

A Pareto Optimal Peace: How the Dayton Peace Agreement Struck a Unique Balance

Written by Hyunso Oh

This PDF is auto-generated for reference only. As such, it may contain some conversion errors and/or missing information. For all formal use please refer to the official version on the website, as linked below.

A Pareto Optimal Peace: How the Dayton Peace Agreement Struck a Unique Balance

<https://www.e-ir.info/2020/06/28/a-pareto-optimal-peace-how-the-dayton-peace-agreement-struck-a-unique-balance/>

HYUNSO OH, JUN 28 2020

On March 20th, 2019, the International Criminal Tribunal for the Former Yugoslavia sentenced Radovan Karadžić to life in prison. The Bosnian Serb wartime leader was held responsible for a number of crimes during the Bosnian War (1992-1995) including the Srebrenica massacre, known as the worst atrocity on European soil since the Second World War (Annan, 2005). The Karadžić verdict may play a crucial role in bridging communities, by holding specific individuals accountable for wartime atrocities often associated with certain ethnic groups (Djolai, 2019). It is timely, therefore, to assess the true legacy of the Bosnian war. Only a holistic understanding of the shared history—the dynamics of which allows no simple reduction to enmity between groups with ‘ancient hatreds’ (Kaplan, 1994)—will become the fabric on which a better future for all Bosnians can be embroidered. This paper aims to provide such fair assessment with the Dayton Peace Agreement (DPA) as its rightful focal point.

The essay will start by tracing the regional dynamics that surrounded Bosnia and Herzegovina (BiH) at the dawn of the war, and how it ignited the clashing desires and fears of its three ethnic-communities. Against this backdrop, arguments for the DPA will be made based on a lack of viable alternatives as well as its own virtues and successes. Finally, the essay will conclude by highlighting the path towards a truly sovereign and prosperous Bosnia based on the recent developments and their links with the DPA.

Understanding the Bosnian War

Fences or Barbed Wires?

There is often the temptation to blame certain ‘primordial markers’, such as ethnicity and religion, as causes of conflicts (Rothschild, 1981, p.9). However, they provide insufficient explanation for the outbreaks of ethnic violence as there exist far more cases of peaceful multi-ethnic coexistence than cases of violence and civil war (Brass, 1991; Fearon & Laitin, 1996). BiH is a case in point, where the relationship between the three ethnic communities—Serbs, Croats, and Bosniaks—were neither simply friendly nor hostile, but rather exhibited a ‘peculiar cyclical pattern’ of long periods of harmonious coexistence disrupted by occasional incidents of violent conflicts (Bose, 2007, p.114). Under the broader framework of Yugoslavia, BiH mostly enjoyed a state of peace and stability, while being negatively impacted in times of regional turbulence like during the first and second world wars where its ethnic boundaries turned into fronts of interethnic violence (ibid.). To understand BiH’s fluctuating inter-ethnic relationship, it is worth noting that the country had been a ‘ward of other multinational states from the middle of the fifteenth century onward’ (Burg & Shoup, 2000, p.63) and never existed as a fully independent state until 1992. Thus, BiH did not have a chance to develop a pluralistic civic culture of its own, not to mention a shared Bosnian identity that could hold the communities together in the absence of a broader framework.

It is telling that the closest to an overarching identity that emerged in BiH was that of a ‘Yugoslav’. While the 1981 census reveals that 8% of Bosnians *primarily* identified to be Yugoslav, evidence from the era shows that ‘those who professed their primary identity to be Serb, Croat, or Muslim were *also* all Yugoslavs’ (Bose, 2007, p.116, emphasis added). As McGarry (1998) aptly pointed out, individuals often form dual identities by relating with both their ethnic communities and the larger state, and during the Titoist Yugoslavian regime ‘complementary identities were no

A Pareto Optimal Peace: How the Dayton Peace Agreement Struck a Unique Balance

Written by Hyunso Oh

illusion' (Bose, 2007, p.116). However, such identity was solely dependent upon the stability of Yugoslavia and never reached the status of a full-blown Bosnian identity (ibid.).

In a nutshell, the combination of distinct ethnic boundaries and the immature civic culture of BiH made it highly contingent on contextual factors whether such boundaries remained fences or turned into barbed wires. Unfortunately for BiH, the void of a unifying identity was filled quickly by nationalistic politicians upon the disintegration of Yugoslavia in 1992.

