Rebuilding Bosnia:  
A Model to Emulate  
or to Avoid?

PATRICE C. McMahan

Nation building is back. Bashed by candidate Bush, President George W. Bush seems to have embraced the realization that his post-September 11 foreign policies require a renewed commitment from the United States to building the foundations for democratic, open societies in war-torn nations. The circumstances of Iraq are unique, but this is certainly not the first time the international community, led by the United States, has tried to remake a country almost from scratch, nor is it likely to be the last. In fact, many of the same actors, with strikingly similar objectives, descended on Bosnia-Herzegovina in 1995.1 Nine years later, we are still left wondering about the effects of this international exercise in nation building. What did the international community do right? What should have been done differently? Put another way, is Bosnia a model to emulate or a cautionary tale of what to avoid? This article contends that Bosnia is both, and that the successes and failures there provide a timely test case for the efficacy of Western nation-building efforts.

Within less than a decade, Bosnia has been rebuilt and, in many ways, transformed. The strife that enveloped the country from 1992–1995 and resulted in ethnic cleansing campaigns, concentration camps, and over 200,000 casualties

has been replaced with a semblance of normalcy. Peace is now embraced, and there is a palpable sense of increased security throughout the country.\textsuperscript{2} The physical reconstruction of the country has been even more successful; by early 2000, the European Stability Initiative declared that while uneven, reconstruction efforts were "remarkably successful."\textsuperscript{3} Even refugees have started to return home; minority returns in 2002 increased by 40 percent over 2001.\textsuperscript{4} Clearly, there is good news to report on the post-conflict reconstruction plan undertaken in Bosnia.

Critics of the international mission argue that this so-called progress is both temporary and superficial. The peace is temporary because the only thing that prevents violence is the presence of international troops; if NATO were to withdraw completely, fighting would likely resume in a matter of weeks.\textsuperscript{5} Several years of international involvement have hardly helped economic recovery; the gross domestic product is still less than half of its prewar level, and the only engine of growth has been international assistance.\textsuperscript{6} The transformation is superficial because the consociational democracy envisioned by the international community has failed to emerge. Bosnia is divided into two political units, dominated by three nationalist parties, and basic issues related to borders and identity are still not resolved. For many, the reality is clear: without the prodding and scaffolding provided by the international community, the Dayton agreement will fail and Bosnia will collapse.

The debate over what to do next has produced many opinions but few clear-cut answers on how the international community should proceed. One reason for this might be the lack of systematic research on the effects of international involvement in Bosnia.\textsuperscript{7} Although hundreds of books have been published on the former Yugoslavia in the last decade, only a few deal with post-Dayton Bosnia, and even fewer address the consequences of international involvement. Think tanks based in Bosnia have produced timely analyses, but these reports are often quite dense and narrowly focused. The absence of more evaluations of the international community’s role in the country’s transformation is, nonetheless, surprising, given that since late 1995, the interna-


The international community has provided some nine billion dollars of assistance to help reconstruct this small country awkwardly positioned between Serbia and Croatia. Understanding the effects of this investment should be important for policy makers, who increasingly spend their time and money on places like Bosnia. In the 1990s, for example, the international donor community spent more than $100 billion helping post-conflict countries recover from violent conflict. In 2003, the Bush administration requested almost one billion dollars for democracy assistance activities alone.

This article, based in part on interviews in Bosnia in 2000 and 2001 with officials from international organizations, private foundations, and representatives of local Nongovernmental Organizations (NGOs) and on secondary sources, attempts to assess international strategies for bringing Bosnia back. I argue that although these efforts have not resolved Bosnia's domestic problems, neither have they completely failed. The evidence presented here demonstrates the achievements, the shortcomings, but most of all the complexities of nation building. It also illustrates that outcomes are never one-sided and that the international community's involvement in the domestic affairs of any country will inevitably have multiple intended and unintended consequences. Nation-building efforts in Bosnia have not been a complete success for a variety of reasons. Here, I focus on problems associated with implementation of international strategies as well as on fundamental flaws with strategy design. I argue that whereas the former impede the Western mission in Bosnia, problems of design are different because they undermine the very goals of the nation-building endeavor. Flawed strategies require a reassessment of goals, means, and resources, but both sets of problems point to the need for flexibility and to the importance of contextual strategies.

Bringing Bosnia Back

In 1996, after more than three years of fighting and only because of a change of heart in U.S. policy, a peace plan was brokered that created the military and political conditions necessary to end the violence. The Dayton Peace Agreement described in general terms the role the international community would play in Bosnia. Although heavily influenced by the United States and Western Europe, Dayton indicated that other stakeholders, like Russia and

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10 Information on intergovernmental and nongovernmental organizations comes from organizations working in Bosnia or from their websites. In addition, some sixty interviews were conducted by the author with groups in the United States and Bosnia. In Bosnia, the interviews took place in the Federation cities of Sarajevo, Mostar, Zenica, and Travnik, 15–30 September 2000 and 9–30 July 2001.
Turkey, would also play a role in rebuilding Bosnia. For the purposes of Dayton, the "international community" includes three categories of actors: national governments (primarily those on the Steering Board of the Peace Implementing Council [PIC]); intergovernmental organizations; and international NGOs. In Bosnia, these actors are represented by the Sarajevo-based Office of the High Representative (OHR), which was created to coordinate and implement the will of the international community. In the years since, this combination of governments and international bodies has devoted itself not merely to reconstructing Bosnia but to recreating it anew. The international plan in Bosnia is comprised of three elements: concerted military action; a political compromise that resulted in the division of the country into two semiautonomous units (the Federation and the Republika Srpska); and promises that the international community would remain intimately involved in the country's development. Taken together, the military solution, the institutional solution, and the civil society solution represent different, albeit reinforcing, ways of rebuilding fragile, war-torn countries.

