

March 29, 1991

## AN AMERICAN RESPONSE TO THE BALKAN REVOLUTIONS

### INTRODUCTION

The East European revolutions of 1989 swept away the communist regimes in Czechoslovakia, East Germany, Hungary, and Poland, and replaced them with democratic governments. But not all the revolutions in Eastern Europe fared as well.<sup>1</sup> As unrest in Yugoslavia now illustrates, democratic revolutions have not succeeded everywhere in Europe. In fact, throughout the southern part of Eastern Europe – known as the Balkans – the democratic revolutions are stalled. In Albania, Bulgaria, Romania, and Yugoslavia remnants of former communist regimes, though renamed and reorganized, remain entrenched. There the democratic forces are embattled and even on the defensive. The United States so far has not yet updated its policy for dealing with the Balkans. It is time for the Bush Administration to do so.<sup>2</sup>

**Troublesome Region.** Given the Balkans' lack of resources, relatively small population, and minimal military significance, the U.S. has no vital economic, political, or security interests in the region. Historically, however, trouble in the Balkans has meant trouble for Europe as a whole. Obviously this was illustrated most dramatically in 1914, when the assassination of Austria's Archduke Ferdinand by a Serbian nationalist sent Europe spiraling toward war. The Balkans remained unstable in the period between the two world wars, when the so-called

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- 1 The term "Eastern Europe" has been used since the World War II to denote that area of Europe under Soviet control. Historically, however, the northern portion of that bloc – Czechoslovakia, East Germany, Hungary, and Poland – has been known as "Central Europe," a term which recently has returned to common use in those countries. Geographically, the European republics of the Soviet Union constitute the actual "Eastern" Europe.
  - 2 In addition to these countries, the geographic area known as the Balkans usually has included Greece and the European portion of Turkey.



“Little Entente” of Czechoslovakia, Romania, and Yugoslavia was created to resist any attempt by Hungary to recover Hungarian-populated areas in each of these countries taken from it in 1919. The region’s problems simmered just under the surface during the period of Soviet imperial rule after 1945, but now are re-emerging as Soviet power collapses. Thus, while the Balkans themselves may not be critical to U.S. interests, stability in the area is important to upholding America’s long-term objective of securing peace and security throughout Europe. By working to ensure that democracy and free enterprise triumph in the Balkans, the U.S. can help secure Europe’s future.

**Legacy of Political Repression.** The root of the region’s many problems is its legacy of political repression. Even before the half-century of communist rule that is now ending, the Balkan countries had little experience with democratic self-determination or economic opportunity. Rising ethnic tensions add an additional element of instability. In Yugoslavia, for instance, rival republics Serbia and Croatia threaten to plunge the country into civil war. And in the ethnically Romanian republic of Moldavia in the Soviet Union, seized by Moscow in 1940, a democratically elected government is attempting to break free of Moscow’s control and reunite with Romania.

For the West, the path to stability for the Balkans lies not in supporting current regimes, but rather in assisting the stalled democratic revolutions and free market

reforms needed to integrate these countries into the West. In the dynamic and often revolutionary political environment of the Balkans, "stability" cannot be understood narrowly as support for the status quo. Change is coming to the Balkans. It can come mainly through peaceful and democratic processes, or through violent confrontation between stubborn authoritarian regimes and the forces of change. Stability in the case of the Balkans entails the peaceful and democratic resolution of the region's many underlying disputes. While spreading democracy may not necessarily be the chief aim of U.S. foreign policy, in the Balkans U.S. support for democracy is compatible with U.S. interests.

America can assist in this process, but this is not a job for America alone. America's NATO allies and other European states, in fact, should be encouraged by Washington to take the lead in advancing Western interests in the Balkans. In this light, the unfinished revolutions in the Balkans present the U.S. with a chance to further another of its goals: reacquainting Europeans with their responsibility for upholding their continent's security, and reducing the cost and scope of America's own involvement in European affairs.

To achieve these objectives, the Bush Administration should:

◆ ◆ **Condition U.S. economic assistance to the Balkan countries on their commitment to democracy, market economies, respect for ethnic and religious minorities, and the peaceful resolution of disputes.** Each of the Balkan states faces an economic crisis and looks to America and its allies for economic assistance. This gives the U.S. and other Western powers considerable leverage to move the Balkan states toward economic and political reform. The Bush Administration is requesting \$470 million in assistance for Eastern Europe for fiscal 1992. As a condition for receiving assistance, the Balkan states must make progress toward democracy and such free market reforms as the privatization of state-owned companies.

◆ ◆ **Offer to negotiate free trade agreements with Balkan countries that have elected democratic governments and begun conversion to a free market.** Secure, unrestricted access to the American market would help Balkan economies far more than would foreign aid loans and grants and would benefit American consumers rather than drain the U.S. treasury.

◆ ◆ **Increase direct assistance to democratic forces in the Balkans.** The Liberal Party in Romania, the Democratic Party in Albania, the democratic opposition in Serbia, and other democratic forces remain under attack from communist regimes. American backing for these democrats, through organizations like the National Endowment for Democracy (NED), provides valuable psychological and material support. With few critical interests in the region, Washington need not court current Balkan regimes. Rather, Washington should put them on notice that it intends to support the full democratization of their countries.

◆ ◆ **Encourage West Europeans to join America and other Europeans in forging a front to promote democracy, economic reform, and stability in the Balkans.**

By coordinating economic and political policy toward the Balkans, the U.S. and European countries can exercise enormous leverage over the region's development. The U.S. should summon NATO foreign ministers to meet with the foreign ministers of democratic East European countries to construct a common policy toward the Balkans

◆ ◆ **Make democratization, economic reform, and respect for ethnic and religious minorities preconditions for lending by the European Bank for Reconstruction and Development (EBRD).** The EBRD, which begins operations next month, will be the West's principal lending agency to Eastern Europe. Its loans — funded by the U.S. and other Western governments — should support Western interests. As such, aid should not be granted directly to Balkan governments, but to private organizations for training and technical assistance to aid the Balkans' transition to free market economies.

