

YUGOSLAVIA: DIVIDE AND FAIL

By SUSAN L. WOODWARD

Sanctions seem only to have made matters worse.

The disintegration of Yugoslavia and the subsequent wars over the territory and borders of new states has posed a major challenge to the available instruments of the international community. Unwilling to use military force, the Western powers have tried a wide range of diplomatic tactics and economic sanctions, first to prevent war from breaking out, and then to try to stop the military aggression, atrocities, and widespread violation of international norms that followed. It is still premature to assess the effectiveness of the sanctions that have been imposed, but it is possible to ask whether economic sanctions are appropriate to this kind of conflict.

There have been four phases in the imposition of economic sanctions to influence the Yugoslav conflicts:

■ In May 1991, the United States made an attempt to prevent the breakup of Yugoslavia by withdrawing economic and financial aid, but promising its reinstatement. At the same time, the European Community (EC) was attempting the same objective, but with the carrot before the stick—offering additional aid if Yugoslavia remained whole. When the EC offer failed to prevent Slovene and Croatian declarations of independence and the Yugoslav army moved to secure the Yugoslav border with Austria and Italy against Slovene troops on June 25–27, the EC then adopted U.S. tactics, withdrawing all economic and financial assistance during the summer.

■ After the wars began in Slovenia and then Croatia in July 1991, the EC imposed trade sanctions against all areas of Yugoslavia as a part of its diplomatic efforts at mediation; as an expression of disapproval for the use of military force to decide border issues; and in another attempt to bring politicians to the table. The United States joined in, imposing

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trade sanctions in December. On September 25, 1991, the major powers (chiefly the United States, Britain, and France) also asked the U.N. Security Council to impose a comprehensive arms embargo on all parties in an attempt to end the fighting by reducing the means to wage war.

■ When war exploded in Bosnia-Herzegovina as a result of EC and U.S. recognition of the independence of Slovenia, Croatia, and Bosnia-Herzegovina, Western powers assigned primary responsibility for the war and its atrocities to Bosnian Serbs and to supporters in Serbia and Montenegro. Trade sanctions were lifted on the other four republics of the former country and the new state of Yugoslavia was given two weeks to end the fighting and ethnic cleansing in Bosnia-Herzegovina, cease all foreign assistance, and stop interfering with U.N. agencies delivering humanitarian relief. On May 30, 1992, Security Council Resolution 757 imposed a universal, binding blockade on all trade and all scientific, cultural, and sports exchanges with Serbia and Montenegro. Their new state was isolated diplomatically, suspended from membership in the Conference on Security and Cooperation in Europe, and denied the right to succeed Yugoslavia in the United Nations. On June 18, Security Council Resolution 760 exempted humanitarian goods such as food and medicine.

■ On November 16, 1992, in light of widespread violations of the sanctions by land, river, and sea routes, the United Nations acted to tighten enforcement. NATO and Western European Union (WEU) ships began to patrol the Adriatic, and U.S. customs inspectors were installed as monitors on the Romanian and Macedonian borders with Serbia. In addition, neighboring countries, particularly Romania, were pressured to control traffic on the Danube.

But the war in Bosnia-Herzegovina worsened, and political negotiations between warring parties stalled over a political settlement



IMPACT VISUALS/STEIN VOETEN

proposed by U.N.-EC envoys Cyrus Vance and David Owen. The embargo on Serbia-Montenegro was therefore tightened in April 1993 with the addition of a maritime exclusion zone and a freeze on all financial assets and overseas property, including transport. The assumption remained that Serbian political, material, and logistical support to Bosnian Serbs was the prime cause of the war.

Only the fourth phase represents a classic embargo as an instrument of diplomacy. This final phase included advance warning and a relatively clear statement of purpose and of the behavioral changes expected, all coordinated with other activities as part of an overall policy. Until then, although the purposes could be surmised, there were many in the target countries who insisted, as Dusan Zupan reported in the official Belgrade publication *Tanjug* in April 1992, that the only certainty of the sanctions was their "unknown objective."

Nonetheless, the timing of all phases was driven by events outside Yugoslavia. Conditions for removing the sanctions were never made clear. Punishment loomed more salient than incentive. And disagreements among sanctioning powers caused long delays in implementation.

The reasons for choosing economic sanctions fall into three unrelated categories. The first was Western unwillingness to use military force. Yugoslavia was regarded as of no strategic interest to the major powers; the war in the Balkans, as the Bush administration said repeatedly, did not involve U.S. national interests. Although West Europeans agreed that the Yugoslav conflict was insignificant to their

security and vital interests, they chose to mediate it to demonstrate their capacity for a common EC foreign policy. In any event, since the United States rejected NATO involvement "out of area" and opposed French alternatives of WEU or a Eurocorps, the EC had no military force. By default, attempts by the EC had to rely on economic instruments.

