

# ISSUE BRIEF

No. 4316 | DECEMBER 9, 2014

## The U.S. Must Counter Russian Influence in the Balkans

*Luke Coffey*

The Balkans region continues to be an area of instability in Europe. Although security in the region has improved dramatically since the 1990s, sectarian divisions remain and have been exacerbated by sluggish economies, high unemployment rates, and endemic political corruption. Moscow has exploited these tensions in an effort to advance a pro-Russia agenda with the goal of keeping the countries in the region out of the transatlantic community. The U.S. needs to remain engaged in the Balkans, be committed to the region's security, and work with European allies, particularly Germany, to advance a transatlantic agenda.

### **Serbia: Russia's Foothold in the Region**

Both Russia and Serbia are Orthodox countries, and Russia yields huge political influence in Serbia. Serbia has long served as Russia's foothold in the Balkans. Moscow backed Serbian opposition to Kosovo's independence in 2008 and continues to use Kosovo's independence to justify its own actions in Crimea, South Ossetia, and Abkhazia.

Last year, Serbia and Russia signed a strategic partnership agreement focusing on economic issues. Russia's inward investment is focused on the transport and energy sectors. The recent decision by Russia to scrap the South Stream gas pipeline is a huge blow to

Serbia and will likely cost Serbia billions of euros of inward investment and thousands of local jobs. Outside those in the Commonwealth of Independent States, Serbia is the only country in Europe that has a free trade deal with Russia. Even with the negative impact of the South Stream cancellation, it is likely Serbia will continue to consider Russia its closest ally.

The Russian–Serbian military relationship is also very close. Russia signed an agreement with Serbia to allow Russian soldiers to be based at Niš airport, which has been used by Serbia to meddle in northern Kosovo.<sup>1</sup> Serbia has observer status in the Collective Security Treaty Organization—Russia's answer to NATO. Serbia and Russia have also signed a 15-year-long military cooperation agreement that includes the sharing of intelligence, military officer exchanges, and joint military exercises. Russia's handling of the situation in Ukraine has not changed Serbian attitudes to Russia regarding military cooperation. During a state visit to Serbia in October 2014, Putin was honored with the largest Serbian military parade since the days of Yugoslavia.<sup>2</sup> In November 2014, Russia and Serbia conducted a joint military training exercise outside Belgrade.

### **Bosnia and Herzegovina: Divide and Rule**

Bosnia and Herzegovina is on the path to joining the transatlantic community but has a long way to go. It negotiated a Stabilization and Association Agreement with the EU, but the agreement is not in force due to key economic and political reforms not being met. In 2010, NATO offered Bosnia and Herzegovina a Membership Action Plan, but progress on full membership has been stalled because immovable defense properties in the country are still not

This paper, in its entirety, can be found at <http://report.heritage.org/ib4316>

The Heritage Foundation  
214 Massachusetts Avenue, NE  
Washington, DC 20002  
(202) 546-4400 | [heritage.org](http://heritage.org)

Nothing written here is to be construed as necessarily reflecting the views of The Heritage Foundation or as an attempt to aid or hinder the passage of any bill before Congress.

under the control of the Ministry of Defense. Moscow knows that the easiest way to prevent Bosnia and Herzegovina from entering the transatlantic community is by exploiting internal ethnic and religious divisions between the Serb and Bosniak and Croat populations.

Russia is especially active in the ethnically Serb region, Republika Srpska, one of two sub-state entities inside Bosnia and Herzegovina that emerged from that country's civil war in the 1990s. The leader of Republika Srpska, Milorad Dodik, has long been an advocate of independence for Republika Srpska and has enjoyed a very close relationship with the Kremlin. Recent events in Ukraine, especially the annexation of Crimea, have inspired more separatist rhetoric in Republika Srpska. In many ways, Russia's relationship with Republika Srpska looks like a relationship with another sovereign state and not with a semi-autonomous region inside Bosnia and Herzegovina. When Putin visited Serbia in October 2014, Milorad Dodik was treated like a head of state and invited to Belgrade to meet with him.

Russia has also thrown the future of the European-led peacekeeping operation in the country into doubt. Russia, which holds veto power in the U.N. Security Council (UNSC), recently abstained during the annual vote extending the peacekeeping mission in Bosnia and Herzegovina. This was the first time Russia did not vote in support of the resolution in 14 years. Russia also requested a sentence mentioning "the Euro-Atlantic perspective of Bosnia-Herzegovina" be omitted from the annual UNSC resolution.<sup>3</sup>

### **Montenegro: A Balancing Act**

Russia and Montenegro have had close relations for three centuries. Today, Montenegro walks a fine line between keeping its close ties with Russia while

strengthening ties to the West. On balance, Montenegro has been successful at keeping the nation focused on joining the transatlantic community, but there are signs that public opinion is losing patience with the West after long delays in joining the North Atlantic Treaty Organization (NATO) and the European Union (EU).