◆ ◆ **Use the Conference on Security and Cooperation in Europe (CSCE) to spotlight the lack of democracy in the Balkans.** CSCE includes every European country but Albania, plus the U.S. and Canada. In joining the organization, each country has agreed to have its human rights record examined in regular review conferences. The U.S. should use the CSCE to highlight the lack of democracy in the Balkans, and in so doing, pressure the governments there toward further reform.

◆ ◆ **Support self-determination for the Yugoslav republics.** The Bush Administration and most West European governments oppose the break-up of Yugoslavia out of a fear of instability.<sup>3</sup> This attitude probably is a relic of the Cold War era, when it was assumed, correctly, that a disintegrating Yugoslavia would be a tempting target for Moscow. Today, however, Yugoslavia's integrity is of little strategic importance to the West. Even if stability in Yugoslavia were in Western interests, it would not be achieved by the West backing the present regime's coercive attempts to hold the country together. Stability only can be established by the self-determination of Yugoslavia's constituent republics, be it through complete independence or a renewed federation of democratic republics. Thus, the Bush Administration should support the self-determination of the Yugoslav republics, such as Croatia, so long as they achieve their aims with peaceful methods.

## **THE BALKANS' FAILED REVOLUTIONS**

Although the Balkan peoples can trace their history back thousands of years, the region's modern history dates from the late 19th century, when the retreat of the Ottoman Empire led to the reemergence of independent Balkan states. Having been cut off from the progress of European civilization during more than

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3 While the Bush Administration publicly has said little about Yugoslavia, Heritage Foundation discussions with high-level State Department officials make clear that Bush's policy is to hold Yugoslavia together.

three centuries of Ottoman rule, the countries of the Balkans suffered from dictatorship, economic backwardness, and war. The situation barely improved after gaining independence from the Ottomans. In the inter-war period from 1918 to 1939, the region suffered from rule by home-grown dictators. World War II brought German and Italian occupation of Yugoslavia and German domination in Bulgaria and Romania. Driven out by the Red Army, the Nazis were replaced as rulers by the Soviets, who imposed or supported communist regimes in each Balkan country. With the sudden collapse of Soviet control in 1989, democracy and economic freedom for the first time looked real for the Balkans. Yet, in each country, democratic revolutions largely have been thwarted, and remnants of the old communist regimes remain in power.

### **Albania**

Albania has been one of Europe's most isolated countries since Europe's Great Powers created it from remnants of the Ottoman Empire in 1913. Occupied by Fascist Italy in 1939, Albania emerged from World War II with a Stalinist government headed by Enver Hoxha, who ruled until his death in 1985. His brutal reign was characterized by a largely successful effort to sever Albania's contacts with the rest of the world. Hoxha's regime practiced near-total diplomatic isolation and banned virtually all foreign trade. Albania was the only European country that did not join the Conference on Security and Cooperation in Europe (CSCE), first convened in 1976.

| <b>Albania</b>  |
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| <b>Official Name:</b> People's Socialist Republic of Albania        |
| <b>Capitol:</b> Tirana.   |
| <b>Area:</b> 11,100 square miles.                                   |
| <b>Population:</b> 3.5 million.                                     |
| <b>Ethnic Composition:</b> 93% Albanian, 2-7% Greek.                |
| <b>Major Products:</b> Chemicals, minerals, grains.                 |
| <b>Principal Exports:</b> Crude oil, chrome, fruits and vegetables. |

Hoxha's successor, Ramiz Alia, undertook a few minor political and economic reforms, such as allowing small-scale private commerce in some handicrafts. He also established diplomatic relations with selected countries, the most important being West Germany and the Soviet Union. Albania and the U.S. restored diplomatic relations on March 15, 1991, after a break of 52 years.

**Unprecedented Concession.** The regime continued to maintain a tight grip on the population right through the East European revolutions of 1989. But a stagnant economy and rising discontent gradually have placed the communist regime on the defensive. Several thousand Albanians occupied foreign embassies in July 1990 in the Albanian capital of Tirana, demanding the right to emigrate. In an unprecedented concession by the regime, permission to leave the country was granted after weeks of a tense stand-off. Cautious economic reforms followed, such as allowing limited private retail trade in agricultural products. Political reforms also were enacted. Under growing pressure, Alia was forced to legalize opposition political parties on December 11 and to schedule parliamentary elec-

tions for February 10, 1991. In a demonstration of their rapidly growing strength, such new parties as the Democratic Party and the Green Party won a postponement of the elections to March 31 to allow themselves more time to organize.<sup>4</sup>

The challenge to the regime continues to mount. Thousands of students and others in Albania's major cities took to the streets in February and March to demand the overthrow of Alia's government. Statues of Hoxha throughout the country were toppled during these demonstrations and secret police officials attacked. Thousands of Albanians have fled across the borders to Greece and Yugoslavia, while others have seized boats and demanded the right to leave for Italy. The government has responded by arresting hundreds and threatening protestors with prosecution as "counter-revolutionaries," but its ability to contain the growing unrest is weakening. Echoing the failed tactics of the embattled East European regimes in 1989, Alia jettisoned some of the prominent hard-liners in his government on February 22 and replaced them with alleged reformers. As in Eastern Europe in 1989, the tactic has failed to win him a reprieve from popular unrest as the protests have continued.