The immediate goal was to stop the bloodshed and ethnic cleansing, and in its wake, the international community would establish a stable, multietnic state. Inherent in this vision was ethnic reconciliation, or the hope that the groups once at war would reconcile themselves to the past and anticipate a shared future. Toward this ambitious undertaking, the international community devoted substantial resources; for example, about $1,200 per person was made available for the rebuilding of the country, or about nine times the Marshall Plan. While pecuniary commitments are easier to calculate, the symbolic importance of Bosnia is more difficult to estimate. Western involvement in Bosnia represented nothing less than a new, post-Cold War agenda, one that was broad in scope and relied on both top-down and bottom-up strategies for managing ethnic strife. Put differently, resolving problems in Bosnia was central to the development of a new sense of purpose for the West, but particularly for NATO.

The Military Solution

Led by the United States and backed by NATO, the international community relied largely on coercion to get the governments of Serbia, Croatia, and Bosnia to sign a peace agreement. Thus, the first and central task of the international community was to consolidate the peace. Annexes 1 and 2 of the Dayton Agreement govern the cessation of hostilities, regional stability, and boundary

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13 Daalder, *Getting to Dayton*, 188.
demarcation, entrusting NATO with responsibility for the multinational force that would be used to guarantee the peace. In the past nine years, this military presence has been the most important external player in the remaking of this state. The Implementation Force (IFOR) initially consisted of 60,000 troops from thirty-six countries. With a one-year mandate, IFOR was given four related responsibilities: bringing about and maintaining an end to hostilities; separating the armed forces of Bosnia’s two state entities; delineating and transferring territory between the entities; and moving the parties’ forces and weapons into storage sites. By all accounts, IFOR completed its narrowly defined military mission within a matter of months.

In January 1997, its one-year mandate was extended; its successor, the Stabilization Force (SFOR), was given a broader mission, even though the number of troops dropped to about a third of the original number. As suggested by its new title, the Stabilization Force would contribute to a secure environment within which civilian agencies could continue to carry out the process of economic development, reconstruction, developing political institutions, and creating an overall climate of reconciliation. This revised mandate implied NATO’s assistance in providing security for national and municipal elections and promoting transparency among the country’s three armed forces. It also encouraged SFOR to develop ways to help Bosnia wean itself from its dependence on an external military force. For example, the peace agreement had mandated the creation of a Standing Committee for Military Matters to bring the country’s three main ethnic groups together to discuss security and defense issues. Because the Standing Committee never materialized, SFOR initiated a Security Cooperation Program in 1997 to stimulate dialogue among groups, lay the foundation for the Standing Committee, and ensure democratic standards for Bosnia’s future military. Whereas NATO was in charge of military and defense matters, Dayton entrusted the United Nations with providing security for the general population. The UN International Police Task Force took a leadership role in reforming and uniting Bosnian law enforcement agencies. However, the challenges of providing law and order in Bosnia proved too great for the unarmed voluntary UN force, and in 1998, SFOR also became involved in civilian security, creating an armed, multinational police force to assist the UN force. In the summer of 2000, the PIC identified a future security framework, calling for the genuine transformation of the Standing Committee into a state-level defense institution, the development of sustainable force structures consistent with the security needs of Bosnia, transparency of external military assistance, and the creation of a unified Bosnian army. Yet, the PIC re-

15 The sections on military involvement were influenced by my discussions with participants of the Balkans War Conference held in Boca Raton, Florida in February 2002. Many of these participants were U.S. and British military officers who had served in the Balkans, including General Rupert Smith.


17 Cousens and Cater, Toward Peace in Bosnia, 59.
affirmed the continued need for international actors to provide security for the country; principally NATO, but also the Organization for Security and Cooperation in Europe (OSCE) and the EU would be crucial to this future security, overseeing and monitoring the activities of Bosnian groups. As of late 2003, some 12,000 foreign troops remained in Bosnia; over half were from EU countries, while fewer than 2,000 were from the United States.18

The Institutional Solution

An international military presence was linked directly to the second strategy used by the international community to manage Bosnia’s ethnic dilemmas: the creation of a federal state that both divided the country and kept it together. Given the military realities of the day, the agreement divided the country into the Federation and the Republika Srpska. At the same time, the country’s constitution included provisions for joint political institutions, power-sharing practices, and the right of return for refugees. The Dayton framework addressed the contradiction between goals and reality by combining elements of each party’s objectives.19 In practice, this left the country separated into two monoethnic units while numerous top-down and bottom-up mechanisms were adopted to reunify the country.

Decentralization and power sharing were the twin principles underpinning the creation of a consociational-style democracy.20 The two entities were given vast responsibilities, including primary control over the collection of taxes, education and property rights, and even defense.21 To accommodate Bosnian Croats, power was further devolved within the Federation by the creation of ten ethnically defined units or cantons, and most power resided in the hands of local, rather than Federation, officials. To prevent any one ethnic group from dominating the decision-making process, power sharing between the country’s three main ethnic groups was institutionalized by the use of ethnic and regional quotas in state institutions. Bosnia’s three-member presidency, for example, requires one representative from each of the country’s three constituent peoples. To maintain this balance, representatives could block legislation if it undermined the “vital interests” of a particular ethnic group. The country’s bicameral legislature was similarly constructed.

21 Chandler, Bosnia: Faking Democracy, 67.
Devising a constitutional arrangement based on the principle of national self-determination was just one part of the international community’s attempt to recreate the Bosnian state. Other institutions, namely the OHR, were created to help foster interethnic peace from above, while certain practices, like minority returns, would be encouraged to recreate a multiethnic Bosnia from below. Because ethnic cleansing campaigns had been successful in separating ethnic groups and forcing them to leave their homes, Annex 7 of the agreement guaranteed to all refugees and internally displaced persons (IDPs) the unqualified right to return to their prewar homes of origin. Minority returns, in particular, were crucial because the mixing of populations was thought to cultivate moderate politicians, dilute the significance of ethnic quotas in state institutions, and, ultimately, foster reintegration.

