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# SPECIAL REPORT

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## ABOUT THE REPORT

This report focuses on the future of the Federal Republic of Yugoslavia (FRY) and the relationship between its two members, Serbia and Montenegro, following the parliamentary and presidential elections in Serbia late last year. The latter elections witnessed the ouster of long-time Serbian ruler Slobodan Milosevic and ushered in a period of reassessing the formal union of both countries. On April 22, Montenegro will hold parliamentary elections, which President Djukanovic may use to gauge the sentiment of the country for independence. Based on the elections' outcome, Djukanovic may also hold a nationwide referendum on independence, possibly as early as June.

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The views expressed in this report do not necessarily reflect those of the United States Institute of Peace, which does not advocate specific policies.

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*Stojan Cerovic*

## Serbia and Montenegro Reintegration, Divorce, or Something Else?

### Briefly...

- As the Federal Republic of Yugoslavia's (FRY) new president, Vojislav Kostunica, and the Democratic Opposition of Serbia (DOS) attempt to guide the FRY through the transition to democratic rule in the post-Milosevic era, the biggest challenge has come from Montenegro, Serbia's junior partner in the FRY.
- Montenegro's government does not recognize Kostunica and continues to discuss the country's own independence. Yet many Montenegrins hold out the possibility that their country can remain in some sort of "association" with Serbia that gives both members substantial autonomy.
- Post-Milosevic Serbia appears open to negotiations with Montenegro concerning a new constitutional arrangement, but it should not be taken for granted that Belgrade will be unconditionally interested in any form of community or contract with Montenegro.
- Over time, Slobodan Milosevic increased pressure on Montenegro, forcing Montenegrin president Milo Djukanovic to embrace a pro-independence stance. Thus, for the past two years, Montenegrin officials repeated sporadically that they could not wait forever for the democratization of Serbia and that Montenegro would ultimately call for a referendum on independence.
- However, the ethnic boundary between Serbs and Montenegrins has always been rather fluid. Many Montenegrins believe that they are also Serbs, as if that is the broader family, but many others will say that there is a clear distinction between the two.
- Ever since Djukanovic's election, Montenegro has struggled to pull itself out of international isolation. Despite the lack of sovereignty, it has managed to establish alternate forms of diplomatic and trade representation. It has also managed to obtain substantial financial support from the United States and the European Union (EU), which has helped to preserve its social and political stability.
- One could expect that Montenegro's support for secession would drop with the changes in Serbia, because opposition to Milosevic's regime was the major basis for this policy. The new government in Belgrade must be patient and respectful; it should show interest in Montenegro, as well as a willingness to negotiate a new federal or confederal arrangement.

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- The Montenegrin government recently announced its intention to call for a referendum, possibly in June. It plans to offer its constituents a choice between independence and some alternative political arrangement with Serbia expected to be agreed upon by that time.
- But differences over the issue have become sharper and much more resonant since the split in Montenegro's ruling coalition: the Social Democratic Party is pushing for independence; the People's Party, which now sits in opposition to Djukanovic's minority government, is urging the re-establishment of closer links with Serbia. Above all, though, Belgrade should not exploit Djukanovic's political difficulties.
- Montenegro might be left alone to decide about its future and about its viability as an independent state, but if the international community were to condone such a divorce, would it serve as a negative example for the reintegration of Bosnia? The unresolved status of Kosovo would also become far more complicated because one of the options for Kosovo is to become the third republic in a new Yugoslav federation.

## Introduction

In October 2000, the Federal Republic of Yugoslavia (FRY)—composed of Serbia and Montenegro—managed in a rather spectacular way to depose its notorious long-time ruler, Slobodan Milosevic. The world praised the election results and the determination of the Serbian people in defending their victory. But there have been serious challenges posed to the winning coalition, the Democratic Opposition of Serbia (DOS), and the new president of the FRY, Vojislav Kostunica, in their attempts to guide state and society through the transition to democratic rule.

The biggest challenge has come from Montenegro, the junior partner in the federation, which does not recognize Kostunica and continues to discuss its own independence. Some bitter words, mostly in the media, have been exchanged between the two capitals, Belgrade and Podgorica. Conversely, there have also been some expressions of mutual understanding and respect, as well as a stated willingness to enter into a dialogue and carefully look for a way out of the crisis in their relations. Indeed, many Montenegrins hold out the possibility that their country can remain in some sort of "association" with Serbia that gives both members substantial autonomy.