### **Bulgaria**

In contrast with the popular revolutions that toppled communist regimes in East Germany, Czechoslovakia, and Poland in 1989, Bulgaria's communist leadership was ousted in a November 10, 1989, coup led by other communist officials, possibly with Moscow's knowledge and approval. The new government, led by former Foreign Minister Petar Mladenov, scheduled elections for a new parliament for June 10 and 17, 1990.<sup>5</sup> The communists, now renamed the "Socialist Party," were opposed by a collection

of diverse groups ranging from leftist ecologists to American-style conservatives, united under the banner of the Union of Democratic Forces (UDF). The Socialists used their control of the government, all economic enterprises, and the media to harass and campaign against the UDF. The elections were marred by widespread fraud, ballot box stuffing, and intimidation of UDF supporters, especially in the countryside. Not surprisingly, the Socialists won 211 seats in the new parliament to the UDF's 144. While the UDF swept the capital, Sofia, and the

| <b>Bulgaria</b>   |
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| <b>Official Name:</b> Republic of Bulgaria.                             |
| <b>Capitol:</b> Sofia.  |
| <b>Area:</b> 42,800 square miles.                                       |
| <b>Population:</b> 9 million.   |
| <b>Ethnic Composition:</b> 80% Bulgarian, 6-11% Turkish.                |
| <b>Major Products:</b> Machinery, chemicals, textiles, grains.          |
| <b>Principal Exports:</b> Food products, minerals, textiles, machinery. |

4 Radio Free Europe/Radio Liberty *Report on Eastern Europe*, Volume 2, No. 6, February 8, 1991.

5 Elections in Eastern Europe generally take two days, with the second day for run-offs between the first day's leading vote-getters if none received an outright majority.

other cities, the Socialists won the countryside, where Party control remained in place. The Socialists formed a government under Prime Minister Andrey Lukanov, who also had been Prime Minister under the communist regime.

**Succession of Presidents.** Democratic forces refused to form a coalition with the Socialists, and instead began a campaign to oust President Mladenov and place former dictator Todor Zhivkov on trial for corruption and abuse of authority. Increasingly large and angry public demonstrations, centered in Sofia and led by students, protested the Socialists' new dictatorship. During a demonstration in Sofia on August 26, the Socialist Party headquarters was stormed and burned. Mladenov was forced to resign on July 6, 1990, and was replaced by UDF leader Zhelyu Zhelev. Lukanov resigned on November 29 and was replaced on December 7 by Dimitur Popov, a former professor whose main qualification was that he had no party affiliation. Popov formed a coalition government of the major parties, including the Socialists and the UDF, and pledged to undertake economic reform.

Popov introduced an economic reform package on January 23, 1991, that freed prices on many commodities. Legislation has been introduced to break up collective farms and return their land to private farmers. More comprehensive reform, such as the privatization of state-owned industries, will have to await new elections, probably in June.<sup>6</sup>

Meanwhile, Bulgaria's economic problems have worsened. According to official statistics, industrial production fell over 10 percent in 1990, and continues to plummet. Severe food and fuel shortages abound. Bulgaria's foreign debt stands at \$11 billion, and repayments have been halted.

## Romania

Romania's was the most violent of Eastern Europe's revolutions. Romania's revolution began in the western city of Timisoara in December 1989. It quickly spread to Bucharest, and by December 20 tens of thousands of Romanians were fighting in the streets. The Romanian secret police — the Securitate — mounted a fierce resistance for several days in support of President Nicolae Ceausescu. Hundreds died. The fighting ended after Ceausescu's execution on December 25, 1989.

| Romania   |
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| <b>Official Name:</b> Romania.                                      |
| <b>Capital:</b> Bucharest.  |
| <b>Area:</b> 91,700 square miles.                                   |
| <b>Population:</b> 23.3 million.                                    |
| <b>Ethnic Composition:</b> 89% Romanian, 8% Hungarian.              |
| <b>Major Products:</b> Steel, oil products, chemicals, grains.      |
| <b>Principal Exports:</b> Petroleum products, chemicals, machinery. |

6 *Report on Eastern Europe*, Volume 2, No. 8, February 22, 1991.

**Renamed Communists.** As in Bulgaria, the new regime was comprised largely of officials of the old dictatorship. The government scheduled elections for May 20, 1989, but simultaneously launched a campaign of intimidation by the secret police against such democratic organizations as the Liberal Party and the Agrarian Union. Stringent limits were placed on opposition activities and access to the media. The regime engaged in vote-buying and outright electoral fraud, including tampering with voting returns. The result: one of Ceausescu's former top officials, Ion Iliescu, was elected President with 85 percent of the vote. The National Salvation Front — embracing the former Communist Party, now renamed the Socialist Party, and its allies — won 75 percent of the seats in the Romanian parliament. Petre Roman, an engineer with close ties to the old regime, became Prime Minister.<sup>7</sup>

Democratic parties and other reform groups, such as university student organizations, refused to accept the legitimacy of the elections and took to the streets. The regime reacted harshly. On June 13, 1990, faced with continuing defiance, Iliescu trucked thousands of miners to Bucharest to intimidate and attack peaceful demonstrators. The next day, miners and Securitate agents pillaged the headquarters of several democratic parties. There were several deaths and hundreds were wounded severely. Iliescu publicly thanked the miners and began an intense press campaign against democratic forces, labelling them “fascists” and “counter-revolutionaries.”<sup>8</sup>

Iliescu's actions were condemned by the West. In response to the attacks, the European Community delayed signing a trade agreement with Romania, and Western aid packages were halted. The U.S. delivered an important symbolic rebuke to the regime by boycotting Iliescu's inauguration on June 25. But it was the only Western country to do so.