Over the Tipping Point

According to Rothschild (1981), two factors are required to mobilise existing ethnic groups to become 'internally cohesive and externally competitive': the political elites with the interest and capacity for mobilization, and the dynamics of competition over 'scarce and valued resources and goals' within the society where each ethnic-communities may feel 'disadvantaged' compared to others (p. 29). Both were present in BiH during the early 1990s, along with the external developments that further reinforced the ethnic contentions. The first multiparty elections of BiH were held in November and December 1990, where three ethnonational parties—the (Muslim) Party of Democratic Action (SDA), the Serb Democratic Party (SDS), and the Croatian Democratic Union – Bosnia-Herzegovina (HDZ-BiH)—dominated by taking three quarters of the total ballots cast (Bose, 2007). The three parties won seat shares proportionate to the surveyed ethnic-identity in the 1981 census while the two non-ethnic parties performed poorly (Woodward, 1995), reflecting the deep division in the society.

However, it was the nationalistic politicians who profited from the exacerbation of interethnic divisions that transformed such division into irreconcilable chasms. The victorious ethnonational parties formed an alliance against the non-ethnic front, agreeing on a 'trilateral power-sharing arrangement' where two representatives for each ethnic-community and a single representative for all other 'minorities' formed a joint presidency (Woodward, 1995, p.122). Politicians with the Titoist ideals of unity were replaced by those loyal to the nationalistic parties, who instigated movements in their communities that effectively relegated the ethnic minorities to 'second-class status' (Burg & Shoup, 2000). The cases of the cities and towns that maintained their multiethnic front against the armed extremists at the onset of the war (ibid., p.69), further support that the ethnic division of the people by itself did not set the stage for the Bosnian war.

The wider geopolitics of the dismantling Yugoslavia also undermined the prospects of a peaceful BiH. Early on in the year of 1990, the League of Communists of Yugoslavia (LCY), which could have potentially served as a non-ethnic alternative party with pan-Yugoslav agendas, fragmented into insignificant factions upon the disintegration of Yugoslavia (Bose, 2007). The subsequent multiparty elections were held separately in each republic, leading to the dominance of an 'aggressively nationalist party' in Croatia—of which HDZ-BiH was a sister party (ibid., 2007, p.120)—and the nationalist Milošević's rise to power in Serbia—with whom the SDS leader Karadžić developed a close relationship. Thus, Brubaker's (1996) triadic nexus for escalation of ethnic tension was complete: the leaders of Serbs and Croats in BiH forging close ties with their respective external homelands, whose backing fueled their nationalistic desires of secession and irredentism in a state where the Bosniak majority called for an independent Bosnia.

The three ethnonational groups of BiH each had clashing claims to territory that left the other groups disadvantaged. It was the same challenge that the European Community (EC) faced for the whole of Yugoslavia, and the catch was that there existed four competing principles for determining territorial boundaries without consensus on which trampled which (Woodward, 1995). In general, the EC favoured the *uti possidentis juris* principle that turned the internal borders of Yugoslavia into international borders to maximise stability, but without satisfactory justification such choice aroused vehement contentions. It was sometimes the case that the provided answer was not clear-cut (Kosovo), or that it coincided with the claim of a particular ethnic group at the expense of another (Croatia and its Serbs). Serbs, who resided dispersedly across different parts of Yugoslavia, were especially bitter with the EC's decision to 'internationalise the internal borders unwittingly' (ibid., p. 214). The case of BiH was among the most complex because all three ethnic groups could make historicist claims as regards to different eras, and none of the other principles offered a solution that satisfied all three (ibid). The situation was further complicated by the stances

A Pareto Optimal Peace: How the Dayton Peace Agreement Struck a Unique Balance

Written by Hyunso Oh

of Croatia's Tudjman arguing its territorial right over a large chunk of BiH and Serbia's Milošević calling for autonomous Serb regions, which resonated with the ethno-nationalistic leaders of BiH.

The EC-devised solution for BiH was to hold a referendum: the voter turnout marked 63%, where 98% voted for an independent BiH. However, the result carried two major pitfalls. Serbs, potentially subject to being turned into the 'orphans of secession' as per McGarry (1998), felt agitated by the SDA – HDZ-BiH alliance for an independent state and boycotted the referendum to pursue a separate agenda of establishing autonomous regions in parts of Serb-majority. The Croat-Bosniak alliance was also one 'built on quicksand', the ultimate Croat agenda being a 'Greater Croatia' while the Bosniak preference was based on their majority status (Bose, 2007, p.123). Thus, the international community's decision to take such result at face value and recognise an independent BiH effectively terminated the fragile ethnic-coexistence within, and the state almost simultaneously erupted into a full-fledged war.