Eager for a functioning democratic government to be established in Bosnia, the international community pushed for elections to be held within nine months after the agreement was signed. As stipulated, elections took place in September 1996 for all-Bosnian, entity-level, and cantonal presidents and legislatures. The adoption of a quick-start package by the international community accelerated the process of placing officials in newly created offices and initiating draft legislation that was necessary for the creation of all-Bosnian institutions, such as a central bank and common customs and tax laws. Within a year, one could say that Bosnia was up and running. In reality, power was still firmly in the hands of the inheritors of the prewar nationalist parties, and political structures were already proving to be anything but a solution. In 1997, the international community stepped in and equipped the OHR with additional powers that allowed this office to become an integral institution of governance. Henceforth, key decisions were not indigenously generated but instead were imposed on Bosnia by the international community.

The Civil Society Solution

Despite the importance of an international military presence and complex power-sharing arrangements, a durable peace ultimately depended on the existence of a society committed to democratic pluralism and reconciliation. In this respect too, the international community became involved. Preparing, holding, and monitoring national and local elections was only a starting point; democratic consolidation and a self-sustaining Bosnia necessitated the creation of

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Support for the associational sphere of interest groups, which stands between the private sphere of the family and the public sphere of the state, had become a hallmark of assistance to other post-Communist countries because of its perceived ability to challenge the state’s power and foster democracy from below. In Bosnia, small investments in civil society would yield numerous benefits, such as helping to develop a culture of tolerance and interethnic moderation. Developing a vibrant civil society was singled out as important because without it, “the Dayton Accords . . . and the hope of a united Bosnia and Herzegovina [would] be lost.”

The OSCE, the U.S. Agency for International Development, and scores of international NGOs have worked to promote civil society, largely through financial support for grassroots NGOs. Local NGOs supported by the international community can be divided into two broad categories—democracy NGOs and development NGOs. Democracy NGOs are organizations devoted to public-interest causes, such as human rights, the environment, and women’s issues. In theory, they represent traditionally marginalized groups and mitigate extreme ideological positions. Most of the NGOs supported by the international community are development NGOs and focus on the provision of services and on social and economic development. Unlike public-interest groups that challenge the government directly and try to influence policies, development NGOs seek to build civil society in dysfunctional states by going around the state and empowering the population.

Investments in civil society are assumed to be positive forces for democracy, but, in reality, it is difficult to evaluate the effects of this strategy on democratic development. Scholars struggle with ways to determine when, how, and under what conditions international investments in this area can make a difference. One way to conceptualize outcomes is to think in terms of micro, meso, and macro levels. Using this framework, a great deal can be said about this strategy’s

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27 David Chandler, Bosnia: Faking Democracy, 135.
29 Ibid., 82.
31 Ibid., 214–215.
ability to positively affect individuals and organizations in Bosnia, especially given the country's history and the dearth of independent organizations during the Communist period. Internationals and locals alike note that in post-Dayton Bosnia, NGOs are everywhere; they exist in small towns, as well as large cities throughout the country and are involved in everything from human rights to health care services to refugee returns. By 1999, over 173 international and 365 local NGOs, intergovernmental organizations, foreign embassies, and government ministries were involved in civil society work, with more than 200 of these groups identifying civil society as a specific category of their work.35

Fieldwork in the Federation, however, attests to two simultaneous realities: while many NGOs exist largely on paper, numerous other NGOs perform indispensable work, helping particular individuals, targeting marginalized populations, and shaping policies. Women, for example, have benefited substantially from international interest in civil society. International support has made Bosnia home to about 100 local NGOs that work on women's issues; these groups provide counseling and support for rape victims, train unemployed women, and promote women's rights.36 However, assessing the impact that NGOs have on policy or their ability to promote democracy or reconciliation is difficult. In trying to determine the effectiveness of international involvement in civil society without hard data, a representative of the OHR's Civil Society Department uses women's organizations as his example.37 He claims that many women's groups, supported solely by the international community, are not only helping victims of the war and raising awareness of the problems faced by the female population, but they are often leading the way for ethnic reconciliation. Sometimes it is the little things, such as a women's group that includes Croat and Muslim women sewing together, that start the process of reconciliation; these small, seemingly insignificant undertakings, he argues, are important for a return to normal life.

WHAT WENT WRONG

Balkan experts like Susan Woodward claim that Bosnia is among the most positive examples of international interest in and commitment to a war-torn country.38 The previous section would support such a claim; international involvement has stopped the bloodshed, created a complex framework for multi-ethnic governance, and fostered an extensive network of grassroots organizations that provide tangible resources to individuals as well as potential channels

38 Zlatko Hertic, Amelia Spacanin, and Susan Woodward, "Bosnia and Herzegovina" in Forman and Patrick, eds., Good Intentions, 315.
through which democracy could take root. Bosnia may be testimony to what can be accomplished given a large dose of international involvement, but glaring problems and inconsistencies nonetheless remain. Creating a stable, liberal democracy where hitherto there was large-scale violence and monolithic Communist institutions is no easy feat, and the implementation of international strategies is slow and stymied by various factors. As this section explains, strategies never enjoy success in all respects. Even when achievements occur, success is complicated by oversights and unintended consequences.

A Reluctant Gendarme?

The most noticeable change in Bosnia is the sense of security that most Bosnians now feel and that foreigners require for continued involvement. The guns are silent, the respective local armed forces are collected back at their bases, and hundreds of thousands of soldiers have been demobilized. Yet, on closer inspection, the shortcomings of the military solution become apparent, especially when it comes to refugee returns and the arrest of war criminals. The neglect of these issues suggests a more mixed picture of the military’s involvement. While complicating the situation, this does not mean that the military mission is a failure; quite the contrary, it demonstrates the utility of a continued, long-term international military presence and the importance of modifying engagement as circumstances change.