**Near-Starvation.** Despite victories against its opponents, Iliescu's regime faces serious problems. By the time of his overthrow, Ceausescu's Stalinist policies and mismanagement had reduced the Romanian population to a level of near starvation. The present government's policies have provided little if any relief. According to the regime's own statistics, industrial production fell by 28 percent in 1990 and exports were halved. Although it claims to be committed to the introduction of a free market economy, there has been little movement in this direction.<sup>9</sup>

Despite the Iliescu government's intransigence, Western relations with Romania are improving. The European Community on October 22 signed its delayed trade pact with Romania. And on January 30, 1991, the U.S. and 23 other Western industrialized countries declared Romania eligible to participate in their economic development programs. However, the Council of Europe, an organiza-

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7 *Report on Eastern Europe*, Vol. 1, No. 27, July 6, 1990.

8 *Report on Eastern Europe*, Volume 2, No. 2, January 11, 1991.

9 *Report on Eastern Europe*, Volume 2, No. 1, January 4, 1991.



tion established in 1948 to promote cooperation among European democracies, has held Romania to a higher standard. The Council rejected Romania's application for membership on February 7, 1990, ruling that the country did not yet meet the Council's standards for democracy, including fair elections and respect for human rights.

## **Yugoslavia**

Yugoslavia was created in the aftermath of World War I when portions of the defeated Austrian empire were combined with the Kingdom of Serbia. Tensions between the country's many ethnic groups have been high from the start, especially relations between the dominant Serbs and other such ethnic groups as the Croats and Slovenians.

Yugoslavia emerged from World War II, following four years of occupation by Nazi Germany and Fascist Italy, with a communist government led by Josip Broz Tito. When Soviet leader Joseph Stalin attempted unsuccessfully to remove Tito from power in 1948, Yugoslavia became the first communist state to break with Moscow. Limited political and economic reforms, such as greater freedom to travel and allowing small-scale private commercial activity, gave Yugoslavia a reputation as the most open of the East European communist states. The East European revolutions of 1989, however, left Yugoslavia far behind, a Communist dinosaur in a democratizing Europe.

Now the country is facing its greatest crisis since its founding as rival republics threaten to pull the country apart. Democratic reforms have been blocked by the hard-line communist government of the dominant Yugoslav republic of Serbia, which exercises considerable control over Yugoslavia's weak central government. Calling the shots is Serbian President Slobodan Milosevic, who has brought Yugoslavia to the brink of civil war by his attempts to dominate the country. Opposing him are the republics of Croatia and Slovenia, which have elected democratic governments and are determined to achieve greater autonomy and even independence. At present the ability of the central government to maintain control is rapidly waning, and the actions of the Yugoslav army remain unpredictable.

**The Roots of Yugoslavia's Crisis.** Yugoslavia is a complex mosaic of ethnic, political, and economic groups. Although 80 percent of the population is ethnically Slavic, it is divided into several distinct nationalities, of which the most impor-

| <b>Yugoslavia</b>  |
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| <b>Official Name:</b> Socialist Federal Republic of Yugoslavia.  |
| <b>Capital:</b> Belgrade   |
| <b>Area:</b> 98,800 square miles.                                |
| <b>Population:</b> 24.0 million.                                 |
| <b>Ethnic Composition:</b> see following chart.                  |
| <b>Major Products:</b> Steel, forestry products, minerals.       |
| <b>Principal Exports:</b> Machinery, minerals, timber, textiles. |

## YUGOSLAV NATIONALITIES

|  | Yugoslavia<br>Total | Bosnia | Croatia | Macedonia | Montenegro | Serbia | Slovenia |
|--|---------------------|--------|---------|-----------|------------|--------|----------|
| <b>Total<br/>Population<br/>(millions)</b> | 24.6                | 5.1    | 4.8     | 2.3       | 0.6        | 9.8    | 2.0      |
| <b>Albanian</b>                            | 8%                  | 2%     | —       | 20%       | 7%         | 17%    | —        |
| <b>Croatian</b>                            | 20%                 | 18%    | 75%     | —         | 1%         | 5%     | 5%       |
| <b>Macedonian</b>                          | 6%                  | —      | —       | 67%       | —          | 1%     | —        |
| <b>Muslim*</b>                             | 9%                  | 40%    | 2%      | 5%        | 13%        | 3%     | —        |
| <b>Serbian</b>                             | 41%                 | 32%    | 12%     | 2%        | 69%        | 65%    | 2%       |
| <b>Slovene</b>                             | 8%                  | —      | 3%      | —         | —          | —      | 91%      |

\*Does not include Albanian population which is largely Muslim.

tant are the Croats, Serbs, and Slovenes. Other ethnic groups include Albanians, Hungarians, and Muslims.<sup>10</sup>

Reflecting this ethnic diversity, Yugoslavia is a federation of six relatively autonomous republics: Bosnia-Herzegovina, Croatia, Macedonia, Montenegro, Serbia, and Slovenia. Although each major ethnic group is concentrated in its own republic — the Serbs in Serbia, and the Slovenes in Slovenia, for example — minorities are spread throughout Yugoslavia, and many areas have mixed populations. Serbs, for example, make up 12 percent of the population of Croatia; Bosnia-Herzegovina is 32 percent Serbian, 18 percent Croatian, and 40 percent Muslim. Two regions within Serbia — Kosovo and Vojvodina — have large Albanian and Hungarian populations, respectively.