The second reason was the Western explanation for the conflict. Independently of its causes or the role they played in dissolving a state without prior resolution on new borders, the EC and the United States sought to obtain a cease-fire. That required identifying an "aggressor." Behind the application of sanctions was the judgment—made even before Slovenia and Croatia formally declared independence—that the Yugoslav army could not legitimately use force to prevent their secession, and that if it did, this would be an act of Serbian aggression to create a Greater Serbia. Mounting evidence of the work of paramilitary gangs from Serbia in the terror and atrocities against civilians in the border areas of Croatia and Bosnia-Herzegovina added to the perception that the army was an instrument of Serbian policy.

Sanctions aimed to dissuade the leadership in Serbia from this course, by isolating it as an international pariah, by making it economically ever more difficult to continue assistance to the Serbs in Croatia and Bosnia-Herzegovina, and by putting pressure on President Slobodan Milosevic. It was thought that if Milosevic left office, either by resignation or through popular pressure, Serbia would adopt a different policy.

The third reason was to protect the authority and instruments of intervention in the face of failure. As the wars continued and the refugees flowed into Europe, and as Western

News media images of a torn and bleeding Yugoslavia spurred the imposition of sanctions. Here, a U.N. peacekeeper carrying a child in the besieged town of Srebrenica, April 1993.

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publics reacted with horror to pictures of atrocities, news of widespread rape, detention camps, and "ethnic cleansing," this third purpose—completely unrelated to resolution of conflict on the ground—came into focus. This was the need to protect the domestic and international authority of the major powers by appeasing public opinion in Europe, the United States, and in Islamic countries where moral outrage erupted on behalf of the primary victims, the Muslims of Bosnia-Herzegovina. The major powers moved to reassert international norms, shore up allied unity, and respond in a way that would deter other nations from engaging in similar conflicts in the future.

To the extent that purposes were defined, the sanctions failed. If anything, they have made the situation worse, increasing the likelihood that war will continue and spread rather than cease. The causes of war began with an economic crisis from 1979 to 1989 to repay foreign debt and create a market economy. Unemployment, hyperinflation, and a drastic fall in living standards as well as bitter conflicts over federal and republican budgets led to political, social, and economic disintegration. The further destruction of the economies of Serbia, Montenegro, Vojvodina, Kosovo, and neighboring states only made political control over land and strategic resources more important while worsening the scapegoating and social disorder. Moreover, this ongoing crisis makes it extremely difficult to evaluate the effects of the sanctions, allowing leaders to blame outsiders for all hardships. How much of the decline in production is due to sanctions? How much is due to the collapse of the state and its economy? How much is due to the end of the communist system? How much is due to the collapse of trade with the Eastern bloc and the Middle East?

The immediate cause of war in Yugoslavia was the international recognition of Slovene and Croatian independence, and then of Bosnia-Herzegovina, without consideration for the Serbs in Croatia and Bosnia-Herzegovina who did not want to leave and thought they had an equal right to national self-determination. The imposition of sanctions against the one party that felt aggrieved by the breakup of its state was unlikely to be understood as just. Further, all parties used military force to achieve their goals, including Slovenia, Croatia, and the Yugoslav army. The presidents of Croatia and Serbia had agreed jointly to divide Bosnia, and the Croatian government had substantial numbers of armed forces and paramilitary units in Bosnia as well.

The timing of sanctions during two Serbian elections strengthened Milosevic sympathizers against what they considered illegitimate interference, while hurting his opposition.

Because the immediate cause of the conflict was the breakup of a state, isolating the impact of sanctions on Serbia and Montenegro from that on other areas of the former country where economic links still exist was not easy. Under ordinary conditions, Serbian dependence on trade for 50 percent of production should have made it vulnerable, but much of its trade was with other parts of Yugoslav territory and with struggling post-communist Eastern countries that were desperate for export revenues. One of the primary explanations for the first sanctions imposed against Serbia was its refusal to sell food to Bosnia-Herzegovina—yet the sanctions aimed at Serbia excluded all trade, including that with Bosnia.

Another cause of the wars was the shifting borders of Europe and the Eastern countries' competition for membership in the European Community. EC judgments about the relative "readiness" of central and eastern European states during 1989-90 created a serious dilemma for Yugoslavia. Although Yugoslavia had open borders and associations with the West long before the Eastern bloc, it looked as if it would be downgraded to the second tier. As former Hapsburg states with Roman Catholic populations, Slovenia and Croatia gambled that they could enter in the first tier if they separated from Yugoslavia. By remaining with Yugoslavia, they would be stuck waiting with the Balkans and Turkey. The sanctions on Serbia and Montenegro seemed to many to confirm this interpretation of the new "border" around the EC, rewarding Slovenia and Croatia and excluding the southern republics.