However, for those who consider Montenegro as existing independently of the FRY in all matters but name, it seems pointless to discuss the future of any federal arrangement involving the two. Others, though, expected that the reformist pro-Western government would quickly reverse its course toward independence following the "democratic revolution" in Serbia. The pro-independence policy finds its basis in, and has always been well justified by, the aggressiveness and authoritarianism of Milosevic's regime and Montenegro's consequent isolation from both the FRY and international affairs. Prior to October, and while slowly moving in opposition to Belgrade, Podgorica repeated it could not wait for Serbia to become democratic. Now, with Serbia's recent achievement, the Montenegrin government voices more, or at least a different kind, of a dilemma with regard to its relations with Serbia.

There are also problems on the Serbian side. Post-Milosevic Serbia appears open to negotiations with Montenegro concerning a new constitutional arrangement. But it should not be taken for granted that Belgrade will be unconditionally interested in any form of community or contract with Montenegro. With a new government that is embraced by the international community, Serbia has regained its self-confidence and may not be too patient with numerous or varied Montenegrin demands and preconditions. The will to discuss and implement a new federal, or confederal, arrangement has yet to be tested on both sides.

Even though all the problems between Serbia and Montenegro did not disappear with

the fall of Milosevic's regime, one big and positive change is evident. There is no longer any risk of FRY military intervention in Montenegro. The new government in Belgrade is all too eager to cooperate with the world and to reintegrate the country in international institutions. The last thing one can now expect from Belgrade is for the government to be aggressive and to exploit possible internal tensions in Montenegro. Therefore, from now on, all disputes are likely to be resolved peacefully.

The purpose of this paper is to examine the rapidly evolving nature of the FRY—principally, the present and possible future relationship between the federation's two members and, beyond this, the implications of changes in the relationship for the rest of the Balkans. Can the process of the FRY's disintegration be reversed? If yes, should it be? And what would be the pros and cons for each position from each side's point of view?

## Milosevic's Legacy

Most of the actual problems, fears, and tensions between the two republics can be traced to the last few years of Milosevic's rule. The pattern began in 1997, during an electoral crisis in Serbia, when hundreds of thousands of people protested in Belgrade, and most other major cities in Serbia, against Milosevic's apparent commission of voter fraud. Rallies were carried out on a daily basis for three months in the winter. Milosevic's standing as a leader was delegitimized. He appeared weak, attempting to retain power at any cost. The Montenegrin government used this opportunity to distance itself from him.

Milo Djukanovic, at that time prime minister of Montenegro, was the first government official who dared to criticize Milosevic in public. In his interview for the Belgrade weekly *Vreme* (February 22, 1997), he stated that "it would be completely wrong politically for Slobodan Milosevic to remain in any place in the political life of Yugoslavia." Djukanovic called Milosevic "a man of obsolete political ideas, lacking the ability to form a strategic vision of the problems this country is facing." Djukanovic faced strong opposition within his own party, the Democratic Party of Socialists (DPS), but after several weeks of internal fighting he managed to gain the support of some of the most prominent and influential Montenegrin party leaders. His major opponent, Momir Bulatovic (at that time, president of Montenegro and, later, prime minister of the FRY), expressed his loyalty to Milosevic, the DPS eventually split apart, and Bulatovic's faction renamed itself the Socialist People's Party (SNP).

At the time, the issue at stake was not Montenegro's position in the Yugoslav federation, or separatism, or any kind of nationalism. (For instance, Svetozar Marovic, the president of the Montenegrin parliament, who has a reputation for being "pro-Yugoslav," or even "pro-Serb," also sided with Djukanovic.) The real issue was conceptual in nature. This was a strategic shift away from Milosevic's policy, with the new Montenegrin platform stressing a pro-Western orientation, free market reform, protection of minority rights, institutionalization of democracy, and adherence to the rule of law. On this platform, Djukanovic was able to defeat Bulatovic in the 1997 Montenegrin presidential elections—but only in a run-off, and by a slim margin, capturing 50.8 percent of the vote (5,488 more than Bulatovic).

