* (4th ed). New Delhi: Prentice- Hall of India,

de Zeeuw, J. (2001): *Building Peace in War-Torn Societies: From Concept to Strategy*, Netherlands Institute of International Relations "Clingendael", Clingendael

Živaljević, B. (2015): *The Challenges of Bosnian-Herzegovinian Statehood in Post-Dayton Constitutional Order,* Vienna, University of Vienna

Zovko, Lj. (18th January 2018): *Personal Interview*

Zupcevic, M. and Causevic, F. (2010): *Case Study: Bosnia and Herzegovina, a contribution to „Peace and Development Democratization, Poverty Reduction and Risk Mitigation in Fragile and Post-Conflict States*" Philip Oxhorn principle investigator, Institute for the Study of International Development, McGill University

News papers articles and internet sources:

ABC portal info (2018); *Izetbegović odlično branio bošnjački unitarizam, Stanković potpuno nemoćan u Nedjeljom u 2; www.abcportal.info/novosti/vijesti/izetbegovic-odlicno-branio-bosnjacki-unitarizam-stankovic-potpuno-nemocan-u; Available on 1.5.2018.*

Blic, (2017): *Dodik: Moj cilj je da odvojim Republiku Srpsku, a da pri tome ne padne nijedna glava; www.blic.rs/vesti/politika/dodik-moj-cilj-je-da-odvojim-republiku-srpsku-a-da-pri-tome-ne-padne-nijedna-glava/7vsbpv3; Available on 1.5.2018.*

Buka, (2017): *DODIK: Moja država su Republika Srpska i Srbija, a BiH je mjesto gdje moram da živim*; http://www.6yka.com/novost/97241/dodik-moja-drzava-su-republika-srpska-i-srbija-a-bih-je-mjesto-gdje-moram-da-zivim *Available on 2.5.2018*

Inzko, V. (5 May 2018): Interview for Acta TV
www.youtube.com/watch?time_continue=1281&v=tUy4qziO21A Available on 01.05.2018.

Monstat: https://www.monstat.org/cg/

Agencija za statistiku BiH: http://www.bhas.ba/