



Mediterranean Basin
INITIATIVE

Annual Compendium

2015

In cooperation with



Mediterranean Basin
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A YEAR IN REVIEW

Dear Reader,

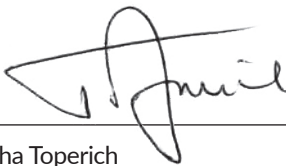
Another successful year gone by.

The Mediterranean Basin Initiative saw a Youth Inclusion conference held in Tunisia, organized by the Mediterranean Development Initiative (MDI), our partner headquartered in Tunis, where more than 250 participants discussed the World Bank report “Removing Obstacles to Youth Inclusion.” With our partner CARE in Algeria, we promoted stronger transatlantic and regional business cooperation and reforms needed to stabilize that country’s economy.

With a comprehensive program throughout the year, we commemorated the 20th anniversary of the Dayton Peace Accords in Bosnia and Herzegovina. The “Challenges of Democracy in the European Union and its Neighbor” conference held at our Center was a major success, resulting in a recently published book whose contributors offer fresh ideas and ways forward for the multiple challenges the “old continent” faces nowadays.

Although geographically not part of the Mediterranean Basin, we launched activities to support the Kurdistan Regional Government in Iraq in their struggle fighting ISIS, reforming their economy, and supporting democratic processes. This effort is continuing in 2016 to include the participation of the Baghdad Central Government of Iraq.

Enjoy this second annual compendium retrospective, and please continue to follow our work at www.transatlanticrelations.org and www.abf.ba/medbasin



Dr. Sasha Toperich
Senior Fellow and Director
Mediterranean Basin Initiative
Center for Transatlantic Relations SAIS



Andy Mullins
Non-resident Fellow and Project Manager
Mediterranean Basin Initiative
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CTR-SAIS TO MARK 20th ANNIVERSARY OF DAYTON AGREEMENT WITH CONFERENCE SERIES

This year marks the 20th anniversary of the Dayton Agreement bringing peace to Bosnia and Herzegovina. This groundbreaking event was a response to the horrific violence that engulfed the Balkans in the 1990s – including the Srebrenica genocide in July 1995. And while Dayton brought peace to Bosnia and Herzegovina, violence and ethnic cleansing continued in the Balkans, particularly Kosovo, which required additional international engagement.

While much of the Balkans has moved on, questions and challenges from that time still resonate with us today. What is the responsibility of the United States and the international community in the face of genocide and ethnic cleansing? How can such acts be prevented? Can Bosnia and Herzegovina and its neighbors join the European mainstream? What must be done, and who must do it?

To offer perspective and lessons learned, and to consider the future of the region, including the role of the United States and its allies, the SAIS Center for Transatlantic Relations is hosting Before and After Dayton: Bosnia and Herzegovina's Past and Its European Future, a year-long series of events dedicated to the history and legacy of the Dayton Agreement.

The series of events, commemorating twenty years of peace following the horrors of war in Bosnia and Herzegovina, is being launched in partnership with the Embassy of Bosnia and Herzegovina in the United States and the America-Bosnia Foundation, and in cooperation with the United States Institute of Peace.

The series begins in May with Balkan Tragedy: Srebrenica and Its Meaning for Today, a conference, exhibition, and concert. Policy actors and analysts from that time and the present will commemorate the Srebrenica genocide and the unfolding events of spring 1995, setting the stage for subsequent events over the course of the year.

Discussants, including current and former U.S. and European government officials and regional leaders, will consider the three and a half years of conflict that led to the Dayton Agreement, on panels entitled "Before Dayton: The Spreading Balkan Fire", "The International Community and Bosnia and Herzegovina in 1995", and "Srebrenica and Its Meaning for Today".

Also in May, CTR-SAIS will host Bosnia and Herzegovina—Economic Boom Possible?, a conference to consider prospects for economic growth on the path to Bosnia and Herzegovina's European future. Domestic and foreign business leaders and analysts will discuss the steps necessary to tackle the fiscal and economic climate challenges facing the country.

The May event will set the stage for a series of further events, including:

The Balkan Wars of the 1990s: Reflection and Reconciliation, which will bring together scholars and experts to discuss the Balkan Wars of the 1990s and their ongoing effects on the region, in October 2015;

Post-Dayton Bosnia and Herzegovina: Prospects for Euro-Atlantic Integration, which will commemorate the signing of the Dayton Agreement by bringing together several key participants from the peace conference to unpack its lessons for the region and the world, address current challenges facing Bosnia and Herzegovina, and consider Dayton's future in light of those challenges, in November 2015;

The Future Role of the International Community in Bosnia and Herzegovina, which will discuss the changing roles and responsibilities of the international community in light of developments in Bosnia and Herzegovina and the wider region.

Recognizing the essential importance of gathering diverse voices in any conversation about Bosnia and Herzegovina's future, the conferences will also highlight the role of women and youth in rebuilding the country post-conflict.

STATE DEPARTMENT OFFICIAL TO PERFORM AT SREBRENICA MEMORIAL CONCERT

A concert to honor the victims of the genocide at Srebrenica will be held in May in Washington, DC, as part of CTR-SAIS's yearlong series of commemorative events.

Tom Yazdgerdi, Director of the Office of South Central Europe at the U.S. Department of State, will perform a piano concert with Dr. Sasha Toperich, Senior Fellow at CTR-SAIS.

Yazdgerdi, a decorated member of the Senior Foreign Service, previously served as Political Counselor at the U.S. Embassy in

Kabul, as well as Deputy Chief of Mission at the U.S. Embassy in Kosovo (2006-2009) in the run-up to and aftermath of Kosovo independence. Among his other assignments, he has served as Senior Balkans Program Officer at the National Democratic Institute. He has a B.A. in History from Cornell University and an M.A. in Central European History, Security Studies and American Diplomatic History from the Fletcher School at Tufts University.

UNEASY PEACE: THE DAYTON AGREEMENT AND THE EUROPEAN FUTURE OF BOSNIA AND HERZEGOVINA

At the conclusion of the Before and After Dayton series, the Center for Transatlantic Relations SAIS will publish *Uneasy Peace: The Dayton Agreement and the European Future of Bosnia and Herzegovina*, a collection of papers by conference participants and others engaging with the

history, legacy, and future of the Dayton Agreement.

The publication will feature a mix of historical and current analysis, and also give policy recommendations to spur Bosnia and Herzegovina toward its future in Euro-Atlantic integrations.



FIGHTING ISIS: NEWS FROM THE FRONT LINES IN KURDISTAN

The Center for Transatlantic Relations SAIS hosted Mousa Ahmed Agha and Awat Mustafa of the Barzani Charity Foundation in Kurdistan for a discussion titled “Fighting ISIS: News from the Front Lines in Kurdistan.”

“We all stand united in the fight against ISIS and we cannot speak highly enough of the bravery of the Kurdish peshmerga forces, men and women, being on the front lines of the conflict,” said Dr. Sasha Toperich, Senior Fellow at the Center, who moderated the discussion.

Citing the long history of tolerance of minorities and protection of human rights in the Kurdistan region, Agha said this is one reason ISIS has focused on the region, seeking to destroy its young democracy as an example.

Agha discussed the need for humanitarian and military assistance to the Kurdistan region in its fight against ISIS. “The tragedy of the conflict with ISIS cannot be compared to a natural disaster – it is a crime against humanity. The borderless nature of ISIS means they can attack civilization anywhere. The peshmerga is fighting on behalf of the entire civilized world,” said Agha.

He expressed the gratitude to the United States for its assistance – diplomatic, humanitarian, and military – but noted that much more must be done. “Thanks and praise are not sufficient assistance for the peshmerga – we need hardware, weapons, and the like. Our outdated arms are not enough to defeat ISIS,” said Agha. He also called on the Iraqi government to deliver on its budgetary promises to the Kurdistan region to enable the peshmerga to continue its fight.

The Barzani Charity Foundation is on the forefront of assisting refugees fleeing ISIS, having established 32 refugee camps in the region. “Refugees fleeing is exactly what ISIS



Sasha Toperich and Mousa Ahmed Agha



Awat Mustafa, Sasha Toperich and Mousa Ahmed Agha



“The peshmerga is fighting on behalf of the entire civilized world” said Agha

wants. It is a form of ethnic cleansing,” said Agha, who noted that refugees should be encouraged to return and rebuild their lives as ISIS is repelled. Mustafa said that the Barzani Charity Foundation acts as a “bridge” organization to facilitate the flow of money and assistance from the West to refugees in Kurdistan.

The speakers also shared news from the Syrian town of Kobani, which had been under siege by ISIS since September and was recently liberated by Kurdish fighters with U.S.-led airstrikes. The

Barzani Charity Foundation has been on the ground in Kobani since the beginning of the siege and saw how close it came to falling to ISIS. Agha credited American diplomacy with convincing Turkey to allow transit for the peshmerga to reach Kobani, which he said was the first time this had happened in the region.

Toperich, who has visited Kurdistan several times since the fall of the Saddam Hussein regime, urged more support for the Kurdish people in their struggle against ISIS.

To support the Barzani Charity Foundation, please visit <http://www.barzanifoundation.org/en/>

HIGH-LEVEL ROUNDTABLE ON TRANSATLANTIC COOPERATION TO ADDRESS CURRENT TURBULENCE IN BALKANS AND EASTERN EUROPE

On February 2nd, 2015, CTR-SAIS hosted former Slovenian Prime Minister Alojž Peterle and Tonino Picula, former Foreign Minister of Croatia. Both are now Members of the European Parliament, dealing with EU enlargement and relations with Eastern Europe.

Peterle reminded participants that the less the U.S. and the EU are engaged in the Balkans, the more other powers such as Russia will be. Picula gave as an example a recent Russian-Serbian joint military maneuver 50 kilometers from the border of NATO member Croatia. Concerning Macedonia's application to the EU and questioned about how its

current government was trying to alleviate concerns about democratization, Peterle said that the country was ready for the start of negotiations were it not for the name issue with Greece. He added that the European Parliament was diplomatically engaged in the issue.

Picula considers Montenegro ready for NATO membership. Some participants advocated concentrating on bringing the Western Balkans into NATO before laboring towards far-off EU membership.

The event was organized by Cornelia Vutz, European Parliament Liaison Fellow at CTR-SAIS.

CTR-SAIS WELCOMES VISITING SCHOLAR SAMY BOUKAILA

The Mediterranean Basin Initiative at the Center for Transatlantic Relations SAIS is pleased to welcome Samy Boukaila from Algeria as a Visiting Scholar. Boukaila is an entrepreneur and Founding Member of the prestigious Algerian think tank Cercled'Actionet de Réflexionautour de l'Entreprise (CARE), where he also serves as Treasurer.

Boukaila is also a Founding Member of Notre Algérie Batiesur de Nouvelle Idées (NABNI), a multidisciplinary think tank and public action committee established in 2010 to promote better communication between those who

govern and the governed. He has worked with the International Finance Corporation, a World Bank group, to initiate approximately 60 young entrepreneurial startups franchised downstream of his company BKL, with prime banks guaranteeing financing of subsidiaries related to core business and IT services.

Boukaila was a participant in the Second Annual Transatlantic Economic Forum at CTR-SAIS in June 2014, and has co-authored several articles on the Huffington Post with Dr. Sasha Toperich, Senior Fellow at CTR-SAIS. He is a graduate of the University of Richmond in the United Kingdom,

where he studied Business Administration and Economics (Finance) with a Minor in Computer Science, and an MBA candidate

in Management at the Rotman School of Management at the University of Toronto in Canada.

ALGERIAN LAWMAKERS VISIT CTR-SAIS AS PART OF WASHINGTON TRIP

Senator Aicha Barki and Congressman Omar Alilat of Algeria visited the Center for Transatlantic Relations SAIS as part of a visit to Washington, D.C. on the occasion of the National Prayer Breakfast (NPB). At the invitation of Senator Roger Wicker (R-MS) and Senator Robert Casey (D-PA), this year's NPB co-chairs, Senator Barki and Congressman Alilat attended the Breakfast and a series of gatherings related to the event, including a dinner of African leaders organized by Senator James Inhofe (R-OK) held at the U.S. Senate.

In December 2014, Senator Barki and Congressman Alilat met with a delegation of Bosnian and Herzegovinian companies that visited Algiers to explore business cooperation.



Senator Aicha Barki and Congressman Omar Alilat with members of U.S. Congress



TRANSATLANTIC ECONOMIC FORUM IN TUNISIA

The Center for Transatlantic Relations SAIS is pleased to announce the Third Annual Transatlantic Economic Forum, to be held June 14-15 in Tunisia. Organized by our strategic partner the Mediterranean Development Initiative (MDI) and in cooperation with South Mediterranean University in Tunis, the Transatlantic Economic Forum will gather economic and political leaders, academics, and policy actors from around the Mediterranean, Europe, and the United States to discuss ways to improve economic cooperation.

For more information on the Transatlantic Economic Series, including the agendas of past conferences, visit <http://www.abf.ba/medbasin>.



CTR-SAIS CONFERENCE CONSIDERS “CHALLENGES OF DEMOCRACY”

On March 30, 2015, the Center for Transatlantic Relations at Johns Hopkins University SAIS hosted a conference, which was organized by Asst. Prof. Aylin Ünver Noi, Visiting Scholar at CTR-SAIS, on the challenges of democracy in the EU and neighboring countries. The event brought together experts from Europe and the United States for a series of thematic panels to discuss the challenges of democracy in the EU and its neighbors and the effectiveness of the EU's and the U.S.'s democracy promotion.

The aim of the conference was to evaluate the state of democracies and consider whether the de-democratization trend, which challenges a normativized image of Western democracy as a universal model to which non-Western societies aspire, would evolve into a different model of “quasi-democracy,” or whether Western-style democracy would recover as a model.

Challenges of Democracy in the EU: Is There a Role for the U.S.?

Contributors to the first panel included Jocelyne Cesari, Senior Fellow at the Berkley Center for Religion, Peace and World Affairs and Professor of Government at Georgetown University; Andrew Srullevitch, Director of European Affairs at the Anti-Defamation League; and Esther Brimmer, Professor at The George Washington University, who served as moderator.

The participants discussed the rise of Islamophobia and anti-Semitism in Europe. They stated that minority communities must feel safe in societies for democracy to be considered a success. The participants also emphasized the need for a broader



András Simonyi and Esther Brimmer



Andrew Srullevitch and Jocelyne Cesari



Sir Michael Leigh

understanding of the history of Europe that integrates the history of Islam on the continent by arguing that religion is not just about belief, but about belonging. The participants also pointed to the need for a framework that allows people to practice their religions in society. Regarding the increasing anti-democratic sentiments in Europe, they recommended a common

effort from all sectors of society – elites and the media, in addition to policymakers – to push back on illiberal tendencies.

Challenges of Democracy in the Aspirant Countries of the EU

Panelists included Dajana Džindo, CTR-SAIS Visiting Scholar; Renata Stuebner, Senior Program Specialist at the United States Institute of Peace; Aylin Ünver Noi, CTR-SAIS Visiting Scholar; and moderator Debra Cagan, Senior State Department Fellow at CTR-SAIS.

Credible conditionality, along with society's demands for democracy, make Europeanization more likely. This has been witnessed in Turkey, which made great efforts to reach the start of the accession process in 2005. But since then, with the less credible EU membership perspective and a subsequent decrease in public and governmental enthusiasm toward membership, Turkish leaders have preferred “Europeanization a la carte,” picking and choosing EU policies to adopt to satisfy constituents and consolidate power. Many EU policies meet resistance in areas of personal freedom that do not fit the “moral understanding” of constituencies, as in the case of Turkey's Islamic middle class, whose flourishing over the last 30 years has challenged the modernization theory that economic development leads to democracy.

The EU must keep accession as a credible outcome to encourage Serbia and Bosnia and Herzegovina to continue reforms. Popular desire to join the EU remains strong, but many obstacles remain. In Serbia, there is a well-financed and well-organized opposition to EU and NATO membership. In BiH, the constitutional order contributes to a sense of “defective democracy,” with a scarcity of efforts to achieve a transformation of values, standards, and political culture.



David Kramer



L-R: David Kramer, Bastian Hermisson, Amy Hawthorne, Antonio Alvares-Couceiro



Bastian Hermisson



Bastian Hermisson and Amy Hawthorne

Challenges of Democracy in the Eastern Neighborhood of the EU

Participants included moderator Donald Jensen, CTR-SAIS Resident Fellow; Michael Leigh, Senior Advisor at the German Marshall Fund of the United States; Alex Sokolowski, Head of the Democracy Unit at the USAID Bureau of Europe and Eurasia; and Shaazka Beyerle, CTR-SAIS Visiting Scholar.

The panel offered an overview of the history of the European Neighborhood Policy's aims, which first and foremost sought to create a ring of well-governed states around the EU, rather than draw countries away from Russia and into the EU itself. This has caused difficulty in obtaining a clear and singular approach to issues on one side by EU institutions themselves, and EU member states on the other. In order to maintain credibility, EU institutions and member states must speak with one voice on the Eastern Neighborhood, as a "dual approach" harms credibility in terms of democracy promotion.

Transformation of societies will take place in the long term, something we must remind ourselves as we look for short-term progress. Limited experience with democracy, border disputes with neighbors, center-periphery economic disparities, and low levels of political trust among and in politicians are all challenges facing the countries in the Caucasus. There is a pervasive sense of uncertainty about when and whether these countries would be welcome in the Euro-Atlantic community, and aggressive posturing from northern neighbors exacerbates this feeling. Development of democracy in the region should be expected incrementally, even with occasional setbacks, and prospects for dramatic breakthroughs or rapid transformation are limited.



CTR - SAIS Visiting Scholar, Dajana Džindo



Renata Stuebner, Senior Program Specialist at the United States Institute for Peace, Aylin Ünver Noi, CTR - SAIS Visiting Scholar, and Debra Cagan, Senior State Department Fellow at CTR - SAIS



Shaazka Beyerle, CTR - SAIS Visiting Scholar

In the countries of the Eastern Neighborhood, the legacy of authoritarianism—impunity and a lack of accountability among elites—serves to maintain corruption after transition. Even EU member states, which have in place most of the necessary tools to prevent and fight corruption, fail to weed out corruption in many places.

This makes the Union's efforts to urge neighborhood countries to fight corruption more difficult. Bottom-up campaigns can add extra pressure to push for change when powerholders are corrupt or unaccountable.

How Effective is Western Democracy Promotion?

Participants included moderator Antonio Álvarez-Couceiro, CTR-SAIS Fellow; Amy Hawthorne, Senior Fellow at the Atlantic Council's Rafik Hariri Center for the Middle East; Bastian Hermisson, Executive Director of the Heinrich Böll Foundation North America; and David Kramer, Senior Director for Human Rights and Freedoms at the McCain Institute.

Eurasia and the Middle East are two of the most problematic regions in terms of political rights in the world. Russia actively tries to block democracy as it views its spread as a threat. This makes Western democracy promotion harder, as those who want democracy must overcome counter-narratives.



Aylin Ünver Noi and Debra Cagan

Security interests often take precedence over principled democracy promotion, particularly in countries where demand for democracy is already weak, as in the Middle East and North Africa. Authoritarian regimes are also effective at “outsmarting” democracy promoters and blocking relationship-building between Western organizations and grassroots groups.