The War

The development leading to the point of war highlights the irreconcilable agendas of the three ethnic communities the negotiators of Dayton had to tackle. The only differences made through the course of a destructive war was the deepened animosity between the groups and the confirmed existential threats, a series of ethnic cleansing and forced displacements having turned the state's ethnic map that was once a 'leopard's skin' into distinguishable chunks claimed by specific ethnic groups.

The major front of the Bosnian war was formed between Serbs with military superiority against non-Serbs, while the precarious alliance between Bosniaks and Croats fell apart in 1993 and erupted as a war-within-war between the two communities. The opportunity for settlement was created by the endless efforts of the international community (IC), especially the United States. The Croat-Bosniak war was settled first with a ceasefire agreement signed in Washington, and the subsequent reestablishment of the alliance coupled with NATO engagement in August 1995 finally enabled the opposition to counter the Serb forces. The consequent 'leveling of the cleansing field' between the two parties (Bose, 2007, p.131) coupled with the Serb leadership crisis with its leader Karadžić and military commander Mladic under international sanctions, eventually opened the opportunity for mediation in 1995.

But even such turn of events and the pressure of the IC does not constitute the whole picture. The negotiation for the DPA was ultimately possible because the leaders of the motherlands that had been supporting and masterminding the nationalists of BiH had made a 'conscious strategic compromise' (Bose, 2002, p. 53). The war was finally put to an end with the DPA, signed by Milošević and Tudjman—who had negotiated on behalf of Bosnian Serbs and Croats respectively—and the Bosniak leader Izetbegović.

The Dayton Peace Agreement and its Pareto Optimal Peace

The salient points of the Bosnian conundrum presented at Dayton have now been highlighted: the clashing agendas over territory, the nationalist political elites with strong ties to the neighbouring motherlands, and the destructiveness of war that had erased all sense of shared community. While the war had lost its momentum leaving people exhausted from the three years of brutality, the confirmed reality of existential threats meant that the possibilities of future conflicts were abound and stakes for a resilient settlement extremely high.

Building on such context, the assessment of the DPA will be carried out in three steps. First, it will be discussed whether any of the alternatives to the DPA had presented better prospects for a peaceful BiH. Second, the major criticisms against the DPA will be addressed to shed light on the DPA's unique virtues. Finally, the much debated role of the IC will be critically assessed to set the stage for the discussion on the country's future steps forward.

Revisiting the Options

There had existed two major alternatives to the DPA-style approach: the fully integrationist approach for a centralised independent state of Bosnia, akin to the Bosniaks' agenda; and the formal partition of BiH into three ethno-national states for Muslims, Serbs, and Croats, which mostly resonated with Serb and Croat agenda for ethnic autonomy.

A Pareto Optimal Peace: How the Dayton Peace Agreement Struck a Unique Balance

Written by Hyunso Oh

The pluralist approach for an integrated BiH was represented by intellectuals such as Kurspahic and Grebo. Kurspahic (1992) asserted in his article that any attempt to delineate the common territory will be a source of frustration that poses a risk of an indefinite instability like that of Palestine, and that upholding of individual citizens' rights over collective communities' was the only way to establish peace in BiH (Burg and Shoup, p.59). Grebo suggested that the collective right of the ethnic-communities only be given political, as opposed to territorial, representation through the second chamber of national assembly (*ibid.*, p. 59)

The reflection of the country's history and the development of the Bosnian war renders such claims idealistic. Firstly, BiH's political arena was dominated by nationalistic politicians without any cross-ethnic parties to effectively advocate individual values over collective ethnic rights. Furthermore, in the absence of a ripe civic culture the Bosnian people had no shared identity to fall back to, and in the aftermath of a bloody war the momentum for integration was unlikely to come bottom-up. Even as recent as in 2003, surveys found that "a state of citizens" was supported only by a thin majority of Bosniaks, and overwhelmingly disfavoured by the remaining ethnic communities (Bose, 2007). It is unlikely that a forced integration backed neither by the political elites nor the people would have been resilient.

The argument for a three-way partition had both normative and practical issues. From a normative perspective, the option had been made viable as an end result of mass scale ethnic cleansing and forced displacements during the war. The IC could not sanction a peace agreement that delivered exactly what the ethnic-communities had aimed for via such unjustifiable means, for it was a matter of sending the right signal that any attempt to gain sovereignty through violence will never be regarded legitimate. Even from a practical perspective, partitioning was no adequate solution for promoting the agenda of peace and stability. As Horowitz (1998) has argued, a 'clean break' is just an illusion, for all boundaries create minorities and are subject to new cleavages. Thus, claims for partition are legitimate only when the resulting regimes are likely to protect its minorities (*ibid.*), which was clearly not the case for Serbs and Croats whose partitionist agendas were based on the desire for majority status.