Annex 7, which pertains to refugee returns, is the single most significant way of restoring multiethnicity to Bosnia; “all other annexes either depend on refugee returns, or were created to assist in implementing refugee returns.” Under Dayton, NATO is charged with providing security in support of the “free movement of civilian populations, refugees, and displaced persons.” Despite its authority to do so, NATO troops did not start assuming responsibility for protecting returnees until 1999—three years after troops were on the ground. Not surprisingly, refugee returns were disappointing. At the beginning of 2000, less than one-third of Bosnia’s original pool of refugees and IDPs had returned to their prewar places of residence, and most of these returns were majority, rather than minority, returns. Since SFOR started to assume its responsibilities, minority returns have increased steadily; for example, there were some 40,000 minority returns in 1999 but 67,500 in 2000, 92,000 in 2001, and 102,000 in 2002. Although other factors also helped, SFOR is credited with being the main reason for the increase in minority returns, especially the breakthrough returns to areas of the eastern Republika Srpska

41 Hooper and Schwartz, Is Dayton Failing?, 183.
43 Cousens and Cater, Toward Peace in Bosnia, 73–75.
Minority returns have either occurred in isolated rural communities or happened with a large SFOR presence. These numbers are indeed inspiring and demonstrate that it may be possible to restore some level of multiethnicty to parts of Bosnia. They also suggest that without an international presence, Bosnians are unlikely to return home on their own. Organizations involved with refugees, including NATO, the United Nations High Commissioner for Refugees, and the Coalition for Return, have started to rethink their assumptions and previous return policies. These issues are now considered in a broader context, with greater recognition of the economic, social, and political barriers to multiethnic reintegration. Although disappointing, it is not surprising that a decade after the conflict began, many refugees have chosen not to return home. For example, in the first nine months of 2003, minority returns dropped to 39,000. Refugees are reluctant for a variety of reasons: because the home they left either no longer exists or the memories associated with that home are too difficult to bear, or because of housing shortages, unemployment, and the presence of enemy nationalists in positions of power. The recognition of the complexity of these issues has resulted in improved coordination between SFOR, local NGOs, and international development programs. Finally, programs have been introduced to allow individuals to sell their prewar homes easily and stay put indefinitely, instead of forcing people to return.

The military mission’s record is also mixed because of its failure to arrest more war criminals. Annex 1A of Dayton requires that local authorities cooperate fully with the War Crimes Tribunal in The Hague. Although Muslims have generally done so, neither Serbs nor Croats have been as willing to hold up their end of the bargain. Unfortunately, for the first two years, neither did NATO-led troops. The Tribunal publicly indicted 112 individuals; of these, only twenty-six were arrested by SFOR, twenty-two surrendered voluntarily, and twenty-five are still at large. In and of themselves, the arrests are important, but the apprehension of war criminals, some contend, also affects refugee returns, economic development, and respect for law and order. Significantly, many Bosnians believe that the failure to arrest war criminals presents the largest obstacle to reconciliation. In meetings with the Association of Citizens “Women of Srebrenica” in Sarajevo, widows expressed their frustration with the international community in this regard. Everyone tells them to forget what happened and go home, yet they overlook the facts that Srebrenica is located in the Serb-controlled RS, their homes are inhabited by Serbs, and many of the town’s most powerful officials are suspected war criminals.

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47 Franjo Radman, representative of the Coalition for Return, and refugees from Srebrenica, in an interview with Patrice McMahon, Sarajevo, Bosnia, 16 September 2000.

48 The following comments are from the Association of Citizens “Women of Srebrenica” during an interview with Patrice McMahon, in Sarajevo, Bosnia, 20 September 2000.
NATO officials disagree over the cause of SFOR's poor arrest record; U.S. officials place the blame squarely on the French, whereas French officials claim that few in Washington are genuinely interested in pursuing war criminals. Rather than point fingers and place blame, military leaders with experience in Bosnia defend NATO's behavior, explaining the practical difficulties of arresting alleged criminals in hostile places and the reality of NATO's position vis-a-vis their home countries. Given SFOR's increasing responsibilities alongside its shrinking numbers, changing international agendas, and the inherent difficulties of this assignment, it is unfortunate, but perhaps not unexpected, that the arrest of war criminals has not been a priority. To compensate, international actors have not only developed policies that will help refugees put down roots where they are and, in this way, help bring closure to the past, but they have also supported local NGOs that focus on healing and reconciliation.

An Uncivil Society?

Like the military mission, the civil society solution has had notable achievements. Yet, the Bosnian state has not been transformed, and critics contend that international involvement in this area has hindered democratic development and contributed to new social problems. There is a certain paradox in external actors seeking to strengthen the civil society of another country, and problems and paradoxes are undeniably evident in Bosnian society. In a desire to jump-start the reconstruction process and get democracy under way, the international community has often made decisions in haste, pushing forward with initiatives even if these lacked domestic support or failed to produce intended outcomes. The international community descended on Bosnia in 1996 and basically threw a lot of money into the country, yet without a cohesive strategy. Despite good intentions, such extensive but unfocused involvement in the country's civil society has created perverse incentives for international and local organizations alike. Although impeding the goals of the international community, the problems associated with the implementation of this strategy have not fundamentally undermined them. As with the military solution, complications in civil society development reinforce the importance of improvisation and domestically appropriate strategies.

Dayton demanded that elections be held as soon as possible in order to lay the foundation for representative government. Unfortunately, rushed elections allowed little time for opposition groups to organize, and the existing nationalist parties retained and even strengthened their political position as a

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result. Rather than democratizing the country, the first election “gave the stamp of democratic legitimacy to many of those who had led Bosnia into the war, and whose wartime behavior left many of them with the reputation of gangsters, ethnic cleansers, and war criminals.”52 The big winners of the election shared little more than a common interest in maintaining existing power structures and sustaining ethnic divisions. In the last nine years, the power of these parties has been sustained to some degree by the international community’s willingness to continue working with these individuals, on the mistaken assumption that elected nationalist elites are the “exclusive conduits between the population and the international community.”53 In rebuilding the country’s infrastructure, such assumptions led to the international community’s reliance on local officials, regardless of their past or their opposition to the goals of Dayton. When the World Bank entered Bosnia, for example, it did so on the basis of its “post–natural disaster” model, which meant that assistance was seen as a public good and that support was channeled through existing government conduits. The unintended result of the West’s rushed, apolitical approach to political and economic development was that moderate politicians were not given an opportunity to develop a constituency and nationalist politicians gained even more control over scarce jobs and housing. Not only did nationalists profit materially from aid monies and the international community’s recognition of them as legitimate leaders, but their ability to influence which companies were chosen for internationally funded reconstruction projects helped them gain loyal political followers. International assistance has profound political effects, and the outcome of working with national elected officials regardless of their political orientation is a society that still relies on connections and remains divided along ethnic lines, rather than one based on equal opportunity and the rule of law.