It was agreed that it is not necessary to “reject” relations with Russia to accept democracy—such a paradigm leads to increasing mistrust. But the West needs greater resolve in facing threats to democracy, and each panel testified to this need, offering specific cases and overarching themes.

MDI EXECUTIVE DIRECTOR LECTURES AT STANFORD

On April 21, the Program on Arab Reform and Democracy at Stanford University's Center on Democracy, Development, and the Rule of Law (CDDRL) hosted Ghazi Ben Ahmed, Executive Director of the Mediterranean Development Initiative (MDI), for a presentation on "The Tunisian Transition and the Challenges of Youth Alienation."

Based on data gathered from meetings with a diverse group of 500 young Tunisians, Dr. Ben Ahmed discussed young peoples' perceived and actual exclusion from social, economic, and political opportunities. He provided a critical assessment of the underlying causes of youth alienation in the



Dr. Ghazi Ben Ahmed

country and prospects for greater political, social and economic inclusion.

To watch a recording of the lecture, click [here](#).

MDI CONFERENCE ON YOUTH INCLUSION IN TUNISIA

On April 10, the Mediterranean Development Initiative (MDI) organized a conference on youth inclusion in Tunis. More than 250 young Tunisians participated to discuss the World Bank report entitled "Removing Obstacles to Youth Inclusion," and presented the outcome to Minister of Employment Zied Ladhari, a panel of CEOs and representatives from civil society.

The event was innovative, as for the first time the World Bank proposed that one of its reports be discussed and the recommendations debated.

This innovative way of interacting with the World Bank will be replicated in other Tunisian cities in the central and southern regions of the country.

Ghazi Ben Ahmed, Executive Director of the MDI, organized the conference and delivered opening remarks.



Conference participants, included Dr. Ghazi Ben Ahmed (seated first from left)



DR. TOPERICH VISITS IRAQI KURDISTAN



After the Center for Transatlantic Relations SAIS hosted an event in February featuring representatives of the Barzani Charity Foundation (BCF) Musa Ahmad and Awat Mustafa, CTR-SAIS Senior Fellow Dr. Sasha Toperich visited Iraqi Kurdistan this April.

The Barzani Charity Foundation (BCF) hosted Dr. Toperich's visit where he met with Masrour Barzani, Chancellor of the Kurdistan Region Security Council in Iraqi Kurdistan; Dr. Ali Sindi, Minister of Planning in the Kurdistan Regional Government; Peshmerga General Silvan Barzani; Members of the KRG Parliament; Xeri Bozani, Director at the KRG Ministry of Religion Affairs' directorate for Yezidi affairs; and members of the Christian community.

Aziz Reda, BCF's President, Musa Ahmad, BCF's Vice President, and Awat Mustafa, BCF's Head of Operations, discussed the Foundation's plans for activities in the United States. "Our vision is to provide ongoing support not only for all refugees – Shia, Sunni, Izidis, Christians, Turks, and others that took shelter in Kurdistan after fleeing ISIS and the war in Syria – but to all communities in need in the entire Middle East," Masrour Barzani, who also supervises the Foundation's activities, said at the meeting.



Mousa Ahmed Agha BCF's Vice President, Sasha Toperich, Aziz Reda, BCF's President



Sasha Toperich and Masrour Barzani, Chancellor of the Kurdistan Region Security Council in Iraqi Kurdistan

Read more about Dr. Toperich's visit to Iraqi Kurdistan in his two most recent articles, "General Sirwan Barzani: The Peshmerga Did Not Seek Fame" at USMilitary.com, and "Kurdistan: A Miracle Required, Every Single Day" in The Huffington Post.

<http://www.usmilitary.com/33050/general-sirwan-barzani-peshmerga-not-seek-fame/>



http://www.huffingtonpost.com/sasha-toperich/kurdistan-a-miracle-requi_b_7096434.html

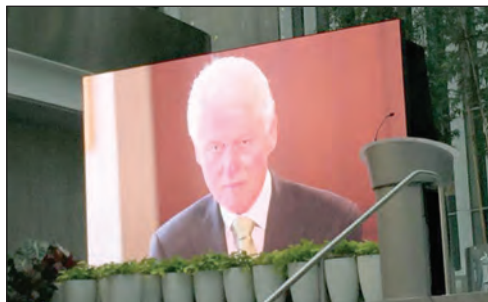


MAY 14, 2015: A CONCERT AT THE WORLD BANK TO COMMEMORATE SREBRENICA 1995-2015

On May 14th, 2015, the Center for Transatlantic Relations SAIS, together with the America-Bosnia Foundation, the Embassy of Bosnia and Herzegovina in the United States, the World Bank, and BHeart, organized a concert to commemorate the victims of the Srebrenica Genocide of July 1995, performed at the World Bank in Washington, D.C.

In a video message greeting the packed auditorium, former U.S. President Bill Clinton remarked that Bosnia and Herzegovina had come a long way in the intervening two decades since 1995. "The credit for this peace belongs to the people of all backgrounds who have made personal decisions that their children's and grandchildren's futures are more important than their past tensions. I am hopeful that the country's leaders will continue to strengthen these important foundation as they work toward the goal of Euro-Atlantic integrations. I think it speaks volumes to the country's future that you are marking this solemn milestone with music, a language that unites us all and our common humanity. I join you in honoring the memories of those who lost their lives 20 years ago. And like all of you, I wish Bosnia and Herzegovina many more decades of peace, increasing unity, and progress," said President Clinton.

"We are gathered here tonight to remember the more than 8000 Bosniak men and boys brutally killed at Srebrenica in July of 1995. This tragedy, the worst war crime committed on European soil since the Second World War, shook the international community deeply. The victims of this inhumane evil must never be forgotten. But tonight, as we honor the brave people of Srebrenica commemorating the twentieth anniversary of the Srebrenica Genocide, we are also gathered to celebrate



Former U.S. President Bill Clinton addresses the audience



Sasha Toperich performs his own music



Sasha Toperich at the piano and András Simonyi on guitar, performing "Dreaming" by Richard Schumann

life, to celebrate a brighter future for all the people of Bosnia and Herzegovina and to stand together by their side as they move toward Euro-Atlantic integrations," said Daniel Hamilton, Executive Director of the Center for Transatlantic Relations SAIS, and Ambassador Jadranka Negodić, Ambassador of Bosnia and Herzegovina to the United States, opening the evening's events.

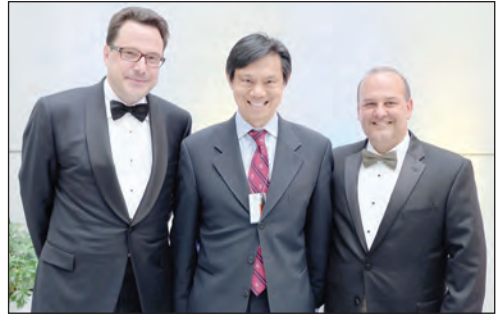
Dr. Hamilton especially thanked Adelhaida Hatibović at the World Bank for her enormous contributions in putting the event together.

Simone Baron (piano) and Michelle Baron (soprano) performed music by Johann Sebastian Bach, Johannes Brahms, Richard Schumann, and Leonard Bernstein, to critical acclaim from the audience.

Tom Yazdgerdi, Director of the Office of South Central European Affairs at the U.S. Department of State, performed music by Antonin Dvořák and Johannes Brahms, together with Sasha Toperich, CTR-SAIS Senior Fellow and world-renowned pianist.

András Simonyi, CTR-SAIS Managing Director, playing on guitar with Sasha Toperich at the piano, concluded the concert with a performance of an improvised version of Schumann's "Dreaming."

Frank Heemskerk, Executive Director at the World Bank Group, delivered closing remarks: "As the World Bank Executive Director for Bosnia and Herzegovina, I am honored to be a part of this event to commemorate the victims of the Srebrenica Genocide 20 years ago, as well as all other victims of the war in Bosnia and Herzegovina. As we gather here tonight, we are remembering the past, but we are at the



Sasha Toperich, U.S. Deputy Assistant Secretary of State Hoyt Yee, and Director of the Office of South Central European Affairs at the U.S. Department of State Tom Yazdgerdi

same time looking to the future. Twenty years ago, we sowed the seeds for a brighter future by rallying around the Dayton Peace Agreement. Every day, we have to continue working towards that brighter future for Bosnia and Herzegovina – in that endeavor, you can continue to count on the World Bank Group. Every day, when I come to the office, I look at a painting of the Mostar bridge, a gift from the Bosnian government. Last year, I got the chance to visit Mostar. It was great to see with my own eyes that by working together, it had been possible to rebuild the bridge, and also rebuild the trust among the people that live there. This is hard work, but it can be done, and we are all here to help the country on its path to success".

ABOUT THE ARTISTS

Known for her fiery and charismatic presence, Simone Baron is a multifaceted musician whose work as a pianist, accordionist, conductor, arranger and composer strives to experiment and engage with a broad range of audiences, musical languages/traditions and art forms. Simone's innovative programming, spanning her own works as well as the traditional and modern repertoire, and her expansive musical appetite have led her to perform internationally throughout Europe, Israel and North America, appearing as a soloist and chamber musician in venues ranging from Carnegie Hall, the Kennedy Center, Wolf Trap and Strathmore to LaMama experimental theatre, Twins jazz club and Berlin artist squats. NEMC International Conducting Institute and the SOB Conducting Institute among others. Simone attended the Oberlin Conservatory of Music and Tel Aviv University's Buchmann School of Music.

American-born Michele Baron has a B.A. in literature and political science/philosophy, teaching certification, M.A. in crisis management, sustainability and psychology, and certifications in the performance arts. Ms. Baron and her U.S. diplomat-husband were most recently posted to Morocco, where she served as an Expanded Professional Economics Officer at the U.S. Embassy in Rabat, receiving a Franklin Award for her cross-over assignments with the Public Affairs Department. Her volunteer efforts included musical performances of Berber and other indigenous music with the nationally-recognized OrchestreAndalouse, and annual solo vocal performances at the yearly Ramadan Interfaith Concerts in Casablanca. A featured, repeat vocal soloist with the Royal Thai Navy Orchestra, the Orchestre National du Senegal, the Penang Symphony Orchestra and Chorus (where she also offered master classes, served as Choir Mistress, and was featured artist on a benefit



Daniel Hamilton, Executive Director of CTR - SAIS, and Her Excellency Jadranka Negodić, Ambassador of Bosnia and Herzegovina to the United States



Frank Heemskerk, Executive Director of the World Bank Group, delivered closing remarks



Simone Baron



Michelle Baron

CD recording), and the San Francisco Concert Orchestra, Ms. Baron appeared as vocal solo artist with numerous piano, regional concert orchestras, Oratorio and chamber orchestras, jazz ensembles, big bands, and world-music instrumental groups.

András Simonyi is the Managing Director of the Center for Transatlantic Relations at the School of Advanced International Studies at Johns Hopkins University in Washington. For the past 25 years, András Simonyi worked in different leadership positions in the Hungarian Foreign Service. In 1995, he was appointed Ambassador at the helm of the Hungarian Liaison Office to NATO, overseeing Hungary's role in the UN-mandated NATO led IFOR/SFOR operation in Bosnia. He was a key member of the team negotiating Hungary's membership to the Atlantic Alliance. In 1999, he was appointed as the first Hungarian Permanent Representative on the NATO Council. He represented Hungary on NATO's leading body during the Kosovo crisis. From 2002 to 2007, he was Hungary's Ambassador to the United States.

A member of the Senior Foreign Service, Tom Yazdgerdi entered the U.S. Foreign Service in 1991 and is currently Director of the Office of South Central European Affairs at the Department of State. Previously, he was Political Counselor at the U.S. Embassy in Kabul. He served as head of the U.S. Consulate in Kirkuk, Iraq and as Deputy Political Counselor for Iran Affairs at the U.S. Embassy in Baghdad. Tom also served as Deputy Chief of Mission and Political-Economic Chief at the U.S. Embassy in Pristina, Kosovo in the run-up to and aftermath of Kosovo independence. His other assignments include serving as Senior Balkans Program Officer with the National Democratic Institute in Washington. Tom has a B.A. in History from Cornell University and an M.A. in Central European History, Security Studies and American Diplomatic History



The audience numbered more than 260 guests, including members of the Washington diplomatic corps, senior U.S. and European officials, and a delegation from Bosnia and Herzegovina



Tom Yazdgerdi and Sasha Toperich perform four-hands piano

from the Fletcher School at Tufts University. Tom is the recipient of three Superior Honor Awards, a Meritorious Honor Award, the Sinclair Award for Excellence in Language Study (Greek), four Group Superior Honor Awards, and the Secretary of State's Award for Volunteerism Abroad. Before joining the Foreign Service, Tom worked as Legislative Assistant for Foreign Affairs and Defense issues to Congressman William O. Lipinski (D-IL).

Sasha Toperich is a Senior Fellow at the Center for Transatlantic Relations SAIS and coordinator of the Center's Mediterranean Basin Initiative. After winning first prize at the Yugoslavian National Piano Competition at age 14, he performed throughout the country and recorded extensively for Sarajevo Radio and Television. He performed throughout the world to critical acclaim: his 1997 concert in Washington D.C. was broadcast nationwide on National Public Radio and earned him a

nomination for “Best Debut Artist”. He has performed in Austria, Belgium, Brazil, China, Croatia, Germany, Egypt, France, Israel, Italy, Japan, South Korea, The Netherlands, and throughout the United States. Dutch VPRO TV made a film “Toperich performs at Christofori in Amsterdam” after his successful debut at Concergebouw Hall. In 2007, Dr. Toperich performed at the Zankel Auditorium at Carnegie Hall. From 2001 to 2003, Dr. Toperich served as an Advisor to the Ambassador of Bosnia and Herzegovina to the United Nations. From 2003-2007, he served as the Presidential Envoy of Bosnia and Herzegovina to the United States. From

2009-2010, he served as a Counselor at the Permanent Mission of Bosnia and Herzegovina to the United Nations. From 2011 – 2014, he served as an Advisor to member of the Presidency of Bosnia and Herzegovina Bakir Izetbegovic. Toperich is the Chairman of the Supervisory Board of the “Mediterranean Development Initiative” (MDI) based in Tunis, Tunisia, and co-chairman of the World Youth Leadership Network and the President of the America-Bosnia Foundation. He writes extensively about Libya, Tunisia, Algeria, and the broader Mediterranean in his blog at the Huffington Post and is a Featured Columnist for USMilitary.com.

TOURISM IN BOSNIA AND HERZEGOVINA

After the concert, a reception was held, during which images of several tourist destinations in Bosnia and Herzegovina were shown at the World Bank.

They were also shared through the Center for Transatlantic Relations SAIS Twitter feed to reach a global audience.



Old Bridge in Mostar



Sarajevo City Hall most known as Vijećnica



Una River Waterfalls

BOSNIA AND HERZEGOVINA'S EU INTEGRATION PROCESS— PROSPECTS FOR REFORMS IN 2015

On May 14, 2015, the Center for Transatlantic Relations SAIS hosted “Bosnia’s European Future,” a conference dedicated to the future of Bosnia and Herzegovina. Hoyt Yee, U.S. Deputy Assistant Secretary of State for European and Eurasian Affairs, and Ambassador Lars-Gunnar Wigemark, Head of the European Union Delegation and EU Special Representative in Bosnia and Herzegovina, spoke on Bosnia and Herzegovina’s prospects for reforms in 2015 with a view toward the country’s path to European integration.

EU Special Representative Lars-Gunnar Wigemark: We expect to have agenda for reforms agreed upon by all actors by mid-June

“Our [the EU’s] common foreign and defense policies were developed because of what has happened in the Balkans in the 1990s. Our joint commitment is to have Bosnia and Herzegovina eventually as a member of European Union. Over the past several years, the Bosnian journey toward the EU has not amounted to very much, and conditions to activate the so-called Stabilization and Association Agreement (SAA) with the EU were not met, in particular, there was no agreement on certain constitutional changes. The economy has begun to stagnate and Bosnian citizens demanded a change. You are all aware of the protests last February, which were a wake-up call for us all. The terrible flooding that came a few months later only proved how vulnerable Bosnia is to such shocks.

“It was in recognition of the need to put back Bosnia on the EU track that Germany and the United Kingdom at the end of last year proposed a new approach, now adopted as a new initiative, involving renewed and cross-party commitment of political factors to the EU as a common objective, where in return the EU will activate the SAA starting June 1st.



“I would like to congratulate the government and Minister Mirko Šarović, who spent lots of time and political capital to establish a state-level Veterinary Agency and also undertake three legislative measures to meet EU standards. This will help to strengthen the economy in the long term”, said Ambassador Lars-Gunnar Wigemark



Hoyt Yee, U.S. Deputy Assistant Secretary of State for European and Eurasian Affairs, speaks on a panel moderated by Daniel Hamilton, Executive Director of the Center for Transatlantic Relations SAIS

“Furthermore, if there is evidence of credible progress of socio-economic reforms, Bosnia and Herzegovina would be in a position to submit possibly a credible application for EU membership. This new approach was accepted by the European Council in December of last year. On April 21st of this year, the EU made the decision to put the SAA into force. I believe this is a defining moment for us and Bosnia and Herzegovina that sets the country firmly on the EU accession path. The SAA will benefit citizens through better access and better quality of safer goods and services, will increase confidence of domestic and foreign investors knowing that the SAA is a guarantee of the country’s stability.

It will also allow Bosnian companies to access the EU market with more than 500 million consumers, and compete for public contracts throughout the EU.

"Earlier this week, we hosted a retreat with the Chairman of the Councils of Ministers Denis Zvizdić and the Prime Ministers of the two entities, Željka Cvijanović and Fadil Novalić, to begin to develop an initial agenda for economic reform, together with our financial partner institutions and the U.S. government. The socio-economic situation, performance and effectiveness of the public administration and the efficiency and accountability of the institutions, especially in the area of justice and home affairs, is in focus. We expect an agenda for reforms to be agreed by all actors involved by the first part of June.

"Sometimes the EU has been also criticized for weakening conditionality in order to unblock the country's EU path. This is somewhat misleading, as we demanding robust economic reform and we are seeking to coordinate and harness financial assistance of the international financial institutions to provide further incentives for these reforms. We are working in an unprecedented way with the International Monetary Fund (IMF), the World Bank, and the European Bank for Reconstruction and Development (EBRD) to come up with a joint approach. We are focusing on reforms that cannot be dismissed by anyone. These are all structural reforms that are urgently needed to improve the country's finances, attract investments and create jobs. We are also working on establishing various regulatory bodies and harmonizing legislation with the EU, like a single indirect taxation regime for the entire country as a result of the EU effort," said Lars-Gunnar Wigemark during his presentation.

U.S. Deputy Assistant Secretary of State Hoyt Yee:

"First, I think it is worth repeating, while we are very much focused on the future as we should be and we must be, we should take stock and look what has happened in the last 20 years,



Ambassador Lars-Gunnar Wigemark, Head of the EU Delegation and EU Special Representative in Bosnia and Herzegovina



"We must be willing to adopt a timetable and a timeframe that is going to ensure that we use this opportunity that we have, presented by the EU initiative and collectively by the international community", said Secretary Yee

and while none of us would say we are satisfied with the amount of progress or implementation of Dayton, or simply with the establishment of a functional, stable, prosperous, secure state in Bosnia and Herzegovina, we have to recognize there has been peace, growth in the economy, a certain amount of reconciliation.