It was such three-way zero-sum game of territorial self-determination that the negotiators of Dayton faced, which Whelan (1983) had warned to be the most intractable and contentious type of conflict, as seen in Sri Lanka and Palestine. With the risk of satisfying none of the three parties sitting on a powder keg, what could possibly be the recipe for peace?

A Pareto Optimal Peace

The DPA was an innovative shot at a 'pareto optimal peace', based on the accurate understanding that an agreement optimal for everyone was not viable in the case of BiH. The peace agreement for BiH required striking a very fine balance between the clashing desires and the existential fears of the involved ethnic groups. The convoluted framework of the DPA was thus aimed to set the 'structures of cooperation' based on the 'reality of division' (Bildt, 1998, p.392).

The DPA maximised its stability by reflecting the reality to its fullest. Bosnia was structured as a confederation of two autonomous entities: 49% as Serb Republic (Republika Srpska, or RS), and the other 51% as a Bosniak-Croat Federation of Bosnia and Herzegovina (FBiH). The 51:49 allocation mostly reflected the end-of-war frontlines and was demarcated by the Inter-Entity Boundary Line (IEBL) that was purely a by-product of war, as was the case of the Ceasefire Line in Kashmir. The framework for FBiH originated from the US brokered ceasefire settlement of the Bosniak-Croat war that had envisaged a 'Swiss-style canton system' for the two communities (Bethlehem and Marc, 1997, p. liv), under which the power was devolved to its ten cantons—three with Croat majority, five with Muslim majority and two with power-sharing regimes based on ethnic parity (Bose, 2007).

The two entities shared a central political structure that incorporated all consociational features as laid out by Lijphart (1977). The three ethno-communities formed a grand coalition in all executive, legislative, judicial institutions based on equal representation, and significant segmental autonomy was provided to the respective entities allowing them to keep separate currencies and armies. Veto rights were also granted for matters of vital interest to each ethnic-community. The consociational confederation of BiH reflected the agendas of all three ethno-communities to some

A Pareto Optimal Peace: How the Dayton Peace Agreement Struck a Unique Balance

Written by Hyunso Oh

extent: substantial autonomy granted to the RS for Serbs hugely frustrated at their minority status, the Croat agenda through the Croat-designated cantons despite their overall minority in the FBiH region, and the Boaniaks' wish to keep Bosnia as one multiethnic state.

The regional dimension was also addressed through the not only 'internally, but *externally*' confederal structure designed by the DPA (Bose, 2007, p. 135). According to the Article I and III of Annex 4 that laid out the constitutional structure of BiH, its citizens could hold double citizenships and the two entities could establish 'special parallel relationships with neighboring states' (UNSC, 1995), which allowed the RS and FBiH to respectively establish cooperative ties with Serbia and Croatia in the early 2000s. Diverging from the EC approach towards demarcation of Yugoslavian republics that had failed to 'reassure those relegated to minority status' and prompted the 'downward spiral of suspicion and insecurity' (Woodward, 1995), the DPA ensured that no ethnic-community felt locked-in in its arrangement. Such was the critical difference between the DPA's pareto optimality and a state of mutual agitation as manifested in Sri Lanka, where the feeling of entrapment had led the Tamil youth to seek security in a separate state.

Thus, a pareto optimal peace was complete: while not the dominant strategy for any of the ethnonational groups, the consensus against it never reached the tipping point for violence.

The major criticisms for the DPA deserve scrutiny to make the assessment complete. Some criticise that power-sharing based on ethnic parity discourages cross-cutting cooperation and perpetuates ethnonational politics. However, the BiH context where there was extreme fear of potential relegation into minority status points to the case-specific desirability of majoritarian democratic system, a consideration that could also have been vital for the case of Sri Lanka where the Westminster-style democracy morphed into an ethnic-democracy. Scholars like Horowitz who favour a middle-ground based consociationalism could have argued for alternative arrangements to marginalise the nationalists and empower the moderates. However, as previously elaborated, BiH lacked the popular political moderates and cross-ethnic parties to constitute a robust political system by themselves and it was also unlikely an option without a guarantee for collective political representation would have been welcomed by any of the ethnic-communities. The DPA was not an 'indulgence of identity fetishism but a practical response', to the undeniable reality of ethnic divisions in the BiH politics (Bose, 2007, p.140).

