

United States Congress
House of Representatives
Committee on International Relations
Subcommittee on Europe and Emerging Threats

Hearing:

Serbia: Current Issues and Future Direction

September 14, 2006

Washington, DC

TESTIMONY

By **Ivan Vejvoda**

Executive Director, Balkan Trust for Democracy
A Project of The German Marshall Fund of the United States

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

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

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

Introduction: The Region Moves Forward

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

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

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

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

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

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

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

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

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

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

This is the reason why it is imperative that all those in the US, EU, NATO who have been working with the citizens and governments of the region continue to move the democratic

and EuroAtlantic agenda forward – stay the course and see these peaceful processes through to their haven of a Europe whole and free.

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

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

Serbia

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

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

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

The obstacles and pitfalls are as in any similar situation not to be neglected. The struggle between the friends of democracy and those who would like to slow down or reverse the course of Serbia’s democratization and modernization is still ongoing in certain spheres. As an example of the retrograde forces still at work one can cite the recent spate of vitriolic hate speech against the Deputy Prime Minister of Serbia, Ivana Dulic Markovic, as well as in a variety of tabloid newspaper attacks against prominent civil society

leaders. There has been a public outcry, condemnations by officials and a demand that the prosecutor's office be involved in investigating and possibly prosecuting these incidents.

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

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

Serbia: Future Direction

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

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

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

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

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

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

Serbia at the beginning of year seven of transition

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

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

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

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

Briefly, Serbia confronted a most complex political landscape after October 2000: a government in which the victorious democratic family had to share power with the old regime until December 2000 in the Serbian Parliament, and until February 2003 in the Federal, i.e. State Union Parliament of Serbia and Montenegro. This is often forgotten.

Mrs. Mira Milosevic, sat as a member of the State Union Parliament until February 2003 (when she fled the country to go to Russia, where her son had fled in October 2000).

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

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

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

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

Serbia: Current Issues

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

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

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

Serbia and Mladic

Several considerations have to be taken into account, but the defining issue the one on which all issues hinge in the short term is the whole issue of the obligations toward the ICTY, and in particular the necessary arrest, by Serbian authorities, and delivery of Ratko Mladic to the Hague.

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

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

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

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

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

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

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

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

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

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

The vote in a referendum for a new constitution would open the way for parliamentary elections. The ruling coalition party G17 had indicated in May 2006 that, were the negotiations between Serbia and the EU to remain suspended, the party would leave the Government thus creating a governmental crisis. There are speculations in fact that G17

ministers would resign, keeping in that way their promise, while being obliged to stay in their posts as caretakers.

Serbia Addressing Organized Crime, War Crimes and Corruption.

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

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

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

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

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

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

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

Serbia's Military and Partnership for Peace

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

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

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

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

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

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

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

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

Regional and bilateral cooperation in the Balkans and Serbia's role

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

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

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

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

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

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

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

Serbia's Civil Society

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

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

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

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

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

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

Conclusion

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

A policy creating a strong constituency for reform, bringing together political parties, civil society and economic actors ready to take over responsibilities and the hard work of

change is warranted for. Only this can allow Serbian society to dispel the lingering nefarious fantasies of the past.

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

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

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

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

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