Djukanovic's change in outlook was immediately labeled by his political opponents in Montenegro and by the Belgrade propaganda machine as "anti-Yugoslav." He refused this characterization, though, insisting that he wanted only to contribute to the democratization of Yugoslavia. Djukanovic established good relations with the Serbian opposition and for some time he appeared to be a serious political threat to Milosevic. As he enjoyed certain popularity in Serbia proper, many people believed Djukanovic held ambitions to play a more important role at the federal level. The true Montenegrin separatists, represented mostly by the Liberal Party, strongly criticized Djukanovic and refused to acknowledge any differences between him and Milosevic (see the February 28, 1997 edition of *Monitor*).

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As time went on, Milosevic increased pressure on Montenegro from his base of power in Belgrade. This slowly forced Djukanovic to embrace a pro-independence stance. Thus, for the past two years, Montenegrin officials have repeated sporadically that they cannot wait forever for the democratization of Serbia and that Montenegro would ultimately call for a referendum on independence. This posturing must have satisfied Milosevic: Instead of being challenged by Montenegrin democratic reforms, he could accuse Djukanovic of separatism.

However, it is not Djukanovic who should be considered responsible for the dissolution of the Yugoslav federation. It was Milosevic who began to progressively destroy the federal institutions when he realized that he could no longer control them in his authoritarian manner. In April 1998, he appointed his puppet and Djukanovic's political rival, Momir Bulatovic, as Yugoslav prime minister. Montenegro subsequently refused to recognize the federal government. When Belgrade rejected those deputies nominated for the federal parliament by Djukanovic's ruling coalition, Podgorica was forced to boycott that body. Several Montenegrin cadres loyal to Djukanovic were also purged from the FRY's Constitutional Court and Foreign Service.

To protect its interests, Montenegro ignored any legislation and decisions issued by the federal government and took steps to separate its economy from Serbia. In 1998, budgetary transfers between Podgorica and Belgrade ceased. By the summer of 1999, Montenegro took over customs collection at its borders. Serbia subsequently placed customs posts at its border crossings with Montenegro. By the end of 1999, Montenegro had introduced the German mark as a parallel currency, and Serbia banned the trade of agricultural products with Montenegro.

For the past two years, Montenegro has struggled to pull itself out of international isolation. Despite the lack of sovereignty, it has managed to establish alternate forms of diplomatic and trade representation in Washington, London, Rome, Brussels, Berlin, Sarajevo, and Ljubljana. Podgorica has also managed to obtain substantial financial support from the United States and the European Union (EU), which has helped to preserve its social and political stability. Because of these measures, Montenegro has not only managed to endure Belgrade-sponsored pressure but has also appeared as a "success story" when compared with Serbia. But this international recognition and support of Djukanovic's dissent against Milosevic additionally fueled Montenegrin ambitions for independence.

During the most critical period of the war in Kosovo and the North Atlantic Treaty Organization's (NATO) bombing campaign in 1999, Montenegro declared its neutrality and refused to observe martial law. At that time, and ever since, the relations between the Montenegrin government and the Yugoslav National Army have been very tense. Many potentially dangerous incidents took place, and many strong accusations have been exchanged. The army was loyal to Milosevic, but it probably would have been very reluctant to launch an unprovoked attack on Montenegro. (That same army refused to protect Milosevic on October 5, 2000, when opposition supporters stormed the federal parliament and forced him to admit his election defeat.)

Djukanovic found himself in an extremely difficult position during NATO's Operation Allied Force because he opposed Milosevic's aggressive policy and basically sided with the West. Montenegro also received some air strikes, though, and it was very difficult to explain this "friendly" bombing to the Montenegrin people. The army further accused Djukanovic of being a traitor, but he maneuvered skillfully and managed to survive. However, it is fair to say that Djukanovic's opposition, the pro-Belgrade SNP, acted in a remarkably responsible manner in that decisive moment. It voted for a resolution on the maintenance of civil order in Montenegro, and did not try to exploit Djukanovic's difficulties.