Added to ethnic divisions among Yugoslav nationalities is a pronounced cultural, economic, and religious divide between the northern republics of Slovenia and Croatia on the one hand and the republics to the south — Bosnia-Herzegovina, Macedonia, Montenegro, and Serbia — on the other. This division closely follows the former boundary between the Austrian and Ottoman Empires, which divided the territory of present-day Yugoslavia between them. The northern territories of Slovenia and Croatia were ruled by Austria. Their development has been heavily influenced by European civilization. The southern provinces, ruled by the Ottomans until the late 19th century, largely were isolated from European civilization. Religion also accentuated these differences: the majority Roman Catholic faith of Slovenia and Croatia further tied these to the West,

<sup>10</sup> In Yugoslavia, the Muslim population, which is located primarily in the republic of Bosnia-Herzegovina, is classified as a separate nationality, although it is of Slavic origin and is Slavic-speaking. The mostly Muslim Albanian population constitutes its own ethnic group.

while the Orthodox and Muslim faiths of the southern republics oriented these toward the East.

There are economic and political divisions as well. Slovenia and Croatia have the most advanced economies of Yugoslavia and enjoy per capita income levels up to seven times higher than those of the southern republics. While comprising only ten percent of Yugoslavia's population, Slovenia's taxes finance twenty percent of the federal budget.

Although the communist regime remains entrenched in Serbia, northern Yugoslavia is moving quickly toward democracy. In Slovenia, the Democratic-United Opposition of Slovenia (DEMOS) won 55 percent of the vote in the April 8 and 22, 1990, elections and now controls the government. Socialist Party leader Milan Kucan was elected President with an overwhelming majority of the vote. Croatia held democratic elections on April 22 and May 6, 1990, that brought to power a government led by former Yugoslav Army General Franjo Tudjman. Communists also were ejected from power in the November elections in the southern republics of Bosnia and Macedonia.

But in Serbia and Montenegro, Communist – now “Socialist” – parties have clung to power, partly through electoral means, partly through coercion. In Montenegro, Socialists took 70 percent of the seats in parliament in parliamentary elections on December 9 and 23. The Socialist regime in Serbia was victorious in elections held on December 9 and 23, winning 77 percent of the parliamentary vote and securing Milosevic's election as president with 60 percent of the vote. Milosevic's election theme was popular – the aggressive assertion of Serbian rights over those of other Yugoslav nationalities. Still, the Socialists were taking no chances. Their victory was ensured by a massive spending campaign, including vote-buying, which was financed by the Serbian government forcing Yugoslavia's central bank secretly and illegally to transfer federal funds to it.<sup>11</sup>

**The Current Crisis.** Yugoslavia's internal crisis today is the result of Serbian President Milosevic's campaign to assert Serbian – and thereby his own – dominance within Yugoslavia. Yugoslavia's non-Serbian populations understandably feel threatened by Milosevic's actions. Undeterred, Milosevic has made use of the widespread belief among Serbians that they, and not other ethnic groups, are the true victims of Yugoslavia's federal structure. There is a widely-held conviction among Serbians that, to eliminate opposition to his rule, Tito deliberately weakened Serbia after World War II by redrawing its borders to separate large numbers of Serbians and traditional Serbian lands from the republic.

Milosevic deftly has used this smoldering Serbian nationalism to preserve his hold on power, as well as to extend his influence throughout Yugoslavia. He has

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11 *New York Times*, January 16, 1991.

portrayed himself as the champion of Serbia by reasserting central Serbian control over such minority areas as Vojvodina and Kosovo, and by calling for a redrawing of Serbia's borders to include the Serbian-populated areas of the other republics, such as portions of Bosnia and Croatia as well as the entire republic of Montenegro.

This strategy has been demonstrated most clearly in Milosevic's actions toward the former "autonomous republic" of Kosovo, which is a region inside Serbia.<sup>12</sup> Although Kosovo constitutes the original heartland of the medieval Serbian kingdom, the fast-growing Albanian population there has reduced the Serbs to less than 10 percent of the total. Albanians claim persecution by the Serbian government. The Serbian government claims that, left unchecked, the Albanian population would detach Kosovo from Serbia. Milosevic has kept Serbia's attention riveted on Kosovo by placing the region under martial law, sending in troops, and inciting conflict between Albanians and Serbs. He eliminated Kosovo's "autonomous" status within Serbia on July 5.

**Window on the Future.** The violence in Kosovo could be a window on Yugoslavia's future. In Croatia, Milosevic is backing the claims of the 600,000-strong Serbian minority – 12 percent of Croatia's population – for autonomy or perhaps union with Serbia. This push for autonomy has generated increasing violence over the past year as Serbs have clashed with Croatian police in the Serbian areas of Croatia, especially around the city of Knin. Croatian President Tudjman blames the Serbian government for inciting violent incidents. He charges that these incidents are intended to justify armed intervention by the Yugoslav army and to force the removal of his government.<sup>13</sup>

Alarmed by Serbian ambitions and Milosevic's intrusion into their affairs, Croatia and neighboring Slovenia are trying to move toward greater autonomy and even independence. Tudjman declared on October 18 that his government no longer accepts Yugoslavia's federal system and that Croatia is prepared to defend its sovereignty by force.

The Slovenian parliament amended the republic's constitution on September 28, 1990, to give Slovenian law precedence over federal law. It also declared control over Slovenia's territorial defense. The federal government responded on October 4 by ordering the Yugoslav Army to occupy the headquarters of the Slovenian militia forces in the republic's capital, Ljubljana. Following the takeover, Slovenia's parliament called a December 23, 1990, plebiscite on independence. In that, Slovenians voted by a nine-to-one margin to proceed toward

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12 Formerly, two regions within Serbia – Vojvodina and Kosovo – had the status of "autonomous republic" which allowed for considerable control over their own affairs, especially in cultural matters. Both areas lost this status last year as part of Serbian President Milosevic's campaign to reassert Serbian control.

13 *Report on Eastern Europe*, Vol. 1, No. 39, September 28, 1990.

full independence if Slovenia could not obtain greater autonomy from the federal government.