Similarly, some criticise the DPA for empowering the ethnonational elites and relying its success on their cooperation, who possessed neither the will nor the capacity to do so. While such are valid points of concern, it needs to be highlighted that these extremist political elites are also the potential spoilers for peace if left without channels of formal political expression to prevent them from turning to violent means. The contrasting cases of Sri Lanka and the Good Friday Agreement of Northern Ireland supports that broad-based political inclusion might be the key to shielding peace agreements from spoilers lurking in deeply divided societies.

The Involvement of International Community

The aforementioned point highlights another key feature of the DPA – the extensive engagement of the IC in its implementation process – that forged the fundamentals for a functioning BiH while keeping its political elites in check. The DPA's Annex 10 established the Office of High Representative (UNSC, 1995), which could make legally binding decisions and had the right to vet, dismiss and ban political officials that violated the DPA through its so-called *Bonn Powers*, to clear the deadlocks created by nationalistic elites (Bose, 2007). The IC involvement was also critical in materialising Annex 7 of the DPA that addressed the individual rights of those forcibly displaced during the war that amounted to more than half of the pre-war Bosnian population (Bose, 2007, p. 136). The agenda was not only normatively desirable in the sense that it balanced the constitutional emphasis on the collective rights of ethnonational communities with the reinforcement of individual civil rights, but also critical for restoring BiH's multiculturalism in the country by increasing inter-ethnic contact and keeping the internal border porous. Performing of the numerous accompanied tasks including the security provision, safeguarding of the returnees from potential persecution, and compensation for lost properties would not have been possible without the resources and efforts of the IC. Annex 4 and 7 put together demonstrates the DPA's unique virtue in addressing both the collective and individual rights, which should inspire the international peacebuilders in Israel-Palestine and Cyprus.

A Pareto Optimal Peace: How the Dayton Peace Agreement Struck a Unique Balance

Written by Hyunso Oh

Way forward

Parting Ways with the Unproductive Name-shaming of Dayton

Marking the 19th anniversary of the DPA, a Sarajevan intellectual remarked that the agreement is “guilty for the dysfunctional organization of the country” (AA, 2014). Similar views are echoed by many, and some go as far as to say that the country would have been better off without the DPA (Borger, 2015). However, the tracing of BiH’s context has made clear that such criticism confuses the DPA’s features as its flaws. The argument for the DPA is not that it is an ideal case of democracy, but that it is a model for functioning democracy in a dysfunctional society where the threshold for violence was extremely low. Thus, calls for improvement in the current political system of BiH can be, and should be made without the denigration of the DPA, for the complex dynamics and the hard realities of the Bosnian war it embodies are the counterevidence for the belief that the Bosnian war stemmed from the ‘ancient hatreds’ between its ethnic-communities. It is only based on such accurate understanding that the people of Bosnia can work together, towards a harmonious and prosperous future.

That being said, BiH is in a precarious situation both politically and economically. The apt description of BiH post-war politics by Bose (2002) as ‘continuation of war by other means’ still holds today, where identity-based politics is used to gloss over the corrupt and inefficient government: BiH ranked 89th out of 180 countries in the 2018 Corruption Perceptions Index (Transparency International, 2018), and the 548 State Owned Enterprises (SOE) that account for 27% of BiH’s total employment have an average wage 40% higher than that the rest of the economy despite having more debts than revenues (McGill, 2019). Unemployment rate in BiH marked 18% in 2018 and brain-drain is a huge issue with its educated youth seeking future elsewhere (ibid., 2019).

Based on the changed context of today, has a window of opportunity opened for a pareto improvement towards a political structure that will serve its people better?

Old Options, New Context

Surprisingly, the options for the reform of BiH’s political structure today look like the tweaked versions of their old equivalents. First, there is the secessionist option spearheaded by Milorad Dodik, the former president of the RS and current chairman of the tripartite presidency of BiH. Repeatedly denouncing Bosnia as an “impossible state” (Zuvela and Sito-Susic, 2018) he has advocated RS independence as recently as this February, dubbing it as “RSexit” (Balkan Insight, 2020). Secession of the RS can be either an outright independence or reunion with Serbia, the latter often regarded to be the ulterior agenda for Serb nationalists (Lacroix, 2019). However, such move is unlikely to ever gain international recognition and the failing economy of the RS is far from being self-sufficient. Reunion of Serbia is just as unviable, for Serbia gains little and loses much by taking in the RS with its EU membership at stake (ibid.). These options are clearly not much more than political gestures.

