

SERBIA: CURRENT ISSUES AND FUTURE DIRECTION

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CONTENTS

	Page
WITNESSES	
Daniel P. Serwer, Ph.D., Vice President, Center for Post-Conflict Peace and Stability Operations, Centers of Innovation, United States Institute of Peace	5
The Honorable Alexander G. Rondos, Member, International Commission on the Balkans	8
Mr. Ivan Vejvoda, Executive Director, Balkan Trust for Democracy, The German Marshall Fund of the United States	13
LETTERS, STATEMENTS, ETC., SUBMITTED FOR THE HEARING	
The Honorable Robert Wexler, a Representative in Congress from the State of Florida: Prepared statement	3
Daniel P. Serwer, Ph.D.: Prepared statement	6
The Honorable Alexander G. Rondos: Prepared statement	10
Mr. Ivan Vejvoda: Prepared statement	15

SERBIA: CURRENT ISSUES AND FUTURE DIRECTION

WEDNESDAY, SEPTEMBER 20, 2006

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON EUROPE AND EMERGING THREATS,
COMMITTEE ON INTERNATIONAL RELATIONS,
Washington, DC.

The Subcommittee met, pursuant to notice, at 1:30 p.m. in room 2002, Rayburn House Office Building, Hon. Elton Gallegly (Chairman of the Subcommittee) presiding.

Mr. GALLEGLY. Today the Subcommittee on Europe and Emerging Threats is holding a hearing on current developments in Serbia and the future direction of that country. This is an important moment in Serbia's democratic transition 6 years after Slobodan Milosevic was forced from power. Serbia's direction over the next decade will largely depend on how two key issues and events play out over the next 12 to 18 months.

First, the future status of Kosovo, the Serbian province that has been under UN control since the end of the Kosovo War in 1999 will be determined within the next 3 months. Second, the alleged Serb war criminal, Radtko Mladic, is still at large. The international community is increasing its pressure on Serbia to apprehend General Mladic and turn him over to the International Criminal Tribunal in the Hague.

These two issues are very important because of their impact on the upcoming Parliamentary elections in Serbia which are scheduled no later than December of next year. If the elections are held after the Kosovo negotiations are complete, there is an increased likelihood that the extreme nationalist Radical Party will make gains or possibly be able to form a coalition government. If this were to happen, it would lead to a series of policies such as non-cooperation of capturing Mladic and would set back Serbia's relations with United States and Europe.

Furthermore, even if the democratically-oriented political parties stay in power, the way in which Serbia deals with the outcome of the Kosovo negotiations and the war criminal issue will set the stage for Serbia's bilateral relations with the United States, its timetable for integration into NATO and the European Union and, of course, Serbia's relationship with its neighbors in the Balkans.

In my opinion, United States policy toward Serbia would follow a two-track approach. On the first track we should continue to insist that the Serbian Government do everything in its power to track down and apprehend Mladic and other outstanding war criminals. This is a non-negotiable position. Serbia would be well-

advised to look at Croatia's cooperation in locating and arresting General Gotovina in the Canary Islands. This was a difficult move for Croatia, but it has paved the way for accelerated negotiations for both NATO and EU membership.

At the same time, the United States should pursue a policy of engagement with Serbia in many different levels, including military and intelligence cooperation, and stronger economic ties. Once Mladic is apprehended, we should quickly open negotiations with Serbia regarding its possible NATO membership. In addition, we should be encouraging our European allies to make clear EU membership would be on the table, depending on Serbia's resolving the war criminal issue, and their acceptance into the UN-brokered solution on Kosovo.

Although Serbia is undergoing a challenging period, I believe it has the potential to be a strong ally with the United States and a pivotal country in the economic and political resurgence of the Balkan region. We should note that Serbia has already successfully met one important challenge by the manner in which they have accepted the results in the referendum that led the independence of Montenegro.

I look forward to the testimony of our three witnesses on the situation in Serbia and what steps the United States can take to help Serbia move in the right direction.

At this point, I would defer to my good friend, Mr. Wexler, for any opening statement.

Mr. WEXLER. Thank you, Mr. Chairman. Again, I want to thank you for holding this hearing as well as thank the witnesses for testifying before the Subcommittee. Today's hearing comes at a critical juncture for Serbia and the Balkans given the decision by the Contact Group to give the chief UN mediator the go-ahead to complete the UN-led talks on the status of Kosovo.

Although substantial political, economic and social progress has been made in the Balkans and peace and stability have taken hold in South-Central Europe, there remains several outstanding issues including the status of Kosovo that must be resolved before the region can break completely free from the ethnic conflicts of the 1990s.

Over the next several months the United States, EU and the United Nations must remain deeply engaged in the Balkans in order to build on successful reforms both regionally and in Serbia and to resolve the post-conflict problems and cross-border issues. To this end, Serbian Prime Minister Kostunica and President Tadic, along with other governments in the region, must have the willpower and wherewithal to take several difficult steps in order for them to fully integrate into Euro-Atlantic institutions.

Lasting peace and security in the Balkans and full integration in the Euro-Atlantic institutions, which is in America's and Europe's interest, can only be successful if Serbia remains a strong and democratic ally of its neighbors and the West.

Almost 6 years after the fall of former President Milosevic, Serbia has taken significant steps to strengthen its democratic institutions, reform defense institutions, address ethnic tensions in southern Serbia and build a stronger economy. Having had several opportunities to meet face-to-face with President Tadic to discuss

what I think is fairly described as a bold vision of Serbia's future as a full member of the European Union and NATO, I am hopeful his vision, which I share, can be achieved in the near future.

Despite substantial progress, pro-democratic forces in Serbia face significant challenges over the coming months that must be taken into account in Washington and Brussels. The biggest threat to Serbia's future in the Euro-Atlantic community is the Radical Party and the ultranationalists in Serbia who recklessly reject reconciliation and oppose efforts to promote democracy, rule of law and human rights advances.

I urge Secretary Rice, who recently joined President Tadic in the signing of a Status of Forces Agreement in Washington, to continue to strengthen bilateral relations with Serbia. The people of Serbia, who face a difficult and emotional decision regarding the future of Kosovo, need to know that while certain prerequisites for inclusion in the Euro-Atlantic institutions, including Serbia's capture of General Mladic and implementation of its Action Plan for Hague Cooperation, the United States and EU view Belgrade as a partner and ally in a "Free and Whole Europe."

If the Action Plan at the Hague is implemented to its fullest extent possible it is incumbent upon America and Europe to act immediately offering tangible carrots including reinstating the EU Stabilization and Association talks with Serbia and membership in NATO's Partnership for Peace, which would be offered at the Riga Summit.

Mr. Chairman, Serb's concerned about their future should know that America considers them an ally and friend, and that integrating a democratic Serbia into the Euro-Atlantic community is a top priority of the Bush Administration and Congress. Thank you very much.

[The prepared statement of Mr. Wexler follows:]

PREPARED STATEMENT OF THE HONORABLE ROBERT WEXLER, A REPRESENTATIVE IN
CONGRESS FROM THE STATE OF FLORIDA

Chairman Gallegly, I want to thank you for holding this hearing on Serbia as well as the witnesses testifying before the subcommittee.

It is clear that today's hearing comes at a critical juncture for Serbia and the Balkans given the decision by the Contact Group to give Chief UN mediator Martti Ahtisaari the go ahead to complete by the end of year UN led talks on the status of Kosovo.

Although substantial political, economic and social progress has been made over the past fifteen years in the Balkans and peace and stability have taken hold in South Central Europe there remain several outstanding issues including the status of Kosovo that must be resolved before the region can break completely free from the ethnic conflicts of the 1990's.

Over the next several months the United States, EU and UN must remain deeply engaged in the Balkans in order to build on successful reforms both regionally and in Serbia and to resolve post-conflict problems and cross-border issues. To this end, Serbian Prime Minister Kostunica and President Tadic along with other governments in the region including Bosnia-Herzegovina, Macedonia, Albania and Montenegro—must have the will power and wherewithal to take difficult steps—in order for them to fully integrate into Euro-Atlantic institutions.

I strongly believe that lasting peace and security in the Balkans and full integration into Euro-Atlantic institutions—which is in America and Europe's interest—can only be successful if Serbia remains a strong and democratic ally of its neighbors and the West.

Almost six years after the fall of former President Slobodan Milosevic—Serbia has taken significant steps to strengthen their democratic institutions, reform defense institutions, address ethnic tensions in Southern Serbia and build a strong economy.

Having had several opportunities to meet face to face with President Tadic to discuss his bold vision of Serbia's future as a full member of the European Union and NATO—I am hopeful his vision which I also share can be achieved in the near future.

Despite substantial progress pro-democratic forces in Serbia face significant challenges over the coming months that must be taken into account in Washington and Brussels. The biggest threat to Serbia's future in the Euro-Atlantic community is the Radikal Party and ultra-nationalists in Serbia who recklessly reject reconciliation and oppose efforts to promote democracy, rule of law and human rights.

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If the Action Plan at the Hague is implemented to the fullest extent possible it is incumbent on the US and EU to act immediately offering tangible carrots including reinstating the EU Stabilization and Association talks with Serbia and membership in NATO's Partnership for Peace which could be offered at the Riga Summit.

Mr. Chairman, Serb's concerned about their future should know that American considers them an ally and friend and that integrating a democratic Serbia into the Euro-Atlantic community is a top priority of the Bush Administration and Congress. The Balkans is once again at a crossroads and we must be resolute in our determination to bring lasting peace and security to the region.

Mr. GALLEGLY. Thank you, Rob. We have three witnesses today, and I will introduce them from our left to our right. Our first witness is Daniel Serwer, Vice President and Director of Peace and Stability Operations and the Balkans Initiative at the U.S. Institute of Peace. He has worked on preventing inner ethnic and inner religious conflicts in Iraq, and has been deeply engaged in facilitating dialogue between Kosovo Serbs and Albanians.

As State Department Director of European and Canadian Analysis, in 1996 and 1997, he supervised Bosnia and the implementation of the Dayton Accords, as well as the deterioration of the security situation in Albania and Kosovo. Dr. Serwer served in 1994 and 1995 as United States' Special Envoy and Coordinator for the Bosnian Federation, mediating between Croats and Bosnians and negotiating the first agreement reached at the Dayton Peace Talks.

Our second witness is Ambassador Alexander Rondos, a former Greek Ambassador and member of the International Commission on the Balkans. Ambassador Rondos is a Greek national born in Tanzania, and has had an extensive career in journalism, relief and development work and diplomacy. He has served as Advisor to the Foreign Minister in Greece, and has worked extensively throughout the Balkans region as a diplomat for Greek Foreign Ministry.