"...Second, I want to talk about the tremendous potential that Bosnia and Herzegovina still has and the tremendous opportunity that the EU initiative and renewed commitments, I would describe, from the European Union, to engage Bosnia and Herzegovina in the process of accession towards the EU. There is tremendous work to be done, and there is no doubt in my mind, if the leadership is willing to work in the direction it has committed in recent days since the elections, to make reforms and take steps towards EU accession, there is a possibility to make real progress, and that in a pace we have not seen in the last 20 years. I don't want to be accused of being overly optimistic, and there

are three conditions I want to point out that are important to determine how the leaders and the international community will be able to achieve this potential.

“One of the first issues that has to be dealt with is the political will – the eagerness and the willingness of the political leaders in Bosnia and Herzegovina and the people who elected them to take hard decisions, and that is still a question in many of our minds as to committed and willing they are to give up a system that they succeeded and prospered in to a certain extent; in any country, whether 20 or 200 years old, there is a certain attachment to the status quo, and in Bosnia and Herzegovina I think that attachment is quite strong. That has been one of the main impediments to progress in the past 20 years to try to bring a more prosperous and more secured and stable state. That is not entirely the fault of the leaders, but I think it is important for the international community to provide motivation, assistance, and support in order for Bosnia and Herzegovina to make the right decisions.

“Second, there is a sense of urgency and the issue of timing. We have seen 20 years go by very rapidly and we will see one or two years before local elections in Bosnia are coming,

thus complicating the reform process. We must be willing to adopt a timetable and a timeframe that is going to ensure that we use the opportunity we have, presented by the EU initiative and collectively by the international community. We recognize the importance of a united, integrated effort by the international community, even if we do not necessarily agree on all nuances, what should be coming first and what later, but fundamentally we agree first on the deservedness of people of Bosnia and Herzegovina for something better and now is the time, not just because it is the twentieth anniversary, but because of the convergence of all the factors we mentioned, now is the time we should do it.

“We do have limited resources. There are many other problems in the world and our capitals are focused on many things at the same time. We need to use all our available resources, including the OHR (Office of the High Representative), which has been an important part of the implementation of Dayton, which has taken a secondary role to the office of Ambassador Wigemark, but nonetheless, all pieces, including the OHR, need to be utilized so we get the desired result,” said Hoyt Yee in his remarks.

BOSNIA AND HERZEGOVINA—ECONOMIC BOOM POSSIBLE?

Leaders from the private and public sector of Bosnia and Herzegovina presented the country's potential for booming economic growth in a panel discussion moderated by Sasha Toperich, CTR-SAIS Senior Fellow, titled “Bosnia and Herzegovina—Economic Boom Possible?”

Mersad Ramović, Director of Marketing at Energoinvest d.d., presenting Energoinvest's work and achievements in Iraqi Kurdistan, Ethiopia, Algeria, Libya, Albania, Montenegro, and other countries, said the company is undergoing a reorganization to comply with EU standards, an effort that has been launched in cooperation with the European Bank for Reconstruction and Development (EBRD).



Enver Mujezinović, Military Industrial Affairs Directorate of the Federation of Bosnia and Herzegovina, Mujo Selimović, CEO MIMS Group, Mersad Ramović, Director of Marketing at Energoinvest d.d. at the panel “Economic Boom Possible?”, moderated by Sasha Toperich, CTR - SAIS

Mujo Selimović, CEO of the MIMS Group, suggested more collective effort by the Bosnian business community and political leaders to promote Bosnia and Herzegovina and its investment potentials. "For example, It is not very well known internationally that Bosnia and Herzegovina has a very attractive, low tax on profits compared to many countries, including those in the EU", Selimović concluded.

Enver Mujezinović of the Military Industrial Affairs Directorate of the Federation of

Bosnia and Herzegovina presented the military industry in Bosnia and Herzegovina and the rapid growth it had seen in the past few years. "It is our strategic goal to further develop partnership in this industry with U.S. companies", Mujezinović concluded.

Dave Howell, CEO of the American company Howell Munitions & Technology, Inc., attended the two-day conference and shared his positive experience working with military industrial companies in the Federation of Bosnia and Herzegovina.

BEFORE AND AFTER DAYTON: BOSNIA'S PAST AND ITS EUROPEAN FUTURE

This year marks the 20th anniversary of the Dayton Agreement bringing peace to Bosnia and Herzegovina. While much of the Balkans has moved on, questions and challenges from that time still resonate with us today. Can Bosnia and its neighbors join the European mainstream? What must be done, and who must do it? To offer perspective and lessons learned, and to consider the future of the region, including the role of the United States and its allies, the SAIS Center for Transatlantic Relations hosted *Before and After Dayton: Bosnia's Past and Its European Future*, launching a year-long series of events dedicated to the history and legacy of the Dayton Agreement.

Jadranka Negodić, Ambassador of Bosnia and Herzegovina to the United States, said in her opening remarks: "Twenty years ago, the U.S. administration led a big coalition of a united international community to stop the war, bring war criminals to justice and open the process of building a state where Muslims, Christians, Jews and the others can live together as they used to do for hundreds of years, and, through Euro-Atlantic integrations find a way to a society of shared values. Since then, in a process



"Bosnia and Herzegovina is unconditionally dedicated to the fight against terrorism. Bosnia and Herzegovina is among 62 other countries as a member of the Global Coalition to Counter ISIL and is one of the first countries to adopt the law which stipulates that taking part in foreign armies by Bosnian citizens is defined as a criminal act and those who do so are to be prosecuted", said Ambassador Negodić

led by the U.S., three armies who fought against each other were integrated in the Armed Forces of Bosnia and Herzegovina, an armed forces whose soldiers, united, participate in the NATO-led International Security Assistance Force (ISAF) in Afghanistan – integrated with the Military Police Battalion of the National Guard of Maryland – and, together with police forces, provide a concrete contribution to the U.N. peace operations through their active participation in peacekeeping missions in Liberia, Sudan, Cyprus and the Democratic Republic of the Congo.

"Bosnia and Herzegovina, as a state of genuine multi-ethnic and multicultural character, played a constructive role in the work of the UN Security Council as a non-permanent member in 2010 and 2011. Bosnia and Herzegovina places special emphasis on regional and sub-regional cooperation, dialogue and future cooperation between the neighboring countries, based on the principles of mutual respect for sovereignty and territorial integrity. Neighborly and regional cooperation are closely related to the integration of Bosnia and Herzegovina in the EU and NATO, strategic and priority foreign policy objectives. The strategic goal of EU membership is based on the aspirations of Bosnia and Herzegovina to become part of the large family of democratic states and thus achieve the full functioning of our own institutions and further development



L - R: Klein, Joseph, Kauzlarich, Hunt

of society based on the principles of the free market, rule of law and especially the protection of human rights. The Stabilization and Association Agreement with the EU is about to enter into force from June 1st of this year," said Ambassador Negodić.

BEFORE DAYTON: THE SPREADING BALKAN FIRE

"The 1980s were a time when the entire Soviet bloc, all of the satellite nations began to crack apart, until they finally broke apart, and it was within this broad context of a large part of Europe finding a totally new identity in the ashes of the past, that you have a situation such as developed in the country called Yugoslavia. Those of us who had an opportunity to visit Yugoslavia and to meet with people like Tito were amazed how country was kept together, but then also, ultimately, it fell apart, starting with Slovenia," said Marvin Kalb, a nonresident Senior Fellow with the Foreign Policy program at Brookings Institution and Senior Advisor at the Pulitzer Center on Crisis Reporting, in his opening remarks as moderator of "Before Dayton: The Spreading Balkan Fire."



L -R: Serwer, Hamilton, Kalb

Serwer: Last Congressional Research Service said all wars and peace in the Balkans cost the U.S. \$25 billion. It was a relative bargain – the cost of a few months of war in Iraq or Afghanistan

Daniel Serwer considered the times leading up to war in Bosnia and then until the Dayton Peace Accord was signed. "We also worried about opening Pandora's box. If the collapse of Yugoslavia were to lead to a general rearrangement of borders to accommodate ethnic differences, why wouldn't the collapse of the Soviet Union? Moldova was already a problem. Georgia and Ukraine might have become problems much earlier. And we worried about what I would term the 'Holbrooke nightmare' scenario: this involved expulsion of Albanians from Kosovo into Macedonia, intervention by Greece, Turkey and war within NATO. This did not happen. But intervention, which got a very bad name in Iraq and Afghanistan, was relatively cheap and easy – at least at our end of things – in Bosnia."

Serwer concluded: "So what was accomplished? We saved lives and ended a war, even if the peace was not just and has been more difficult to implement than many of us would like. We also saved NATO from a serious embarrassment on its borders and reminded the world that Europe and the U.S., when they act together, can make their values prevail and help oppressed people attain their aspirations. I don't regret that for a moment. I even wish something like it could be repeated in Ukraine and Syria. But a lot of things have changed since 1995 and that is not likely to happen."

Daniel Hamilton, Executive Director of the Center for Transatlantic Relations SAIS, said, "I think there are three, at least, contributing factors that contributed to the tragedies that unfolded in Bosnia and I think they are still relevant as we speak today. One is, what you might call, the "misreading of history," or how people like to use history. This notion of ancient enmities, that some parts of the world are beset by historical animosities that will never be resolved, and that argument has



Daniel Hamilton



Serwer: Last Congressional Research Service said all wars and peace in the Balkans cost the U.S. \$25 billion. It was a relative bargain - the cost of a few month of war in Iraq or Afghanistan



Daniel Serwer

been used repeatedly, and you still hear it, to justify inaction, inattention. If you look at the real issues of that region at the time, some political leaders in the region saw it in their interest to generate hatred, and conflict, and group identity set against each other using history and ancient grievances. But this was to a purpose, to advance a modern agenda, mainly their power and influence. We see this argument repeated not just in the Balkans, but in some parts

of Europe, you see it in many other parts of the world.

It requires us to look beyond easy slogans; to really see who is trying to achieve what and not to fall in to the trap of 'ancient enmities.'

"The notion of 'frozen conflicts' becomes another label, it seems to me, that allows us to walk away from the issues. We should not have the illusion when we say frozen, we mean we can keep them on ice, as if nothing would happen. Almost all of these examples, also still in Europe today, these are in reality most of them festering conflicts. Underneath the sheen of ice, things are bubbling, and things are not resolved and they tend to explode. And if we are not condensing to that possibility, in fact probability, we are also not doing our job when we think about conflict prevention, resolution, and our own role in that.

"The second one was in fact the end of the Cold War and developments surrounding that. Ultimately, what Gorbachev agreed to, after Germany unified, was about self-determination, the right for people to determine their alliances and their future. German Foreign Minister Genscher at the time argued, how could we prevent that basic principle from applying to other parts of Europe when we are exactly the expression of success? There was lots of hope associated with that, which was a bit of over-exuberance. In the context of time, at the beginning of the unipolar world, we were not sure what would happen not in the Balkans but in Russia, the Soviet space. There was a concern that instability will be a new concern. And think of all the efforts we made then with Ukraine, trying to negotiate to get them to become suddenly an independent nuclear power, and potentially we had a coup d'état that was suppressed in Moscow. These were things that preoccupied American decision makers, not the Balkans.



Klein, Joseph, Kauzlarich, Hunt



Edward Joseph

We should mention also the Persian Gulf War happening at the same time, in which the George H.W. Bush administration was eminently preoccupied even as they worked to finish German unification.

"And last, the tremendous underestimation of the continuing role the United States will have to play in post-Cold War Europe, and the rather astounding overestimation our European colleagues had to master that transition without us. Two easy phrases we tend to use when we think about history: Secretary Baker saying, "We ain't got a dog in that fight" and the foreign minister of Luxembourg, holding the Presidency of EU: "This is Europe's hour. We will take care of this problem in the Balkans. Don't worry about it." And the Americans, distracted with all these other problems, said, "Happy to do so". This interaction has not gone well back then, not since then, and not today, and in

spite of all the changes we experienced, there is still the enduring reality that the U.S. remains a European power – not a power in Europe, but a power integrated in Europe's security system, and without that active participation, Europe's security is diminished in a broader sense. There is a yearning in this country to see Europe

capable to take care of their own. Many congressmen used to say, "Europe is fixed. Time to move on and do other things." The truth is, Europe is not fixed, and that lesson has been driven home to us 20 years ago in the Balkans, and that lesson is relevant still today, as we think how to engage in Europe these days," Hamilton said.

NO SAFE HAVEN: USING THE U.S. IMMIGRATION AND CRIMINAL CODES TO EXCLUDE PARTICIPANTS IN HUMAN RIGHTS VIOLATIONS

Michael MacQueen: Immigration and Customs Enforcement at the Department of Homeland Security conducts a number of investigations, already producing results

"So far, we had eight extraditions from the U.S. and 35 convictions related to criminal activities, along with 65 deportations with a significant number of spontaneous departures in advance of ICE action. Our cooperation with the justice institutions in Bosnia and Herzegovina is good, but more work is needed to strengthen the justice and prosecution capacity in Bosnia and Herzegovina. In my personal view, the assistance of international judges and prosecutors might be required to assist the Bosnian Court in overcoming its seemingly intractable backlog of important war crimes cases," said Michael MacQueen, Senior Historian, Human Rights Violators and War Crimes Center, United States Immigration and Customs Enforcement at the Department of Homeland Security.

MacQueen has been engaged in the full-time investigation of war crimes committed in the former Yugoslavia since 2004.



"We don't care who started the war - we establish culpability for war crimes" said MacQueen



MacQueen with Sasha Toperich, CTR - SAIS Senior Fellow, who moderated discussion

Prior to joining ICE in 2008, he spent 20 years in the Department of Justice's Office of Special Investigations, principally investigating crimes related to the Holocaust, primarily in the Baltic States, Poland and Ukraine, whose perpetrators entered the United States after World War II. At ICE he is the Balkans historian in the Human Rights Violators & War Crimes Unit, and

divides his time among various investigative assignments in the United States and in the former Yugoslavia. In addition to numerous U.S. appearances as an expert witness for the government, he has also testified as an expert for the Bosnian Prosecutor's Office. He has written numerous scholarly articles on aspects of the history of the Holocaust.

THE INTERNATIONAL COMMUNITY AND BOSNIA AND HERZEGOVINA IN 1995

Ambassador Swanee Hunt, former U.S. Ambassador to Austria, walked the audience through her vivid involvement in Bosnia and backstage stories in various negotiations and meetings that took place in Austria during her mandate as ambassador. "I met this woman from Srebrenica and she came to me and said, 'I had a husband and three sons, and I know all of them were killed, but the middle son may have run, as he was fastest runner in his class,' and then, she fainted." When you don't have the strong representation of women in policy making, then you get lesser results as we could see.



Swanee Hunt

Jacques Paul Klein, former UN Under-Secretary-General and Special Representative and Coordinator of the United Nations Mission in Bosnia and Herzegovina, recalled his time in Bosnia and Herzegovina. He was congratulated by his fellow panelists on the successful UN mission, and during his retrospective of two decades ago, he described the complexities the international community faced in this crisis, unprecedented in Europe since the Second World War: "To go back in history, UNPROFOR had some 70 Security Council resolutions, dozens of Presidential statements. Political negotiation authority was split between the UN and the Contact Group. The biggest challenge for all of us was to understand what we are supposed to be actually doing.



Richard Kauzlarich



Jacques Paul Klein

"The Dayton Peace Accords contain fewer than 150 pages, divided into 11 annexes. Some 40 pages of Peace Implementation Council declarations. Ninety-two post-accession criteria for membership in the Council of Europe. Many of these decisions were never fulfilled, others never got off the ground. We had 55 countries involved, 17 foreign governments locally, 27 intergovernmental agencies, 18 UN agencies, and several hundred NGOs."

Richard Kauzlarich, former U.S. Ambassador to Bosnia and Herzegovina, described the U.S. domestic limitations on implementation of the Dayton Peace Accords, describing it as a stabilizing factor. "Dayton can be criticized for many things, it was a compromise of compromises and was a result of the inability to create a strong central government. Institutionally strong central government without political legitimacy would be a consequence of Dayton's centralized approach. The real question is, by creating two entities, did it encourage and reward nationalistic forces. In my judgment, Dayton became a factor of stability. Unfortunately we now have an institutionally weak central government of Bosnia and Herzegovina. Weighing a balance, I am not sure which one is better. We provided huge economic assistance to Bosnia and Herzegovina for the size of the country, mainly in infrastructure. Civilian and military parts of this have to be looked at separately. It took two years to set up the OHR and UN Special Envoy to the Secretary-General. I don't think the U.S. wanted to see a strong civil implementation of Dayton, as long as we wanted to get our troops out within the

year. A stronger civilian side meant we would be going to stay there longer. There was no international standing structure, like NATO, that could mobilize centralize civilian resources. We did not have any experience in running the occupation in Europe since WWII. So, the reluctance to give the [international community] leadership the authority, except on a tight leash, limited what we could have accomplished. The military side was quite successful, with no combat casualties. Post-9/11, the Bosnian war was an interesting preview of how religion can be manipulated for political purposes. The indispensability of the U.S. role is, I think, still open for questions, but how long do we as the international community have to continue before we say 'the job is done,'" Kauzlarich said.

Edward Joseph, CTR-SAIS Senior Fellow and former senior UN and OSCE official in Bosnia and Herzegovina and Kosovo, said, "The recent incidents in Zvornik and Kumanovo should be a wake-up call to Western officials. Backsliding on democratic values and weakening of democratic institutions has made the weak, divided states of the region especially vulnerable to the twin threats of radical Islam and malign Russian influence. No longer can the stability of south-eastern Europe be taken for granted. No longer can Washington and Brussels expect that Croatia's entry into the EU means that it is simply a matter of time until the rest of the region follows Zagreb into the Union. It is not a matter of time, but rather a matter of will and concerted effort based on recognition that further deterioration and even violence are quite plausible.

"As my article in Foreign Affairs suggests, Bosnia's slippage is alarming. The fact that the Republika Srpska National Assembly has passed a resolution on a separatist referendum -- with a date certain (2018) -- is a sign of the brazen disregard for once sacrosanct principles about the inviolability of Bosnia's borders. With the recent international initiatives on Sejdić-Finci, the Federation and Constitutional reform having made negligible progress, it is time for the international community to reconsider imposing strict penalties

for those who threaten the country's stability or stand in the way of progress. These should be incorporated into the upcoming EU 'reform action plan' and stated very clearly to the region's leaders at the upcoming retreat. Macedonia and Kosovo likewise face serious challenges to their stability. Serbia's relationship with Moscow and its commitment to the reform path remain a concern. The overarching lesson of the region is that failure to address serious problems head-on only makes them harder to resolve later," Joseph concluded.

KEYNOTE ADDRESS: MADELEINE ALBRIGHT

"We must remain fully invested in the future of Bosnia -- and in ensuring that it becomes a sustainable democracy with a government that delivers for its people."

In the years since leaving government, I have continued to work on issues relating to the Balkans -- including in my capacity as Chairwoman of the National Democratic Institute. That experience has made me clear-eyed about the challenges facing Bosnia and the region, but I have always felt that everything should be kept in perspective. If, twenty years ago, we were asked to predict where Bosnia would be in two decades, I think many would have assumed it would have disintegrated or returned to violence -- and that has not happened. Bosnia is a functioning democracy, and with our continued support, it can become a sustainable one," said Madeleine Albright, former U.S. Secretary of State, in the keynote address to conclude the day's events.