Another option is the integrationist agenda that has been dominating the minds of international actors in recent years. The international state-builders have taken a number of steps that undermine the segmental autonomy as granted by the DPA and push towards enhanced centralisation—exemplified by the attempt to rid entities of the jurisdiction of policing for a common state police force—all of which were futile at best, and backfired at worst (Bose, 2017). Such furthers the argument that the DPA’s seemingly over-complicated layers are not ‘bug[s]’, but justified ‘features’ (Hajdari and Colborne, 2018) and cannot simply be done away with. The case of Kosovo shows how cancellation of autonomy leads to grievances, and especially for BiH, disrupting the high level of segmental autonomy and externally confederal nature may break its pareto optimality.

The third option, which this essay is in favour of, resonates with the failed Vance-Owen peace plan of 1993 that envisioned a Swiss-style cantonisation for BiH in its entirety. The plan had clashed with both the Serb and Croat interest in times of extreme fragmentation, failing to satisfy their demands for collective ethnic rights. However, the changed context of a relatively stabilised BiH has turned a similar option desirable, the opportunity spotted as early as 2004 through the proposal drafted by the European Stability Initiative. In a nutshell, the key is to fix the ‘anomaly’ of the redundant federation-within-federation layer of FBiH, and cantonise the state with the RS as the largest

A Pareto Optimal Peace: How the Dayton Peace Agreement Struck a Unique Balance

Written by Hyunso Oh

'canton' rather than an 'entity' (see ESI, 2004; Bose, 2017). The change will harmonise the political framework of BiH with many member countries of the European Union (EU), while leaving the prime principles of the existing framework unharmed. According to the International Crisis Group, the proposal had been welcomed by the political elites of all three ethnic-communities (International Crisis Group, 2014), but the IC was then too distracted with its integrationist agenda to provide the necessary boost (Bose, 2017).

Some have denounced the involvement of the IC in BiH as 'liberal imperialism', but this paper has duly elaborated its indispensable role of filling in the post-war institutional vacuum and reinforcing individual rights in the absence of its advocate. However, it is now time for the IC to wisely devise its exit-strategy for the enhanced sovereignty of BiH, based on a correct assessment of where it is needed and not, and most importantly, how best to provide what is needed. The recent 'misguided quest for integration' (Bose, 2017, p. 205) is certainly not what BiH needs, and the IC should recall the contrasting cases of Northern Ireland and Sri Lanka that highlight local consent as a minimum requirement for stable progress. The IC's effort is best utilised upon identifying issues that garner broad social support and nurturing the momentum to push for needed reforms.

Then, where *does* the consensus of the Bosnian people lie?

Give What the People Want

The response to the 2014 flood in BiH epitomises how its precarious political situation ultimately takes a toll on the Bosnian people. In the face of devastation comparable to that of the Bosnian war (Taylor, 2014), the governments of the two entities proved incapable of meeting people's needs in the absence of a centralised disaster-management system at the country level. While the neighbouring Croatia and Serbia had access to the EU Solidarity Fund, the Bosnians were left to find their own means of support with their savings and the remittances from families abroad (MacDowall, 2014).

Accession to the EU is the Bosnian people's 'hope for future prosperity', and the rare common ground that brings politicians together across ethnic divisions (thebanker, 2019; Bose, 2017). The NATO and EU membership have been the priorities of BiH foreign policy since 2003, which was reiterated in 2018 through 'Foreign Policy Strategy of Bosnia and Herzegovina 2018-2023' (Presidency of Bosnia and Herzegovina, 2018). Joining NATO's security umbrella significantly reduces the risk of future conflicts in the region and is expected to attract the much desired foreign investments to the country (Živković, 2019). EU membership is widely regarded as the only way out for the country's failing economy.

Prospects of joining multilateral partnerships are powerful drivers of change for BiH, as is expressed in the aforementioned document that states 'internal political, economic, and social reforms' must take place 'in the context of EU integration' (Presidency of Bosnia and Herzegovina, 2018, p.7). However, the institutional fragmentation between the entities coupled with the politicians capitalising on ethnic division make progress slow, jeopardising the prospects for future prosperity that the Bosnian people desperately seek. The inability to form a new cabinet post October elections in 2018 prevented BiH from sending its representatives to the Council of Europe's assembly in 2019, which was a major blow to its path towards EU membership (Reuters, 2019).

Citizens Say "Dosta!"

The key to breakthrough may lie in the often neglected segment of BiH politics: its people. It is not to fabricate a sugarcoated image of the Bosnian people as a body of solidarity; in fact, the latest census reveals that a mere 2.73% of the entire population identify themselves as "others", rather than as members of the three constituent groups (Balkan Insight, 2016). But little pieces put together reveal that shared grievances and years of coexistence of the people may have amounted to a new 'Bosnian reality' that could be a valuable impetus for change.