Instead of recognizing the consequences of such contradictory policies, the international community has seemingly left the task of challenging nationalists and transforming society in the hands of groups with the fewest resources—NGOs created to foster democracy from below. Putting such faith in NGOs appears unwarranted for at least three reasons. First, despite all the rhetoric, relatively little money has been spent on civil society development, especially when compared to investments made in other areas.54 Second, research by David Chandler and interviews in the Federation suggest that there is sometimes a noticeable gap between the priorities of the civil society associations supported by members of the international community and those of the Bosnian people.55 Eager for funding, Bosnian NGOs modeled themselves on groups in the West and, as a result, some NGOs lack a domestic following.

52 Hooper and Schwartz, Is Dayton Failing?, 40.
55 Chandler, Bosnia: Faking Democracy, 150.
and do not genuinely represent the interests of Bosnian society. This means that although civil society might be growing in terms of the number of NGOs that exist, there is some evidence to suggest that this society is developing according to the preferences of international donors. Finally, investments in development NGOs have the potential to replace the local public sector, thereby hindering the state’s development. Because a government’s success is partially a function of its ability to deliver basic services, the proliferation of NGOs providing these threatens the weak Bosnian state and undermines its ability to govern.

Scores of NGOs have been created since 1996, but many have since collapsed, and the existing NGOs remain highly vulnerable to the changing whims of the donor community. Local representatives are forced to think about what the international community wants first and then, time permitting, what domestic society needs. NGOs that have managed to stay afloat are forced to compete for dwindling international support; this competitiveness diminishes their individual effectiveness and breeds resistance to cooperation among groups that have similar objectives. Access to external funds has also contributed to new hierarchies among social groups, with those supported by the international community on top and those that are not on the bottom. Together, these realities suggest that this bottom-up approach to promoting democracy has been a mixed blessing at best, in part because these efforts too often flow from the top.

The inability of Bosnia’s civil society to develop as quickly as the international community had hoped, along with the contradictory belief that the work has been done in Bosnia and it is time to move on to areas with more pressing needs, have together contributed to donor fatigue. Although the departure of international donors is certainly not welcomed by Bosnians, it has not been wholly negative. Many Bosnians have started to admit that their society has become overly dependent on the international community and that domestically generated solutions are crucial to the country’s stability and future. The good news is that at least a handful of the international actors that remain involved in civil society development have put down domestic roots and are well regarded among locals, becoming genuine agents of change. These “localized international NGOs” still rely on money from abroad, but they are run and controlled by local representatives who decide on priorities and relevant strategies.

As elsewhere in the region, the Soros-financed Open Society Fund Bosnia & Herzegovina is a key actor in the country, spending over four million dollars in 2001 on programs ranging from media development to women’s issues to education.\(^\text{56}\) Although the Fund still supports civil society through the creation of local NGOs, significant restructuring occurred in 2002, and more money

has since been put into education and assessment. Catholic Relief Services (CRS) represents another highly respected international NGO; after nine years of providing emergency relief, CRS has created a range of civil society programs, as well as other initiatives to promote ethnic reconciliation and democracy. CRS has had consistent access to funding and has been able to develop long-term projects to alleviate poverty and promote development. By developing a close relationship with locals who work for CRS, it has promoted interethnic cooperation and democracy indirectly through socioeconomic development. A final example of an effective localized international NGO is the Coalition for Return, formed in late 1996 to help refugees and IDPs return home and retrieve property lost during the war. In the years since, it has developed into an extensive network of local organizations with some 220 members throughout the country.

PROBLEMS BY DESIGN

Despite the discrete and even significant accomplishments of the military, institutional, and civil society solutions, they have not enabled Bosnia to become either self-sustaining or democratic. As the previous section detailed, the international community’s efforts have been delayed, although not rendered ineffectual, by problems associated with the implementation of these strategies. What needs to be made clear is that these solutions cannot create the country envisioned by the peace agreement because the existing institutional framework prevents them from doing so. Nation-building efforts in Bosnia, as currently conceived, cannot reintegrate the country or transform its society because such strategies are, in fact, at odds with the country’s governing structure, which continues at the highest levels to support the division of Bosnia. This section demonstrates why neither an external military presence nor large investments in civil society can do much to foster an independent, democratic Bosnian state unless these are accompanied by changes in the country’s governing structure. Getting the institutions of governance right is so crucial to the success of nation-building efforts that when this process is undertaken incorrectly or inappropriately, as Bosnia so painfully demonstrates, it is easy to lose sight of achievements in other areas.

An Institutional House of Cards?

The international community’s evolving but nonetheless sustained commitment to providing security and civil society development makes Bosnia a model

57 Coordinator of the Civil Society Program, during an interview with Patrice McMahon, in Sarajevo, Bosnia, 10 July 2001.
58 Catholic Relief Services representatives, during an interview with Patrice McMahon, 16 September 2000, and representatives of the CRS Civil Society Division, during an interview with Patrice McMahon, 9 July 2001, in Sarajevo, Bosnia.
to emulate. Yet, this nation-building exercise, particularly the institutional solution embodied in the Dayton constitution, has been undertaken without a parallel, sustained commitment to ensuring the appropriateness of these institutions. It is no secret that the details of military involvement consumed most of the planning time associated with international involvement and it, rather than civilian activities, shaped the framework for the international mission. The final product, the Dayton constitution, is a complex, even inconsistent document plagued by ambiguity and highly dependent on the will of the international community. Bosnia is a cautionary tale of what to avoid because of the fundamental ambivalence between partition and integration, which has created a situation that has been sustained only by the presence of an international military force and large infusions of foreign assistance.