"The United States cannot shirk our responsibility to lead the international community -- even in matters of European security. Whether it is the future of the Balkans or the future of an independent Ukraine, the United States cannot simply pretend that our own interest are not at stake, and leave it to Europe to sort it out," said Albright

PRIME MINISTER VUČIĆ DISCUSSES SERBIA'S STRATEGIC CHOICES AT SAIS

On June 4, 2015, the Center for Transatlantic Relations at Johns Hopkins University SAIS hosted a lecture and question-and-answer session with Prime Minister Aleksandar Vučić of Serbia, in the framework of the Prime Minister's visit to Washington.

In a lively discussion moderated by Professor Daniel Serwer, CTR-SAIS Senior Fellow and SAIS Professor, Prime Minister Vučić discussed Serbia's strategic choices in aligning itself with Europe while not trying to balance between Europe and Russia. Vučić emphasized that Serbia is a central point of stability and peaceful conflict resolution in the Western Balkans.

"Serbia has been for quite some time a pillar of stability in the entire region, and we invested a lot in this respect. My first foreign visit as prime minister was to Sarajevo. Recently, I went to Tirana, the first time ever a prime minister of Serbia did so. We have good relations with Macedonia, Montenegro, Hungary, Bulgaria, and Romania," Vučić said, among others.

He discussed economic reforms that his government has initiated on the path to the European Union. "We are the first country in the region to initiate economic reforms, including consolidation—from 6.8 percent to 1.8 percent so far this year, and we will not go beyond 2.8 percent this year. These measures will help the Serbian people but also to invest in infrastructure projects," the prime minister said.

He also detailed regulatory reform measures undertaken to ease business in Serbia. "Today, if you need a construction license to open your business in Serbia, the process will take 28 days, compared to almost one year in the past."

Prime Minister Vučić told the packed auditorium that he is still dissatisfied with



Prime Minister Aleksandar Vučić of Serbia speaks at Johns Hopkins University SAIS, June 4, 2015



Professor Daniel Serwer (right) moderated the discussion

the efficiency of the judicial system in Serbia, and that he looks forward to the EU opening Chapters 23 and 24 of the acquiscommunitaire in this regard. "If you wait ten years to get a verdict, what does that mean? Nothing. That's why we need U.S. and EU support when we engage in Chapters 23 and 24." He also spoke of his personal commitment to free expression and media freedom.

As for Serbia's unwillingness to align with EU sanctions against Russia following the events in Ukraine, Vučić explained this was motivated by the EU's lack of compensation



for Serbian producers who would suffer the consequences of imposing a sanctions regime.

The impression that Prime Minister Vučić conveyed was of Serbia as a committed and reliable international partner, especially in the fight against corruption and regional stability in the Balkans. "I did not come to Washington to ask for money, but rather for political support

for Serbia and the Western Balkans," he said.

Prime Minister Vučić returned to Washington on September 14th, where he met with U.S. Vice President Joseph Biden and other U.S. officials. The prime minister also delivered a lecture at the Brookings Institution and attended a reception in his honor at the U.S. Chamber of Commerce.

AYLIN ÜNVER NOI IN THE HUFFINGTON POST

Writing in The Huffington Post recently, Assistant Professor Aylin Ünver Noi, CTR-SAIS Visiting Scholar, discussed the prospects for a new and more democratic Turkey following the general election in June. In "Turkey's Election and Its Firsts," highlights a number of firsts for the Mediterranean country, including returning a record number of women—96 in total— to the national parliament, an increase of 17 over the 2011 result. In addition the AK Party lost its majority, ending single-party government in Ankara. She also noted the rise of the Peoples' Democratic Party (HDP), the first Kurdish party to clear the 10 percent threshold required for a party to take seats in the national parliament. She concluded that the "election result has the potential to make an impact on the AKP

to rethink its domestic and foreign policy, but also the potential for a new, more democratic Turkey."

In "Turkey's Fight With ISIL and PKK: A Return to the 1990s?" Ünver Noi analyzed Turkey's renewed campaign against the Kurdistan Workers' Party (PKK) following terror attacks and the fight against ISIL along its border with Syria. She asserts that rhetoric from Turkish officials is reminiscent of Turkey's approach to the Kurdish issue in the 1990s, which was "based on a security-oriented domestic and foreign policy." Competing regional agendas have resurfaced as a result of regional conflict. The reaction of global powers is reminiscent of the 1990s, as well. A peaceful solution is needed.



The Huffington Post

http://www.huffingtonpost.com/aylin-unver-noi/turkeys-election-and-its-_b_7549284.html

TOPERICH: "RIGHT LEADERS LIBYA'S BEST HOPE FOR STABILITY"

Writing in The Huffington Post, Dr. Sasha Toperich, CTR-SAIS Senior Fellow, backed the UN peace talks on Libya that reached an agreement in Morocco in early July. In



"The Right Leaders Are Libya's Best Hope for Stability," Toperich highlighted the contributions of Dr. Abu Bakr Buera, whose leadership was "crucial to securing support for the accord from the fractious House of Representatives." Four years after the start of the Revolution, Libya remains mired in a conflict that has displaced more than 434,000 people. ISIS is on the rise in Libya, terrorizing citizens and contributing to a major security threat in the region. These factors feed into a deteriorating economic situation, with

plummeting oil prices shrinking government budgets. And militias, numbering more than 200,000 well-armed men, remain an obstacle to consolidation of the government

in Libya. In light of these challenges, Toperich believes that the agreement is a "big first step in the right direction." The alternative to dialogue is more bloodshed and possible disintegration of the country.

"The success of the proposed unity government for Libya will to a great degree depend not only on active foreign support from governments and institutions of the UN, U.S., and EU, but first and foremost on Libyans choosing the right leaders for their government," Toperich concludes.

BOUKAILA AND TOPERICH: "A MUCH NEEDED NEW ECONOMIC PARADIGM FOR ALGERIA"

Facing a dramatic setback to its ambitious plan to build a modern nation and economy with a large infrastructure investment plan (detailed in the Mediterranean Digest last year), Algeria must make serious policy reforms to ensure a prosperous future. In "A Much Needed New Economic Paradigm for Algeria," authors Samy Boukaila, CTR-SAIS Visiting Scholar, and Dr. Sasha Toperich, CTR-SAIS Senior Fellow, outline eight such reforms that the government should urgently pursue. They advocate a rearrangement of social subsidies while protecting the most

vulnerable Algerians; review of investment models for infrastructure; revision of the Law for Foreign Direct Investment to allow foreigners to own more than 49 percent of company shares; privatize publicly owned companies; reform and privatize the financial sector; streamline bureaucracy and improve the business environment; and simplify the fiscal system to bring the informal economy out of the shadows. They also call for reforms to the educational system, to create conditions to educate top managers to take over privatized companies.



The Huffington Post

http://www.huffingtonpost.com/sasha-toperich/a-much-needed-new-economi_b_7888646.html

25TH ANNUAL ECONOMIC FORUM HELD IN KRYNICE-ZDROJ, POLAND

Over 3000 delegates took part at this year's Economic Forum in Krynice-Zdroj, Poland. Andrzej Duda, President of Poland, Kolinda Grabar-Kitarović, President of Croatia, and Gjorge Ivanov, President of Macedonia opened the event.

CTR-SAIS Senior Fellow Sasha Toperich took part in the Security Forum, in a panel titled "Fragile States – How to Avoid a Wave of Turmoil," moderated by JJ Messner, Executive Director of the Fund for Peace, (USA). Other panelists included: Luis Fraga, President, World Stability Observatory, (Spain); Leonid Kozhara, Vice President for Foreign Affairs, Socialists of Ukraine; Monika Garbačiauskaitė-Budrienė, Editor-in-Chief of Delfi.lt (Lithuania).

President Ivanov of Macedonia hosted a reception presenting investment opportunities in Macedonia. Mirza Ustamujić, Chairman of the Supervisory Board of the America-Bosnia Foundation, participated in the panel dedicated to the Western Balkans, along with Danilo Türk, former President of Slovenia, Slaven Radunović, Chairman of the European Integration Committee at the Parliament of Montenegro, and Andrew MacDowall, economic correspondent and analyst. Nenad Radičević, Germany correspondent for Politika Daily, moderated the session.



Mirza Ustamujić, Chairman of the Supervisory Board, America-Bosnia Foundation



President Gjorge Ivanov of Macedonia



Sasha Toperich discusses security situation in Libya at the economic forum - Krynica Zdrój



HOW BOSNIA'S POLITICAL ECONOMY HOLDS IT BACK AND WHAT TO DO ABOUT IT

"Twenty years after the Dayton agreements ended its devastating war, Bosnia and Herzegovina is mired in a corrupt political economy that feeds its political party bosses and their loyalists while leaving the country's economy in ruins, its governing institutions all but bankrupt and its citizens in dire need," say Srđan Blagovčanin and Boris Divjak, the authors of a recent study titled "How Bosnia's Political Economy Holds It Back And What to Do About It."

Blagovčanin, the Executive Director of Transparency International (TI) in Bosnia and Herzegovina who has also worked with the World Bank, USAID, and Global Integrity and served as a Fellow at American University in Washington, and Divjak, Director of the U4 Anti-Corruption Resource Center in Bergen, Norway and the founder and first Chair of TI Bosnia and Herzegovina, detail the ways politicians prey upon the economy, burdening entrepreneurs and impoverishing their people. They argue that political leadership and parties serve their own narrow interests, fostering patronage networks and cronyism, while state-owned enterprises generate mainly losses and political party revenue.

The media and civil society are unfree and fearful of their environment, while the judiciary is falling under the control of



the parties. Over 60 percent of the entity (Republika Srpska and the Federation of Bosnia and Herzegovina) budgets finance public sector salaries and the social safety net, and another 30 percent goes to service foreign debt. These factors contribute to rising unemployment and an inability to implement even those reforms that are passed by the legislatures.

To combat this downward spiral, the authors propose several solutions. They encourage Bosnian-Herzegovinian leaders to simplify their governing structures, cut red tape and administrative costs and freeze government hiring. Parliaments should require democratic functioning in their parties and end political appointments to state-owned enterprises.

For its part, the EU should insist that judges be appointed solely on their professional merit and assist the judiciary in tackling first and foremost large-scale corruption cases, including leveling travel bans and foreign asset freezing as tools of this assistance, among other recommendations.

SLIM OTHMANI TO RECEIVE MEDITERRANEAN LEADERSHIP AWARD IN ALGIERS

CARE, a leading think-tank in Algeria and partner to the Mediterranean Basin Initiative at CTR-SAIS, will hold their Annual Assembly on December 15th, where representatives of the business community, media, NGOs and the Algerian government will participate.

At CARE's First Annual Gala Dinner, aimed at raising awareness on the necessary reforms Algeria must undertake in light of the economic, social, political, and geo-strategic events impacting the country, the MENA region as a whole and the EU, Keynote speakers, financial experts, economists, and politicians will address the audience with analysis and prospective vision for a better future when politicians and civil society as a whole engage in serious and radical reform for a free economy, companies, and individuals to pursue growth and wellbeing to benefit populations of the MENA region and Mediterranean Basin.

Slim Othmani, CARE President and prominent businessman and owner of NCA, a juice producer covering two-thirds of the Algerian, MENA and sub-Saharan market, will receive the Mediterranean Basin Award for 2015 for his strong advocacy for reforms in Algeria and for his commitment to fostering stronger regional relations within the countries of the Maghreb and the Mediterranean Basin.



Slim Othmani



ECONOMIC CONFERENCE: "ALGERIA AND THE MEDITERRANEAN," DECEMBER 14TH IN ALGIERS

CARE and CTR-SAIS will organize a one-day economic conference to be held at the SOFITEL in Algiers on December 14th. The conference will bring together entrepreneurs and business communities from the countries of the broader Mediterranean to explore possible business opportunities, and mainly ways to enhance FDIs and joint ventures so as to build gradually the diversified economy Algerians seek for their country.

On December 15th CARE will host its Annual Assembly and Gala Dinner, where 300 delegates will participate, including guests from Algerian government, members of the diplomatic corps, business leaders, prominent journalists, and academics.



Creating Maghreb economic union is essential to securing prosperity and stability in North Africa - Sasha Toperich



Hernando De Soto, famous Peruvian economist and Phillipe de Fontaine Vive, EIB Vice President, discussing market economy and property rights at CARE gala dinner in Algiers



Samy Boukaila, CARE co - founder and treasurer addressing the audience



Slim Othmani, CARE President promoting diversification of Algerian economy



CARE member from Algerian desert, belonging to Tuareg tribes



Over 400 guests attended CARE gala dinner in Algiers

WOMEN'S EMPOWERMENT CONFERENCE HELD IN TUNISIA—BUILDING MOMENTUM

The objective of the conference, held on October 2nd in Tunis (Tunisia) was to utilize the recent Overseas Development Institute report (ODI), funded by Melinda and Bill Gates Foundation. The entry point that generated discussion, whether the mechanisms which explain women's empowerment to date in Tunisia can be exploited/used/drawn upon, was to reflect on how further progress can be made towards women's empowerment in general, also in business and entrepreneurship.

The Conference focused on identifying specific barriers to further progress in women's entrepreneurship in Tunisia with an open discussion as to how the mechanisms identified can be used to address them.

Conference participants included: Samira Merai, Minister for Women and Family affairs (Tunisia), Hardy Ostry, Resident Representative - Konrad Adenauer Stiftung (KAS), Saida Garrach, Senior Advisor to the President of Tunisia, Heli Järvinen, Member of the Finnish Parliament, H.E. Mrs. Nagma Mohamed Mallick, Ambassador of India in Tunisia, Cristina Natoli, Director of Italian Cooperation in Tunisia, Vikky Chambers, Overseas Development Initiative - London (ODI), Prof. Emna Ben Arab (panelist), Professor Riadh Zghal (panelist), Donia Chaouch (moderator), Hassen Zargouni, Sigma Conseil, Leila Belkhiria, Vice President Chambre Nationale des Femmes Chefs d'Entreprises, Najoua Kooli, Expert in ICT, Wafa Laamiri, 1ère Vice Présidente Centre des Jeunes Dirigeants, DG CRIT (Tunisia), Mabrouka Gasmi, Director Groupementd' Interet Economique Sejnania, Hédi Mechri (moderator), Amira Yahyaoui, Founder and former President of El Bawsala, Wafa Makhoulouf, Member of the National Parliament, Nigel Bellingham,



Cristina Natoli, Director of Italian Cooperation in Tunisia, Saida Garrach, Senior Advisor to the President, H.E. Nagma Mohamed Mallick, Ambassador of India in Tunisia, Samira Merai, Minister of Women's Affairs, Tunisia, Heli Järvinen, Member of the Finnish Parliament, Ghazi Ben Ahmed, Executive Director, Mediterranean Development Institute (MDI)



Mabrouka Gasmi, Director of Sejnania, Leila Belkhiria, Vice Président, Chamber of Women Entrepreneurs, Hedi Mechri, journalist Wafa Laamiri, Vice Présidente Center of Young Leaders, and Neila Benzina, CEO Business and Decision MEA.

Director of the British Council (Tunisia), Habib Kazdaghli, Dean of the University of Tunis-Mannouba, Aymen Talbi, (moderator), and Zied Ladhari, Minister of Labor and Vocational Training (Tunisia).

H.R.H. Princess Basmah Bint Saud Bin Abdul Aziz Al Souad delivered a video message.

Ghazi Ben Ahmed, Managing Director of Mediterranean Development Initiative (MDI) chaired the conference.

SASHA TOPERICH DISCUSSED SOCIO-ECONOMIC REFORMS IN BOSNIA AND HERZEGOVINA AT MARAMAR AND GEDİK UNIVERSITIES IN ISTANBUL

A partnership between the CTR's Mediterranean Basin Initiative and the European Union Application and Research Center at Gedik University in Istanbul was established at the meeting held with Prof. Berrak Kurtuluş, the President of the Board of Istanbul Gedik University, and Asst. Prof. Aylin Ünver Noi.

Gedik University also planted a tree at Izmir forest on behalf of Dr. Toperich.

Gedik University was established in 2010 by Gedik Holding, leader in welding production in Turkey.

Currently the university has close to 4000 students specializing in economics, administrative and social sciences, engineering, architecture & fine arts, and sport sciences. Gedik University also has a Graduate School of Social Sciences, Health Sciences and Physical Sciences as well as Research and Application Centers on



Prof. Berrak Kurtuluş, President of the Board of Istanbul Gedik University, Sasha Toperich, CTR - SAIS, and Asst. Prof. Aylin Ünver Noi, Gedik University

European Union, Asian Studies and Robotics. In two years, Gedik University will move to new buildings currently under construction and the University is opening its doors to international students and classes, lectures, and seminars to be held in English.

AYLIN ÜNVER NOI MEETS H.E. PROF. BERİL DEDEOĞLU, MINISTER OF EUROPEAN UNION AFFAIRS OF TURKEY

Asst. Prof. Aylin Ünver Noi, CTR's non-resident Fellow and Director of the European Union Application and Research Center at the Istanbul Gedik University participated at the meeting and working luncheon hosted by H.E. Prof. Beril Dedeoğlu, Minister of European Union Affairs of Turkey, at the Istanbul Ortakoy Office of the Ministry of European Union Affairs. At the meeting held on October 9th, the relationship between Turkey and the European Union were discussed.



Asst. Prof. Aylin Ünver Noi and Prof. Beril Dedeoğlu, Minister of European Affairs of Turkey.

20 YEARS AFTER DAYTON PEACE ACCORDS SERIES THE BALKAN WARS OF THE 1990S: REFLECTION AND RECONCILIATION

Dynamic discussions included: Robert Hunter, former U.S. Ambassador to NATO who negotiated air-strike decisions that ended the war in Bosnia and Herzegovina and who was the U.S. principal architect of “New NATO” that also devised the “Partnership for Peace”; Robert M. Beecroft, former OSCE Ambassador to Bosnia and Herzegovina that crafted education reform for Bosnia and Herzegovina during his mandate; Thomas J. Miller, former U.S. Ambassador to Bosnia and Herzegovina that strongly supported and positively influenced the nation-building process in Bosnia and Herzegovina, along with Elisabeth Rehn, former (world’s first female) Minister of Defense (of Finland), and the UN Under-Secretary General appointed as the UN Special Representative for Bosnia and Herzegovina.



Robert Beecroft, Elisabeth Rehn, Robert Hunter, Thomas Miller, Sasha Toperich

Ms. Rehn was also the Special rapporteur on Human Rights for Bosnia and Herzegovina and one of the founders of United World College in Mostar. The event was held on October 26th at the Kenney Auditorium at Johns Hopkins University SAIS.

CTR-SAIS’s Sasha Toperich moderated the discussion.

KURDISTAN UNDER PRESSURE – EVENT AT THE SAIS CENTER FOR TRANSATLANTIC RELATIONS, WASHINGTON D.C., 9TH OF NOVEMBER

On Monday, November 9th, the Center for Transatlantic Relations hosted a panel “Kurdistan Under Pressure”. The panel included Bayan Sami Abdul Rahman, Kurdistan Regional Government Representative (KRG) in the United States, Daniel Serwer, CTR Senior Fellow, Nusseibeh Younes, Resident Fellow at the Atlantic Council, and Yael Mizrahi, SAIS second year student. Sasha Toperich, CTR Senior Fellow and director of the Mediterranean Basin program moderated the discussion.