**Military's Warning.** Moves by Slovenia and Croatia toward independence have brought repeated warnings from the Yugoslav armed forces, 70 percent of whose officers are Serbian, that separation would be forcibly prevented. In January, the Yugoslav government ordered Croatia to turn over to Belgrade the weapons of all "illegal" paramilitary organizations in the republic by January 21 or face military intervention. Croatia refused to comply; Tudjman has stated that the real aim of the order is "disarming the Republic of Croatia." The tension of this stand-off was further heightened when it was revealed that Croatia had purchased a large number of rifles from Hungary in October 1990.<sup>14</sup>

Meanwhile, the governments of Croatia and Slovenia are pursuing a common plan, jointly adopted on October 5, 1990, to restructure Yugoslavia into a loose confederation of sovereign states in which each republic would have its own army and foreign policy. All negotiations with the Yugoslav government and the other republics have failed. The Serbian government's position is that any discussions on reforming the federation must lead to a redrawing of frontiers between republics to transfer Serbian-populated areas to Serbia.

Even as Croatia and Slovenia defy Milosevic's attempts to coerce them, the Serbian regime's support within its own republic is crumbling. The largest demonstration in Serbia's post-war history took place this March 9 in Belgrade when tens of thousands of demonstrators demanded the resignation of Milosevic and his government. The regime responded by forcibly dispersing the protestors, killing several and arresting hundreds. Among the detained was Vuk Draskovic, leader of the largest opposition party. Faced with continuing massive demonstrations, the Serbian government was forced to make several concessions, including releasing Draskovic and others on March 12 and dismissing several hard-line officials in the state-controlled media.

**Resignation and Turmoil.** These dramatic events were quickly overshadowed by other developments. Federal President Borisav Jovic resigned on March 15, reportedly over the refusal of his colleagues to support using the Yugoslav army to enforce emergency rule. His resignation has severely eroded the already shrinking authority of the federal government. Milosevic responded the next day by stating that Serbia no longer would recognize decisions taken by the central government and by ordering the mobilization of the republic's militia. On the same day, Serbs in Croatia proclaimed the separation of the "Serbian Autonomous Region" from Croatia and appealed to the Serbian government for support. Croatia's

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14 The details of this transaction remain murky, including the size of the purchase, variously estimated between 10,000 and 100,000 Kalashnikov assault rifles. See *Report on Eastern Europe*, Volume 2, Number 8, February 22, 1991.

President Tudjman declared that the events in Yugoslavia have reached a climax and placed the republic's militia on alert status to repulse an armed intervention by Serbian or Yugoslav forces.<sup>15</sup> President Jovic retracted his resignation on March 20, but this has not ended the crisis.

## THE FRAGILE BALKANS

The ethnic tensions threatening to pull apart Yugoslavia are only the most visible of many disputes throughout the Balkans. Some ethnic problems are primarily internal matters; each of the Balkan countries has ethnic minorities and a history of persecution and intolerance. But several of these conflicts cross international borders, including those of the Soviet Union and NATO members Greece and Turkey. Thus, they may be catalysts for wider turmoil, as they have been in the past. Among those ethnic tensions:

**Greece and Albania.** Albania has a large Greek minority, variously estimated to be between 60,000 and 300,000.<sup>16</sup> Brutally repressed for decades, large numbers of ethnic Greeks have taken advantage of the relaxation of political controls in Albania to cross illegally into Greece. Albania claims that Greece covets southern Albania, along the Greek border, where most of Albania's Greek minority lives; Greece denies the charge.

**Bulgaria and Turkey.** Bulgaria's large and rapidly growing Turkish minority, estimated to be between 600,000 and 1 million, suffered terribly under Bulgaria's communist regime. The Bulgarian communists forbade the use of the Turkish language and required ethnic Turks to take Bulgarian names. When these policies failed to assimilate Bulgaria's Turks, the communist government resorted to mass expulsions in the summer of 1989, pushing over 300,000 out before Turkey closed its border. Overt persecution against the Turkish minority ended with the overthrow of the Bulgarian regime in November 1990, but even democratic forces in Bulgaria remain wary of cooperating politically with the Turkish minority.

**Hungary and Romania.** Romania is home to a two-million-strong Hungarian population, concentrated in the area of Transylvania on the border with Hungary. Transylvania belonged to Hungary until 1919. Hungarians in Romania were subject to severe repression by the Ceausescu regime and still face hostility from the present government. The Hungarian minority is likely to increase its demands for cultural autonomy and for closer ties with Hungary, which the Romanian government is likely to resist.<sup>17</sup>

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15 RFE/RL *Daily Report*, Number 54, March 18, 1991.

16 The extreme variation in estimates of the size of minority populations in Albania and elsewhere in the Balkans is due to the lack of reliable information — often a result of government efforts to conceal the true size of their minorities — as well as differences over definitions of which ethnic group a given population belongs in.

17 *Report on Eastern Europe*, Volume 1, No. 52, December 28, 1990.

**Moscow and Romania.** A more dangerous dispute involving Romania is with the Soviet Republic of Moldavia, on Romania's northern border. Moldavia belonged to Romania until 1940, when it was seized by the Soviet Union. Some 70 percent of Moldavia's population is ethnically Romanian. Moldavia's parliamentary elections on March 25, 1990, were won by nationalist forces pledged to secession from Moscow and reunion with Romania. Since then, the Moldavian government has adopted the Romanian flag and has expanded cultural links with Romania. During a February 1990 trip to Romania by Moldavian Prime Minister Mircea Snegur — the first by a Moldavian official since the 1940 annexation — he on several occasions referred to Moldavians as "Romanians." Romania's leaders repeatedly have expressed their commitment to reunification. Romanian Prime Minister Roman stated on March 8 that Romania "expects to regain the Moldavian territory taken from it by the USSR."<sup>18</sup>

Meanwhile, Moldavia has embarked on a full-fledged drive for independence from Moscow. The Moldavian government proclaimed the republic's sovereignty on June 24, 1990, and announced its intention to join the United Nations. It also has refused to take part in Soviet leader's Mikhail Gorbachev's campaign to negotiate a new Union Treaty to remake the Soviet Union. But Moscow has shown no sign of allowing the republic to go its own way. Gorbachev ordered Moldavia in December 1990 to rescind any of its laws that contravene Soviet law, or face the removal of its government. The Moldavian government complied but refuses to abandon its goal of independence.