Although it is easy to forget today, the reasons for the recognition of two political entities were obvious in 1995. The international community was divided on the extent to which it was willing to rely on coercion to impose peace on Bosnia but, as Richard Holbrooke, the principle U.S. official at Dayton, notes, no better alternatives existed. Coercive diplomacy was the only way for the international community to bring about a quick end to the conflict without causing further bloodshed or a massive outpouring of refugees. A central component of the institutional solution was the use of nonsovereign internal boundaries as an interim solution while an international military force restored peace. Once security was established and democratically elected officials were in place, integrative aspects of the agreement would be implemented under the supervision of the international community. Nine years later, the violence has ended and democratically elected officials are in place, but the promise of a multiethnic federal state has hardly moved forward. This is exactly why critics of Dayton claim that today’s problems are caused by inappropriate institutional structures that not only fail to produce the conditions necessary for a self-sustaining peace but also have institutionalized the very problems that need to be overcome. Although the Dayton framework is flawed, current dilemmas are due largely to the unwillingness of the international community to follow through on the intended plan by using its power to exploit the potential of the existing constitution. The current framework, in fact, provides numerous integrationist mechanisms that could, if implemented consistently by the international community, create a viable Bosnian state.

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62 Holbrooke, To End a War, 365.
As in other countries divided by religion, language, or ethnicity, the Dayton constitution created a federal system of governance based on consociational rules and norms. This political system is based on cooperation among political leaders of all significant elements of society, a minority veto, proportionality of political representation, and a significant amount of autonomy for groups in society. Elements of consociationalism were not new to Bosnia. In 1990–1991, certain informal mechanisms existed to promote power sharing among the country's ethnic groups, but the country's prewar bout of consociationalism was short-lived. Several demographic, historical, and political conditions are considered crucial to the success of this type of arrangement, including multiple cleavages, a history of elite cooperation, and informal mechanisms for power sharing. Although consociational democracies had not in the past proven to be very successful, especially in countries undergoing a transition, and although Bosnia did not appear to meet even the minimum requirements for the success of such an arrangement, the concept was nonetheless exported and imposed on the country by the international community. Even if one put aside the theoretical reasons why consociationalism might not work or overlooked its problematic history elsewhere, it was apparent early on that this particular governing arrangement, especially in combination with the country's history and prevailing international inclination, would be difficult to maintain in Bosnia.

Power sharing and some degree of decentralization were necessary to get all three Bosnian parties to accept the peace agreement. As the former High Representative, Carl Bildt, explained, “What is necessary in order to make peace work is to have effective and true power sharing between the two entities and three communities.” Yet, the excessive institutionalization of power sharing and the devolution of power, alongside the de facto division of the country, have created not only disincentives for nationalists to cooperate but also a situation in which the national government has few responsibilities and little power. The Dayton constitution, for example, provides the entity governments with key attributes of sovereignty, including the right to raise and maintain armed forces and form special relationships with neighboring states. Because the national government is unable to levy taxes and lacks an independent source of revenue, it must rely on the goodwill of entity leaders to finance its activities. Goodwill, however, is hard to come by, given that so many leaders are bent on restricting the state's influence. In the Federation too, the devolution of power continues to frustrate this entity's ability to resolve even the most basic problems of governance, such as education policy or health care reform.

Ethnic quotas, alongside the country's electoral system, which, up until very recently, prevented candidates from being elected outside their "ethnic home-
land," reinforced the salience of ethnic identity. Other provisions, such as minority vetoes, have made it almost impossible for state institutions to pass or implement legislation. According to the OHR, because of squabbling over the agenda, approximately one-quarter of all parliamentary sessions during 1996–2000 achieved nothing. Even when state legislators are able to agree on the agenda, passing legislation is difficult. Constitutional provisions have created "a formally limited but in practical terms unlimited veto for each of the major groups." The Parliamentary Assembly has passed more than twenty laws, but only because the international community forced them to do so, and few of these laws have been implemented. Bosnia’s three-member presidency has suffered a similar fate; although consensus building was the main reason for the creation of a joint presidency, the constitution allows any of the country’s three presidents to block legislation deemed destructive to the vital interests of any group. Predictably, deadlocks and parochial interests have negated this institution’s effect, as each of the presidents pursues separate foreign policies and the interests of his ethnic group. Moreover, the office of the presidency has limited constitutional power and no real administrative capacity. Similar arrangements were institutionalized into most of the state government’s decision-making bodies. Yet, without refugee returns or counterbalancing institutions that would encourage interethnic cooperation or moderation, state institutions barely function. Such deadlocks did not come as a surprise to those closely involved in setting up Bosnia’s governing system; by incorporating the dilemmas presented to the international community rather than resolving them, “Dayton assured that its implementation would become little more than the continuation of conflict by other means.”

The institutional strategy addressed short-term international needs with little consideration of the long-term implications and without specifying when and how the international community would implement integrative aspects of the peace agreement. In the last nine years, the international community has done too little to upset the temporary arrangement created to end the war. Instead of phasing out interim aspects of the peace agreement in favor of integrationist provisions meant to promote a durable peace, which are also contained in the constitution, the international community’s actions have only reinforced the status quo. The current institutional solution, embodied in this “division and unification strategy” has essentially left the country’s future in the hands of the OHR. Yet, the last several years demonstrate not only that the OHR is unable to resolve Bosnia’s ethnic dilemmas but also that its involvement in the country’s governance has created further disincentives for local leaders to cooperate with each other and has, in the process, further weakened the Bosnian state.

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68 For a similar argument, see Cousens and Cater, Toward Peace in Bosnia, 142–144
69 Hooper and Schwartz, Is Dayton Failing?, 53n99.
71 Daalder, Getting to Dayton, 180.
When the OHR was created, it had no institutional base to carry out its goals. As of January 2003, it had a staff of over 700 and an annual budget of about $20 million. Its growth in numbers matches the increasing powers it has been given in recent years, as the international mission transitioned from reconstruction to economic and political reform. After two years of “working at the margins,” members of the PIC decided in 1997 to broaden the powers of the High Representative. The “Bonn powers” provide the OHR with nearly unchecked power, including the authority to impose legislation and dismiss from office any public official who stands in the way of the implementation of Dayton and interethnic cooperation. Frustrated by local opposition, the OHR has increasingly implemented a “trusteeship model” of imposing peace from above. The evolving de facto practice has been to override Bosnian sovereignty in the short term in order to establish a preferred foundation for building it in the long term. Yet, despite the OHR’s capacity to adopt integrationist measures contained within the constitution and to create a foundation for Bosnian sovereignty, it resists interpretations of the peace agreement that might upset the country’s precarious political balance. Instead of strengthening the Bosnian government’s capacity and weakening the influence of the entity governments, the OHR has fortified its own position, routinely using its powers to introduce legislation to advance international goals.