CTR’s Sasha Toperich welcomed the recent Texas District Court ruling dismissing the lawsuit filed by the Iraqi Ministry of Oil, stating that there is no obstacle in the United States (or elsewhere) for the KRG to market and sell oil directly. We should support more direct trade and private sector development in Kurdistan to help the economic revival and promote business ventures.

The NGO sector in Kurdistan plays an important role in these processes as well. It is essential for youth in Kurdistan to be more plugged into the decision-making processes and in forming new generation leaders. Rwanda Foundation is one of the good examples of a serious, professional, and dedicated effort to support youth. Barzani Charity Foundation’s efforts to provide for refugees and displaced peoples throughout the region are admirable.

With all the sectarian and ethnic divisions as well as geopolitical tensions in the Middle East—Sunnis, Shia, Yazidi, Christians, Turkmen, Shabak, and Palestinians, have found refuge in Kurdistan and are a prime example of successful coexistence.

Representative Bayan gave a brief historical overview of Kurdistan. We are grateful to President Obama and US Congress for the support we receive, but



Bayan Sami Abdul Rahman, Kurdistan Regional Government Representative in the United States



Toperich, Mizrahi, Younes, Serwer, and Bayan

we need more. We need heavy weaponry to defend Kurdistan from ISIS. We have had an increase of over 30% of our population due to the refugee crises. We need more support to cope with the huge humanitarian crises we are facing for long time now. Kurdistan is now a traumatized society.

Why not create three sovereign states within Iraq?

Why do we continue to live in a world mindset that is 100 years old?

There is a famous proverb that states: “the Middle East is a dictatorship of old.” It is clear that there is no more a centralized Iraq and we all need to accept this reality and come up with the best solution for everyone. Shia, Sunni, and Kurdistan. If Iraq as country must stay, then there could be one currency, some joint institutions, but all three ethnic groups would be able to govern their own state, their own people. One day Kurdistan will be independent,

Representative Bayan concluded.

Daniel Serwer referred to the Kurds’ perennial struggle for independence, and the years of oppression, war, expulsion and chemical attacks they have suffered at the hands of Saddam Hussein. Despite their recent gains in the realms of self-governance, the geopolitical pressures from their neighbors in Ankara and Tehran make their bid for sovereignty even less likely. Throughout the past year, Kurdistan has faced increasing pressure from a triumvirate of forces: the fall in oil prices, ISIL’s takeover of Sunni Iraq, and its own internal political strife.

KURDISTAN UNDER PRESSURE

With oil prices now less than half of their level of June 2014, Kurdistan has little prospect of meeting its budgetary needs as an independent state. ISIL is not going away, as it will be some time before Mosul is retaken. The Kurdish confrontation line with ISIL is likely to remain long for some time to come. What looked like a natural slide towards independence a year or two ago now looks like a return to the 20th century: a Kurdistan hemmed in on all sides and unable to pursue the self-determination that its people unquestionably want. Yet

despite, this is perhaps most troubling because “soldiers who are expected to fight ISIL will want to know who and what they are fighting for. There is more ambiguity and dissension about that today than there has been for many years.”

Serwer closed with the reassurance that the U.S. should certainly support the Kurds, both in Syria and Iraq, in the fight against ISIS. However, Kurdistan must also position itself in a direction that respects the rule of law and democracy.



Yael Mizrahi presenting children's art work from the refugee camps

Nusseibeh Younis said Iraqi Kurdistan is often hailed as a democratic, reliable, and effective partner for Western powers engaging with Iraq, but the political crisis that has overtaken the region this year has exposed just how fragile and problematic the Iraqi Kurdish political system really is. The major political parties have bickered for months over the fate of President Massoud Barzani, whose term ended on August 20, but have managed only to further exacerbate the political crisis facing the region.

But at stake here is the future of the Kurdish political system. Iraqi Kurdistan's political elites so far have resorted to bargaining among themselves over the distribution of power, rather than listening to the Kurdish polity. The citizens of Iraqi Kurdistan are better placed to decide if they want a presidential system, in which the population directly elects a powerful president, or whether they would prefer a parliamentary system in which a president with symbolic powers is elected by parliament. Younis requested more transparency and accountability from the KRG, asking why the oil revenues are not accounted for.

Yael Mizrahi recently returned from two months in Iraqi Kurdistan, where she was interning with Kurdish NGOs, helping to

coordinate and implement humanitarian assistance projects for Iraqi IDPs and Syrian refugees. She provided an overview of the current humanitarian crisis Iraq is facing, focusing on the difficulties facing the more than 1.5 million displaced Iraqis who have sought refuge in the Kurdistan region, as well as more than 250,000 Syrian refugees. This crisis has important implications for Kurdistan's future, as well as the current migrant crisis facing Europe, as many Syrian refugees don't see their futures residing in Iraq.

From debilitating funding shortages, to the drop in the price of oil, the KRG's ability to provide basic services for its citizens as well as meet the basic needs of IDPs will be under increasing pressure in the coming year.

Other threats include inter-ethnic tensions, as identity based conflicts have the potential to tear apart the already fragile social fabric keeping Kurdistan together. Iraq is acutely aware of the power ethnic divisions and hatreds, and it is because of this history that a comprehensive peace-building strategy. Military operations are not enough. For such a peace-building strategy to be effective planning needs to be long term, and respond to the realities and specific local histories on the ground.



PROSPECTS FOR PROGRESS IN REFORMS IN BOSNIA AND HERZEGOVINA: PART ONE

Before giving his remarks after welcoming distinguished guests, CTR's Senior Fellow and Director of the Mediterranean Basin Initiative Sasha Toperich called upon the participants for a moment of silence to remember the victims of the terror attacks in Paris and their families in this moment of grief. After the moment, Toperich said in his introductory remarks that the Center will serve as platform to bring all key stakeholders together to continuous discussions to move forward broad reform processes in Bosnia and Herzegovina (BiH). "We are looking forward to open honest dialogue, to bring people closer together, to flesh out disagreements, propose solutions, to debate issues that are directly of interest to the wellbeing of citizens of BiH, to help country move forward. We are encouraged to see, for the first time ever, such close cooperation between the state level and two entity level governments in BiH," said Toperich.

Maureen Cormack, Ambassador of the United States of America in Bosnia and Herzegovina at her keynote address stated: "Today, Bosnia-Herzegovina is standing at a crossroads. On the one side, we see a small number of politicians trying to move Bosnia-Herzegovina backward, reigniting ethnic tensions while ignoring both the urgent need for economic progress and the opportunity the reform agenda is offering to achieve that. This year we have seen the Referendum in the RS against the state court and OHR, as well as the RSNA recent decisions against the opposition serving at the state level, and other steps backward. But let's be clear: no group has a monopoly on politicians working for their own gain. This challenge exists in all quarters, and if this political trend is allowed to win out, the future of BiH is indeed bleak."



Maureen Cormack, Ambassador of the United States of America in Bosnia and Herzegovina giving her remarks opening the Two-Day Conference on Reforms in Bosnia



U.S. Ambassador Maureen Cormack

Cormack continued: "On the other side, there are tremendous possibilities. In five years, if politicians and citizens work together to root out corruption, implement true rule of law, improve the business climate, address changes to make governments at all levels more functional and effective, and make the reforms necessary to connect to European markets, Bosnia-Herzegovina's economy could be thriving."

As I have travelled around the country, I have seen clear evidence of its potential: in diaspora investors that return to open successful businesses, in small companies making highly competitive products for Europe, and in the country's extraordinary natural resources and cultural heritage that attract a steadily increasing number of visitors from increasingly far corners of the world. Many of you will have seen the New York Times travel section cover story on Sarajevo last month, highlighting its tourist potential – another step unimaginable 20

years ago. But, these successes are only a shadow of Bosnia-Herzegovina's promise.

I see a country that in five years could be exporting fewer low value natural resources and more high value products, expanding its nascent technology sector that is starting to blossom in entrepreneurship hubs, attracting foreign investment from all quarters, and hosting tourists seeking to explore the country as a unique bridge between East and West. You have seen this too, and we must ask ourselves how we can work together for this Bosnia we can all imagine."

CONCRETE STEPS

To get to this level of success, several key steps are needed. Above all, political will, citizen insistence on political accountability, and old-fashioned hard work are the key components that will move BiH forward. Political leaders need to demonstrate that they are ready to take the country in a new direction, and citizens must hold them to those promises.

Today, I see five overarching areas that must be addressed to make Bosnia-Herzegovina the successful European nation it so deserves to be. These are: Economic reform, an agenda that is underway through the EU reform initiative, but has a long way to go; Political reform, to develop functional and efficient institutions that serve the citizens of BiH and free the economy from political interference, which may well require generation change in political leadership, which one party is admirably leading this year;

Education reform, to make schools a platform for reconciliation, not ethnic division, and prepare young people for the global economy; Counter-corruption programs, including an independent

prosecutor staff that can actually act against the multitude of cases that are discussed openly and publicly; and last but far from least, A shared vision for the future of the country, and the pride that comes with it.

The creation of the Indirect Taxation Authority is another example of a significant success. It enabled the smooth implementation of the national VAT in January 2006 and oversees national customs collection at 40 road and four airport border crossings, all steps contributing to reliable financing of state and entity budgets. In 2003, the adoption of the Law on Defense formally began the process that put an end to the fragmented military structure of the country. The Defense Law unified the entities' armies and brought together Serb, Croat, and Bosniak soldiers under a single chain of command. The Armed Forces of BiH are now contributing highly respected forces to peacekeeping operations around the world, and this December, will mark their 10th anniversary as a unified force. The successful integration of Bosnia and Herzegovina's intelligence services, through the creation of the Intelligence and Security Agency, OSA, in April 2004 is another success.

GOVERNMENTS WORKING WELL TOGETHER, AFTER LONG LAST

The two entity Prime Ministers Fadil Novalić (Federation of Bosnia and Herzegovina, BiH) and Željka Cvijanović (Republika Srpska, BiH) discussed current government efforts at the panel: "Reform Agenda: Path To EU Candidacy Status? Game Changer for Domestic Politics in Bosnia and Herzegovina?" Daniel Hamilton, CTR SAIS Executive Director, moderated discussion.

At the minimum, we need strong technical support from the United States and from the international financial institutions that are in the U.S. (The World Bank and the International Monetary Fund).



Željka Cvijanović



Fadil Novalić

BiH spends 3.9% of our GDP on security issues to counterattack potential terrorism threat and provide security for our citizens.

- Prime Minister Fadil Novalić

NOVALIĆ: WE KNOW WE NEED TO DELIVER ON REFORMS

Prime Minister Fadil Novalić said we understood need to talk and work on projects and matters we can all agree on, such as creating and implementing a set of socio-economic reforms in the country and to currently leave out issues that political parties within BiH disagree on, such as constitution reform. So, we switched priorities and are working well together on country's economic growth and employment. We need to address serious social problems we are facing at present. That doesn't mean we will not further discuss ways to implement "Sejdić – Finci," the European court's ruling on human rights issues in BiH, need to engage in political-institutional reform, on problem of terrorism and other issues many societies, including ours, are facing.

Together with the IMF, World Bank, EU, and other international institutions we identified several of the most urgent problems to be solved: public finances, fiscal instability, and tax reform. We are also working on creating a much better business environment and competitiveness of our



Novalić, Hamilton, Cvijanović

economy. Labor market is another issue our governments are tackling as well. We are emerging from a totally different system (socialist economy) and we had no earlier experience with the open market rules of Western Europe. We are also addressing issues of social protection, pension system reform, improvement of rule of law – good governance and public administration reform. True, only two of these major reforms are of an economic nature (improvement of the business environment and labor market). But we recognized if we

have fiscal instability, socially endangered retired population, public administration that spends 47% of our GDP, we cannot talk about economic progress.

Prime Minister Željka Cvijanović said she is pleased to be in Washington D.C. to discuss reforms along with her counterpart from the Federation of BiH Prime Minister Novalić where both entity governments are working well together aware of the job ahead of us. "I agree we should spend some time, not much though, to discuss Dayton and to analyze things of the past that are important for our future. I do want to give Republika Srpska's position on the Dayton Peace Accords but also my own political opinion as I belong to group of those politicians that likes to call things what they are, not creating some fairytale stories and I do see this as an excellent opportunity to address all issues and to have an open debate.

"I heard in the opening remarks that the United States and this institution (SAIS) is place to have such open discussion but I have to say so is BiH and we have many serious open discussions on all topics. Dayton did bring peace to BiH and that is its fundamental important value we all agree, but Dayton also created a political and institutional system enabling the country to function in peace. What is important, Dayton established a framework for development of democracy in BiH making it possible for us all to express our positions and opinions. This right belongs to individual, political party, civil society groups but also to each ethnic group and no one should be sanctioned for expressing different opinion on the issues but rather to look at this contribution to development of democracy in BiH.

"I am sure stability in BiH without Dayton cannot exist. When we talk about the future of BiH, most important is cooperation between two entities, within the existing legal constitutional framework – to fulfill duties and responsibilities entities were given under the law and that are relevant for our citizens.

"This is my second mandate in the government of Republika Srpska, and I had



Another important element to move reforms in BiH faster is the agreed coordination mechanism to reflect constitutional obligations of all government levels in order to connect us in one coherent system so we can move towards the EU without delays otherwise possibly posed by any level of the government. This is key to success - Prime Minister Željka Cvijanović

a good cooperation with my counterparts at the Federation during my first mandate, but cooperation we have now is so much better. We synchronize our activities; we discuss and reach joint conclusions, joint priorities, and joint ways forward. For the first time, we are trying to harmonize the activities throughout BiH. You would be surprised if I tell you how many things are differently organized in two entities. So when we talk about a single economic space, it is not possible to have different legislation. So we agreed, in the process of legislative harmonization, for both entities to take over segments of legislations that work better. That is good way forward.

Daniel Serwer, CTR – SAIS Senior Fellow opened his remarks by saying that the Reform Agenda the Europeans, the IMF, and the World Bank are pursuing contains lots of good initiatives that Bosnian politicians of all stripes warmly welcome, hoping they will generate the prosperity so sorely lacking since the financial crisis of 2007-08 (or at least a large flow of IFI and EU funding). Focus on the Reform Agenda has driven political and institutional reform, without which it is hard to picture much improvement in the functionality of the government in Bosnia, off the agenda, at least for the moment. The leadership of the two Bosnian sub-state entities, Republika Srpska (RS) and the Federation, are happy with this, as it blocks any effort to strengthen the state and

empowers them to collaborate in fulfilling the demands for policy reform from the EU and the international financial institutions in ways that don't endanger the powers that be. Policy collaboration between the entities is frequent and substantial but unlikely to bring about any serious institutional change.

Vildana Selimbegović, Editor-in-Chief, *Oslobodjenje* Daily, received the SAIS Mediterranean Leadership Award for her outstanding journalism and fight against corruption in Bosnia and Herzegovina. In her remarks, Selimbegović thanked the CTR SAIS for the honor she and *Oslobodjenje* Daily received today and added: "Is there anyone who truly believes that the constitutional organization of the country is to be blamed for the fact that young people are leaving the country, or that the economy is declining, or businesses are going into bankruptcy, while the number of workers looking rescue is increasing? Without the intention of boring you, I simply have to explain what is the difference between private entrepreneurship and state owned business, according to our standards. Our politicians -- otherwise well-known collectors of real estate and eternal Dayton challengers, promoters of referendums, third entities or fourth public TV channels, protectors of their own war criminals -- divide businessmen into two categories: their own businessmen and everyone else's. They grant privileges to their businessmen and pursue all the others."

"I work for a daily that does not have its political party. *Oslobodjenje* has tradition, clear editorial principles, journalists from all the constituent peoples and the so-called others work for it. It does not have favorites. We do not belong to any of those who come to power. Sometimes I think that our publisher would want us to belong to someone else, because thanks to us he is often pursued and just like us, exposed to pressures. But I am an optimist. I do want to believe that the current authorities are honest when they pledge to reforms, the same way I pledge to the truth. They have promised us an application for membership in the European



Daniel Serwer, CTR-SAIS Senior Fellow



Zoran Tegeltija, Ian Brown, Mujo Selimović, Vance Serchuk, Haris Abaspahić

Union, the latest at the beginning of next year. That is why we, as strong supporters of the Euro-Atlantic future of BiH, have promised support publicly. As BiH moves towards the EU, we want it to get a chance to become a country in which everyone is equal before the law, a country that struggles against any kind of terror, crime and corruption, a country of people with equal opportunities who see their future in development of recourses that we undoubtedly have," Vildana Selimbegović concluded.

Haris Abaspahić, advisor to the Executive Director at the World Bank moderated the panel "How Can Bosnia and Herzegovina Get on The Road to Stability and Prosperity? Private Sector Development, Better Business Environment & Reform of State-owned Enterprises and Privatization." Abaspahić said that there are evident signs of the economic recovery with GDP growth projection close to 2 percent for this year, and 3 percent for the next year, with continued growth in industrial production, export, and the jobs growth. These

are all promising trends. The bold, timely and coordinated implementation of the planned set of reforms should sustain positive economic trends, and increase the competitiveness of the private sector. Companies will benefit from improved access to finance, easier access to EU markets, more efficient labor markets, restructured state own enterprises, more business friendly fiscal policies. They will be able to invest more and employ more, he concluded.

Zoran Tegeltija, Minister of Finance, (Republika Srpska, BiH), Ian Brown, Head of the EBRD office in Bosnia and Herzegovina, Mujo Selimović, MIMS group CEO, and Vance Serchuk, Executive Director of the KKR Global Institute and SBB Telemach Board member, participated at the panel "How Can Bosnia and Herzegovina Get on The Road to Stability and Prosperity? Private Sector Development, Better Business Environment & Reform of State-owned Enterprises and Privatization." Minister Tegeltija said the key to success in BiH is cooperation, working together, with full acceptance on constitution of BiH, and I agree with Prime Minister Novalić when he said "lets resolve all of those issue where we have reached consensus, where we don't have disagreements." We feel we will not have internal problems within BiH to implement.

EBRD head of office in BiH, Ian Brown's role is to promote transition towards the market economy. EBRD is one of the largest investors in BiH, with €1.7 billion investments out of which €1.2 billion is already placed. We have a mandate that our investment should be at least 70 percent in the private sector but, given BiH's particular situation, there we invest 80 percent in the public sector and 20 percent in the private – exactly opposite of what it should be. BiH has some advantages and we should be looking into "glass half full," instead of "half empty." Here is why: thanks to EU (the world's largest economic block), BiH's low fiscal deficit, moderate debt levels, 10-11 percent of GDP coming from stable diaspora, BiH has a stable currency.

There is no natural reason not to create a



Zoran Telgetija, Ian Brown, and Mujo Selimović



KKR investment firm has been around almost 40 years. Global in scope, with 100 billion dollar assets under management with approx. 100 portfolio companies employing over million people with investments in energy, infrastructure, industrials, health, retail, including the largest brewery in South Korea. -Vance Serchuk

complete success story in BiH. Exports need to increase. Private sectors face challenges. Public procurement happens in slow motion. Courts are slow. Tax regulations – administration combust, allows for arbitrary decision and more important companies working in "gray economy" are outside this constraint. Permits and license receives slow approval. Significant and very important positive step is the passage of the Labor Law in the Federation and in preparation and soon to be passed in Republika Srpska. Two things should be simultaneously achieved in order for reforms to succeed: governments need to downsize the role of the public sector in the economy and work on the improving the business climate to grow the private sector.