Romanian involvement in the struggle between Moscow and Moldavia is possible as links between Moldavia and Romania strengthen. Pro-Moldavian organizations in Romania have threatened to send volunteers to Moldavia to defend it against Moscow, most recently in a demonstration in Bucharest on March 9.<sup>19</sup> The escalating confrontation between Romania and the Soviet Union has the potential to drag in other European powers and conceivably the U.S. Historically, Romania's strongest ties have been with France and Germany, and France has been attempting to reestablish this relationship since Ceausescu's overthrow. Assistance to Romania by these and other countries in the face of pressure or intervention by Moscow could magnify the conflict from a regional to an all-European one.

## **TOWARD A PEACEFUL RESOLUTION OF THE BALKAN CRISIS**

America has few direct interests in the Balkans. Instead, the region's importance is its potential impact on the rest of Europe. Such problems as the Romanian-Soviet conflict over Moldavia and the Bulgarian-Turkish tensions are

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18 RFE/RL *Daily Report*, No. 49, March 11, 1991.

19 RFE/RL *Daily Report*, No. 49, March 11, 1991.

especially important as they involve NATO and the Soviet Union. Stability in the Balkans therefore is an American interest.

America, too, has an interest in promoting democracy in the region. The struggle by authoritarian regimes in the Balkans to retain their power is the greatest threat to the region's stability, as seen most clearly in Yugoslavia. Support for the status quo – which in the Balkans means support for authoritarian regimes – will result in further unrest and not the stability the West seeks. Says Bulgarian President Zhelyu Zhelev: it is in the West's interests to support democracy in the area and thereby "Europeanize the Balkans, instead of Balkanizing Europe."<sup>20</sup>

The situation in the Balkans gives the Bush Administration an opportunity to achieve what should be one of its most important goals: encouraging European countries to take more responsibility for the stability and security of the European continent. The Balkans offer an opportunity for Europeans to participate in a coordinated Western strategy.

#### **WESTERN GOALS FOR THE BALKANS**

- ✓ **S**uccess of the region's democratic revolutions;
- ✓ **R**apid transition to free market economies;
- ✓ **T**olerance for ethnic and religious minorities;
- ✓ **P**eaceful relations among the Balkan states; and
- ✓ **F**ull integration of the Balkan states into the West.

To achieve these objectives, Washington should:

● ● **Condition U.S. economic assistance to the Balkan countries on their commitment to democracy, market economies, respect for ethnic and religious minorities, and the peaceful resolution of disputes.** The economic crises in the Balkan states, and their need for economic assistance from the West, provides the U.S. and other Western powers with considerable leverage to push the Balkans toward democratic reform and legal safeguards for their minorities. The Bush Administration is requesting \$470 million for U.S. assistance to Eastern Europe in fiscal 1992. This money is to be used as seed capital for the private sector and for environmental programs.

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20 Address to the 45th Session of the General Assembly of the United Nations, October 2, 1990.



The Balkan governments should be warned that the use of force against their internal opponents or neighboring countries will result in a cutoff of all U.S. assistance. As another condition of aid, the U.S. should insist that the Balkans move toward free market economies through such measures as freeing prices, privatizing state-owned enterprises, and introducing convertible currencies. U.S. economic assistance should not prop up existing centrally-planned economies.

Washington has an important, if intangible, asset in its moral authority. Throughout the region, America is recognized as the representative of democracy and freedom, and its actions carry tremendous moral weight. By unambiguously siding with the Balkan democratic forces, the U.S. can give hope and encouragement to embattled freedom fighters and undercut the ability of authoritarian regimes to gain international respectability.

◆ ◆ Offer to negotiate free trade agreements with Balkan countries that have elected democratic governments and begun conversion to a free market. Impoverished by decades of Soviet-style central planning, the Balkans, after democratization, must begin moving towards market economies. Secure and unrestricted access to the American market – and with it the ability to earn hard currency – would benefit these economies and speed the transition to free market systems far more effectively than foreign aid loans and grants.

Access to the American market was the key element in the rapid development of the dynamic economies of East Asia, including Japan, Korea, and Taiwan. But the U.S. market remains restricted by quotas and tariffs for many of the products Eastern Europe could export, like agricultural goods and textiles. Removing these and other trade barriers through free trade agreements would allow the Balkan states to earn the hard currency they need while also creating new markets for U.S. businesses.

Free trade agreements between the U.S. and the Balkan states, and with the rest of Eastern Europe, also will give the U.S. leverage to counter growing protectionist sentiment within the European Community. As the EC's economic ties with Eastern Europe increase, U.S. free trade with the Balkans would open a back door to the Common Market which would undermine the EC's ability to maintain trade barriers against the rest of the world.

◆ ◆ Increase direct assistance to the democratic forces in the Balkans. Such democratic forces as the Liberal Party in Romania, the Democratic Party in Albania, and the democratic opposition in Serbia, remain under attack from hard-line regimes. The U.S. should offer assistance – financial, material, organizational – to these organizations through such means as the National Endowment for Democracy (NED), the organization established by the U.S. government to aid democratic forces abroad. Aid amounting to \$30 million for fiscal 1992 could be used for supporting the free press, providing organizational training for democratic groups and promoting free enterprise through cooperation with businessmen's organizations. This aid is important for symbolic reasons as well as for the material assistance it offers. With few vital American interests in the

Balkans, Washington need not court authoritarian regimes. These governments have little to offer the U.S. economically, politically, or diplomatically, and the U.S. should put them on notice that it intends to support their full democratization.