Economic sanctions depend on particular assumptions about the relationship between economic conditions and political behavior. The idea that increasing economic hardship would motivate Serbian citizens to protest Milosevic's policies in Bosnia and, if necessary, overthrow his rule altogether, presumed a functioning democracy where people had access to uncensored information about the wars and sanctions and could organize to express their views and vote freely.

But Serbia, like the other republics, was not even a state. It was in the initial stages of creating democratic institutions. A decade of economic hardship had nurtured nationalist sentiments and self-defensive feelings on which Milosevic played.

Greater economic hardship requires individ-

uals to spend more time on daily survival and less on political activity. It reinforces the informal economic networks of family, tribe—or criminal syndicate. It increased the power of the government and of Milosevic personally in the need to ration goods and determine which enterprises will receive subsidies, which workers will be unemployed, and whether farmers, veterans, pensioners, and the army will have an income. Finally, it has encouraged the exodus of middle-class professionals—the group most able to protest and organize independent political action.

The power to interpret the meaning of the sanctions rests with those who control the media—President Milosevic and his government. The sanctions regime made this easier because it forbade external assistance to support an independent media, cut the resources of opposition forces, made newspapers prohibitively expensive, and effectively stopped the flow of information from outside. It also increased problems of law and order, which Milosevic used to justify the police force that protected his regime.

It was actually easier for Milosevic to rule in isolation—popular anger could more easily be directed at the opposition if its anti-Milosevic arguments sounded like those of hostile foreign powers. For many apolitical Serbs who might have opposed Milosevic, the sanctions violated their sense of fair play because other Yugoslavs were also guilty of the charges that were levied. Others, who considered the sanctions just punishment, interpreted the experience in religious terms (as requiring absolutism, not political action).

Essentially, the use of sanctions assumed that there would be democratic pressure from below to change the regime or its policies. Instead, the political avenues for debating the future of the Yugoslav states within the former country were preempted by international mediation. Western prejudice was blamed for the dire economic conditions that turned unpaid or unemployed workers into army recruits. And sanctions reinforced the governing myth of Milosevic as martyr to the nation, a national myth that stresses survival against external foes, whatever the odds, and the conviction that Serbia cannot be secure without its own state and military resources. It also broadened Milosevic's political base among criminals, mafia, and the police, while any hint of accommodation lost him support to right-wing extremists.

While middle-class liberals chose to leave the country, those opposition forces that remained lost all means of influence, and the economic elite chose to wait out the sanctions, to demand subsidies, or to make huge profits by running the embargo. The political elite continued to

believe that the primary issue, as they saw it in Yugoslavia during 1986-90, was a matter of persuasion. Once the truth of their case was known, the sanctions would be lifted. As for the realists, it was clear that Europe could not keep Serbia a pariah state forever and that, as the Germans began to insist in early 1992, some accommodation with the largest power in the Balkans would have to be made.

Finally, to the extent that the wars were caused by the end of communist rule and the difficult process of creating open-market economies and democratic regimes, the economic sanctions worked against this goal. Sanctions required the Serbian state to reimpose state monopolies, rationing, price controls, and the central distribution of food, fuel, medicines, and transport, all of which had been abandoned. Entrepreneurship flourished only in illegal activities. The sanctions gave new life to the police and armed forces, whose numbers had been reduced, and it revived a search for Eastern alliances, calling on religious, historical, or anti-Western sympathies—with Russian nationalists, with China, with Greek merchants and politicians, and with former communist networks in Romania and Bulgaria.

At the same time, the goals of liberalization and open borders ran against the means necessary to enforce the sanctions and the arms embargo, creating an additional dilemma between the assertion of international norms and a solution to the conflict.

There are two basic conditions needed for peace in the former Yugoslavia. The first is the development of democratic regimes throughout the territory to reassure minorities, and the second is a means of regional economic integration that counteracts the consequences of nationally exclusive mini-states with freedom of movement for people, ideas, and goods. Both conditions are precluded by the use of sanctions. Whether the sanctions' costs are worth the remote and ambiguous influence they have had over the war in Bosnia-Herzegovina remains an open question.

It is clear that the use of economic sanctions to resolve the conflicts created by the end of the Cold War, the absence of international institutions to guide the breakup of states and the peaceful formation of new ones, and the failure of external actors to complete the diplomatic job they began, have raised new questions about sanctions. These questions should be answered before the next cases of competitive nationalism arise in the midst of economic and political disintegration and balance-of-power politics. ■

The sanctions worked against previous reforms.