Our third witness is Ivan Vejvoda who is Executive Director of the Balkan Trust for Democracy, a project of the German Marshall Fund dedicated to strengthening democratic institutions in South-eastern Europe. Mr. Vejvoda came to the GMF in 2003 after his distinguished service in the Serbian Government as Senior Advisor for Foreign Policy and European integration to Prime Minister Zoran Djindjic and Zoran Vikovic. He has unique experience with the democratic reform movement within Serbia and brings unique insight into the current political leadership in Serbia.

Forgive me for my stumbling over some of these names. It is sometimes more challenging than it should be. With that, I would introduce again our first witness, Dr. Serwer, for purposes of his testimony. Welcome.

**STATEMENT OF DANIEL P. SERWER, PH.D., VICE PRESIDENT,
CENTER FOR POST-CONFLICT PEACE AND STABILITY OPER-
ATIONS, CENTERS OF INNOVATION, UNITED STATES INSTI-
TUTE OF PEACE**

Mr. SERWER. Thank you, Mr. Chairman. It is my understanding that you want to limit our opening remarks to 5 minutes.

Mr. GALLEGLY. If you would, please, and be aware that without objection your entire testimony will be made a part of the record of this hearing.

Mr. SERWER. Thank you very much, Mr. Chairman. Serbia, in my view, has chosen a slow and difficult transition. There has been progress especially on the economic front, pursued mainly by the political party known as G17, but with the support of the rest of the government. There is a long way to go still. I find the media in Serbia under pressure, religious freedom circumscribed, the security sector largely unreformed and the government supported by unreformed Radicals and Socialists. And of course Mr. Mladic has not yet been captured.

In my way of thinking, the U.S. should be using the assistance that has been suspended as a result of the failure to arrest Mladic. That assistance should go to civil society organizations like those of Natasha Kandic and Sonja Biserko, who are today under constant attack in Serbia.

It is not surprising with this slow and difficult transition that Serbia is showing no flexibility on Kosovo. Belgrade is determined to maintain sovereignty and territorial integrity. It will try to delay a Kosovo decision. If it fails to do that, it will try to divide the territory, and it will try to distract the internationals by asking to postpone the status decision until after elections. This, Belgrade promises, will reduce the likelihood of the Radicals coming to power, and permit President Tadic and Prime Minister Kostunica to be more flexible.

I do not believe they will be able to be more flexible, especially after a referendum on the new Constitution and elections in which Kosovo will be the overriding issue. This is important to understand. Once they go to approval of a new Constitution and elections, holding onto Kosovo will be the only issue in that referendum and in the approval of the Constitution, making it exceedingly difficult for the Serbian Government to show any flexibility.

We should not get sucked in. It seems to me, we should let the Serbs elect whom they want, have elections when they want. We do not control that. If they elect the Radicals, frankly the decision on Kosovo will be so much the easier. I do not believe the Radicals can reverse democratic progress in Serbia, and I do not think they can bother their neighbors as they did in the past.

Whatever Serbia does by the way of referendum and elections, the international community should get on with settling Kosovo's status. I would frankly prefer we do it before Serbia locks itself into a hardline position with a referendum and elections.

You have to ask yourself, Are we asking too much? I am thinking of a conversation I had with Mr. Wexler some time ago in which he asked me precisely that question. Should we postpone? No. Delay, in my opinion, I think this is proven by the facts of the last several years, would only increase the strength of the nationalist

forces inside Serbia and weaken democratic ones. That is what has happened for the last several years, and that is what will happen if we delay further at this stage.

If we move ahead, in my view, Serbia will get over Kosovo as it has gotten over Montenegro, freeing itself of the national question and enabling itself to move ahead toward NATO and the EU. Thank you, Mr. Chairman.

[The prepared statement of Mr. Serwer follows:]

PREPARED STATEMENT OF DANIEL P. SERWER, PH.D., VICE PRESIDENT, CENTER FOR POST-CONFLICT PEACE AND STABILITY OPERATIONS, CENTERS OF INNOVATION, UNITED STATES INSTITUTE OF PEACE

The views expressed in this testimony are those of the author, not the U.S. Institute of Peace, which does not take positions on policy.

Thank you for this opportunity to offer my personal views at an important moment in Serbia's democratic transition. Within the next year—perhaps even within a few months—Serbia will face two dramatic challenges: elections in which unreformed parties previously allied to Slobodan Milosevic will re-emerge as major—perhaps even majority forces—on the Serbian political scene; and a decision on Kosovo's status. Before discussing these challenges, let me review Serbia's transition process.

SERBIA HAS CHOSEN A SLOW AND DIFFICULT TRANSITION . . .

After the fall of Milosevic in October 2000, the newly elected President of Yugoslavia, Vojislav Kostunica, sought to restore order quickly and preserve intact the institutions that had previously been instruments of repression and war: the army, the police, the secret services and the judiciary. Serbian prime minister Zoran Djindjic wanted faster reform, but his assassination in March 2003, apparently by elements of the security forces, and Kostunica's election to the prime ministry a year later ensured that Serbia would change only slowly and without major impact on elements of the previous regime. In fact, the votes of Milosevic's Socialist Party and the Radical Party, whose paramilitaries wrecked havoc in Bosnia and Kosovo during the 1990s, keep Kostunica's government in office.

Even slow change, if it goes in the right direction, will bring good things over time. More than three years into Kostunica's mandate, Serbia has made progress. Kostunica's coalition partner—G17 Plus—has ensured macroeconomic and monetary stability, substantial privatization and progress towards a market economy. A new War Crimes Court has begun to prosecute lower level perpetrators. Lower level police are behaving better towards Serbia's citizens. The Parliament is becoming a serious legislature and has begun to exercise oversight responsibilities. It is no longer possible to imagine that Serbia will trouble its neighbors with military and paramilitary force.

That said, there is still a long way to go. Serbian media—even those that had a reputation for independence in the Milosevic period—are being pressured to conform to government views. The recent religion law is a step backwards. State institutions—especially in the security sector—still depend on personnel who supported the Milosevic regime in its worst crimes. This is why Ratko Mladic has not been arrested or sent to The Hague. It is also why Djindjic's murderers have not been tried and two witnesses have been murdered, with no subsequent arrests. The Radical and Socialist parties that support Kostunica's government are unreformed and unapologetic advocates of Greater Serbia, including the ethnic cleansing and crimes against humanity that they used in the 1990s to ensure all Serbs lived in one country and were not governed by non-Serbs.

People associated with these views have threatened and even physically attacked Serbia's most prominent human rights advocates, including the courageous Natasha Kandic and Sonja Biserko. It is not clear that the Serbian police have done all they could to prevent such attacks. The Congress would be wise to require that suspended US assistance money be spent on grants to Serbian civil society organizations that are willing to campaign in favor of completing Serbia's democratic transition.

. . . AND IS SHOWING NO FLEXIBILITY ON KOSOVO.

While some of these problems should concern the international community in their own right, the need for a decision on Kosovo's status heightens their signifi-

cance. Serbia is approaching the Kosovo problem with the same objective as Milosevic, but notably without threatening the use of force: Belgrade seeks to maintain sovereignty and territorial integrity. This was made absolutely clear during the recent visits of Prime Minister Kostunica and President Tadic, neither of whom showed flexibility on the sovereignty question. It is also clear from Belgrade's intense effort to ensure that the Russians will veto any Security Council resolution that offers independence to Kosovo.

Belgrade knows, however, that its proposal of "maximum autonomy" for the Kosovo Albanians may not succeed. The Russians will not hold forever. The fallback position is the three Ds: delay, division and distraction. Belgrade would like a long delay—decades if possible—but it will also be pleased with a few months. This will enable Serbia to solidify control over the northern three and a half municipalities in Kosovo as well as several Serbian enclaves and present the international community with *de facto* partition. Already the reintegration of the north would be a major challenge for the internationals. Delay also increases the likelihood that Albanian extremists will attack Serbs in Kosovo, thus undermining Kosovo's campaign for independence.

The third D is distraction. President Tadic during his recent visit argued that if Kosovo is given independence the Radicals will win Serbia's next parliamentary elections, to be held by late 2007. He therefore seeks delay on Kosovo, promises that after elections Kostunica's party and his own will govern together (cutting out the Radicals), and implies that he and Kostunica will be more flexible than heretofore. This is appealing if you think the Radicals threaten democracy in Serbia and if you believe the promise of greater flexibility in the future.

BELGRADE SHOULD BE ALLOWED TO MANAGE ITS OWN POLITICS . . .

I do not believe either of these premises. The Radicals may halt but will not be able to reverse Serbia's democratic progress or bother Serbia's neighbors. They are likely to do well in the next elections, and Tadic and Kostunica will try to form an anti-Radical coalition, whatever happens with Kosovo. But if Tadic and Kostunica come to power together, it is unlikely that they will demonstrate greater flexibility after a political campaign in which they will pledge over and over again that they will not give up an inch of Serbian territory or an iota of Serbian sovereignty. It is moreover likely that a new constitution asserting that Kosovo is an integral part of Serbia will be adopted before the elections, making greater flexibility all but impossible.

The fact is that it would be far easier for the international community to settle the Kosovo question with the Radicals in power. No one could then expect the Kosovo Albanians to remain in a common state with Serbia. Letting the Radicals take the rap for losing Kosovo would be much better for Serbian democracy than pinning that responsibility on more democratic political forces.

The international community does not, however, decide when Serbian elections are called. If Kostunica and Tadic want to force a delay of several months, they can call elections when they want. If they do, in my view the United States would be well advised to allow formation of any government that reflects the will of the Serbian people. Washington's behind-the-scenes efforts to maintain Kostunica in power over the past three years have been counter-productive: they damage Serbian democracy and hurt the prospects for a Kosovo settlement by making the US hostage to internal Serbian politics.

. . . AND THE INTERNATIONAL COMMUNITY SHOULD GET ON WITH SETTling KOSOVO'S STATUS.

While Belgrade has made progress on the path to democracy, it has painted itself into a corner on Kosovo. It offers no realistic way in which two million people who do not accept Belgrade's authority can be represented internationally. Belgrade does not want to do it, and at the same time it does not want the Albanians to represent themselves. No one in Belgrade would pay the price of keeping Kosovo part of Serbia—following the Kurdistan precedent that would mean an Albanian president, foreign minister and deputy prime minister. Nor would any Kosovars occupy those positions.

If Kosovo is to become part of the European Union—as Americans and Europeans agree it should in due course—it will have to negotiate its entry as a sovereign state. By then, I trust Mladic and Karadzic will be serving their sentences and Serbia will have been a member of the EU for a long time. Would Serbia really want to seek EU membership on Kosovo's behalf, or would it want to be exercising a veto over Kosovo's membership? Already today, a significant percentage of Serbian citizens accept independence as a realistic, even if not desirable, option for Kosovo.

Kosovo is not on the list of top concerns for most Serbs, who are far more worried about their livelihoods, their pensions and their hopes for a European future.