◆ ◆ **Encourage West Europeans to join with the America and other European countries in forging a common Western front committed to democracy, economic reform, and stability in the Balkans.** A principal U.S. objective toward Europe as a whole should be to encourage European states to take greater responsibility for maintaining stability on their own continent, and thereby reduce their dependence on the U.S. The Balkans are a testing ground for cooperation among the countries of Western Europe. America should press them to use this opportunity to coordinate their separate policies toward the Balkans to secure Western interests. America should use its leadership position in NATO to persuade that organization's member countries to craft a policy toward the Balkans which had as its goal the stabilization of the area. The U.S., for example, could call a meeting of NATO foreign ministers to forge a common policy on the Balkans. The member countries of the European Community – most of which also belong to NATO – increasingly are coordinating their foreign policies. Bush should propose that the EC as an organization be involved in the formation of a Western policy. Given their desire to increase their own ties with the West, the foreign ministers of the newly democratic countries of Eastern Europe also should be invited to participate. U.S. initiation and leadership of such an effort is indispensable, but it should encourage the Europeans to take an increasingly active role.

◆ ◆ **Make democratization, economic reform, and respect for ethnic and religious minorities preconditions for lending by the European Bank for Reconstruction and Development (EBRD).** The EBRD was established last year by the U.S., Western Europe, and Japan, among other countries, to grant loans for economic reconstruction to the public and private sectors in Eastern Europe. The U.S. is the largest shareholder in the EBRD, having pledged to contribute between 8 percent to 10 percent of the bank's projected lending capital of \$12 billion. The Bush Administration is requesting \$70 million for fiscal 1992 as the first U.S. installment. The U.S. should insist that the EBRD's loans should be granted only if the recipient country makes progress toward democracy, free market economic reform, and if it respects the rights of ethnic and religious minorities. As with its own direct bilateral assistance, the U.S. should insist that assistance given by its taxpayers through the EBRD not be squandered on failed state-supported economic enterprises.

◆ ◆ **Use the Conference for Security and Cooperation in Europe (CSCE) to spotlight the lack of democracy in the Balkans.** Western attention to the fate of democratic reformers in the Balkan countries often is their only defense against government persecution. By using the 34-nation CSCE as a forum to highlight human rights abuses in Albania, Bulgaria, Romania, and Yugoslavia, Washington, and its allies can boost the morale of Balkan democratic forces and help protect them, while discrediting the regimes that oppose them. CSCE requires regular

review conferences to monitor compliance by member states in human rights and other areas. All of the Balkan countries except Albania are members of CSCE; Albania's membership is pending. In joining the organization, each of these countries has given CSCE the right to investigate human rights abuses on its territory.

◆ ◆ **Support self-determination for the Yugoslav republics.** The Bush Administration and several European governments strongly oppose the break-up of Yugoslavia. This most recently was reiterated on March 13 by U.S. Ambassador to Yugoslavia Warren Zimmerman, who also made clear U.S. opposition to the use of force by any group, especially the Yugoslav government. The reason typically cited for supporting Yugoslav unity is the fear of instability should it break up. The Bush Administration's reasoning is flawed. First, while the U.S. certainly has a humanitarian interest in limiting violence in Yugoslavia, the country's integrity is of little strategic importance to the U.S., unless the break-up involves armed conflict spilling over its borders. Second, the source of instability in Yugoslavia is the continuing effort of its central government and the powerful Serbian republic to impose their will forcibly on the other republics. Genuine stability will emerge only when the Yugoslav republics are free to choose their own fate, be it complete independence for some, or a renewed federation of democratic republics.

Instead of supporting the continued unity of Yugoslavia against the will of its people, the Bush Administration should declare that it will support self-determination for the republics of Yugoslavia as long as the process is a peaceful one. This should include a stated willingness to recognize the republics as independent countries if this is the freely expressed desire of their peoples.

## CONCLUSION

By its long and costly involvement in Europe, America has transformed the continent. Where once dictatorships reigned, democracy now flourishes; where once there was war, now there is the prospect for a long peace. One predator after another, from Nazi Germany to the Soviet Union, has been beaten back and its power destroyed.

But this future is not yet secure. In the Balkans, as in the Soviet Union itself, Europe's unfinished democratic revolutions challenge America and its allies. In Albania, Bulgaria, Romania, and Yugoslavia democratic and free market revolutions have been stalled by remnants of the old communist regimes. All the while, the Balkan economic and political situation continues to deteriorate, and the prospect of conflict grows — particularly in Yugoslavia, where contending republics threaten to tear apart the country.

By exerting their enormous political and economic influence on these countries, the U.S. and Europe's democratic powers can push these countries to complete their revolutions peacefully. To do so, they should condition economic assistance to the Balkans on progress toward democratic and economic reform; in-

crease assistance to democratic forces; use the Conference on Security and Cooperation in Europe to highlight abuses by Balkan regimes; and support self-determination for the Yugoslav republics.

**European Responsibility.** The time when the U.S. on its own would shoulder the burden for handling these issues, however, is passing. In post-Cold War Europe, the U.S. role will be significantly reduced. Increasingly, Europeans themselves must assume principal responsibility for keeping order and defending Western values on their continent. Greater European involvement in the Balkans could be a first step toward the day when the Europeans themselves, and not the Americans, have assumed most of the responsibility for the security of the continent. The U.S. still has an important role to play in seeing this transition through to completion before it can consider its task in Europe complete and its accomplishments of the last half-century secure.

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