To determine which companies in public sector should be saved and which not, or viable if restructured, or privatize, here is



Tegeltija, Brown, Selimović, Serchuk, Abaspahić

the politically painful part: this will involve downsize public labor sector and shady labor. It will be politically difficult - impossible to make significant moves in reform in public sectors without creating jobs in the private sector.

Reform agenda is not a vague political statement of general good intentions but it's a very ambitious and difficult detailed plan. From a longer list, I will mention the restructuring program EBRD is working on with the governments: a major and difficult task of restructuring mines and railways in the Federation of BiH and railways restructuring program in Republika Srpska. EBRD and the World Bank are working together on this in assisting the governments to come up with restructuring plan and with capital investments that the plan will identify.

Quickly visible results in improving the business climate will be the key. BiH should not underplay the importance of reform agenda in the accession process in sending the positive signals to the potential investors. Having clear accession path will help attract investors. As Ambassador Cormack said earlier today: "When traveling around the country, we'd see very encouraging examples of pockets of excellence in all parts of the economy" and Minister Tegeltija also mentioned there are "encouraging examples of economy growth" making also another very important point: "Imposed laws and imposed reforms don't work." The job of IFIs is not to impose or lead the reforms but to support the governments in the areas of our particular expertise. For EBRD that is business climate and competitiveness.

Mujo Selimović said that the perception of the private business is still greatly viewed with negative connotation and with some sort of stigmatization of private investors. They label us with various titles, mostly negative – for some – I have no idea what they mean, but "tajkun" is one expression often used. "Until we see genuine support, cooperation, and framework that is equal for all, accompanied with open dialogue with the government on all levels, the entire society will not move forward faster and will not achieve progress we all want to see. It is a paradox to see highest pressures and negative perception on private business sector opportunities when the corruption and nepotism of all sorts of various deviations coming from public (government owned) sector, that in Bosnia and Herzegovina participates far less in public revenue then the private sector," Selimović added.

Vance Serchuk, Executive Director of the KKR Global Institution, part of the global investment group KKR, has been one of the largest private investors in BiH through the investment in a company called Telemach. To be more precise, last year, KKR concluded a \$1.5 billion investment in the parent company called United Group, a broadband and PTV firm that operates throughout the Western Balkans with Telemach being their company in BiH. "This is the largest deal ever in the history of the Western Balkans and I want to add we are very glad to have EBRD as co-investor in our investment in BiH. Through Telemach, we have invested in BiH 100 million euros and we

plan to invest an additional 40 million this year and then 10 million year on year after that. We re-invest between 30 - 40 percent of the revenue of the company back into BiH.

"Major focus of our investment activity has been modernization of BiH digital infrastructure, development of high-speed broadband network and services. We support direct creation of jobs in BiH, and we have about 500 employees in BiH in addition to about 200 contracted employees. We partnered Telemach and its parent company with CNN, to create a professional, objective 24/7 Balkan news channel with hubs in Sarajevo, Belgrade and Zagreb. We knew that BiH can be a challenging place for doing business, that there are interest groups there preferring the status quo rather than facing private sector alternatives and competition. That being said, we also found an awareness of many top leaders in the country that in order to spur the economic growth and to create jobs country needs to badly they need to be receptive to foreign investment and that the 'old way' of doing business works no more. I hope that our presence can give leaders in BiH greater confidence that if they do take tuff decision on reform, there are investors that are willing to put money to work, trying to create jobs, and help develop economy. We constantly stress two things to our friends in BiH: what is needed is fair competition and consistent application of rule of law according to EU standards."

Hoyt Yee, Deputy Assistant Secretary of State in the Bureau of European and Eurasian Affairs, Jelka Miličević, Deputy Prime Minister and Minister of Finance at the Federation of Bosnia and Herzegovina (BiH), Ellen Goldstein, Country Director for the Western Balkans at the World Bank, and Nadeem Ilahi, IMF Mission Chief for Bosnia and Herzegovina took part in the panel "How can Bosnia and Herzegovina & the International Community Work Better Together?" Discussion was moderated by Goran Mirašić, Advisor to the Prime Minister of the Federation of Bosnia



Ilahi, Goldstein, Miličević, Yee, Mirašić



Hoyt Yee and Goran Mirašić

and Herzegovina (BiH) and member of the Fiscal Policy Advisory Board.

"The Reform Agenda has been designed and synchronized for three government levels: Council of Ministers and two entities (Federation of BiH and Republika Srpska) with about 150 different activities and specific deadlines and specific results to be achieved. Some of these activates have already given some results, another given they are not short term activities will do so, as soon as business cycle warms up from 12 to 18 months. When it comes to macroeconomic indicators in BiH, real GDP growth 1.9 percent for 2015 with prospects to be over 3.2 percent in 2016 is promising, and looking in the region, the only country to have higher GDP growth projection is Macedonia and possibly Montenegro. EU zone growth projection for 2016 is 1.3 percent so BiH is not doing that bad.

"First of all, in respect to Dayton, many discussions are going on in BiH, not only

outside the country. Recently we had a panel discussion on Dayton with political leaders in BiH, and we all agreed Dayton stopped the war and created conditions for us to rebuild our lives and our country. It was decided, at that meeting, certain changes are required after post-Dayton changes were made in the country as they were disadvantageous to one constituting nation to which I belong to (Croats). All political leaders agree BiH needs to change the election process and election law. We (rightly so) are talking here about the economy but we also need to be talk about politics direction of BiH for the future,” said Jelka Miličević, deputy Prime Minister and Minister of Finance at the Federation of BiH.

Miličević informed guests of so far investment and arrangements from the World Bank and the IMF, and at the end, she thanked for patience and for understanding of all complicated processes in BiH expressing full support for continued relationship.

Ellen Goldstein presented the just published World Bank document “Rebalancing Bosnia and Herzegovina.” Twenty years after Dayton, Bosnia and Herzegovina is yet to fully recover from the war. In the 1980s, all countries of the former Yugoslavia experienced tremendous stagnations, being a contributor to the breakup of Yugoslavia. You then see tremendous downward spiral with the breakup of Yugoslavia and the conflict that ensued in BiH. Then you see recovery phase upward for a long time, thanks to good partnership, and in 2008 you see a sudden stop, due to global economic crises. The level in which recent stagnation occurred is not yet quite up as the one in the ‘80s. When BiH has grown it has been very good for the poor and when it has stopped growing it severely hit the poor and not much the wealthy. The population in BiH is aging and shrinking faster than most European countries. This will have very important implications for growth and labor dynamics in the country. Only one quarter of



Nadeem Ilahi, International Monetary Fund



Daniel Hamilton presenting Vildana Selimbegović the SAIS Mediterranean Leadership Award”

the population is working now and that is a very low rate that has to change. Poverty has stayed at 15 percent and it is twice as high in rural areas. We need to think how to rural areas can participate in the economy.

“If BiH wants to converge to the European Union, the country will have to grow very fast, not 2 or 3 percent what we are inspiring now, but country will have to grow 6 percent a year or more, consistently. So “business as usual” is simply just not going to cut it. So that is why we came to this point and why is exciting in a way, to have this window of opportunity to really go deep in economic reform. The reason we called the latest World Bank document Rebalancing Bosnia and Herzegovina is because we see the economy quite unbalanced – heavily dominated by public sector and this crowds out the ability of the private sector to grow fast. Citizen’s satisfaction with public service is low by regional and global standards.

“On health, lots of money is being spent but not being spent on the right things, so for the amount of money that is spent the health outcome is not consistent. Likewise, BiH has a high level of spending on education but outcome are not as high as it should be, given how much money is spent. Very small proportion of money spent for social protection actually goes to the poorest people. Low productivity partially explains why there is a low export base. BiH has just a few mid-size firms relative to other Balkan and the EU neighbors. It suggests some difficulties in moving from being small into being mid-size.”

In his remarks, Nadeem Ilahi, the IMF Mission Chief for Bosnia-Herzegovina, outlined the achievements of earlier reforms, the main challenges facing the country and the steps ahead, including in the country's relations with the IMF. He explained how the country today was able to maintain macroeconomic stability, including through some difficult times, and he saw the Currency Board Arrangement as one of the pillars of economic stability. He also listed the installation of the successful VAT system as one of the big achievements of earlier reforms. But significant challenges remain, which have been well articulated in the authorities' Reform Agenda. Efforts are needed in shrinking the



Ian Brown: Reform agenda is not a vague political statement of general good intentions but it's a very ambitious and difficult detailed plan. From a longer list, I will mention the restructuring program EBRD is working on with the governments: a major and difficult task of restructuring mines and railways in the Federation of BiH and railways restructuring program in Republika Srpska. EBRD and the World Bank are working together on this in assisting the governments to come up with restructuring plan and with capital investments that the plan will identify.

size of government to create space for the private sector; reorienting public spending to more productive uses; strengthening the public oversight that maintains stability in the country's single financial market; and lastly, reforms to improve the business environment to unlock investment and create jobs on a sustained basis. He envisaged IMF's role in supporting those elements in the Reform Agenda that are a part of its mandate through financial support and technical assistance.

HOYT YEE: BIH NEEDS TO MATCH ACTION WITH WORDS

“I want to make three points, three suggestions, of what I think is necessary for the cooperation to be better and for many objectives and goals outlined already. My first recommendation is that there needs to be between the international community a clear and common assessment of the situation on the ground in BiH and also common agreement on the goals and objectives that we need to undertake together. I mention this because I think it is clearly not a case now, there is no



Nadeem Ilahi, Ellen Goldstein, Jelka Miličević, Hoyt Yee

clear assessment and its something we need to improve. To give an example, if you look at the leaders of each peoples in BiH and ask them what their vision is for the country and what reforms, what changes are needed to take place, you will get very different answers. All of them of course, politically and otherwise would have validity and legitimacy from the standpoint they are legitimately elected leaders. But if there is no clear common vision and agenda for what needs to be done, agenda, not necessary reform agenda, then it is going to be very difficult to make progress.

I heard the term that the international community needs to exercise strategic patience. I think this is the wrong approach. We realized over last two years, certainly in February 2014, was one example, that the situation is urgent in terms what is happening and what people in BiH demand and deserve to have happened, not in their children or grandchildren's lifetime but in their own lifetime. They deserve a better future. I think we need less patience although we must be patient and we need more impatience. There needs to be a decision by the leadership in BiH, by all of us in the international community to expect more and to expect results not just words, to get things done as they've been agreed - Hoyt Yee.

"That is what we in the international community are trying to do, is to help BiH move ahead towards a better future, integrated in Europe and European and Euro-Atlantic institutions and to achieve that kind of economy that Ms. Goldstein and Mr. Ilahi and two Prime Ministers outlined just before me. I don't want to disagree with anything that the previous speakers said about hopeful signs and what needs to be done. The United States would agree largely with all the positive indicators of progress and BiH being on the right track. Even though there have been some hopeful signs the country still remains one of the poorest in Europe. The youth unemployment remains one of the highest in Europe and the growth, while near term prospects are positive, we have to

take into account that over the last five years growth has been 0.2 percent per year so we are starting from a very low base.

"So the situation is very dire and I would say, in many respects, the situation remains relatively unstable. I absolutely agree with previous panelists we need to focus on economy and that is where we need to reach our soonest and most urgent agreement what steps need to be taken. Not only economic remedies to be taken, but also broader changes, broader reforms including those of how the decisions are made by governments in BiH, something that has to be done much more efficiently, how the rights of all people in BiH are protected so there is much equality, sense of all people having future in BiH. I am sure those changes are equally important. Second point I want to make is on implementation. There needs to be more matching of actions with words. Most of you can recall there has been number of written agreements which have been met with great enthusiasm with BiH's international partners but implementation of these agreements have been very weak. Now we have another written agreement, Reform Agenda, which the United States fully supports and wants to see it implemented and we hope all efforts will be focused how to implement these reforms. International community needs to do better job in ensuring that BiH, leadership and citizens, understand this is a partnership and therefore there are conditions and obligations both parties have in order to make it work.

"Last point I want to make is - timing. We need to keep in mind the international context. Not only the tragic terrorist attack in Paris, but migration crises in Europe, a year ago we were more focused on situation in Ukraine, there is mounting crises in terms of energy security. My point is that there are many crises and phenomena around Europe, around the world, which unfortunately take a great deal of attention of the international community. It is fact that the amount of time and the amount of resources that the international financial institutions are able to devote to

BiH is limited by obligations elsewhere in the world. This is not an excuse but I think it is something worth considering on this topic on how to work more effectively together. And if we don't take advantage of the opportunities we stand to lose very much. Couple of things to keep in mind, events that are already on the calendar: there will be municipal elections in BiH in 2016 and national elections in 2018 and we have to assume like on all other countries before 2016 and 2018 elections there will be campaign and there will be a period in which it will be difficult to do reforms. So looking at this, we have actually a limited time to implement these reforms. I want to say we completely support the EU agenda and reforms included in that package but we also believe, like most people who studied and work on BiH would agree, is that there are more reforms than the EU agenda that would need to be adopted and implemented before the electoral campaign in 2018, if to avoid the situation in which the BiH and the international community hand over the same set of difficulties and challenges to the next government. So with this in mind, it is very important for the international community and the government of BiH to agree on specific timelines when different reforms need to be implemented," said Hoyt Yee, Deputy Assistant Secretary of State .

Valentin Inzko, High Representative of Bosnia and Herzegovina, in the closing remarks, reflected on the last twenty years. Dayton remains the foundational legal framework of the country. That doesn't mean Dayton is set in stone. Needed constitutional reforms to improve efficiency of the country can come only when the country is ready. Changes cannot be imposed. Dayton cannot be blamed for all the problems in BiH. In the meantime, we cannot say: "BiH cannot move forward until the constitution is changed. This is simply wrong. BiH can move forward with the existing constitution." The next few months will be critical, as they will reveal whether the authorities in the country are committed



Valentin Inzko, High Representative of Bosnia and Herzegovina

to delivering on the reform agenda. BiH has indeed a potential to be a very special place. Recent developments showed that the region could work together: Serbian Prime Minister Vucic came to the Srebrenica Investment Conference and today he transferred as promised €2 million to Srebrenica. We also had a common government session of government from Belgrade and government from Sarajevo. The same meeting will be happening with the government in Croatia after a government is formed in Zagreb."

You can watch the entire conference at:

Pt1

<https://www.youtube.com/watch?v=9bHocBD03oc&feature=youtu.be>

Pt2

<https://www.youtube.com/watch?v=OSvbcnZq7so&feature=youtu.be>

Pt3

<https://www.youtube.com/watch?v=zLS9ixqQpw&feature=youtu.be>

Pt4

<https://www.youtube.com/watch?v=dAl3sw3Aw8l&feature=youtu.be>

Pt5

https://www.youtube.com/watch?v=PJ_3sf-FEuo&feature=youtu.be

Pt6

<https://www.youtube.com/watch?v=BVfQW-K5O3Q&feature=youtu.be>

Pt7

<https://www.youtube.com/watch?v=zGyP1wEVZSM&feature=youtu.be>

PROSPECTS FOR PROGRESS IN REFORMS IN BOSNIA AND HERZEGOVINA, PART TWO

Gary O'Callaghan, Senior Advisor to the EU Representative in BiH, told the audience at SAIS that the Reform Agenda picked up themes derived from the Compact to Reform Agenda – July 2014 with a designated leading institution for each six major reforms. A lot of documents have come out recently: two documents from the IMF – Article IV Consultation Report for 2015 and BiH Selected Issues, the World Bank published its Systematic Country Diagnostic, the EBRD published Innovation in Transition 2014; the IFC recently released its Doing Business 2016 – Measuring Regulatory Quality and Efficiency showing some improvements in BiH, and the EU issued its Progress Report on BiH last week. All the documents will agree on the same – Rebalancing BiH away from the public sector and into the private sector. According to the IMF, BiH's fiscal balance will improve by 2020. We need to be careful, but there is no crisis looming over BiH, there is no austerity program in any sense. The total labor cost that goes to the government: in the Federation it's about 42 percent and in Republika Srpska it's just below 40 percent, and again, it is very high compared to the others in the region. Indirect taxes, taxes on consumption are not very high so there is an opportunity to switch from taxes on working to taxes on consumption. That requires lots of cooperation within the institutions in BiH. Taxes on working are set on the entity level and taxes on spending are set on state level. On all sets of reforms, Republika Srpska has gone ahead with the reforms in the last five years and the Federation is catching up.

Igor Crnadak, Minister of Foreign Affairs of Bosnia and Herzegovina delivered his keynote address and participated in the panel Investors and Private Sector Perspective: Reforms Agenda and Doing Business in Bosnia and Herzegovina along with Samy Boukaila, CTR – SAIS Visiting Scholar. Edward Joseph, CTR



Gary O'Callaghan Senior Advisor to the EU Representative in Bosnia and Herzegovina



Igor Crnadak, Minister of Foreign Affairs of Bosnia and Herzegovina



Edward Joseph CTR – SAIS Senior Fellow, Igor Crnadak Minister of Foreign Affairs of Bosnia and Herzegovina, Samy Boukaila CTR – SAIS Visiting Scholar

– SAIS Senior Fellow, moderated the panel. Dave Howell, who participated in the first day of the conference and was due to speak at this panel got sick. Minister Crnadak presented economic and investment opportunities in BiH. “For us it is very important to get BiH firmly on the road to the EU and for the Reform Agenda to succeed. I am optimistic

as this is the first time everyone works closely together within all layers of the governments in BiH. The reality of our system is accepted so we don't hear any more statements on possible secession of one entity or statements how soon there will not be any entity. Also for the first time, the political consensus in BiH - financial support follows. BiH will have to do more to support entrepreneurship. Eighty percent of college graduates opt to seek jobs in the administration and we need to encourage young people to start up businesses. Once BiH officially becomes an EU candidate we will have to address this matter seriously. On the political front, the Sejdić-Finci verdict must be implemented. We will address this issue in the near future and that is the element we have to change from Dayton. For other issues, the Dayton Agreement can be changed only by consensus. For BiH it is important to have leaders willing to compromise. Those who think we should have more simple systems and that is a good idea, but those who are professing this should provide solutions as well, otherwise, these suggestions without solutions are useless. BiH is part of the global coalition on terrorism. We will continue to keep security issues on the top of our foreign policy."

"We are happy to see some sort of 'Marshall Plan' for BiH, this new EU Reform Agenda, but the question is if the public funds to be received by the EU to develop infrastructure and other projects will be really channeled to projects, and if BiH has developed answers to how the country will implement the Reform Agenda with all the benefits it may bring to the people," Samy Boukaila, CTR – SAIS Fellow, said.