This does not prevent Serbia from viewing Kosovo through its own prism, which sees its "loss" as one in a long string of humiliations. Across the political spectrum in Serbia, there are complaints about double standards: if borders are sacrosanct, why are you willing to change Serbia's borders? Why can't Republika Srpska be independent? Why are criminals who committed crimes against Serbs let off easy at The Hague, or not charged at all? Serbs are convinced that the international community is against them, even though they have gotten a far better deal from the US and the EU than anyone might have imagined possible in Milosevic's time, including the Status of Forces Agreement signed a few weeks ago. Serbs will resent the loss of Kosovo, but it is not a vital national interest and they will get over it, as they have quickly gotten over the loss of Montenegro.

I am often asked whether we are asking too much of Serbia, whether it would be wise to postpone settling the Kosovo issue to give the Serbs time to consolidate their democracy. My answer is no. The experience of the last few years has taught us that keeping the Kosovo issue open is a sure-fire way to strengthen nationalist forces in Serbia and weaken those who want to take the country as quickly as possible into the EU. I believe that settling the Kosovo issue will resolve the national question and enable Serbia to move forward, taking its proper place as a leading democratic force in the Balkans.

Mr. GALLEGLY. Thank you, Dr. Serwer. Ambassador Rondos.

**STATEMENT OF THE HONORABLE ALEXANDER G. RONDOS,
MEMBER, INTERNATIONAL COMMISSION ON THE BALKANS**

Ambassador RONDOS. Thank you very much, Mr. Chairman. It is a great pleasure to be here and to be reminded, for those of us who are from the region, what an example it is to be able as a foreigner to come to testify in an institution like this. It is something that we are not accustomed to in our region and something we need to learn. So I am deeply grateful, and with that due respect, let me offer some thoughts and follow on Dr. Serwer's candor. Let me come at a slightly different angle to the issue.

Serbia has elections sometime in the next 12 months. The choices are pretty stark for Serbia. It is going to be between those who want to complete the market and democratic reforms that began 6 years ago or those who were, in effect, the collaborators in Milosevic and who want to get their time in the sun again. They are putting on new clothes. They will seem very democratic but it is open to question whether they will live with the spirit of democracy.

So we are going to be very careful here. We are watching in many post-Communist countries, sort of a rollback. All these people have learned how to play with democracy, how to use its trappings, but then to abuse it once they are in. We have got to be very careful. Those people who sacrificed for democracy merit some support.

Secondly, it is vital that those who have fought hard to bring Serbia into the European Union, into those alliances with which we are all associated—NATO, the European Union and many others—that, I think, they continue that work. The opposition, as far as I am concerned, the Radicals, whomever, have yet to express themselves as to what they want. So there is a real issue here. There is a choice.

Are we going to have a government in Serbia that will continue on the path to which it has already committed in terms of the grand alliances that I think are what are needed on the globe? Or are we going to end up making moves that will end up encouraging those who cast out on all of those? I am not sure that Serbia is a

piece of the jigsaw that we can dispense with that easily, strategically. We need Serbia, all of us, and I speak as certainly as someone from the region. Without Serbia, we are in trouble, in serious trouble as we were throughout the 1990s.

The next choice is whether Serbia will have cause for optimism to join the European Union. The European Union is, in my view, the great peace project of Europe. It is the great peace project that the United States created and began in the 1940s and early 1950s. It is an unfinished business. Europe is not whole and free yet, and it must be.

Without Serbia, without the Balkans—and I want to be clear here, I speak about all our Albanian neighbors as well as our Serbian neighbors. We need them in Europe and fast. We cannot afford to decelerate and play what I consider to be little games rather than think big, be bold. That is a European issue but we all, in a sense, have a stake in that.

Finally, there is the question of Kosovo. I will focus a little bit on this because I think sometimes it is easy to misunderstand the role that this issue plays. The rational perspective on Kosovo—and I speak to you as politicians who have to get elected—and one of the important things is that in Serbia, thank God, we also have the same. Gone are the days when we negotiated among two or three dictators who had big propaganda machines, and they could just make decisions like that and inflict them on their countries. That was the 1990s. We are now in the Balkans of the 2000s, which are democratic. We have politicians who have to be elected, who have to respect history, legacy, heritage, as well as to see how those can be folded into a concept of progress and a future.

Kosovo. Rationally speaking, we would all ask, does Serbia really want to have the burden of 2 million people growing fast demographically as part of its country? Does it want to bear the financial costs? We can go through a whole list of rational questions like that, in a province where Serbs represent no more than 10 million.

There is, however, as we all know in politics, the irrational feelings and history that will play in. For many Serbs, Kosovo is something of deep emotional significance. It is, some have said—and in a sense I agree as an Orthodox Christian—the Jerusalem of the Serbian Orthodox and even though there may be few Serbs who live there, it has a profound symbolic importance. I think we should be very careful about being cavalier about how we deal with an issue that can have deep emotional significance.

As a Greek, frankly, it is with dismay that I have to go to Istanbul and I cannot pray in my mother church because it was a mosque and now it is no more than a museum. There are many Serbs who feel that is what will happen to them and what they consider their mother church. Now, I am not interested in the statistics of how many Serbs go to church or not. There is something much deeper. What constitutes how a Serb feels to be a Serb is their religious identity, for many of them.

This can become a dark force. It can also become a force of enlightenment in society, and I leave that as something that is yet to be decided. But I simply say that politically, this is a factor that no politician in Serbia can simply discount. It is there waiting to be mobilized to those who want to be unscrupulous, waiting to be

put to the service of something that could be positive in the entire region.

So we must tread very carefully. Thus, I come finally and in conclusion to the question of the elections. I have offered some choices that the Serbs face. To me, therefore, it is logical that if we want a Serbia that is part of Europe whole and free, part of the alliances that we want, a Serbia that is pursuing market and political reforms which I think it is with a great deal of robustness, then we must be very careful how we choose to act in a period when a country is going through an electoral process.

Unlike many other countries, there is a capacity among those of us from outside to act in a way that could actually influence the elections. That is on Kosovo especially. So we must be very, very wise. My own view is simple. We should wait until the elections are done. December 2006, to me, is just a deadline that was set. It was set by people who were not necessarily thinking about the political process in Serbia.

In other words, the fate of a democracy is being decided by bureaucrats who are not elected, and I have always thought that is a simple issue that one needs to understand very clearly. I would prefer politicians who know what it is to be elected making some serious decisions, strategic ones, internationally, about what is necessary for another democracy and for those who are the tribunes of that democracy. It is absolutely vital, I think, that that be understood.

Therefore, I would simply ask that one think very seriously about the consequences of one's actions. Serbia has many responsibilities toward the international community. I think it is aware of them. In some of them it has been much more tardy than it should be, but in many others it is time to start acknowledging that a cup is half full rather than half empty, and let us start filling that cup fast and helping them do so. Thank you very much.

[The prepared statement of Ambassador Rondos follows:]

PREPARED STATEMENT OF THE HONORABLE ALEXANDER G. RONDOS, MEMBER,
INTERNATIONAL COMMISSION ON THE BALKANS

Mr. Chairman:

My name is Alexander Rondos. I am a former Ambassador of Greece and have been closely involved with Balkan politics for the last eight years. I was also a member of the International Commission on the Balkans. I am very pleased to have this opportunity to testify on Serbia before the Sub-Committee on Europe and Emerging Threats.

Your hearing is timely. The course of political events in Serbia in the next year can have a decisive effect both for the future of the country and for the stability of the Balkans.

- Serbia must have elections in the next twelve months. It will certainly have them sooner. In these elections there will be a stark choice between those who want to build on and complete the work of market and democratic reform that began in 2000 with the overthrow of Milosevic and those who were collaborators of Milosevic whose intentions are still shrouded in nationalist rhetoric.
- Serbia will either keep a coalition of political forces that will continue the push towards transparent market reform and prepare the country for membership of the European Union, or it will give way to those forces that want to restore the privileges they enjoyed during the years of isolation under Milosevic.
- Serbia will have been given serious cause for optimism by the European Union that its candidacy might be possible or it will be left as a European

afterthought, confirming to some in Serbia that the West is not to be taken seriously.

- Serbia will be confronted by the decision on the status of Kosovo. If that decision is taken by the international community before elections, it will be very difficult to hold off the assault of those in Serbia who say that the democratic forces simply gave in and surrendered Serbia's Jerusalem.

We therefore have a choice, as members of the international community, to decide to take the strategic high road and argue that the primary goal is to secure Serbian democracy, ensure security in Kosovo and stability in a still fragile region. The cornerstone of Serbian democracy is the guarantor for satisfactory settlement on Kosovo and for stability in the region. Such a roadmap for Balkan success would culminate with the European Union giving assurances that Serbia would become a candidate of the Union, perhaps in late 2007. If we believe that this is the path to follow, then we have to be very careful about how these external issues like Kosovo will influence the choices Serbs make in their elections.

The alternative is to argue that the Serbs mortgaged themselves morally with Milosevic and that they have not paid their mortgage off. This means going ahead immediately with some solution on Kosovo and allowing the European Union to procrastinate and prevaricate over Serbia's future role in Europe. As far elections are concerned, Serbs would be informed that they are welcome to have them whenever they want and the international community will follow its own timetable for Kosovo.

I happen to believe that the first option is the wise way to go. I fear that I am in a minority and that the fate of Serbia may be decided by external influences that are guided by indifference, impatience and perhaps a touch of vindictiveness.

I chose to be with you to ring an alarm bell. I believe that it is in our collective strategic interests to do what is necessary to help the Serbian nation complete the work it has begun in building a thriving democracy. When you have friends who want to stand up and be counted with you as part of the family of democratic nations, then it is also our obligation to stand by them. If we do not, then surely we have no reason to complain when they turn their backs on us and dismiss us as moral and political gadflies. We have an opportunity to be serious in our efforts to work with Serbia and I believe that Serbia is ready to reciprocate. Above all, a little vision could take us a long way to success.

The domestic political choice in Serbia is between the parties that struggled to bring democracy to Serbia and those that collaborated with Milosevic. It is a choice between a Western orientation of the economic, political and defence alliance, and, one that is much more suspicious of the benefits that such alliances can bring. It will be a choice between one group of parties that have yet to make themselves over from the past and those that are shaping to be the forces for the future. It will be a choice between a more competitive, modernised economy and one that—in the absence of a clear opposition platform—will try to reward those who feel they have been excluded from the benefits of the last few years of democratic life and economic growth.

These choices are common to most societies in transition from the communist period. I would like to focus on the variables that are uniquely Serbian and often easily misunderstood outside of Serbia.

I would like to reduce these briefly to the following:

- a. The shape of Serbia's economy;
- b. The shape of democratic life;
- c. The shape of Serbia's territory
- d. Serbia's place in the world.