By 2001, over 100 laws and binding decisions were imposed on Bosnia by the OHR; this involvement in the day-to-day management of Bosnia has meant that the international mission to implement the Dayton Peace Agreement has never seemed as broad and open-ended as it does now. Important breakthroughs aside, the OHR’s actions have, paradoxically, sealed the fate of Bosnia’s weak state. This “substitution effect” has made the OHR, rather than the Bosnian state, the locus for debate and decision making, and it is, thus, not uncommon for entity politicians, civil society organizations, and even members of the Bosnian government to lobby the High Representative for legislative reform. If the OHR continues to use its powers to fill in for a state that exists only on paper, the international community will continue to be a central pillar of Bosnia’s domestic governing structure, ultimately undermining a main goal of the international mission—recreating an independent Bosnian state.

LESSONS LEARNED

This article exposes the range of outcomes as well as unintended consequences inherent when international actors become intricately involved in rebuilding a country. In this regard, Bosnia is not unique; nation building always consists of ambiguities, contradictions, and trade-offs. For good or for ill, Bosnia reflects the dominant approach to nation building, which consists of international

support for a settlement between warring parties; help in setting up the country’s governing structures; and economic assistance to restructure the state, financial institutions, and civil society. Underpinning these elements is a liberal internationalist world view, the assumption that future states will look like secular, democratic states in the West. In other words, nation building does not mean simply bringing a country back; it suggests an intention to create multiethnic, secular, and capitalist states, regardless of a country’s past, its culture, or the particularities of recent history. International involvement in Bosnia illustrates the problems with this generic model and how easily the plan can go awry, and it lays bare Western assumptions that inevitably distort expectations of what the international community can realistically achieve. Although the challenges of nation building are great, chances for success might be improved if the international community abandoned its current model of nation building and instead adopted a “toolbox approach” to bringing states back.

For the United States, a toolbox approach to nation building would mean developing a range of key instruments that work together closely. This would include, for example, a military force that specializes in postconflict situations and an international civilian corps comprised of area specialists and what might be called nation-building experts. Civilian authorities would work closely with the military to help establish the rule of law and institutions of governance, and these two groups would work with a body devoted to economic policy and development. Among the numerous lessons from the international community’s involvement in El Salvador is the importance of integrated strategies and close cooperation between military and civilian authorities. For members of the international community, which includes national governments and intergovernmental and nongovernmental organizations, a toolbox approach to nation building would mean not only the development of similar instruments but also the use of different principles and rules of engagement. In rebuilding states, comparative advantage, or what the various international actors are best suited to do, would be considered, as well as national interests. Comparative research on nation building indicates that although success depends chiefly on the internal characteristics of the state itself, sustained political and economic engagement by an outside, interested power is essential. Because indigenous ownership is a primary goal of nation building, the international community’s plan must incorporate domestic actors and must fine-tune elements of the plan.

to the particularities of the country. An important resource in any future toolbox would be local stakeholders: all those critical to the long-term success of the nation-building project must be involved in designing its building blocks. Attempts must be made to accommodate or marginalize those who oppose international objectives, rather than allowing them to become spoilers of the peace. Events in Cambodia since 1997 demonstrate what can happen when the political factions that have international legitimacy have no domestic power and vice versa. Overall, the situation domestically and internationally, rather than the tools themselves, would shape the initial strategies or the international community's "entry strategy."  

A toolbox approach to nation building would also contain several steps or phases; evaluations of outcomes would generate a series of benchmarks and would encourage international actors to reassess the implementation of strategies and the strategies themselves. At least in some areas, such as elections and civil society development, short time horizons or frequent evaluations can easily backfire; elections held too quickly can result in nonliberal governments that hinder rule of law, and uncoordinated attempts to strengthen civil society are likely to create scores of Western-looking groups that disappear quickly. Instead of rushing to do everything at once, external actors should sequence various parts of the plan, explaining how success will be evaluated in each context and why certain areas will take more time to demonstrate progress. Institutions of governance are too important to be created overnight or to be based on principles or promises alone; they need to be designed with an eye for how institutions shape actors' expectations about the future. And if institutions do not provide the appropriate combination of incentives and constraints, they must be revised if governance is to be self-sustaining. This approach would, thus, be more sensitive to the domestic context at the beginning and throughout the process. These two components would invariably inform the international community's desired end points, or its exit strategy, but this too would be different with a toolbox approach. Rather than adopting the same goals in every situation, the international community would establish strategies based on contextually influenced goals. In Afghanistan, for example, this would mean that the international community's goals should be restoring law and order, improving the population's standard of living to a level comparable to that of a country of similar size in the region, and providing the foundations for a functioning government. By rethinking assumptions of what the international community can realistically leave behind, a toolbox approach would do a better job of balancing principles with pragmatism. Jettisoning a rigid model of nation building in favor of a more-nuanced, toolbox approach would increase effectiveness because it would recognize the inherent differences among war-torn countries, the international community's varied levels of commitment, and the need for improvisation.  

77 Michael W. Doyle, "Peacebuilding in Cambodia: Legitimacy and Power" in Cousens and Kumar, eds., Peacebuilding as Politics, 90.  
78 Cousens and Cater made a similar point, see Toward Peace in Bosnia, 152.
We can only speculate as to what a toolbox approach might have meant if it had been adopted earlier in Bosnia, but in the last three years, we have seen important changes in the international community’s behavior that indicate a move toward what I conceive of as a toolbox approach. In late 2001, for example, the OHR presented the international community’s new objectives and priorities to the PIC Steering Board.\textsuperscript{79} The plan identifies four core issue areas for international involvement, dividing up responsibilities according to the competencies of international organizations, and provides several time lines for the implementation of international objectives.