After Russia annexed Crimea, the Montenegrin government backed European sanctions against Moscow and even implemented its own sanctions. However, when NATO failed to invite Montenegro to join the alliance at the September 2014 Wales Summit, some senior Montenegrin officials, including the Prime Minister, questioned whether sanctions were the right course of action.<sup>4</sup> Russia has significant economic influence in Montenegro, and is the country's largest inward investor. Up to one-third of all enterprises are owned by Russian companies.<sup>5</sup>

Russia has also tried to squeeze its way into the security sphere. Due to uncertainty surrounding the future access to its main Mediterranean naval port in Syria, Russia has requested access for the Russian navy to use Montenegrin ports for refueling and maintenance. This request was turned down due to concerns that such an agreement with Russia might impact Montenegro's NATO membership prospects.

### **Keep the Region on the Right Track**

The U.S. has invested a lot in the Balkans since the end of the Cold War. Tens of thousands of U.S. service members have served in the Balkans and billions of dollars in aid have been spent there—all in the hope of creating a secure and prosperous region that will someday be part of the transatlantic community. As Russia attempts to underline the political and security situation in the region, the U.S. needs to:

- 
1. Julian Borger, "Vladimir Putin Warns over Rise of Neo-Nazism Before Serbia Visit," *The Guardian*, October 15, 2014, <http://www.theguardian.com/world/2014/oct/15/vladimir-putin-nazism-warning-serbia-visit> (accessed December 5, 2014).
  2. Gordana Filipovic, Ilya Arkhipov, and Misha Savic, "Serbia Honors Russia's Putin with Military Parade," Bloomberg News, October 16, 2014, <http://www.bloomberg.com/news/2014-10-15/serbia-to-honor-putin-with-military-parade.html> (accessed December 5, 2014).
  3. "Croatian FM Concerned About Russian Stance on Bosnia," Radio Free Europe/Radio Liberty, November 18, 2014, <http://www.rferl.org/content/bosnia-russia-croatia-eu/26697396.html> (accessed December 5, 2014).
  4. "Djukanovic: Sanctions Against Russia Are Wrong," *InSerbia News*, November 27, 2014, [http://ins Serbia.info/today/2014/11/djukanovic-sanctions-against-russia-are-wrong/?utm\\_source=feedburner&utm\\_medium=feed&utm\\_campaign=Feed%3A+InSerbiaNews+%28InSerbia+News%29](http://ins Serbia.info/today/2014/11/djukanovic-sanctions-against-russia-are-wrong/?utm_source=feedburner&utm_medium=feed&utm_campaign=Feed%3A+InSerbiaNews+%28InSerbia+News%29) (accessed December 5, 2014).
  5. David Clark and Dr. Andrew Foxall, "Russia's Role in the Balkans—Cause for Concern?" The Henry Jackson Society, June 2014, p. 10, <http://henryjacksonsociety.org/wp-content/uploads/2014/06/Russias-Role-in-the-Balkans.pdf> (accessed December 5, 2014).
-

- **Stay engaged in the region.** Russia is hoping that the U.S. is distracted by other international events and disengages from the region. The U.S. must not lose focus on the region.
- **Stay committed to NATO's Kosovo Force (KFOR) mission.** Ethnic tensions are increasing in Kosovo, especially between the ethnic Serb parts of the county north of the Ibar River. With the potential for conflict present, the U.S. must ensure the KFOR mission continues.
- **Work closely with European partners.** The U.S. should work closely with its European partners to keep the Balkans out of the Russian sphere of influence. In this regard, close cooperation with Germany is essential.

### **Stay Engaged**

Now is not the time to allow Russia to derail the West's progress in the Balkans. As the U.S. focuses on Asia, the Middle East, and eastern Ukraine, Russia is hoping that America loses interest in the Balkans. It is in America's interest to keep the countries in the Balkans on track to join the transatlantic community of nations. This will bring prosperity and stability to one of the most unstable regions of Europe.

*—Luke Coffey is Margaret Thatcher Fellow in the Margaret Thatcher Center for Freedom, of the Kathryn and Shelby Cullom Davis Institute for National Security and Foreign Policy, at The Heritage Foundation.*