Given that Serbia was economically isolated by sanctions for close to a decade, it is remarkable how the country has succeeded in bring back some balance to economic life. Monetary stability is in stark contrast to the spiraling inflation of the 1990s. The banking sector is expanding impressively. Recent privatizations have added new revenue to the budget and turned almost 75 percent of the former socially owned enterprises into private ownership. Foreign investors have been important contributors to the process. The macro-economic indicators, in short, are impressive. Now Serbia faces the task of building a thriving economy that can expand employment opportunities while lifting living standards. In my view, the democratic governments that succeeded the Milosevic era have exercised economic management with considerable wisdom, leaving it in the hands of an impressive group of technocrats who have imposed economic discipline while also disciplining expectations. Continuity is in Serbia's interests.

Democratic life in Serbia is healthy. It does not fit the classic patterns of Left versus Right. The parties that assumed power upon the overthrow of Milosevic are clearly in opposition to those parties, like the Radicals (SRS) and the Socialists (SPS) that collaborated with Milosevic. A victory by the Radical Party would not cripple democracy. The trappings of democratic life will remain. The threat lies elsewhere. We have seen in other parts of the post-communist world, a roll back from the initial gains of democratic politics and a return to power of people who exude nostalgia and a contempt for the spirit of democracy. What is at risk in Serbia is that these parties of the past have yet to demonstrate that they have moved beyond the politics of isolation and resentment. Until they do so, they will infect the political life with the politics of injured national pride and vindictiveness rather than the politics of openness and patriotic self-respect.

This prompts some reflection on the third issue. Either before or after its elections Serbia will be confronted by a very difficult choice regarding the status of Kosovo. I hope that this occurs after the election when a government with a fresh mandate can finalise the negotiations and proceed to the next stage of national life, whatever that may be. Already this year, Serbia has had to handle the separation with Montenegro.

Why is this issue of Kosovo so important and not to be under-estimated nor misunderstood? There are rational arguments and then there are—to the secular westerner—the irrational. Both views command respect. The rational view asks whether Serbia really wants to have a territory 90 percent of which is populated by an Albanian population that is growing demographically at a dramatically high rate. Do these two people really want to live together? Does Serbia want to have the financial and political responsibility for this Albanian population? Will Albanians participate in the elections in Serbia?

But there is a powerful emotional counterpoint. Kosovo is at the heart of Serbia's historical identity. There may be quite a number of Serbs who do not feel this affinity to Kosovo. There are also many for whom it matters. Serbia is not alone having its Jerusalem as an issue that has deep emotional affinity that translates into politics. I can only think of my own country, Greece where many have the profoundest feeling for what we call our lost motherlands. I will not hide my own sorrow that I am unable to attend liturgy in my own Mother Church, Aghia Sofia, in what is now Istanbul. I am required to pay to visit a museum that was once a mosque after it was desecrated. I can only imagine that for many Jews the issue of Jerusalem has an equally profound pull. These are not issues to be dismissed lightly. In a world where secularism is still so fashionable—and passes as modernism—the risk of misunderstanding the attraction of those unquantifiable symbols that bind a people can be fatal. The desecration of countless Churches in Kosovo since 1999, when the administration of Kosovo passed to the international community, merely adds to the suspicions for many in Serbian politics that part of the national heritage is being deliberately sold away, literally, and that the cradle of its faith is being lost.

Thus, the electoral nightmare for Serbia would be a decision on Kosovo, before the elections, which would possibly result in Serbs fleeing from Kosovo and the belief, manipulated by many politicians, that the Serbian government had failed to strike an honorable bargain with an international community intent on appeasing the Albanian population and its well publicized threats of violence.

In short, the risk we run is that the electoral fate of those who want to consolidate democracy in Serbia risks being sacrificed to appease who threaten violence.

My fourth point concerns Serbia's place in the world. Were it not for Kosovo, the need to render Ratko Mladic to the Hague and the protracted decision over Montenegro's fate, I firmly believe that Serbia would already be a candidate member of the European Union. The negotiations with the EU are currently stalled over the EU insistence that Serbia demonstrate that it is doing everything to deliver Mladic. The result is that the international community has trapped itself and Serbia. While wanting and needing Serbia the country is being isolated. Little wonder that those who are nostalgic for the past now ask what has been the point of even opening up to the West.

A mere look at the map of Europe and the potential of Serbia should be enough to explain why Serbia should be in the European Union. What I worry about is whether the European Union is willing to engage in the type of strategy that will give Serbia the prospect to show its electorate that the EU is a possibility and not a pipe-dream.

I will conclude by repeating the opening vision. A strategy in which the European Union offers a framework and a future for the Balkans would allow the negotiations on Kosovo to come to a natural conclusion, when a new democratic government is installed in Belgrade. Interim arrangements can be made to begin the already much delayed implementation of agreements among Serbs and Albanians. This would pro-

vide the confidence to allow for security to prevail in Kosovo. With these elements in hand, it is possible to envision a Serbia actively contributing to the stability of the whole region and a Kosovo no longer in an existential limbo, developing the instruments of statehood and law and order, and, progressing towards prosperity.

I hope that we will all have the wisdom to be patient in order to gain a greater good for all..

Thank you.

Mr. GALLEGLY. Thank you very much, Mr. Ambassador. Mr. Vejevoda.

**STATEMENT OF MR. IVAN VEJVODA, EXECUTIVE DIRECTOR,
BALKAN TRUST FOR DEMOCRACY, THE GERMAN MARSHALL
FUND OF THE UNITED STATES**

Mr. VEJVODA. Thank you very much, Mr. Chairman, for the invitation, and I repeat the words of Ambassador Rondos that it is a great honor to be invited here, as a citizen of Serbia from Belgrade, to speak on this important issue. Allow me to mention also that this hearing occurs as we celebrate 125 years of diplomatic relations between the United States of America and Serbia established on the 14th of October, 1881, and I think that speaks much to not only the length of our relationship but also to the new responsibility that we have to each other with all the differences that we have.

I would like to start out by defining the framework in which the issues of Kosovo, the elections, and the obligations toward the International Criminal Tribunal from Yugoslavia are occurring. That framework is first of all the transatlantic relationship which is, I would say, cardinal to finding the way to getting the Balkans into Europe whole and free, and it has been the sturdiness of that relationship that has allowed us to move forward.

Secondly, because all the Balkan countries aspire to entry into the European Union and NATO, I would submit to you that in fact all of their actions, ultimately, are defined by that next day when they will have to negotiate their entry, whoever they are and however they are defined. This is in the back of their minds, and I say this because I believe it will dampen the willingness to go to extremes or to maximum solutions.

Of course that awareness has to be fostered also from the outside, but ultimately that is the goal. As it has been recently written in an article, it is Brussels that is the next capital of the Balkans, whether it is the European Union or NATO. I believe in that sense that an early entry into Partnership for Peace—and I had stated this in my testimony to you last year in April—I think would be welcomed.

Because the reform of the security services of the military security services is an imperative, I think it has been to our detriment that we have not had Serbia and Montenegro and Bosnia and Herzegovina outside of Partnership for Peace, and I think it would help accelerate all those obligations that you have mentioned if these countries were to receive a signal at the NATO Riga Summit to go forward on this.

Clearly leadership is required in these issues, and a democratic leadership is all the more responsible to moving faster rather than moving at a slower pace. But I would like to say, in different words maybe, what Ambassador Rondos said that as we tackle all of these

issues of the future of this region, there is a legitimate political transition that is occurring. We have political parties that are relatively new that are unsure of their foothold in the political market, of their constituencies, and there is a parallel, legitimate political competition, that is occurring as the country needs a focal census and unity of parties to tackle the issues of Kosovo, of Mladic, of the negotiations toward the European Union and NATO.

And thus I think we have to be mindful of the democratic legitimacy of all of the governments in the region as we go forward toward the solution of the future status of Kosovo. And here I think the region is important. All the countries that are in the region or neighboring the region, such as Bulgaria and Romania, that will become members of the European Union in a few months, Greece to our south, all are mindful as neighbors that we have to be very cautious and tread carefully as we move forward.

And let me simply stress that I think we all desire to move forward quickly because we have to put these issues behind ourselves no matter what the solution is because that is the condition for the quicker integrative movements into Europe and into NATO.

On the specific issue of the elections in Serbia, it seems as of the past week that there is an agreement between the democratic forces to go forward with the finalizing of the Constitution and go toward a referendum, trying to shore up public opinion behind the current government, and I would say more broadly behind the family of democratic parties, and then to go toward the elections, possibly in the spring, in trying to strengthen the democratic leadership.

I think—and I think it is important to stress—that we have witnessed a deeper political sociology of Serbia since the overthrow of Milosevic, and let me remind you that there was a deliberate decision by the democratic forces at large—political parties, civil society, media, and youth—to overthrow Milosevic through a peaceful, electoral, democratic process. Now, this great victory of the Serbian people over their retrograde regime and their old regime has a price. That price is that there was not a violent revolution that rid, the next morning, all of those who were the enemies of freedom and of democracy.

We have had to live with those people who governed us during the 1990s, whether they were elected in Parliament or otherwise. We are, as Dr. Serwer said, in a situation where tabloids are attacking individuals, important leaders of civil society, and he mentioned them. But even worse, they are attacking the Deputy Prime Minister of our country, Mrs. Ivana Dulic Markovic, and this is worrisome.

The Radical Party has attacked her in Parliament. The tabloid newspapers are slandering her. The government has come to defend her, President Tadic and others, but this is the atmosphere within which we are working. But let me give you a flipside to the mindset because I think it is important as we go forward.

Three months ago, on June 23, two U.S. Air Force F-16s landed at a military Air Force base in Belgrade. These were planes that actually bombed Belgrade 7 years prior to their coming. They were received by their colleagues, Air Force fighter pilots of the Serbian Air Force. They were received by the Serbian Minister of Defense,

and there was absolutely no public reaction at a time when in Ukraine and in Odessa there was an outcry because there were NATO soldiers about to engage in a relatively small exercise.

I would submit to you that this is the mindset of Serbia. We are a Westernized country. We have been your allies in the First and Second World Wars. We have come back to that alliance, and there is a willingness to move quickly. So the future direction of Serbia, as the title says, I think is secured. What we are really talking about here are the next 12 months. How do we weather going through Seylla and Charybdes that are put before us? And this is where we need your help. It behooves us in Serbia, the citizens and the government, to push and resolve these outstanding issues.

My final sentence to you is the fact that I was here in Washington in July 2000, this was 3 months before the elections where we beat Milosevic. I went around the institutions inside the Beltway with a message: We will defeat Milosevic, and, secondly, we will need your help very badly when we do that. My message today is the same. I do not think the Radicals will win in the next elections. The democratic parties will find it within themselves to constitute a coalition to win in these elections, to reinforce the government, and we will need help to go forward with that new government as we go through these issues. Thank you, Mr. Chairman.