The genuine adoption of a toolbox approach would augur change in at least three areas. First, it would respond to conditions on the ground, in light of both the successes and failures of international involvement. Given the international community’s success in adapting its strategies in military affairs and civil society, the institutional solution must be similarly responsive. This would not mean, as some contend, a revision of the constitution or a change in the country’s borders, but it would mean sustained international effort to resolve the contradictions between partition and integration. Debates over whether the country should be partitioned into two or even three entities are, at this point, unrealistic. Convening yet another international conference or contemplating an agreement that would either legally divide the country or reinterpret the peace agreement would likely revive nationalism within Bosnia and further frustrate the international community. The only way forward is to take steps to make Bosnia a more coherent and legitimate state capable of indigenous governance within its current borders. This is the reason why the international community rarely talks anymore about an end date but instead about changing underlying conditions and an end state. The best way to make the Bosnian state more coherent and legitimate is to make borders less relevant between the two entities and focus on creating the conditions necessary for domestic institutions of governance to become self-enforcing.\textsuperscript{80}

Coherence means endowing the Bosnian state with functioning central institutions and gradually but consistently weakening the power of the entities. The Constitutional Court’s ruling in 2000 on constituent peoples is a good example of how this can be done; with the international community’s support of this decision, Bosnians now have full constitutional rights in both entities.\textsuperscript{81} Among the other ways the international community could challenge entity-based structures would be to provide the central government with a source of revenue that is independent of the entities and to limit the latters’ right to conduct independent foreign policies. International aid should be given to Bosnian institutions to dole out to the entities, and this should include targeted


assistance to help create an all-Bosnian common market. Economic development is too often overlooked while the international community focuses on political development. Rather than assume that peace and an appropriate government should come before economic programs develop, the international community should strategically deploy economic assistance to foster incentives for local leaders to make peace in their own rational self-interest.\(^{82}\)

Making the Bosnian state more legitimate will be more difficult but is also tied to the international community's institutional solution. The substitution effect, or the semiprotectorate that has evolved in Bosnia, is clearly not the answer, and removing elected but uncooperative Bosnian officials from office, as the High Representative has done in recent years, not only undermines the state's authority but also is clearly undemocratic. The El Salvador success story speaks volumes to the need for the international community to keep the onus for peace and governance on local parties and to steadily reduce its own influence.

Second, by thinking about nation building in terms of phases or a dynamic process, a toolbox approach in Bosnia would consider new incentives and different strategies in light of changes in the region in the past nine years. Again, this relates directly to the need for the international community to modify its institutional solution. More attention should be paid to the similarities between Bosnia and other former Communist states and to what has helped these states move toward stability and democracy. In other post-Communist countries, the international community has not only recognized the importance of sequencing aid but also has rethought its assumptions of what the international community can realistically achieve. Western involvement in the East has gone through several distinct phases, from direct assistance for economic and political reform, to civil society development, to a greater emphasis on the need for regional solutions to the countries' economic, political, and ethnic problems. Because the existing Bosnian institutions have failed to establish an incentive structure that discourages political elites from operating in support of ethnic claims, the international community must think of other ways to redefine loyalties and, if possible, create new identities. In other words, as internal borders between the entities become less important, the international community should continue to emphasize a regional approach in Bosnia, making its external borders less relevant. The Dayton Agreement was also signed by Croatia and Serbia; relying on these and other neighbors to help Bosnia move forward might be a useful way out of the current stalemate. The Balkan Stability Pact, launched in 1999 by the European Union, might be an appropriate venue for getting Bosnian politicians to cooperate while also getting their neighbors on board. The European Union and the OSCE are well positioned to help Bosnians create

constituencies that would look to European institutions, standards, or processes. Given the track record of the EU, the OSCE, and the Council of Europe in getting other post-Communist states to tap into and nourish their latent European identity, these initiatives may provide an effective way of moving Bosnia forward. The United Nations recently handed over its policing duties to the European Union, and this will mean that the EU will be the most represented international actor in Bosnia. Bosnians need to be made aware of the minimum standards for EU membership, but they also need long-term commitments from both the EU and the United States to help with the implementation and regulation of these standards. Most of all, Bosnians need to know the implications of behavior that runs contrary to European norms and expectations and, if necessary, suffer the consequences of bad choices.

Finally, a toolbox approach to nation building would be more cognizant of achievable rather than ideologically tainted end points. The gap between Dayton's aspirations and achievements to date has confused some and frustrated most, many of whom now believe that it is time to move on to other, more urgent crises. There is some evidence to suggest that the international community has started to recognize the need to make the most of the resources and opportunities at hand to do what it can before time and resources run out. In recent years, the concept of "recalibration" has taken shape, and governments, intergovernmental organizations, and NGOs have started to work together, identifying the strengths and weaknesses of international involvement.

If nation building is indeed back, and all signs point in that direction, we must put the lessons learned in Bosnia to good use as the rebuilding of Kosovo and Afghanistan continue and nation building in Iraq begins. Such diverse challenges require a range of strategies, and international efforts will go much further if the international community adopts a toolbox approach to bringing states back. A toolbox provides not only an array of instruments to be used, depending on the international situation and local conditions, but also different ideas and rules of engagement. Yet, as we rethink our means for bringing countries back, we must also reexamine our ends, or the goals of nation building. Although multiethnic, secular, and democratic states are worthy objectives, assuming these to be the goal of the international mission not only causes problems during implementation but can, ultimately, undermine our main objectives. At the core of the international community's frustration with Bosnia is the fact that ending wars and making peace inherently require different strategies and diverse international solutions. Too many want results instantly and expect a quick turnaround on their investment, and this attitude has not only hindered the recovery effort in Bosnia but has also rewarded those whose actions initially led to the conflict. In a post-September 11 world, the lack of

immediate results does not allow us to give up on nation building. Nine years in Bosnia demonstrate that the international community must accept the fact that successful nation building takes time, and that to ensure long-term results, strategies must be flexible, contextually driven, and based on outcomes that are historically realistic.