Mak Kamenica, America – Bosnia Foundation Executive Director, moderated the panel Civil Society Perspectives that concluded the two-day conference. Robert Benjamin, Regional Director of Central and Eastern Europe at the National Democratic Institute (NDI), Jasmin Bešić, Institute for Youth Development – KULT (BIH) Executive



Mak Kamenica America-Bosnia Foundation, Executive Director and Haki Abazi Rockefeller Brothers Fund, Western Balkans Program Director



Next year, our institute will broach two very important topics: a fairer system of charging valueadded tax (VAT) – tax paid after collecting payment for delivered goods or services, not upon issuing an invoice, and exemption from paying labor tax and contributions for the first year of employment. –Jasmin Bešić

Director, and Haki Abazi, Rockefeller Brothers Fund, Western Balkans Program Director discussed reform processes in Bosnia and Herzegovina. "The America – Bosnia Foundation is glad to be part of this inclusive platform, led by the Center for Transatlantic Relations, to help speed up reform processes in BiH, to connect not only key stakeholders but also civil society and citizens in BiH in order for the Reform Agenda to gain national momentum," said Mak Kamenica. "On December 3rd our effort continues with yet another conference this year to be held at Jahorina Mountain near Sarajevo."

Jasmin Bešić said when it comes to the economy, the topic found its way into political rhetoric. This is important but not enough, as the process does not yield immediately noticeable results. "We have nearly 60 percent of unemployed young people in BiH and they are leaving the country. In our organization, we

analyzed budgetary grants for the period 2013 – 2014, as the first such analysis ever done in BiH. According to the data we received (from only 60 percent of the institutions, where over 40 percent of institutions did not provide their data). Through this research we noted sustained decline in the amount of funds, highest investments in agriculture, and almost no funds allocated for promising branches of the economy, such as IT and tourism. We noticed lack of transparency when it comes to receiving grants along with lack of planning and government strategic plans to what they actually fund.

“The number of SME’s in BiH is five to six times lower than the European average; in the Federation of BiH there are approximately 90 SMEs, and in Hungary, for example, it is over 700. SMEs are allocated 10 times less funding than is recommended. Small crafts are not regulated by law. The entrepreneurial infrastructure is underdeveloped and there are no tax benefits. Our organization has launched BH Business Site funded by USAID in BiH to create an online network with over 50 stakeholders from government, non-government, and business sector. The goal of this network is to bring those stakeholders who were not cooperative before. Our second initiative Youth Entrepreneurship provided a model, with budgetary grants, funded by local municipality budgets.”

Robert Benjamin said the premise of civil society is that it is independent of government. Its independence and diversity permitted them to do three fundamental things: petition government, monitor government and cooperate with the government. These three are disassociated from each other. Applying this framework to civil society in BiH, I would say, it has proved itself it can function, but I would also say that these functions are not performed sufficiently well and consistently.

Relations between government and civil society travel well-worn choreography.



Robert Benjamin, Regional Director of Central and Eastern Europe at NDI



Sasha Toperich, Senior Fellow CTR-SAIS and Director of the Mediterranean Basin Initiative

Civic groups typically inveigh against the actions, or inactions, of government, often with cause, and government responds by attacking the group’s expertise/funding sources/nonpartisan credentials, ignoring the criticism as politically inconsequential, or seeking to co-opt the detractors. Civic groups retreat, return, and the dance repeats. Donors are satisfied that their points about good governance and human rights have been made. Civic groups feel that they have fulfilled their role in upholding the public interest. And governments, having rebutted, dissembled, or ignored the criticism, congratulate themselves for having inoculated themselves against political cost. Oversight has happened, in a way, dialogue, of a kind, has occurred, and yet, at the end of the day, there is little progress to claim.

“In Bosnia and Herzegovina, public constituency can go missing. There is in Bosnia-Herzegovina an unfortunate

phenomenon of absent constituents. Citizens profess many interests and needs. A lot of it has to do with poor government performance on the economy, definitely about corruption, and decidedly about the lack of opportunity. Just talk with 25 year-olds sitting in Bosnia-Herzegovina's many cafes. But citizens don't tend to demand these things of parties at election time. Instead many are swayed by calls to protect ethnic and entity interests from unsubstantiated threats. Others are financially incentivized, or alternatively threatened, by their public-sector employer (party). This makes it hard for civil society groups to build genuine, bottom-up political capital on issues that people care about," said Robert Benjamin.

He highlighted a positive example of political relevance and public constituency of the Pod Lupom (Under the Magnifying Glass) coalition of election observers. Prior to the 2014 general election cycle, seven organizations formed a statewide coalition to monitor the entire process. Pod Lupom produced a joint strategy for recruiting, training, and deploying nonpartisan citizen observers in a statistically derived sample of polling stations on election day. After a successful election monitoring exercise, Pod Lupom held a well-attended, post-election conference on election reform, using its relationships with politicians, officials of the Central Election Commission, etc. to build a public case for reforming technical and political aspects of the election process that leave it open to abuse. Pod Lupom joined a governmental working group in an ex-officio capacity to advise on election reform.

Haki Abazi said we couldn't ignore fact that the security sector reform in BiH did not take place ever. Yes, there is one security agency integrated but there are three others that have not integrated fully in BiH and are sabotaging the political process, are in control of the economy. Just to choose to look only on the



Željka Cvijanović, Prime Minister of Republika Srpska, giving an address to the audience at the SAIS Conference

brighter side of the story, that doesn't mean that the undermining factors are still in BiH. The other big issue is financing of the political parties, especially around the campaigns. It seems to me that the international community did not find a good way to address the issue. At the end of the day we are legitimizing the criminals, the people who are keeping progress hostage in BiH and in the Balkans in general.

On final point, I don't think there will be successful economic development if there is no rule of law. We need to be able to support brave prosecutors that are not going to go after people and individuals based on ethnic background but on the violation of the law. Unfortunately, there is no explicit support from the international community because nobody wants to undermine ties and connections with the political establishment in BiH. I don't believe we can ask civil society play the role of prosecutors, to be judges, but what we can ask is for BiH to have brave Serb, brave Bosniak, and brave Croat prosecutors to do their jobs."

Željka Cvijanović, Prime Minister of Republika Srpska, Requested To Speak Again

"Thank you for the opportunity. As I said, I was not able to participate at the earlier part of the conference as my counterpart Prime Minister Novalić and I had meetings at the World Bank. But there are definitely some things I would like to answer or respond to, especially as I heard that yesterday, during

some discussions, there were some remarks made by the High Representative (Valentin Inzko) and Daniel Serwer and that there was no possibility to ask questions after their remarks were made, which I don't see as democratic. If two Prime Ministers can be subjected to answer questions then we should all be equal when it comes to such an arena, I would say. But anyway, I appreciate very much that this event was organized, especially when we know that BiH is not in the focus anymore. Remember that even yesterday I said that I agree with those who said that we should keep the attention to what is happening in BiH, we should not leave it aside just because there are other more problematic areas. I am very happy we are not the most problematic area on this planet. The main message that [we] two Prime Ministers wanted to send here yesterday, and I think that we were successful in that, was to show that we can work together, that we can cooperate and define our common platform and combine our action plans into one action plan, to rely on our own responsibilities and that we can act in partnership. Whether you like it or not, I think we were successful yesterday and I am grateful to have this positive response from the government in the Federation of BiH.

"Working together like this happened never before and we should applaud this – those who work on BiH know well this to be true. I want to add I am also part of that progress. What I also heard from the audience is that the Prime Minister of Republika Srpska should go to jail for stealing votes. Neither you nor I are prosecutors nor courts, and it is not our place to know who belongs in jail and who doesn't. With such questions you are pressuring the court system or trying to find your own channels to pressure the court system which I object as I support independent judiciary. That is why we chose to hold the referendum. There is nothing illegal with holding the referendum, no laws are being violated, and



From left: Mak Kamenica, Executive Director of America-Bosnia Foundation with Prime Minister Željka Cvijanović and Prime Minister Fadil Novalić

we are not breaching any standards or part of Dayton agreement nor any article in our constitution in BiH.

"I belong to those politicians who believe through domestic forces and efforts we should build our country. The more international intervention, the less success we see. I was sad to hear the High Representative explaining some things in his own way without the possibility to respond to that – I see him and previous High Representatives as one of those being guilty for many failures in BiH. The only way to have BiH be successful is to put in operation all governments we have, no matter how strange they look from the outside, governments at all different levels. Most important is how to include all levels of the government in BiH to inclusively move the country forward towards the EU. That is why we have the mechanism of coordination so we can act in an organized manner as a partner to the EU. Someone also argued here, 'Why should the two entities should be now in the focus,' saying it minimize the state level authorities. It is not true. If you look in our constitution you will see that it is the two entities that have the most responsibilities and constitutional competencies.

"That is true, whether you like it, or we like it, or not – that is our reality. That is why my colleague counterpart Prime Minister Novalić of the Federation government and

I, are working that closely, because without our cooperation, BiH cannot move forward. Nobody is minimizing the importance of the level of BiH institutions, but the BiH level has between 16 to 20 percent of reform responsibilities. We should not dream of a perfect BiH and lose another twenty years. That is why my colleague Prime Minister Novalić agrees this is the best way forward. We should not lose time looking for what is not possible and we should work together to implement what is possible for country to move forward.

"I am proud that Republika Srpska implemented a law that makes it possible to register businesses in a 'one stop shop' to register your company with 100 euros instead of 1000 euros earlier. That is good. On questions if there are investors in Republika Srpska – yes, there are. We have big unique investments with respect to the entire region, finishing a thermo plant with a value of 500 million euros. We have other energy sector

investments as well. Are they in the numbers we would like, no, but they are there," said Prime Minister Željka Cvijanović.

"It is good to have such a vivid, open, and very direct dialogue, to flesh out disagreements, to support cooperation, to propose solutions, to contribute this process of BiH moving forward. Here in America we don't do conspiracy theories, and with any references made to compare the 'flows' in the United States, I can only say the United States is the best, and by far, the most advanced, most democratic, country in the world. I am glad we included this unexpected (and welcome) ending of our two-day conference discussing Prospects for Progress in Reforms in Bosnia and Herzegovina.

All of the panels from these two days are available in their entirety online and in our Digest," said Sasha Toperich, Senior Fellow and Director of the Mediterranean Basin Initiative, in closing the conference.



Ellen Goldstein, Regional Director for Southeast Europe, The World Bank Group, presenting overall growth and structural reform issues in Bosnia and Herzegovina

JAHORINA MOUNTAIN—DECEMBER 3RD, 2015 FOCUS ON REFORMS: 2020 VISION FOR BiH

Following the “Prospects for Progress in Reforms in Bosnia and Herzegovina” conference held at CTR-SAIS in Washington D.C. on November 16th and 17th this year, CTR-SAIS and the America-Bosnia Foundation, in partnership with the Embassy of the United States of America in Bosnia and Herzegovina, organized the “Focus on Reforms: 2020 Vision for BiH” conference held on December 3rd at Jahorina Mountain near Sarajevo. “Necessary Reforms and the Euro-Atlantic Path,” “The Future of Reforms,” and “Corruption and the Justice Sector” were the topics discussed. The well-known Bosnian TV anchor Adnan Rondić moderated the conference. “All of us here are part of a new Bosnia and Herzegovina and we want to take robust steps in creating a modern, democratic, and vibrant society. Broader reforms are needed in our country and we will do our best to contribute to the success of the launched socio-economic reforms. The goal of our joint platform with CTR-SAIS is to bring all the key stake-holders regularly together, to flesh out difficult issues and to find ways forward, in order to facilitate broader debate on issues concerning our citizens,” Mak Kamenica, America-Bosnia Foundation Executive Director, told the audience in his opening remarks.

U.S. Ambassador Maureen Cormack:

“In recent weeks, people have gathered in cities across Europe and the United States to commemorate the twentieth anniversary of the Dayton Peace Accords. Government officials, academics, and members of civil society have joined these gatherings to reflect upon the end of the war, the years that followed, and the conditions facing the citizens of BiH today. Of the events I participated in, both in BiH and in the United States, traveling to Dayton (Ohio) was especially



“You need not look far to find inspiration in BiH; it lives in the hearts and ideas of so many citizens – but they need help to make it a reality” - Ambassador Maureen Cormack

moving. You cannot help but admire what was accomplished there, with the understanding of how easy it would have been for everyone involved to simply give up – to use the same tired arguments I sometimes have heard since my arrival, about how negotiations are impossible and the parties are too divided in their goals. The difference is that enough people 20 years ago in Dayton refused to accept those answers with so much more on the line. During the Dayton commemoration, former President Bill Clinton spoke of our collective need to ‘finish the job’ of making a prosperous and secure BiH. We are gathered here today to think about what that means going forward. This morning we will hear of those who are already working to finish the job – including the EU’s work towards a reform agenda, and the gains made toward NATO in terms of registration of defense properties. I look forward to hearing discussions on the next stages of reforms, including about the difficult but necessary institutional reforms. These conversations don’t mean reforms have to begin in the next month, but the conversations don’t have to provoke fear either. BiH made great strides in the first decade following the war, proving that Dayton can indeed function

with this constitution. Other problems are impeding current progress – corruption, patronage, and political self-interest. These are not byproducts of a peace accord. Neither is Dayton responsible for those who stoke fears of insecurity when they run out of reasons for not addressing transparency, accountability, and economic development. In Dayton, former President Clinton spoke of our need in negotiations to not be satisfied with preventing bad from happening, but to make something good happen. Such a simple concept, but are we doing that? Around you is the future of BiH. It is time to engage – to find common vision – on what IS needed to increase the functionality and efficiency of the government and reduce costs and impediments to progress – and to not let tired excuses hold back this country any longer. When I returned to Sarajevo from Dayton a little over a week ago, we came together in the newly reopened National Museum to celebrate the people of this country, especially the next generation, and recognize the thousands of you who are forging the way from peace to progress, in spite of the difficulties. You need not look far to find inspiration in BiH; it lives in the hearts and ideas of so many citizens – but they need help to make it reality.

“Today BiH is at a crossroads. In one direction are those who seek to fan ethnic tensions and thrive from corruption within the system. In the other direction are those who are fed up with the status quo and understanding that ethnic pride does not have to come at the expense of opportunity and personal well-being. In the past year, many in BiH have worked towards a socio-economic reform agenda that seeks to address the hardship facing its citizens. This agenda, as with several others before it, has incredible potential to change the conditions in this country,



“BiH should adopt a trade agreement with the EU. It is a very simple process actually, and I fail to understand why it takes so much time for Bosnia and Herzegovina to do this. I urge the authorities to get on with it now, as this is a pre-condition for a membership application for the EU. It is not rocket science to do this” - EU Special Representative Lars-Gunnar Wigemark

but only if people are ready to work for those changes. We commend our hosts and organizers today, and look forward to the discussions on how we can work toward the BiH that you deserve. To that end, the United States remains committed to support the citizens of BiH, and ask all of you here today to join us in working towards these common goals for the good of all citizens. “

EU Special Representative Lars-Gunnar Wigemark:

“What has happened here twenty years ago was not unique, as we see self-destructive conflict going in the Middle East as we speak, also with ethnic dimensions where neighbors and others try to play a constructive role, but where the conflict is also spilling over here. Let us be reminded of that and of the importance of the Western Balkan region. I don’t want this to turn into a discourse on history, but history is ever present in this part of Europe. Speaking of history, it was in this room, I think 10th of May this year that we held a retreat with 3 PMs, IFIs (IMF, WB, EBRD) and IC reps to kick off the process to try to develop a reform agenda for this country, focusing first of all on social and economic reforms but also on the need to tackle urgent

issues on rule of law and anti-corruption – governance I would say, is the general rubric on all these issues as well as public administration which I also think is very much the governance issue. This retreat and talks followed after is new approach that the EU agreed on together with BiH at the end of last year, as result of the German – British initiative. We took major steps forward – in February with commitment from all political leaders and the parliaments to jointly work toward furthering and promoting EU integration. Of course this is not a new issue – it has been there on the table for quite some time. I think we all for some decade now tried to shift focus from Dayton to Brussels. Although whenever we wanted to do that, it seems, history re-appears somehow and what we call now ‘blocks’ seem to reappear. But regardless of these temporary obstacles the destination is very clear. The commitment of the EU and commitment of overwhelming number of citizens here in BiH is to move towards eventual EU membership.

The EU approach is not to in any way ignore constitutional issues. We spent several years to try to find ways to solve one such issue, the Sejdic-Finci ruling from European Court of Human Rights. That will have to be resolved in due time, before BiH becomes a candidate member. We tried to make it very clear in our approach in moving the reform agenda forward. We lifted suspension of SAA agreement after seven years of standstill. This in itself was a landmark and SAA will be operational in the coming weeks. Implementation of SAA is not just international contact between the EU and BiH. It also means moving the country closer to EU standards, that means also improving your competitiveness, the investment climate, issues related to consumer protection. This country has still

far too high political risk – I heard number of stories from companies interested in investing here – they walk away in the last minute due to high political risk. It may be over exaggerated at times but certainly if you read the headlines (which we all have to do) there is still lots of political controversy still going on.

BiH should adopt a trade agreement with the EU. It is a very simple process actually, and I fail to understand why it takes so much time for Bosnia and Herzegovina to do this. I urge the authorities to get on with it now, as this is a pre-condition for a membership application for the EU. It is not rocket science to do this.

We at the EU are quite satisfied already with work done on reforms so far. Governments on all levels work well together. It is important to keep the momentum going. We should also not be distracted with issues that were predominant here for the past ten years, namely so-called ethnic politics, related to issue of national vital interest built in to the Dayton system. And they have rightful legitimate place in political discourse, as these are serious issues, but please don't let them distract you from focusing on these absolutely important reforms in turns of creating new jobs, new opportunities to especially for young people who otherwise will give up hope. The last thing the country needs now is renewed debate on issues related to the constitution. I am not saying they are not relevant, I am not saying that they should not be looked at, and in the coming years, there will be need for transformation in this respect. But please when you have now momentum on social economic reforms, don't lose it. This is a moment now, in the coming weeks, coming months, where the country can make a breakthrough” - concluded Wigemark.

Matej Živković, Commissioner of Securities and Exchange Commission of Federation of Bosnia and Herzegovina):

"Bosnia and Herzegovina doesn't need reforms but transition. Namely reforms are measures and changes of the existing system that upgrade and improve the system in order to make it more competitive and more adjusted to the needs of globalization. Transition on the other hand is complete alternation of the economic and social system into a novel one. BiH has started its transition 25 years ago and has never completed it, staying stuck half way down. Therefore BiH has to complete the transition to market economy and democratic society, meaning in the economic context finishing the privatization and shifting decision-making process in business and economics from politicians to entrepreneurs, transforming the labour market and social system in a way to answer global and contemporary requirements. Hence BiH needs transformative leadership that is willing and capable of conducting changes in economic and social context even at the cost of public discomfort and discontent."

Sead Turčalo, Assistant Professor and Vice Dean for Research in the Faculty of Political Science at the University of Sarajevo:

"One of the key components of the future process of political reforms in Bosnia and Herzegovina is to review the already adopted laws. It is necessary to review the legislature at all government levels to determine why some laws are not effective, and to make them effective. I regard this as an important point to strengthen the citizens' trust in legislature and legislation, since many of them believe that the parliamentarians are just adopting the legislation but the political elites are not willing to comply with them. This is of course based on deep-rooted corruption among political elites, which leads to the loss of trust in governments and institutions in the country. To start



Živković: We need to change the paradigm from what is not possible to let's try to make it possible



Dijana Gupta, President of Atlantic Council of Bosnia and Herzegovina

eradicating the corruption we should start to think about the possibility to introduce public hearings for the highest positions in government to reduce the chance of corrupt candidates being appointed to the highest government positions."

Dijana Gupta, President of Atlantic Council of Bosnia and Herzegovina:

"Bosnia and Herzegovina, a small country in the past having been stigmatized by war, has its three truths.