[The prepared statement of Mr. Vejvoda follows:]

PREPARED STATEMENT OF MR. IVAN VEJVODA, EXECUTIVE DIRECTOR, BALKAN TRUST FOR DEMOCRACY, THE GERMAN MARSHALL FUND OF THE UNITED STATES

Mr. Chairman, thank you for the invitation to come and testify before you today at this crucial moment in the Balkans path toward a stable and peaceful future in the Euro-Atlantic community. It is an honor to be here.

Allow me to mention that this hearing is being held as we celebrate 125 years of diplomatic relations between the United States and Serbia established on October 14, 1881 (although contacts were initiated as early as 1867). These relations are today on a clear positive upward path in all fields.

I am here to offer you my personal views on the situation in Serbia and the importance of the framework of European Union and EuroAtlantic integration, as well as the role of the United States, for the betterment of the country and the region as a whole.

INTRODUCTION: THE REGION MOVES FORWARD

The Balkans, or Southeastern Europe, today, more than ten years after Dayton and seven years after the NATO bombing of Serbia (and Montenegro) are in a different mind set and with different priorities. The democratically elected governments of the region have opted for the priority of EU integration and accession to NATO. The region has moved away from the immediate post-conflict zone and into one of sustained transitional democratic reform policies, addressing developmental issues and tackling the challenges of EuroAtlantic integration.

The gravitational pull of the EU and NATO is the defining and cardinal instance of all the processes we are witnessing. All the key political actors in the last resort have this in mind, whatever their maximalist goals may be. This is important to note because the magnetism of EuroAtlantic integration has a dampening effect on extremism, although this of course is not foolproof.

The region has made significant strides: Slovenia is a full member of the European Union; along with Romania and Bulgaria it is a member of NATO; Romania and Bulgaria expect to become the twenty sixth and twenty seventh member states of the European Union on January 1, 2007.

Croatia is negotiating entry into the EU; Macedonia is a full candidate for entry, while Albania has recently signed a Stabilization and Association agreement with the EU. Albania, Croatia and Macedonia have been longstanding members of NATO's Partnership for Peace program and have formed three years ago a regional security grouping: the Adriatic Charter in view of fully cooperating in light of their future full NATO membership

Three countries while part of this overall dynamic are lagging behind: Bosnia and Herzegovina, Montenegro and Serbia. All three have clearly declared their EuroAtlantic integration priorities.

For all intents and purposes the part of the region called the Western Balkans (Albania, Bosnia-Herzegovina, Croatia, Macedonia, Montenegro and Serbia, including Kosovo) is in a sense already part of the EU and NATO. It will formally and geographically be fully encircled by the EU in about three months time. NATO troops have been present in the region for more than ten years.

All the countries are at different progressive stages of their integration into both EU and NATO.

At present we are facing the last major unresolved issue of the breakdown of former Yugoslavia: the question of the future status of Kosovo.

The penultimate issue was resolved in a referendum on May 21, 2006 when the electorate of Montenegro opted for independence, and separation from the State Union with Serbia. In a peaceful, orderly and rule-based procedure overseen by EU representatives the people of Montenegro voted with a majority of 55.4% for independence.

Due to the absence of the Balkans from the international headline news I wish to stress that notwithstanding the significant remaining difficulties, unresolved issues and subsequent challenges that lie ahead—the region is moving in a positive direction.

This is the reason why it is imperative that all those in the US, EU, NATO who have been working with the citizens and governments of the region continue to move the democratic and EuroAtlantic agenda forward—stay the course and see these peaceful processes through to their haven of a Europe whole and free.

The positive peer group effect among the countries in the region should not be underestimated. At an important level they do act as communicating vessels—observing each other and having ultimately, with all their differences, a mutual pulling effect toward Euro-Atlantic integration. This sometimes, fortunately not often, has its converse side.

Enlargement for the Western Balkans seems to be on course in spite of the “enlargement fatigue” and “absorption capacity” issue that appeared after the French and Dutch referenda last year. Apart from the emphatic, repeated commitment coming from the administration of the EU in Brussels (originally made at the EU Thessalonica Summit in June 2003), it is interesting to note that the possible future candidate for the French President, Nicholas Sarkozy, with no ambiguity, most recently said that the Western Balkans will be members of the EU.

SERBIA

Mr. Chairman, Serbia is at the heart of this remaining as yet not formally integrated region of the Western Balkans. It is the largest country by territory and population. Its role in contributing to lasting stability and peace is fundamental. That is why staying the course with the democratic citizens and democratic leaders of Serbia as they tackle the remaining key challenges is a way to succeed in the immediate future—in an area in which the Western alliance has now been present with significant human and material resources for a long period of time.

It goes without saying that it behooves the government and citizens of Serbia, to do everything in their power and more to accelerate the democratic reform dynamic, see to it that the outstanding obligations toward the International Criminal Tribunal for the Former Yugoslavia are fulfilled, and that the future status of Kosovo, whatever the solution is, respectful of the legitimate rights of all, be seen through in a peaceful stabilizing process, avoiding any recurrence to non-democratic means.

Serbia’s demonstrable prudent, constructive and stabilizing role should be the goal of all of its responsible leaders, its civil society and media. This is the only way to forge a future-looking agenda which will allow us to continue overcoming the burdening legacies of the past with a civic and democratic approach.

The obstacles and pitfalls are as in any similar situation not to be neglected. The struggle between the friends of democracy and those who would like to slow down or reverse the course of Serbia’s democratization and modernization is still ongoing in certain spheres.

As an example of the retrograde forces still at work one can cite the recent spate of vitriolic hate speech against the Deputy Prime Minister of Serbia, Ivana Dulic Markovic, as well as in a variety of tabloid newspaper attacks against prominent civil society leaders. There has been a public outcry, condemnations by officials and a demand that the prosecutor’s office be involved in investigating and possibly prosecuting these incidents.

The continuing legitimate political transition, the early stages of democratic pluralism, the political parties' search to assure constituencies and a foothold in the political market are all often disruptive—disruptive of the need for a consensus on means to rapidly accomplish a future based on fundamental democratic and modernizing goals.

Thus, apart from full Serbian domestic engagement, a commitment to change, and a democratic future, help and support from friends and allies is of the essence to see these processes of consolidating democracy and fostering a democratic political culture—a key ingredient to stability and lasting peace in the Balkans.

SERBIA: FUTURE DIRECTION

The future direction of Serbia is clear. It is towards the EU, NATO, and WTO. Serbia made this choice in the fall of 2000, when it defeated Milosevic and his regime in a peaceful, non-violent, electoral battle. This was the long sought after victory achieved by an alliance of democratic political parties, civil society, democratic media, the citizens and youth. This civic, democratic victory was home-grown and achieved after many struggles and through a long, painstaking learning process that began in 1990. This is a cardinal positive democratic legacy for the future. Although difficult maybe to understand today, it will prove to have been the defining moment of Serbia's democracy.

All the subsequent elections (in particular the parliamentary in December 2003, and the presidential ones in June 2004) have confirmed this choice and the new concomitant deeper political sociology of Serbia: namely that (broadly speaking) the majority of the Serbian electorate votes for the democratic parties, against a minority who votes for a combination of old-regime, populist, chauvinist parties.

Thus, the mid-term future is easily foreseeable. Serbia will join the other countries of the region on the path to full EU integration; it will become a candidate for membership and will begin EU membership negotiations after signing a Stabilization and Association Agreement, hopefully soon. It will become member of Partnership for Peace and will rapidly begin work on a Membership Action Plan (MAP) for NATO. It will join the World Trade Organization and with a projected 5.5% growth rate this and next year it will be catching up its neighbors, and attracting investments due to a much greater degree of certainty and stability.

The real issue we are addressing here today, and in general, is the very short term—the next nine months in its geopolitical, political, economic, security, judicial aspects. The question is: how does Serbia navigate the upcoming straits, the Scylla and Charybdes, and sail into the chartered waters of the full integrative processes?

In fact the integrative processes are happening in parallel while the country addresses the outstanding unresolved issues.

I will briefly attempt to portray the current issues by addressing the difficulties and obstacles in the path of Serbia's movement forward, but also how Serbia has become a responsible and prudent neighbor and regional partner, as well an engaged contributor to stability and security in the region and is making its first steps of contributing to global security operations.

SERBIA AT THE BEGINNING OF YEAR SEVEN OF TRANSITION

Here are two stories to show that only a complex view of transitional processes in general, and in Serbia in particular, can help us understand how far we've come and how far we need to go.

1. It is just three months ago, on June 22, 2006, that two US Air force F-16s from the Aviano air-base in Italy flew to Serbia and landed at Batajnica air-base accompanied by two MIGs of the Serbian Air force—for a friendly visit. These were planes that had bombed Serbia only seven years ago. The Minister of Defense of Serbia and generals of the Serbian Air force were on hand to greet them. The event was accompanied by extensive press reports and no negative reaction of any significance was aired. I believe this example, at the time when in another country there were protests against a similar event, exemplifies in a specific way the state of mind and heart about where Serbia's alliances are and where the future direction of the country is, notwithstanding the fact that those of us who lived with our families through the 78 days of the bombing will carry that traumatic experience with us always.
2. It was during the seventh year of the transition in Spain after the end of Franco's regime, that a certain Colonel Tejero with a group of officers entered the Spanish parliament and attempted to turn back the wheel of democratization by overtaking violently the Spanish Cortes.

Serbia in two weeks enters into its seventh year of democratic transition. One has to think back to the end of 1995. To the situation and challenges faced by the countries of Central and Eastern Europe that were still nine years away from EU membership. Slovakia was had still three more years to go under Meciar's rule.

The intention of these examples and comparisons is to draw attention to the fact that, although different, certain patterns in the processes of confronting the difficult legacies of the past are discernable, and should be taken into account when analyzing the current situation and determining what can be expected about the path forward and its speed.

Briefly, Serbia confronted a most complex political landscape after October 2000: a government in which the victorious democratic family had to share power with the old regime until December 2000 in the Serbian Parliament, and until February 2003 in the Federal, i.e. State Union Parliament of Serbia and Montenegro. This is often forgotten. Mrs. Mira Milosevic, sat as a member of the State Union Parliament until February 2003 (when she fled the country to go to Russia, where her son had fled in October 2000).

Once having taken the reigns of power at the level of Serbia (within the still Federal Republic of Yugoslavia) Prime Minister Zoran Djindjic initiated a fast paced democratization and modernization reform and privatization process which helped Serbia lurch forward. These were the days of the reform "dream team." Slobodan Milosevic was arrested and sent to the ICTY in June 2001 followed by numerous other indictees. Djindjic began towards mid-2002 to set up a whole judicial framework for the struggle against organized crime and war criminals. The result was the creation of a special court for war crimes and organized crimes, with protected witness schemes to begin eradicating the bad legacies of the criminalized state left by Milosevic's regime through due process. This meant complying with and addressing the required obligations of international law.

