

# The Balkans continues to fracture

## Part 1

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*This is the first of a two-part series analysing growing instability and tensions in the Balkans.*

The Balkans region continues to fracture as a result of the inability of the western powers to solve the political and economic crisis in the region. Instead they have produced a humanitarian disaster and cultivated inter-ethnic conflict that threatens to destabilise the entire region once again.

The US-backed Radio Free Europe has warned that more observers are now saying that Kosovo, Serbia, and Bosnia-Herzegovina and maybe some of their neighbours could become failed states or “black holes”.

However, this disaster is treated as though there is no connection to the support given by US and European powers to separatists and capitalist free market advocates in the break up of the former Yugoslavia.

Instead of the promised prosperity and freedom, the region is at the mercy of the banks and financial institutions of the major imperialist powers and is run in an essentially colonialist manner. Where matters are not decided openly by western-imposed proconsuls, the threat of exclusion from the European Union (EU) and NATO are wielded to ensure governments implement policies of privatisation and welfare reforms with sufficient rigour.

The social crisis in the region has intensified. Unemployment is 40 to 70 percent and wages average just \$100 to \$200 a month.

The leaders the west actively promoted as “saviours” of the Balkans and who are responsible for these policies have become widely mistrusted amongst the Balkan people. This has resulted in election participation reaching an all-time low. But the loss of political confidence in the revolutionary capacities of the working class and the prospects of socialist revolution has opened the way for a growth of nationalist and separatist forces.

The largest entity arising from the break-up of the former Yugoslavia is the formation of the union of Serbia and Montenegro in 2002, which was masterminded by the European Union. The new union has not resolved the critical issues in the relationship between the two states. All of the attributes of independence that the west allowed Montenegro to develop over the previous decade were retained as was the hope of full

independence—kept alive by the clause stating that membership of the union can be reconsidered in 2006.

The resulting impasse has caused the EU to signal another policy change and propose a twin-track approach for the two republics that involves the economies of Serbia and Montenegro being integrated separately into the EU.

Demands for self-determination and greater autonomy for Montenegro were initially encouraged by the western powers in order to undermine the Serbian regime of Slobodan Milosevic. The Montenegrin government assumed more federal responsibilities such as foreign trade and customs and by 1998 it had taken full control of tax policy, monetary and foreign policy. The German mark was introduced as a parallel currency to the Yugoslav dinar and then the euro. The republic was afforded international recognition normally reserved for sovereign states—with a seat at international and regional institutions.

Following the putsch that removed the Milosevic government, the western powers were no longer so willing to tolerate demands for Montenegrin independence as a political counterweight to Belgrade’s new pro-western regime. In 2001, the EU warned the Montenegrin government to abandon its plans for a referendum on independence, saying that it would deepen divisions within Montenegro where even today polls indicate only slightly more than half the people support independence. The calls for a referendum also threaten the unresolved status of Kosovo and increase separatist pressure on the Serbian Republika Srpska in neighbouring Bosnia-Herzegovina.

The new twin-track approach was first aired publicly in early September at a meeting of foreign ministers of the 25 EU member countries. On September 10 the Montenegrin paper *Vijesti* published a leaked memo written in July purporting to come from EU external affairs spokesman Chris Patten. It was addressed to EU Foreign and Security Policy Chief Javier Solana and the chair of the EU Ministerial Council and Dutch foreign minister Bernard Bot.

In the memo Patten suggests a “significant change to our current policy” because there has been no progress towards a common economic market or harmonisation of the two economic systems in Serbia and Montenegro after two year’s

of discussions and that there was no prospect of it happening. Patten explains that the application for membership in the World Trade Organisation has been “totally blocked” and that there are “serious doubts” whether direct elections for the union’s federal assembly will take place in March 2005 as planned making it “totally dysfunctional”.

Patten continues, “Pro-European reformists have nothing to show to their voters, which perhaps is linked to the unpleasantly high score of 45 percent of the vote for [Serbian Radical Party member Tomislav] Nikolic in the recent presidential election [in Serbia]. Fortunately, [the Democratic Party’s] Boris Tadic managed to win in the end. However, the current minority government is unstable and may not last for much longer”.

The new EU policy has allowed both supporters of Montenegrin independence and supporters of union with Serbia to claim victory for their causes.

The ruling coalition led by Prime Minister Milo Djukanovic and his Democratic Party of Socialists is pressing for Montenegrin independence and wants a referendum. Montenegro’s President Filip Vujanovic said, “The Belgrade Agreement represented an attempt to establish new relations through the model of a two-member state union. It was a model that had never existed before, in theory or in practice.” He continued “Montenegro sees itself as a hostage of the state union ... that only incurs inappropriate expenses” and warned, “If Serbia insists on the preservation of the union, a citizens’ referendum will have to take the final decision.”

The opposition is mainly composed of parties that support the union and have 40 percent of the seats in Montenegro’s assembly. They believe they will win direct elections for the union’s federal assembly next March, as independence supporters will probably boycott them.

Polls suggest that the joint state has strong support from pro-Serbian Montenegrins, but is not popular in Serbia. In Serbia most parties have supported the union on orders from the EU, but in recent months the small G17 Plus party has campaigned for Serbia and Montenegro to become independent of each other. At the core of G17 Plus is a group of 17 free market economists who functioned as a pressure group before they formed a political party in 2003. The leader of G17 Plus is Miroljub Labus. He is also deputy prime minister of the Serbian government and minister for economic relations with abroad in Prime Minister Vojislav Kostunica’s coalition government. Labus said the twin-track policy “does not represent defeat for the European idea in the western Balkans but, on the contrary, it means abandoning the idea of the planned economy on which Yugoslav unity was once based.”

A sign of the reactionary character of the Kostunica government and the influence of the Serbian Orthodox Church is the banning of English lessons in schools by Education Minister Ljiljana Colic. Colic, a founding member of Kostunica’s DSS, also wanted to ban Darwin’s theory of

evolution because it was “full of voids”, but reversed her decision after a public outcry. She has since resigned.

Within Serbia, elections are characterised by huge abstentions. However, several factors have combined to make Vojislav Seselj’s extreme nationalist Serbian Radical Party (SRS) the largest party in the country. There have been years of economic hardship made worse by NATO’s bombing in 1999. In the course of 35,000 sorties, several thousand people were killed and a vast portion of the industrial and social infrastructure of the country shattered, leaving several hundred thousand workers without jobs.

During the Balkan conflict, the western powers denied that the Serbs had a legitimate reason to be dissatisfied with the consequences of the sudden dissolution of Yugoslavia and the danger facing the Serbian community living in different parts of the old Federation. A disproportionate number of Serbs have since been indicted at The Hague war crimes tribunal—a fact that Seselj skilfully exploited by giving himself up voluntarily to the tribunal for war crime charges laid against him.

It is a situation that prompted regional analyst Ines Sabalic to remark, “Serbia is almost in a Weimar situation.”

Not only did the SRS’s Nikolic come close to beating Tadic and the Democratic Party in the Serbian presidential elections in June (in a turnout of just 48.5 percent) but in the first round of municipal council elections on September 19 the SRS and Democratic Party were equally split with no clear majority in any electorate. The second round of voting is on October 3.

In the same municipal elections Kostunica’s Democratic Party of Serbia (DSS) slumped to fourth place. For a period Kostunica could sideline the SRS by presenting himself as the saviour of the Serb nation and a dedicated nationalist who was opposed to the break-up of the former Yugoslavia. However, his nationalist rhetoric could not hide the full consequences of the western dictated economic programme he has championed and the catastrophic results it has had for the broad mass of the Serbian population.

*To be continued*



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