Still, the army was perceived as a threat to Montenegro, even after the NATO intervention. The Seventh Battalion, a special forces unit, was added to the regular units stationed in the republic. The Montenegrin media was full of alarming stories and headlines warning that war could break out at any moment. The situation, though, also attracted international attention and many strong messages, particularly by NATO officials, warning Belgrade not to take action. Most Western experts and observers were convinced

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that Milosevic would attack Montenegro and were urging for consensus on a more decisive action—and stronger commitment—to defend Montenegro.

We may never know whether it was because of this “preventive diplomacy,” but the army never tried to overthrow the Montenegrin government. However, Montenegro did live in fear of aggression from Serbia, and that feeling was regularly fed by Milosevic’s propaganda machine. The Montenegrin media responded by denouncing the Belgrade regime. This propaganda war inevitably generated some general anti-Serbian feelings in Montenegro, and vice versa.

Milosevic aggravated Serbia–Montenegro relations even more by changing the Yugoslav constitution in July 2000. The Montenegrin government was not consulted nor even informed about the amendments that substantially violated its position in the federation. According to the changes, the president of the FRY is now directly elected, making it practically impossible for a Montenegrin to occupy that position. Both houses of the federal parliament are now also directly elected, preventing the Montenegrins from having an impact with respect to federal legislation.

It is not surprising that the ruling coalition in Montenegro boycotted the September 24 federal elections, having no hope that Milosevic would lose hold of his control of the government. This reaction was probably what Milosevic had expected, and even hoped for, because only his supporters in Montenegro participated in the process. Djukanovic was already firmly on a course toward independence and did not go out of his way to help the Serbian opposition in its campaign. His decision looked understandable at the time, but in hindsight, one wonders if he wished he had been more active. Not only did Montenegro contribute very little to the victory of the Serbian opposition, it also may have contributed to Milosevic’s receiving approximately 100,000 Montenegrin votes. Luckily, the number was not decisive.

As an added dilemma for the new Serbian government, because of Djukanovic’s boycott, all of the Montenegrin deputies in the federal parliament were members of the pro-Milosevic SNP. Thus a political nightmare was created as the new democratic forces in Serbia had no choice but to cooperate with their enemies and to confront their former allies in Montenegro. The new Yugoslav president, Vojislav Kostunica, visited Podgorica immediately after the elections but was greeted with a rather chilly reception. However, it is important to note that he offered to find a solution for future relations between the two governments that suited Montenegro.

Djukanovic has now suddenly found himself in an even more difficult position than before the elections. The possible road to reintegration with Serbia is complicated. His opponents were promoted on the federal level, at least temporarily. And the road to independence is also very uncertain because he can no longer count on international support. Montenegro was, and still is, deeply divided over the issue of independence. But his supporters are pushing strongly in that direction anyway. Djukanovic will need acrobatic skills to find a way out. And, of course, what is at stake is not just his political future, but also the future of the FRY.

Meanwhile, a grin has returned to Milosevic’s face.

## History and the Ethnic Dimension

For a deeper understanding of Serbian–Montenegrin relations, one cannot escape some lessons in history and the ethnic differences between the two peoples. This appears particularly important now, when the memory of the disintegration of the former Yugoslavia—a painful and bloody process that obviously had something to do with history and ethnic divisions—is still fresh in people’s minds. One might conclude that the process is not yet finished and that the rump Yugoslavia, composed of two out of the six original Yugoslav republics, should be peacefully dismantled.

The actual problems and disputes might look like proof that once again the

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## ***How different are Serbs and Montenegrins?***

principle of self-determination should be respected and that Montenegro needs and deserves its freedom from Serbian domination. But, at least from the international point of view, there is also the principle of multiethnic tolerance, which contradicts the first principle and does not encourage any secession or change of borders without mutual agreement. In the case of the former Yugoslavia, the international community has been struggling with the two principles, hoping that multiethnicity will eventually prevail. But how different are Serbs and Montenegrins?

Clearly, they are less different than other peoples in the former Yugoslavia. They are both Orthodox Christians and they speak the same language. Montenegrins themselves call their language *srpski* (Serbian), although there is a small but immediately recognizable difference in dialect. During the last census conducted in the former Yugoslavia in 1991, 62 percent of the population in Montenegro considered themselves Montenegrins, 14.6 percent Muslims (who now call themselves Bosniaks), 6.6 percent Albanians, and only 9.3 percent Serbs (see *Statisticki godisnjak Crne Gore*, 1999).