The Spanish Colonel Tejero, in his Serbian guise proved to be much more dangerous, because parts of the state security services plotted to turn the wheel of Serbian democratic reform backwards by assassinating Prime Minister Djindjic in March 2003. This was a severe and traumatic blow to Serbia's fledgling democracy in year three. It took away the most committed and determined of Serbia's leaders—a true enlightened democratic modernizer.

Fortunately, thanks in greatest part to Zoran Djindjic's own Herculean efforts and results in democratic state institution building, Serbian democracy was able to throw the gauntlet back in that traumatic moment. By introducing a short lasting state of emergency the government of Prime Minister Zoran Zivkovic rounded up the perpetrators of the assassination and of many other previous crimes and put them on trial.

The killing of the Prime Minister slowed down dramatically the initial pace of reform. Serbia went into an electoral cycle at the end of 2003 and has had a government led by Prime Minister Vojislav Kostunica since March 2004.

SERBIA: CURRENT ISSUES

Serbia is faced with several practical domestic political choices. Should it call for elections before going into the final stretch of the resolution of the future status of Kosovo? Or should the current government run its full course and hold elections within, more or less, the regular time frame of 2007?

It is my firm belief that the future democratic direction of Serbia will be confirmed at the next parliamentary elections (whenever they take place—before the New Year or in 2007). All relevant polling data (even the most recent published last week by CESID and Medium-Gallup) and in depth surveys over the past three years show that a coalition of democratic parties carries the majority, even though the Radical Party may result in being the strongest single party in an election. The political reality is that it will not be able to form a government.

But, clearly, such a potential victory for the democratic family of parties has to be most assiduously and seriously worked for. It can be earned by addressing the needs of the electorate and more particularly the disillusioned citizens, prone to abstain due to what they perceive as 'politicking', instrumentalization of politics for personal or particular ends, a slowness in accomplishing promised reforms and betterment of standards of living. There has been much procrastination on a number of issues and this has led citizens to feel left out.

SERBIA AND MLADIC

Several considerations have to be taken into account, but the defining issue the one on which all issues hinge in the short term is the whole issue of the obligations

toward the ICTY, and in particular the necessary arrest, by Serbian authorities, and delivery of Ratko Mladic to the Hague.

It is this remaining Gordian knot that stands out as the key obstacle in Serbia's forward movement.

The current government and its Prime Minister, after having neglected cooperation with the Hague Tribunal as a state priority, went through a dramatic change of mind when under their watch 16 indictees ended up in the Hague from February to April 2005. But everything stopped after that, notwithstanding strong rhetorical pronouncements that Mladic was a priority and that "he should have been in the Hague yesterday." Serbia, its 7.5 million citizens, finds itself hostage to the fact that it has not fulfilled its international legal obligations.

When will Ratko Mladic be apprehended and sent to The Hague? The EU Brussels administration again last week called for Serbia to fully implement its own Action Plan designed to make the search for Mladic and the remaining indictees more efficient. US Ambassador John Clint Williamson was in Belgrade last week with the same message.

The great majority of public opinion in Serbia will not flinch when Mladic is arrested and sent to The Hague just as it did not when the same fate befell Milosevic. Serbia is ready and eager to move forward. This stalled situation is frustrating the need to accelerate the reform process and catch up to the countries in the region that are ahead. Everyone is carefully observing every move and statement of the government to see whether we are closer to this goal.

Were Mladic to be arrested the full positive policy direction of EU and PfP/NATO integration would come into play. This would bolster the country in a significant way. The image of the country would be boosted and self-confidence would be buttressed.

The future of Kosovo and Metohija, the Autonomous Province of Serbia, under UN Security Council Resolution 1244 control, is being negotiated and debated today at the UN General Assembly by all the relevant international and domestic actors.

The Contact Group (France, Germany, Italy, Russia, US) within the EU seems inclined to a form of conditional independence for Kosovo which would be defined by a new UN SC resolution. Many questions arise. Will Russia and China obstruct or accept (abstain) such a solution? Will the EU take over the protectorate mandate from the UN as it seems by the latest decisions of the European Council preparing an EU mission? How many troops will remain? Currently there are around 17,000. Will it remain a NATO mandate or will the EU take over as it did in Bosnia and Herzegovina? How will the high levels of organized crime and corruption be dealt with? Will there be an international judicial presence? In other words, what would be the substance of the adjective "conditional" and how long would it last for?

The question of regional Balkan stability arises with regard to this future status of Kosovo. Nearly all regional leaders from Bulgaria, Greece, Romania, and others in less open ways are concerned with the impact of an imposed or partially imposed solution, one in which the parties are not in full or partial consent. Whatever the solution to the future status of Kosovo, respect for human rights, for the right of return, for local rights of self-government, for the right of the Orthodox Church to have a special status as an institution, for the right of heritage sites to have full protection and sustainability—all have to be upheld. This is what was supposed to be the "standards" that should have been implemented before defining the "status." It is clear now that the situation is advancing to a definition of status towards the end of this year (with a possible postponement until spring), heavily conditioned, a continuing protectorate, under which only then standards should be implemented.

The question for Serbia is how it will react in case such a potential process goes forward. The Serbian Parliament last week voted to stipulate in the new constitution being prepared and slated to be finalized by the end of the year, that Kosovo and Metohija have been, are and will be part of Serbia. But in the statements made by both the President and Prime Minister a response using violent means has been fully ruled out.

The new constitution that was stated as the key priority of the incumbent government is now at the top of the agenda, and the political parties seem to be edging towards a compromise on its content. Were it to be finalized and presented to the people of Serbia for a Referendum, there is great likelihood that it will be passed. The great lacunae of this process is that there is as yet virtually no real public debate on the substance of the constitution. It would be desirable that the Serbian public be given a chance to deliberate on what for any country is a grounding document that defines its present and future.

The vote in a referendum for a new constitution would open the way for parliamentary elections. The ruling coalition party G17 had indicated in May 2006 that, were the negotiations between Serbia and the EU to remain suspended, the

party would leave the Government thus creating a governmental crisis. There are speculations in fact that G17 ministers would resign, keeping in that way their promise, while being obliged to stay in their posts as caretakers.

SERBIA ADDRESSING ORGANIZED CRIME, WAR CRIMES AND CORRUPTION.

It should be noted that Serbia is one of the rare countries in the region in which a Supreme Court Judge has been arrested (Ljubomir Vuckovic in September 2004) and tried for corruption and sentenced to eight years in prison. There have been a number of arrests in the principal Commercial Court pertaining to what has been named the "bankruptcy mafia." Investigations are still on course.

The US Government last week in Belgrade gave a \$9.4 million grant to work on revising legislation and procedures related to bankruptcy.

The courts dealing with war crimes have been fully active. The most recent closed case is on the Vukovar, Ovcara farm crime, with severe sentences for the accused.

Regional cooperation in the Dayton triangle (Bosnia and Herzegovina, Croatia, Serbia) is very intense. The public prosecutors of the three countries have reiterated their willingness to cooperate and exchange information and materials. A weeklong meeting on issues of Transitional Justice, in Igalo, Montenegro this summer under the auspices of UNDP, allowed judges and prosecutors to exchange and discuss their mutual experiences relating to war crimes trials, issues of reparations for war victims, the necessary reforms to state institutions and to establishing truth about the past. They agreed to establish a permanent regional working group.

The process of establishing an independent judiciary has proved to be one of the most difficult issues in countries of post-communist transition. The Serbian case is additionally burdened with the issues of the legacy of the war of the 1990s and of the brutal assassination of the Prime Minister by state security services.

The trial against those who perpetrated the killing of Prime Minister Djindjic has now been ongoing for three years. It has advanced all too slowly with many twists and turns, which has made it particularly frustrating for the family of the late Prime Minister and for democratic public opinion. Due process is being respected and the trial will probably arrive at a condemnation of the accused in the not too distant future. The trial suffered a set-back with the resignation of the chief judge in the trial (Marko Kljajevic), the reasons for his resignation are not fully clear.

It is important to note that the most severe sentences have recently been passed (against the same indictees) in the trial for the assassination of Ivan Stambolic, former President of Serbia. In his closing statement the public prosecutor, Miodub Vitorovic, linked Slobodan Milosevic directly to this crime and said that he was at the top of this pyramid of (state) crime. The Supreme Court of Serbia confirmed the sentences of 40 years for the key accused persons. Prosecutor Vitorovic's mandate as a special prosecutor was not renewed, and this caused much criticism and disheartedness.

SERBIA'S MILITARY AND PARTNERSHIP FOR PEACE

In a testimony I gave to the US Senate Foreign Relations Committee on July 14, 2004, I stressed the importance of Serbia and Montenegro being accepted in NATO's Partnership for Peace. I have repeated this plea at a hearing in front of this Subcommittee on April 5, 2005. What I stressed and repeat here today is that it is hugely detrimental to the goal of stability, security and peace in the Balkans to have the then two, now three remaining countries (Bosnia and Herzegovina, Montenegro and Serbia) outside of this crucial institution which moves the military and its country into a collective security alliance.

We are now in 2006, two months away from NATO's Riga Summit. It would benefit all were the three countries to be taken into the Partnership for Peace program. Need I remind that Belarus is for example a member?

It is worth here stressing that the US Government has seen fit to go around this problem and in the recent past has developed intense bilateral relations between the Pentagon and the Serbian Army. Exchanges have been intense. President Boris Tadic during his visit to Washington DC two ago signed a Status of Forces Agreement. Furthermore an agreement of cooperation was signed in Columbus, Ohio with the National Guard of Ohio.

The Serbian Government in addition last month decided that the Serbian Army would send contingents to the multilateral forces in both Afghanistan and Lebanon. An idea to send Serbian troops to Afghanistan was initially proposed by Prime Minister Zoran Zivkovic in the summer 2003 during his visit to Washington DC.

All this stems among other from the fact that integration into NATO is defined as a priority in the National Defense Doctrine, which was voted on by the parliament of then Serbia and Montenegro a year ago.

The reform of the military overall and in particular of military security is a key chapter on Serbia's way forward. Many officers in the Military are regaining and eager to regain their rightful position domestically and in international missions, after having been as an institution instrumentalized by politicians in the 1990s. A new generation is rising of which the acting Chief of Staff is an example. They would like to follow in the paths of those Serbian military traditions who were with always (except for the 1990s) part of the Western Alliance throughout World War I and II, and in key peace keeping missions after WW II. One need only mention that a then Yugoslav general Slavko Jovic was head of the UN monitoring mission in 1988 after the eight year Iran—Iraq war.

Membership in Partnership for Peace would support all democratic reform minded citizens of Serbia but those in the military especially.

Security in the Balkans is still and shall be dependant on the presence, in particular in the protectorates on the United States, the European Union and NATO. They are seen as the guarantors in the ongoing EuroAtlantic processes.