In 2014, people's fury towards the divided and corrupt politicians that had long been neglecting people's issues—'schools, jobs, and health care' (BBC, 2014)—finally broke out as what was referred to as the 'Bosnian Spring'. Under the slogan 'we are hungry in three languages' that rejects the dominant ethno-national rhetoric of the

A Pareto Optimal Peace: How the Dayton Peace Agreement Struck a Unique Balance

Written by Hyunso Oh

political elites, people demanded change through the 'Citizen Plenums', which was a grassroots model of participatory democracy. Weekly meetings were organised by citizens all over the country, where the statements of 'common demands' were produced to be presented to the government (McRobie, 2014). The demands made included the abolition of post-term emoluments for politicians, 'nonparty expert government' at the canton level, audit privatisations, among many others (Balkan Insight, 2014; Sarajevo Times, 2014). The protests were "not an anti-Dayton stand" (Rasidagic, 2015; see Central European University, 2015), but of an 'adamantly non-ethnic' nature that held the ethno-nationalists accountable for the lack of social justice (Hopkins, 2014). Most importantly, they demonstrated the capability of Bosnian people as active agents of democracy.

The 2014 plenum was by no means an anomaly, but one built upon past civic movements where people of all ethnicities came together to voice shared concerns, including the 2008 '*Dosta!*' movement that had mobilised against the corrupt government and the 2013 'Baby revolution' where the citizens set a deadline for enacting a law that had been caught up in a political dispute at the cost of a baby's life. Every such movement is an evidence as well as an accumulating social capital for the Bosnian civic culture. This new, albeit fledgling, Bosnian reality is one that the IC should duly recognise and support to its fullest. Such nurturing from below coupled with pressure at the top—with both the 'carrots' of multilateral partnerships and the 'sticks' that can be wielded through their entrenched engagement under the DPA—is the IC's role as a trusted partner for BiH's future towards a prosperous and truly independent state.

Conclusion

This essay argues against the frequented stance that the DPA is the culprit for the political turmoil of BiH. To describe it as 'dysfunctional' is to confuse its features for its defects, and stems from the failure to grasp the context in which it was born. While optimal for no party, the DPA was an innovative shot at a pareto optimal peace between the irreconcilable agendas of the three ethnic-communities—where no other viable alternative could have made any party better off at no cost of others. The opportunity for a better future has opened for BiH, only visible to the eyes of those who acknowledge the Bosnian realities reflected in the DPA as well as its unique achievements. It is based on such accurate understanding that the people of Bosnia can be duly recognised for their potential, and together work towards a future of shared prosperity.

Bibliography

Bethlehem, D., Weller, M., & University of Cambridge. Research Centre for International Law. (1997). *The 'Yugoslav' crisis in international law : General issues. part I* (Cambridge international documents series ; Vol. 5). Cambridge: Cambridge University Press.

Bildt, C. (1998). *Peace journey: the struggle for peace in Bosnia*. Weidenfeld, London.

Borger, J. (2019). Bosnia's bitter, flawed peace deal, 20 years on. *the Guardian*. Retrieved from <https://www.theguardian.com/global/2015/nov/10/bosnia-bitter-flawed-peace-deal-dayton-agreement-20-years-on>

Bose, S. (2017). Mostar as microcosm: Power-sharing in post-war Bosnia. In A. McCulloch and J. McGarry (Eds.), *Power-Sharing: Empirical and Normative Challenges*. (pp. 189-210). Abingdon, UK. Routledge studies on challenges, crises and dissent in world politics.

Bose, S. (2007). *Contested lands: Israel-Palestine, Kashmir, Bosnia, Cyprus, and Sri Lanka*. Harvard University Press, Cambridge, Mass.

Bose, S. (2002). *Bosnia after Dayton*. New York: Oxford University Press.

Bose, S. (1994). *States, nations, sovereignty*. New Delhi: Sage.

Brass, P. (1991). *Ethnicity and nationalism : Theory and comparison*. New Delhi ; Newbury Park, CA: Sage

A Pareto Optimal Peace: How the Dayton Peace Agreement Struck a Unique Balance

Written by Hyunso Oh

Publications.

Burg, S., & Shoup, Paul. (2015). *The war in Bosnia-Herzegovina : Ethnic conflict and international intervention*.