"By the signature of the Dayton agreement in 1995, Bosnia and Herzegovina had made small steps that were not sufficient for developing any small economy. As one of the reasons was maximum consuming of ethnic identities which politicians are using in exchange for economic development and progression in the country. Any decision that should contribute for a better society cannot be implemented because there should be a consensus of all three nations in Bosnia

and Herzegovina. Politicians are referring to the principle of exclusivity everything for themselves, using nothing for others. There is no compromise when we are talking about BiH decisions are being made but without any great significance especially when we are talking about the economy and employment.

"In BiH there should be radical changes starting with education and local communities as they could be implemented in with social communities. What is most important at the moment is to approach to the invitation of accession to the EU and implementation of the MAP plan for NATO, should it be realized.

"The question of NATO is a political question in BiH that should be on the agenda of all major political meetings. Social community should be included as well as civil society, academic community, media, which are the most support resource of messages and information in the shading of public opinion. By acceding to NATO BiH will secure its permanent peace and peace is a precondition of each democratic society. NATO will bring peace and stability and will be a guarantee of security for future investments that will bring a great possibility for employment, especially for young ones.

"Communication in Bosnia and Herzegovina should be all with all and not one with all. All political consensus in very important decisions for the country and make it in usable concept to satisfy all nations in Bosnia and Herzegovina unless that has been made BiH will remain pending."

Srećko Latal, Editor for the Balkans Investigative Reporting Network, BIRN:

Srećko Latal, Bosnia's editor for the Balkans Investigative Reporting Network, BIRN, and director of the Social Overview Service (SOS) think tank, told the conference at the Jahorina Mountain that economic and social reforms in Bosnia should remain a priority for both the local and international community. This focus is necessary in order

to stabilize extremely difficult economic and social situation caused by years of political neglect. In this situation, some new initiatives for the reform of Bosnia's constitution - while needed - are simply not realistic in this moment and could be even counterproductive, as they would provide local political elites once again with an excuse to avoid difficult economic reforms by pretending to be negotiating constitutional changes.



Arapović: Introduce electronic voting to nullify vote manipulation

Adis Arapović, Program Manager and Advocacy Consultant at Centers for Civic Initiatives:

"The reform process, which is unblocked after eight years, finally brings some good news, mainly in the area of economic reforms, improvement of business climate, liberalization of labour market and better opportunities for new jobs. However, neither the speed nor the scope and content of the reforms are even close to sufficient to bring out sufficiently invests and more responsible and good work from the governments. We should not have the illusion that reduced economic reforms will significantly stabilize the political environment, as unfinished constitutional order, absence of the mechanism of unblocking and excessive power inside of political parties are the permanent generator of political crisis, politicisation of all questions of public interest, ethnic homogenization and manipulation, as a

cover up for corruption, increasing social divide, irresponsibility, and absence of vision. Enormous concentration of power in the hands of the few political parties is at the expense of the rule of law and weaker institutions, primarily legislative and judicial. The consequences of the above was two decades long building of culture of clientelism, partitocracy and cult of leaders, which went at the expense of building of democracy, protection of human rights and equality in the law. Current global momentum, geopolitical, security and social challenges, like never before, go in favour of birth of a new Bosnia – a prosperous and very rich country, which vitally needs faster political and cultural emancipation. The culture of meritocracy must win the existing culture of clientelism, patronage and corruption. New generations must bring the Protestant work ethic and spirit of classic capitalism into public and political life, like never before in history that we could not have achieved due to absence of sovereignty. Bosnians of all faiths and ethnic belonging, burdened with centuries-long collectivism and totalitarianisms, must finally start to believe in values of democracy and free markets, competition, entrepreneurship, excellence, pluralism of opinion. Constitutional reform and reform of election law must bring our society onto the tracks of protection of individual rights, de-politicisation of the public sector, strengthening of the regulative role of the state, stronger institutions that protect lawfulness and order. Independent and strong judiciary, media and civic society as agents of rule of law and democratization, have generationally important roles.”

Daniel Serwer, Senior Fellow at CTR – SAIS:

“I am delighted to hear the very real enthusiasm that Bosnians are expressing for the Reform Agenda promoted by the EU, the World Bank, and the IMF. Nothing



Daniel Serwer: You have tried constitutional reforms few times, and you failed - try something new (socio economic reforms)

I say should be taken to suggest that they are not doing the right thing. They are. But I don't expect it to be sufficient. Bosnia runs on a political economy that limits political competition, especially across ethnic lines, and enriches not the state but whoever control its elaborate apparatus at various levels through political parties in which cronyism is the rule rather than the exception. I don't believe that is a state that can govern effectively and in accordance with European standards, so sooner or later broader political reforms are going to be necessary. First, I would be thinking about a constituency against corruption and in favor of accountability, one that would demand internal democracy in political parties, preservation of the open-list electoral system, single-member electoral constituencies, an end to political appointment of executives in state-owned enterprises and privatization and procurement conducted in strict accordance with EU rules. Second, I would be trying to get parliament to cut red tape, freeze government hiring, and require state-owned enterprises to publish budgets and financial reports. Third, I would be trying to convince the Europeans to condition future assistance on appointment of judges solely on the bases of professional qualifications. Fourth, I would be encouraging prosecutors to focus on large-scale and high-level corruption cases, with asset freezes and travel bans implemented by the Europeans

and Americans where need be. Fifth, I would be encouraging nongovernmental and media exposure of malfeasance by requiring an end to media subsidies, open competition for government advertising and civil society funding, and strengthening of the role of ombudspersons, auditors and regulatory agencies. Sixth, I would be asking hard questions about the size and weight of the government structures in BiH, with a view to clarifying responsibilities and eliminating as many duplicative bureaucracies as possible.”

Denis Hadžović, Secretary General at Centre for Security Studies:

“The Reform Agenda is very important for the stabilization of the situation in Bosnia and Herzegovina and her catching up with the Euro-Atlantic path compared to the countries of the region. Implementation of the action measures from the agenda definitely must contribute to such a necessary welfare of citizens but also generally improve the work of government institutions. For successful implementation of the measures, which were mainly focused on the socio-economic aspect, it is important to devote adequate attention and parallel strengthening of political, security and social environment and in particular the promotion of the rule of law. Experience from previous years undoubtedly offers us a lesson that, despite visible achievements in the defence and security sector, a no comprehensive approach to peacebuilding leads only to the results of the peacebuilding and leaves unfinished business in statebuilding.”

Jasmin Bešić, Executive Director of the Institute for Youth Development KULT:

“By adopting the Reform Agenda for 2015-2018, the authorities in BiH demonstrated the need to initiate the process of recovery and modernization of the economy in BiH, with the goal of strengthening a sustainable, efficient, socially just and stable economic growth,



Jasmin Bešić

create jobs, increase and improve the process of providing social benefits and creating a sustainable and just social environment. Although social and economic reforms are associated with BiH's EU accession process, they must, first and foremost, contribute to improving the citizens' living standards. I therefore believe that it is necessary to show to the citizens of BiH, in layman's terms, how the reforms will change their lives. By restoring the hope in the future of the country, the authorities in BiH can put a stop to the mass exodus of the work force, especially youth, and enable them to actively participate in implementing the reforms.”

Nerzuk Ćurak, Full time professor at the Faculty of Political Sciences in Sarajevo, engaged public intellectual, a civil society activist, essayist and scientific publicist:

“During the last couple of years, a negationist and secessionist interpretation of the Agreement has set itself as a dominant narrative. This narrative is especially characteristic for one of the leading Serb politicians in Bosnia and Herzegovina, president of the Republika Srpska entity and SNSD leader, Milorad Dodik. He keeps pushing for the construction in which only and exclusively the Dayton letter is what matters, what is relevant, what is reliable and what is politically acceptable, while every insistence on the spirit of Dayton is regarded as a trip of Bosnia and Herzegovina directly into the abyss, its definitive end, and similar.

At the same time, this same person who talks about the Dayton Peace Agreement as the final and ultimate contract of BiH's future, is the one who was most frequently warned for not respecting the Agreement by the international community.

"The international community has, as the most radical anti-Dayton activity, had the intent of organizing a referendum on the role of the Court and the Prosecution Office of BiH. This has been legitimized by the NSRS on 15th July 2015 on the entity level, which means that the highest body in the entity has de facto and eo ipso left the Agreement. At the same time, that kind of anti-Dayton activity does not stop the current entity president, Dodik, to represent himself rather openly as Dayton's guardian. How is that even possible? It is possible because of one of Dayton's weakest points, its annexious Constitution that allows for a variety of interpretations with its judicial unbound ability. Because of this characteristic it also allows the inner Dayton actors various institutional and normative regulations of constitutional matter. It is exactly the ambivalence of the Dayton constitutional norm, its politicization in a variety of shapes and forms depending on the political actors that have allowed for failure to respect the decisions of the Constitutional Court of BiH as well as entity constitutional courts. This clearly tells us that in BiH, rule of law is replaced by the rule of people.

"Such rule as an expression of the depressing political culture has entered a new phase. In this phase, through the Reform Agenda and Mechanism of Coordination, there will be a steady violation of Dayton through its disintegrating interpretation. Under the firm of acceptance of new market and social changes (which shall be greeted and encouraged), the political actors want to steal the state from the Agreement. They want to do this by making the state powerless, unnecessary through the Mechanism of Coordination. This is why the



Nerzuk Ćurak

Mechanism of Coordination is a political, not a technical question.

"I would say that the leading political champions in the country are trying to equalize sovereignty and facticity. This can end with a triumph of entity initiatives as sovereign initiatives. We close to understand the state sovereignty as coordination sovereignty. A coordination sovereignty is a norm worthy of ironization, because it allows for lower levels of government that are already represented on the state level to generate their power elsewhere. Although they are already represented, since the Dayton state is the state of the lower levels of government, that is, the state of the entities, this way they generate their power in international questions, questions that only the state level of political organization should be considering. This is how we have a double key in the process of key politics for BiH, like EU politics.

"It is not only that the entity and cantonal politics are represented through their Dayton state, they also want to have more influence by representing the entities and counties once again at the same level they are already represented in! The de facto process of international law conditioned decision making will be conditioned by cantonal and entity etatism! If the inner actors make a deal, which they probably will, international community will accept this although the deal is the ultimate deregulation of international legal questions as a state norm, as well as

a dangerous approach to the impossibility of making any decision related to European integration.

"If Dayton continues to be read through this example in the disintegration key, the following request will be that the cantons decide about Bosnia and Herzegovina entering NATO, and all other foreign policy questions. As an example - imagine if the mayor of Memphis was blocking the foreign policy of the U.S. towards the EU?

"The trap in which both international and domestic actors found themselves is that state building equals unitarism. This trap still takes effect here although BiH is probably the country with the least unitarist potential on the whole European continent.

"New U.S. creative energy is needed so the Dayton BiH, as an excellent American foreign policy administration success (no recurring of the violence happened), would succeed as a modern, effectively and rightfully decentralized state even in peace. In this kind of success the minimum of cultural difference would not be the only condition of political constitution."

Srdjan Blagovčanin Executive Director, Transparency International BiH:

"The judicial reform that has been implemented over the last ten years with major support from international institutions has failed to ensure an efficient and independent judiciary able to tackle the challenge of corruption. Numerous scandals and affairs, most of which received wide media exposure, have never seen a proper response by relevant institutions. Judicial reform has brought about few substantial changes in the functioning of the judicial system. One of the biggest problems continuing to limit the judiciary is the



Srdjan Blagovčanin, Executive Director, Transparency International BiH

excessive backlog of cases and long court proceedings. All relevant reports note that BiH is still far from effective prosecution of corruption. Only very few low-ranking officials are prosecuted, while political corruption is systematically ignored as result of direct political influence over the judiciary.

"The justice system needs to become far more independent and professional:

The High Judicial and Prosecutorial Council (HJPC) should be appointed free of political influence in a process fully open to public participation and CSO scrutiny, monitored and verified by the EUSR.

"The HJPC should rely on the international expertise and close collaboration with counterparts from the EU in verifying the qualifications of judges and prosecutors, retiring and replacing those who do not meet the highest ethical and professional standards. The judiciary at all levels should adopt work plans that eliminate backlogs and provide for prosecution of corruption, with major cases tried at the state level.

"With EU assistance, key cases of grand corruption involving political leaders should be identified (especially within the areas of public procurement, privatization and major infrastructure) and processed before national judicial institutions as a matter of priority.

Dr. Sasha Toperich, Senior Fellow and Director of the Mediterranean Basin Initiative at CTR – SAIS:

"There is no time to waste. Although it is good news that the GDP forecast growth for Bosnia and Herzegovina is anticipated at 2.3% next year, the country needs sustained growth of 6% annually to be competitive with the EU. Restructuring takes time. Results from the passed reform laws take time. Implementation is the key, and that will also take time. And there is not much time left to produce a robust, meaningful, and comprehensive change. So, we all need to work hard together, day-by-day, to use this opportunity and move BiH forward.

"Public debates are required for important legislative changes. That will take time too, but citizens and civil society organizations need to be engaged in this process. When I am in town next time I would hope to be asked by taxi drivers in Sarajevo questions regarding reforms, regarding issues raised on specific item related to specific law proposed and how that can impact lives of ordinary folks, and not the very same old 'nothing works here – will it ever be better.' We have to create this energized new environment. You have to stop dwelling on the past, to stop analyzing the long gone past, and to stop engaging in rhetoric that leads nowhere.

"We should use this unique opportunity to stop repeating the 'same old' but to refresh ourselves from fatigue created by some failed political leaders in Bosnia and Herzegovina, and reinvent the ways we reach out to each other hearts and minds. We need to be talking broader reforms. For example, everybody knows the Federation of Bosnia and Herzegovina needs to be more functional. And we are not starting from the scratch on this particular reform. You, among others, have done most of the work already. There are 181 amendments waiting to be debated at the Federation parliament after civil society and expert groups worked



"I am confident those politicians in Republika Srpska that are not so enthusiastic about BiH joining NATO will change their hearts and minds soon. They will realize NATO membership will enhance security for all citizens and membership will help attract needed investments, boosting the safe business environment image for the country" - Sasha Toperich, CTR - SAIS Senior Fellow and Director of the Mediterranean Initiative

hard for two years to find best solutions. We should request the federal parliament for debates to begin on this matter."

Hoyt Yee, U.S. Deputy Assistant Secretary of State for European and Eurasian Affairs:

"Many thanks to the organizers, panelists and all of you who made possible this important conference on the 20th anniversary of the Dayton/Paris Peace Accords. Today's discussion highlighted the challenges ahead, but we should acknowledge that BiH has made tremendous progress since the end of the war. So many good things have happened, thanks primarily to people like you, your parents, and your parents' generation, who sacrificed and worked hard to overcome tremendous hardship. The international community provided help and opportunities, but it is the citizens of BiH who have made 20 years of peace possible. We can learn from that as we work together to make the reforms necessary for a more stable, prosperous BiH.

"I want to mention three key ingredients I think are important for successful reform. The First ingredient is a sense of urgency: an understanding of not only what has to be done, but that it has to be done now. What I find troubling when I come to Sarajevo, fairly frequently, is that the structural problems and the dysfunction that panelists described

so eloquently today have become almost normal, as if the level of dysfunction is acceptable: things not working, widespread corruption, poverty, the highest youth unemployment in Europe, the country falling so far behind the rest of the region. I know those of you here today don't consider such conditions normal, but the longer they endure the more complacent citizens will become and the harder it will be to reform. It is important for everyone who cares about BiH and its Euro-Atlantic future to speak up, to convince your elected leaders that the situation is abnormal, unacceptable and urgent. They must act now to chart a new course. So my first message is – Bosnia and Herzegovina must do it, must move forward with reforms.

"Second, an important ingredient for reform is determination or drive, combined with a clear vision of the future. Past reform efforts have failed because of a lack of determination and shared vision of what kind of country BiH should become. Politicians need to look beyond narrow short-term interests and agree on a long-term plan that will gain citizen support. I hope future discussions like the one SAIS organized here today will contribute to such planning and consensus building. Given political differences and other challenges discussed today, a common vision and plan to achieve it might seem impossible, but we have to try.

"The United States 25 years after its founding lacked a common vision and had to overcome considerable dysfunctionality. Our founding fathers argued passionately about whether government should be centralized or decentralized, whether power should rest with federal or state authorities, how powerful the Supreme (constitutional) Court should be. Early American politicians fought each other, sometimes literally, sometimes fatally, while forging a constitution and national identity. Aaron Burr killed Alexander Hamilton in a



Hoyt Yee, U.S. Deputy Assistant Secretary of State for European and Eurasian Affairs

duel – now, that's dysfunctional! Still, early American leaders, demonstrated that with determination and vision, it is possible to overcome bitter differences to build a stable and prosperous nation.

"Another lesson we can learn from America's founding fathers is that the consequences of delaying needed reform can be disastrous. In the United States we are celebrating this month not only the 20th Anniversary of Dayton but another historical milestone, the 150th anniversary of the abolition of slavery. It took us between 1789, when we adopted our constitution, and 1865, when we amended it to abolish slavery, but only after immeasurable injustice and a civil war that took the lives of over 500,000 Americans. No matter how difficult the reform, whether it requires a change in the constitutional or law or administrative rules, if citizens are really determined, and there is adequate leadership and vision, it can be done. So, my second message is that Bosnia and Herzegovina can do it.

"And the third ingredient is opportunity. Bosnia and Herzegovina does have the opportunity to achieve significant reform. There is a convergence of positive factors that we have not seen for some time, and that should not be wasted. The EU, the United States, and the international financial institutions are working together to provide necessary resources, assistance and encouragement to help BiH reform. The people of Bosnia and Herzegovina



appear eager, even impatient, for change. There is positive momentum in the region created by Albania's, Kosovo's, Serbia's and Montenegro's progress towards EU accession and NATO's invitation to Montenegro. These examples show reform and progress are possible. The citizens of BiH deserve the same opportunities. Anyone doubting their ability to succeed should recall the example of BiH's junior national basketball team, which overcame a lack of funds and equipment, set aside ethnic and religious differences, and with talent, drive, vision and a little help from its friends won the 2015 European championship. In summary, BiH can do it, BiH must do it. So let's do it!"



Mak Kamenica, America - Bosnia Foundation Executive Director and Hoyt Yee, U.S. Deputy Assistant Secretary of State for European and Eurasian Affairs

TURKEY AND IRAN: FROM COMPETITION TO COOPERATION?

Writing in The Huffington Post, CTR-SAIS Visiting Scholar Assistant Professor Aylin ÜnverNoi analyzes the historical Turkish-Iranian relationship as it relates to the broader Middle East and North Africa, particularly in light of recent events in the region, including intra-regional rivalry between Saudi Arabia and Iran, which has resurfaced in Yemen. Noi maps a pathway for Turkey to begin to return to its “zero

problems with neighbors” foreign policy, starting with its sometime-rival Iran and the complicated relationship the two countries have with their region. She argues that Turkey has the opportunity to reinforce its role as a mediator in MENA conflicts like that in Yemen, and points to a host of economic, trade and cultural cooperation agreements between Turkey and Iran as a “pragmatic approach” to the neighborhood.

Read the entire article here.



The Huffington Post

http://www.huffingtonpost.com/aylin-unver-noi/turkey-and-iran-from-comp_b_7127854.html





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