REGIONAL AND BILATERAL COOPERATION IN THE BALKANS AND SERBIA'S ROLE

Regional collaboration and cooperation is an untold story of the Balkans. Its multifaceted forms have grown and branched out across the region. The homegrown South East European Cooperation Process (SEECP) is one of the most significant intergovernmental institutions of the region. It has spearheaded an agreement on cooperation in the field of energy, by the announcement of the creation of a regional energy market. One only needs to read the Sarajevo Declaration of 21 April 2004 emerging from the summit meeting the heads of state of the SEECP to realize the range and depth of ongoing initiatives in the fields of combating organized crime, security and defense exchanges, asylum, migration and sustainable return.

Serbia has taken an active role in these processes. Goran Svilanovic, chairman of the Democratization working table of the Stability Pact has taken an active part in reforming the Stability Pact for SEE, with the Chair Erhard Busek and others.

But what is unseen to a broader international public is the intensity of the regional and bilateral dialogue. President Tadic was the first foreign president to visit newly independent Montenegro. On the same regional trip he visited the Krajina region of Croatia together with President Stipe Mesic and addressed the Serbian minority there urging that their loyalty is with their state of Croatia. In Bosnia and Herzegovina Tadic strongly emphasized that it was in Serbia's utmost interest to see a sovereign Bosnia and Herzegovina prosper and that issues of a referendum in the entity of Republika Srpska were not on the agenda.

Serbia is playing a key role in helping create a multilateral free trade agreement in the region, to be in fact part of CEFTA. This should spur free trade, leading eventually to a custom's union and ultimately integration into the EU's single market. The negotiations are ongoing at moments difficult due to differing levels of economic production in a variety of spheres.

To many this is an invisible network. But it has taken on a life of its own and is a crucial component of the general movement toward reconciliation and toward the recognition, fostering and then buttressing, of common interests and approaches to joint challenges.

The visit of Croatian Prime Minister Ivo Sanader to Serbia on July 22–23 July, this year was a major bilateral achievement. All issues between the two countries were laid out and addressed—some resolved, some with well defined ways of resolution. The Serbian—Croatian bilateral relationship is key to the overall stability in the region of the Western Balkans and this visit has confirmed the understanding of the responsibility that both sides have to strengthen it.

Bilateral relations with all other countries are most positive notwithstanding unresolved issues that at moments are prone to flare up.

SERBIA'S CIVIL SOCIETY

It should not be left unsaid that Serbian civil society plays an important role in the overall democratic process. Whether through social support programs, cooperating as much as possible to the extent that the government opens spaces, on the Poverty Reduction Programs, on advocacy to implement legislation such as the Freedom of Information Act, or simply and importantly raising its voice when injustice, intolerance, hate speech, violence rear their ugly head.

In dealing with the past civil society has been and is playing an important role, often working together with certain media outlets. One example is the documentary on "Vukovar" co-produced by a Serbian (B92 Television) and a Croatian team which was extremely well accepted by publics in Belgrade and Zagreb and then received the key Prize at the Sarajevo documentary film festival.

The efforts that civil society organizations have put into dialogue and reconciliation efforts are commendable. In particular currently a variety of projects are ongoing in which Serbs and Albanians are involved together at the community level for example.

Civil society is playing an important role in cross-border cooperation and transferring best practices.

Donors are still present and apart from the European Union as the most important donor, the US government through USAID and its implementing agencies, as well as Swedish, Dutch, German donors are making a significant contribution. This effort should be continued and reinforced as we go into the final stages of stabilization in the region.

The German Marshall Fund of the United States and its project of the Balkan trust for Democracy which I lead, are a long ten year commitment to the regions efforts at democratic consolidation

CONCLUSION

Serbia along to being a “normal,” post-communist transition country, has an additional immensely burdening legacy of the retrograde, anti-democratic regime of the 1990s. This recent past had struck back through the assassination of the Prime Minister Zoran Djindjic adding to the difficulties and slowing down what had begun as an accelerated exit from the past into the future.

A policy creating a strong constituency for reform, bringing together political parties, civil society and economic actors ready to take over responsibilities and the hard work of change is warranted for. Only this can allow Serbian society to dispel the lingering nefarious fantasies of the past.

Leadership is needed at all levels both domestically and internationally in the case of Serbia and the Balkans so as to arrive at stable and secure region. The Montenegrin referendum and the lead-up to it demonstrate how when domestic and international actors focus, they can prove that by playing by consensually accepted rules, outcomes become acceptable. This should be replicated in other instances. These processes must be conducted with care and caution

The magnet of Europe and its transformative (soft) power are defining as I mentioned at the beginning the behavior of all regional actors and so of Serbia as well. All wish to be in the EU and NATO and will thus align their acts to that goal.

It is time also for business leaders to play a much more active role in taking the country forward. It is only by creating the full conditions of an enabling investment environment with a breaking down of a variety of still existing monopolies that the economy will be able to begin fully prospering.

As the past and conflict recede in time, the vision of integration takes precedence. The attraction that the model of membership creates, the virtue of precedent of post-communist countries entering the EU and NATO in 2004—all provoke a pulling effect.

The future of Serbia and of the whole Balkan region is within the EU and NATO.

Mr. GALLEGLY. Thank you very much, Mr. Vejvoda. You have already answered one of the questions that I was going to ask from your standpoint. I would like to ask Dr. Serwer: How strong a support for the SRS do you see there is for the SRS? And do you see any prospect of it coming into power? And if so, what would the consequences be if that party entered into the national government?

Mr. SERWER. The polls show the Radicals with somewhere in the low 30s by way of support. There are a lot of people who feel that there is kind of a ceiling on their support. That they cannot go much higher. I am not so sure about that. I think in a referendum on Kosovo, and an electoral campaign that follows, that they could really do quite well.

But I do not think it makes any difference. This is a democratic system. They are an unreformed Greater Serbia Party. They supported thugs and deployed thugs during the early 1990s but they cannot do it again. They do not have Milosevic in power to help them do that, and the neighbors will not allow it anymore. And the internationals will not allow it.

My view is that if Serbia wants to be governed by these people and chooses them in a democratic election, I find it hard to object. I find it, however, much easier to decide the issue of Kosovo if they are in power. I am frankly quite concerned that what Ivan Vejdoda suggests is not true. I am concerned that Tadic and Kostunica will not do as well as he thinks, and I am not so sure that they will decide to govern together either.

Mr. Kostunica shares the Greater Serbia views of the Radical Party. There is no difference between them on whether Kosovo is an integral part of Serbia and on whether part of Bosnia should be part of Serbia. These are well-established views, and frankly I think there are real possibilities that a right-wing nationalist coalition would come to power in Serbia. But again, I do not see anything like the kind of trouble that they caused in the past. I do not see anything like that in the future, and I think we could readily prevent it.

Mr. GALLEGLY. Thank you. Ambassador Rondos, your answer to the same question?

Ambassador RONDOS. Thank you, and thank you for giving me the opportunity because I completely differ with Dr. Serwer on this. This is not the Prime Minister Kostunica that I know. He is a patriot. Thank goodness we have them in every country. He has a deep feeling for all Serbs who are within his borders and those who are without the borders. That is a perfectly justified point of view to have.

But this is a man who is a democrat, a constitutionalist, and a darn good politician who knows exactly where his limitations are. What he is struggling with is how to choreograph the fate of his country and the politics of his nation over the next 12 months. This is absolutely fundamental to understand, I think.

Prime Minister Kostunica is clear, as everyone is, that Kosovo is a historic part of the Serbian territory. He also knows and understands what is happening in terms of political reality as it unfolds. Secondly, I have been struck by the fact that Prime Minister Kostunica has come out repeatedly to note that whatever happens with Kosovo, it will be done only with legal means, and also President Tadic and Kostunica have come out recently arguing very strongly to tell the Bosnian Serbs that they must do everything that they can to exist within Bosnia itself.

I think that needs to be acknowledged, that they have those views that are what I call patriotic. There is a definition here between ugly nationalism and healthy patriotism. They put them squarely in the camp of healthy patriots, and then good for them, and we have all got to learn to deal with that too.

Mr. GALLEGLY. Mr. Vejdoda, maybe you want to give that a shot as well.

Mr. VEJVODA. I will just add a few elements to what I have already said. The polls have showed that the Radicals are the party that comes out on top, and there are many reasons for that. There is a lot of social discontent. Apart from being a nationalist party, it is a party that gathers a lot of the social protest vote or inclinations of those who have paid the cost of unemployment as we have gone through the economic transition.

But conversely there is a lot of disillusionment with the government and with the democratic parties who have not been able to deliver on a more prosperous Serbia, and I think we have seen that in all transition countries from the Baltics in the north to the countries in the south. And it behooves those democratic parties, as we go into an electoral campaign, to mobilize those who have been disillusioned and who in fact are part of what I would call a silent democratic majority that needs to be gotten out of their houses and come out and vote that day.

So the polls do reflect, of course, a current reality but I think that reality will be different come decision-time in the booth when people will cast their vote. But more seriously, the deeper political sociology that emerges from all the polling over the past 3 years, not to mention the past 6 years, is that a democratic coalition, whether it is spoken of or unspoken of, wins the day in the elections, but it requires the work of the leaders and of the party members to go out and do that door-to-door campaign to explain why it is important that we do not have the Radicals win.

They might come out on top as they did in the last election but ultimately it is the democratic parties who come below them that will have a majority of the votes to constitute the next government.

Mr. GALLEGLY. Before I defer to the gentleman from Florida, the Ranking Member, I have been called to the Intelligence Committee, so you are going to have to forgive me. I am going to turn the Chair over to Congressman Poe, and with that, Mr. Wexler, you are on.

Mr. WEXLER. Thank you.

Mr. GALLEGLY. And again forgive me for having to leave.

Mr. WEXLER. As you are leaving, Mr. Chairman, I just want to thank you for organizing a fascinating discussion, and to each of the panelists, I think we benefit greatly from hearing your very candid thoughts.

I am trying to marry, to a degree, the three responses. Dr. Serwer, if I understand this correctly, if you are right and no Serbian politician will ever be able to deal with Kosovo in a fashion that will satisfy the international community so, therefore, do not delay; and the worst that can happen is the more radical elements gain power which, under your view, then makes it easier for the international community to determine the question of Kosovo; if you are right, I think I understand the consequences. But if you are wrong, and we moved on Kosovo too early, which then had the ripple effect that these two witnesses speak of and we undermine to a degree the ability of people like President Tadic, who I think at least from an American point of view would always be advocating a more responsible position, then we will have compromised or completely undermined the opportunity for a more rational, more moderate approach to an end game in Kosovo.

I understand what happens if you are right and I think I understand what happens if you are wrong. The only thing we lose by testing to see whether you are wrong, to determine whether you are right, is 12 months. If we assume you are right, then we never find out whether you were wrong because there will not be any opportunity.

Mr. SERWER. Mr. Wexler, I am afraid this is an argument for postponing almost any decision.

Mr. WEXLER. But it is only 12 months, in fairness. It is not 5 years or 10.