However, the ethnic boundary between Serbs and Montenegrins has always been rather fluid. Many Montenegrins believe that they are also Serbs, as if that is the broader family, but many others will say that there is a clear distinction between the two. One can find such differences even among close relatives. Some of the most vigorous Serbian nationalists are of Montenegrin origin, including Slobodan Milosevic. But his own brother, Borislav, identifies himself as Montenegrin.

The independent Montenegrin state ceased to exist after World War I, when the Serbian Army liberated (or occupied, depending on the point of view) Montenegro. In 1918, an assembly of pro-Serbian representatives in Podgorica ruled unanimously for unification of the two states. Serbia then dominated over Montenegro until World War II. In communist Yugoslavia, Montenegro re-emerged as the smallest, and the poorest, republic, but it had equal rights with the others. During this period, it had no serious problems with Serbia.

One could conclude that, altogether, historical memories do not appear too difficult to overcome in this present situation, at least when compared to some other memories in the former Yugoslavia. It is fair to state that Serbian nationalism negated Montenegrin identity, with the claim that both peoples were Serbs. (Serbian nationalists also used to deny the existence of Bosnian Muslims, as well as Macedonians, who were considered "Southern Serbs.") There is hope, though, that some lessons have been learned by Serbia's past defeats, and that the new, democratic Serbia will refrain from any arrogance of that kind in the future.

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## **Is Independence an Option?**

Before the last elections, while Milosevic was still in power, Montenegro enjoyed Western support, primarily because of its opposition to the anti-Western regime in Belgrade. However, the West never urged Montenegro to seek independence for principles and pragmatic reasons. Concerning the first, it would have been difficult to explain the apparent inconsistency in policy in opposing any secession in Bosnia and Kosovo, and then allow for it in Montenegro. On the second point, there was reasonable concern that secession could not be carried out without violence—and possibly a full-scale war.

With the democratic changes in Belgrade, however, Serbia has come into the focus of Western attention. The international community is now less likely to support any unilateral Montenegrin move toward independence. Indeed, the FRY has applied for and received membership in the United Nations, as well as in the Organization for Security and Cooperation in Europe. The Montenegrin demand to have a separate chair in the United Nations has been ignored. This is the reality that Podgorica must face. Bearing in mind that Montenegro has been highly dependent on Western financial support for

the past several years, it seems inconceivable that Podgorica would risk a confrontation with the West: a country populated by just 650,000 people, with a very weak economy and few resources, is simply not equipped for such an endeavor.

Furthermore, a convincing majority of the population has never supported the idea of an independent Montenegro. According to an April 2000 Center for Democracy and Human Rights opinion poll, 35 percent favored outright independence, 25 percent supported the current federal arrangement, and another 20 percent favored a redefinition of the Yugoslav federation along the lines of a confederal platform proposed by the Montenegrin government two summers before. Municipal elections conducted in June 2000 in Podgorica and in the second-largest major city, Herceg Novi, demonstrated that people were voting for the status quo. Djukanovic's coalition won in Podgorica, while the pro-Belgrade SNP won in Herceg Novi, both by a narrow margin.

One could expect that support for secession would drop with the changes in Serbia, because opposition to Milosevic's regime was the major basis for this policy. The new government in Belgrade must be patient and respectful; it should show interest in Montenegro, as well as a willingness to negotiate a new federal or confederal arrangement. Above all, it should not exploit Djukanovic's political difficulties. So far, Kostunica seems to be adhering to such a policy. He has visited Podgorica twice after the elections, ignoring the fact that Montenegro does not officially recognize him and fails to accord him presidential protocol.

## The New Arrangement

While an independent Montenegro does not look viable, an independent Serbia certainly does. It is not inconceivable that Serbia might seriously consider that option—namely, despite common interests and many links with Montenegro, there is a growing feeling among people that Serbia should abandon any further ambitions beyond its borders and should not tie its hands with an arrangement that would require the conferral of special rights to a junior partner. During a visit to Belgrade at the end of October, the author spoke to many people from, or close to, the new government; they gave the impression that they might be willing to undertake a profound reconsideration of national strategy and learn lessons from the defeats of Milosevic's expansionism. This may or may not prove to be true, but the Serbian position in future negotiations with Montenegro is now clearly much stronger. Montenegro needs to recognize this change and perhaps redefine its strategy accordingly.