Mr. SERWER. It does not even have to be 12 months. The fact of the matter is, that if Belgrade calls elections tomorrow or calls for the referendum, approves the Constitution and calls elections, they can do that. We cannot do a thing about it, and it will cause a postponement. But why would you expect things to be better after a referendum and election in which the only serious issue is whether Serbia is to hold onto Kosovo or not?

You cannot expect of democratic politicians, responding to their constituencies, as they should, more flexibility after a referendum and an election campaign of that sort. The fact is that they have shown no flexibility up until now. They are painting themselves into a corner intentionally to be able to give as little as possible, and inviting an imposed solution.

It seems to me that to back off at this stage would be to try the patience, if I may put it that way, of 2 million people in Kosovo. This is a situation in which there are two sides to the equation.

Mr. WEXLER. Absolutely. In your view, may I ask you, are the people in Kosovo better off or worse off if the Radicals win the election?

Mr. SERWER. I think most people in Kosovo would see a Radical victory in the elections as confirming what they believe is true, which is that Serbia is determined to hold onto Kosovo and has not given up the greater Serbia program in its heart. That there are people who have given it up, that there are people who look forward to NATO and the EU, I have absolutely no doubt. They have very little traction on that issue, and you can see it in the failure to capture Mladic.

There is no question in anyone's mind that for a good part of the year, since the fall of Milosevic, Serbia could have taken Mladic. The question may be whether they know where he is now, but that they could have at one time is absolutely clear. Why did they not?

Mr. WEXLER. If I could follow, and this will be it for me for now; as you understand American foreign policy interest in the region, are we better off or worse off if the Radicals win the election?

Mr. SERWER. Look, I am a believer in democratic process, and I think we are best off if we stop trying to tamper with the democratic process in Serbia. There has been a pretty concerted effort from Washington over several years now to prevent Kostunica's Government from falling. This kind of diplomacy does not impress me.

I think we are committed to a democratic system in Serbia, and have to be committed to the results. If the Radicals come to power, I have no doubt but that that will delay some good things that could happen between the United States and Serbia, but it would be the choice of the Serbian citizens not of the United States.

Mr. WEXLER. Thanks.

Mr. POE [presiding]. Chair recognizes Mr. Engel.

Mr. ENGEL. Thank you very much, Mr. Chairman. The argument from Mr. Rondos and Mr. Vejvoda seems to be, do not decide Kosovo now because by doing so will just strengthen the hands of

the Radicals in Serbia. The converse, the opposite of that, is if you do not decide it now you strengthen the hands of the Radicals in Kosovo because everything is an action and reaction.

There are two sides to the equation. I think the Serbian people have a decision to make, and I hope that Serbia will eventually become part of the European Union and even NATO, and I hope that the United States and Serbia will have a long and fruitful alliances. Mr. Vejvoda pointed out Serbia has been an ally of the United States for the better part of the 20th century anyway.

I think that the Serbian politicians really need to start talking the truth to the Serbian people, and the truth is that for whatever reason—and certainly Milosevic' genocide and ethnic cleansing is a major reason—that Serbia has lost Kosovo. It may not be fair. It may not be right. It may even be in people's hearts.

They feel it is an outrage, but the fact is you have 2 million people living in Kosovo that do not want to be ruled by Belgrade, and if there had been a more enlightened leadership in Belgrade throughout the course of the 1990s and early 21st century, perhaps it could have been different. But you cannot go back and what it is, it is. You know I think that Serbian politicians need to tell their people the truth, and they are afraid to tell their people the truth because they are afraid of what the reaction would be.

But I will tell you something. I think that to delay this decision on Kosovo would be the absolutely worst thing that can be done, and I think that ultimately once Kosovo becomes an independent country—and it will—I think that it will accrue to the benefit of Serbia as well because it is a monkey that Serbia can finally throw off its back, and it does not mean that Kosovo should become independent and that the Serb interest in Kosovo should be ignored, because there are still many Serbian people living in Kosovo. Serbian citizens living in Kosovo. They have to be protected. Serbian holy places, religious places, have to be protected.

There are going to have to be all kinds of safeguards, and it is no blank check for Kosovo. They are going to have to be democratic and abide by the same principles that we would expect Serbia to abide by. I think Dr. Serwer pointed out that Serbia has not turned over General Mladic to the International Criminal Tribunal. The former Prime Minister of Kosovo turned himself in when he was indicted, and the rhetoric out of Serbia just continues without abeyance.

So I want to see Serbia integrate into the region with North Atlantic structures, but I do not believe that the region or Europe should be held back while Serbia is held up by its Radicals or while it clings to false hopes that it will hold onto Kosovo. We should get on to settling the status of Kosovo, and we should do it before the end of the year. It needs to be done, and we need to finally try to put that region on an even keel.

While I am sympathetic somewhat to the people who say, "Please do not punish us for what Milosevic did"—and that is why I think that there are plenty of carrots that can be offered to Serbia, European Union admission, NATO admission, all kinds of things—we need to do that. We owe it to the Serbian people but we cannot close our eyes and pretend that the ethnic cleansing and the genocide never existed.

So that is my statement. Anyone wants to comment on it, I am very happy to do it, but let us also remember that you have got 2 million Albanians in Kosovo who are not going to take kindly to another delay. We have Radicals, Radicals do not only exist on the Serbian side. They exist all over, and moderates exist all over. And I think the moderates in Kosovo and Pristina, we want to strengthen their hand as well, and the way you do it is by coming to the only conclusion I think that can become, and that is decide Kosovo's status now. Anyone who wants to comment on that I would be happy to hear what they have to say.

Mr. SERWER. Mr. Engel, I wonder if I could just comment along these lines, and I know you do not disagree with this. The biggest obstacle between Kosovo and final status that comes from inside Kosovo is the failure to treat the Serbs correctly and to get them back to their homes. And so it seems to me that is where the moderates in Pristina have their obligation really to make returns and correct treatment of the Serbs a top priority.

Mr. ENGEL. Dr. Serwer, I could not agree with you more, and I have said that wherever I go, and I am convinced that the leadership in Pristina understands that and means it. I just hope that we can get the same thing out of the leadership in Belgrade.

Ambassador RONDOS. Mr. Engel, I think you are raising an absolutely critical issue, and I think there are a couple of things here. Speaking as someone who looks at the region and deals with the region from Greece, so it is an integral part for us existentially, Greece is a nation which has almost a million Albanian immigrants who are part of our life daily, for example.

We have an historic relationship with Serbia as well. So looking at it from that perspective, it is absolutely clear that we must make sure that when we discuss the Kosovo situation we do not end up dancing on the head of a pin. There is an issue here about how this region is going to emerge in the best possible way, and as soon as possible heading toward Europe, NATO, all those good things in life.

And I think that you are touching on the critical issue. There are 2 million Albanians in Kosovo who feel they have an absolute, profoundly-felt sense of unrequited destiny. Let me put it that way. And that is something that has to be acknowledged by everyone in the region. That is absolutely clear cut.

I think that there have been two things that certainly worry me, and I reduce this now to the tactical level. If we want to come out to a region, an entire region, that is not just Serbian, an entire region that is in the European Union, associated with NATO, prosperity on the rise, rule of law, all those things that we are desperately in need of, we need to arrive at two points.

One is how can we get Albanians and Serbs actually to be talking to each other rather than talking through international diplomats? I mean this is my own personal view, and with all respect to the process that is occurring in Vienna in the like. Sooner or later people have to sit at a table and just talk to each other and come to some arrangement, and I hope that starts happening soon. I say this irrespective of the timing of elections and timing of decisions. That is the way you negotiate with maturity and arrive at a solution that will be to everyone's benefit in the long run.

Now, on the question of delay, I tend to look at it quite simply by saying that I think that everyone understands where the reality lies, but in terms of politically, I see it as political choreography. How do we make sure that everyone, especially those who are moderate on both sides of this equation, can arrive and emerge as winners? This is the key. Is it before or after? I happen to think if one could wait until after Serbian elections there would be democrats in Serbia emboldened to deal with issues.

I may be proven wrong but that is my view, and my hope is that at the same time there would be the moderates—of whom there are many in Kosovo—who would also be ready then to sit at a table and start hammering out the sort of deal that will make everyone better off. But ultimately it is about how the region, not just Serbia, has a soft landing, how a whole region lands, and that I think is the question we need to really come to grips.

Mr. ENGEL. If I might quickly, I know we have taken a lot of time and I apologize; there are those in Serbia, let us face it, who hope to delay this as much as possible and then ultimately hope to buy off some kind of a partition of Kosovo.

I just think that partition is the worst thing that we could think about because once you start changing borders in the Balkans—you gentlemen know better than I—there is no end to it, and I think we better be very, very careful, and frankly I think that the sooner we get on with what needs to get on with—you mentioned, Mr. Rondos, that everyone pretty much knows what the end game will be. The sooner we do it, I think, the better it will be not only for Kosovo but I think for Serbia as well. Thank you, Mr. Chairman.

Mr. POE. I just have a couple of questions. I would ask that you make it kind of simple. I am from Texas, and I would really prefer that it be very simple. Explain to the Western mind, and I am talking about the American mind, why there is a difference in independence for Montenegro and independence for Kosovo in the eyes of the Serbs. Who wants to take that on? It is a good question.

Mr. VEJVODA. I can give the constitutional and historical answer. Kosovo became part of Serbia in 1913 after the Balkan Wars and prior to the creation of Yugoslavia or, rather, the Kingdom of Serbs, Croats and Slovenes. Fast forward to post-Second World War, the republics that were constituted in the then-Yugoslavia were six, and Montenegro was a part and parcel republic whereas Kosovo was “only an autonomous province within Serbia” which had another autonomous province which was Vojvodina.

This was all enshrined in the last Constitution of the former Yugoslavia in 1974, where the republics did have the right to self-determination, as many Communist Constitutions had, but this right was not given to the autonomous provinces. That is sort of the legal answer that you would find.

Mr. POE. Anybody else want to make a comment on that? Mr. Serwer.

Mr. SERWER. Ivan is impeccable in his description of the legal situation. The real situation is that they could not do anything about Montenegro so they did not, and if Kosovo is granted a different status by the international community, by the Security Council, the same thing will happen. They will not be able to do anything, and they will not.

Mr. POE. I want to thank all three of you for being here. You know, as you mentioned, Mr. Vejvoda, the United States and Serbia have been allies for a long time. A lot of people do not know that, and in World War II, especially, the Serbian underground helped a lot of American fliers that were shot down, at the risk of their own lives, to get them back into allied hands, and a very good friend of mine who is now 93 is proud of his Serbian heritage, and emigrated to the United States, and he was one of those men that worked in the underground for 5 years helping the allies. But I want to thank all three of you for being here, and this Committee meeting is adjourned.

[Whereupon, at 2:28 p.m., the Subcommittee was adjourned.]