The Montenegrin government recently announced its intention to call for a referendum, possibly in June. It plans to offer its constituents a choice between independence and some alternative political arrangement with Serbia expected to be agreed upon by that time. In August 1999, Podgorica offered a platform for a new basis for relations with Serbia. Generally, Serbia and Montenegro would be sovereign states and agree to cooperate on a limited number of matters, including defense, foreign policy, an economic system, traffic and transport, and scientific and technical development. The union would have a president, parliament, council of ministers, and a high court, but its powers would be limited.

This platform had been proposed while Milosevic was still in power. The Montenegrin government was obviously guided by a priority to protect itself from the Serbian regime's desire to dominate its junior federal partner, but also to involve Montenegro in conflict and war, like the one in Kosovo. Belgrade never officially responded to Podgorica's platform. Montenegro continued to distance itself from Serbia and to build the institutions necessary for it to become fully sovereign.

Following the September elections and subsequent change in Serbian leadership, the signals from Montenegro have been mixed. Podgorica announced a new proposal along the lines of the August 1999 platform, but with even fewer links between the two

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republics. It continues to insist that it be fully recognized as a sovereign state by the international community and receive a seat in the United Nations. But differences over the issue have become sharper and much more resonant since the split in Montenegro's ruling coalition: the Social Democratic Party is pushing for independence; the People's Party, which now sits in opposition to Djukanovic's minority government, is urging the re-establishment of closer links with Serbia.

Officially, Montenegro is open to negotiation with Serbia, but it must first overcome its own internal polarization. Some people consider any linkage with Serbia to be "past" history. They believe—unrealistically—that a Montenegro without Serbia is far ahead in the line toward admittance into European institutions—for instance, almost half way to the EU. But what is for them a reason to be hopeful is reason for some other Montenegrins to be fearful. Djukanovic himself recently said that the world should be aware of the fact that the FRY does not exist anymore. But at the same time, he seems to have given a signal to the Montenegrin media reflecting the opposite position, as reporters began referring to Kostunica as the president of the FRY.

On the Serbian side, Kostunica has adopted a policy of careful and patient negotiation, and he expressed his expectation that some unorthodox solution might need to be found. Yet many people in Serbia are afraid of such solutions and tend to believe only in a traditional, sovereign state.

The outcome of future negotiations with Montenegro may also be affected by the expected political struggle in Serbia—primarily within the DOS and between its strongest leaders, Kostunica and Zoran Djindjic. With the intention of strengthening the federal government, as well as Djukanovic's SNP opposition, Kostunica insists that negotiations be held within the framework of existing federal institutions. Djindjic, who became the prime minister of Serbia after the December 23 parliamentary elections, appears more willing to reach agreement with Djukanovic; such a rapprochement would likely undermine the federal government and, hence, Kostunica's authority. The future arrangement with Montenegro will play an important role in the struggle for power in Belgrade.

## **Conclusion**

Ultimately, the future of the FRY or some sort of Serbian-Montenegrin union depends on Montenegro, or primarily upon the Montenegrin government. But what is at stake is not only the FRY, or the viability of Montenegro. A possible divorce between the two would have broader, regional consequences, making the burden of responsibility too heavy for Montenegro to carry all alone. This means that international concern, if not mediation, is needed.

Montenegro might be left alone to decide about its future and about its viability as an independent state, but if the international community were to condone such a divorce, would it serve as a negative example for the reintegration of Bosnia? The unresolved status of Kosovo would also become far more complicated because one of the options for Kosovo is to become the third republic in a new Yugoslav federation.

From the broader perspective, the destiny of this last remaining link from the former Yugoslav period may have symbolic value. It is of the utmost importance for the whole region to attain a sense of hope and a new beginning. The end of Milosevic's regime is the best possible event to mark this starting point. The fragmentation triggered mostly by the aggressive policy of that regime should be stopped, and the new states in the region should be encouraged to cooperate, look forward, and work together to overcome the terrible legacy of the past decade. If Serbia and Montenegro prove unable to rebuild mutual trust and reach a compromise, this momentum will be lost.

It will look as if—with or without Milosevic—fragmentation continues in the Balkans.