Ceu.edu. (2019). Bosnia-Herzegovina Seeks Unity, Reform, Progress 20 Years after Dayton *Central European University*. Retrieved from <https://www.ceu.edu/article/2015-11-25/bosnia-herzegovina-seeks-unity-reform-progress-20-years-after-dayton>

Crisis Group. (2019). Bosnia's Future. Retrieved from <https://www.crisisgroup.org/europe-central-asia/balkans/bosnia-and-herzegovina/bosnia-s-future>

Dahl, R. (1989). *Democracy and its critics*. Yale University Press, New Haven.

Dodik won't rule out possibility of RS independence. (2019). Retrieved from https://www.b92.net/eng/news/region.php?yyyy=2019&mm=04&dd=04&nav_id=106558

Edwards, M. (2019). The President Who Wants to Break Up His Own Country. Retrieved from <https://www.theatlantic.com/international/archive/2019/01/serb-president-dodik-bosnia/579199/>

euronews. (2019). Bosnia: facing political inertia, #JMBG protests call for civil disobedience. Retrieved from <https://www.euronews.com/2013/07/01/bosnia-facing-political-inertia-jmbg-protests-call-for-civil-disobedience->

EUROPP. (2019). The Radovan Karadžić verdict: Closure for Bosnia and Herzegovina at last?. Retrieved from <https://blogs.lse.ac.uk/europpblog/2019/04/04/the-radovan-karadzic-verdict-closure-for-bosnia-and-herzegovina-at-last/>

eNovosti.info. (2019). Bosnia Is An Impossible State says Dodik. Retrieved from http://www.mojenovosti.com/english/index.php?option=btg_novosti&idnovost=196#.XKzV2RNkJOR

Fair Observer. (2019). Will Bosnia and Herzegovina Ever Rise Above Its Ethnic Divisions? Retrieved from <https://www.fairobserver.com/region/europe/bosnia-herzegovina-republika-srpska-secession-balkan-news-18811/>

FDI into Bosnia hits record high – Emerging Europe. (2019). Retrieved from <https://emerging-europe.com/news/fdi-into-bosnia-hits-record-high/>

Fearon, J., & Laitin, D. (1996). Explaining interethnic cooperation. *The American Political Science Review*, 90(4), 715.

Hajdari, U., & Colborne, M. (2018). Why Ethnic Nationalism Still Rules Bosnia, and Why It Could Get Worse. *The Nation*. Retrieved from <https://www.thenation.com/article/why-ethnic-nationalism-still-rules-bosnia-and-why-it-could-get-worse/>

Hopkins, V. (2019). "We are hungry in three languages": citizens protest in Bosnia. *Open Democracy*. Retrieved from <https://www.opendemocracy.net/en/5050/we-are-hungry-in-three-languages-citizens-protest-in-bosnia/>

Horowitz, D. (1998). *Self-Determination: Politics, Philosophy, and Law*. Oxford University Press.

Horowitz, D. (2000). *Ethnic groups in conflict* (Updated ed.). Berkeley, London: University of California Press.

Mujanovic, J. (2020). Bosnia's Milorad Dodik and His Enablers. *Balkan Insight*. Retrieved from <https://balkaninsight.com/2020/03/02/bosnias-milorad-dodik-and-his-enablers/>

Judah, T. (2019). Bosnian protests: A Balkan Spring?. *BBC*. Retrieved from <https://www.bbc.com/news/world-europe-26093160>

A Pareto Optimal Peace: How the Dayton Peace Agreement Struck a Unique Balance

Written by Hyunso Oh

Jukic, E. (2019). Plenum in Bosnian Capital Finalises Demands. *Balkan Insight*. Retrieved from <https://balkaninsight.com/2014/02/19/bosnians-shape-up-demands-as-protests-continue/>

Kaplan, R. (1994). *Balkan ghosts : A journey through history*. London: Papermac.

Knaus, G., & Martin, F. (2003). Travails of the European Raj. *Journal of Democracy*, 14(3), 60-74.

Lijphart, A. (1977). *Democracy in plural societies*. New Haven [u.a.]: Yale Univ. Press.

Malcolm, N. (1996). *Bosnia : A short history* (New, updated ed.). London: Papermac.

Mass Depopulation Threatens Bosnia's Future. (2019). Retrieved from <https://balkaninsight.com/2015/05/18/mass-depopulation-threatens-bosnia-s-future/>

'MAY WE ALL LEARN AND ACT ON THE LESSONS OF SREBRENICA', SAYS SECRETARY-GENERAL, IN MESSAGE TO ANNIVERSARY CEREMONY | Meetings Coverage and Press Releases. (2019). Retrieved from <https://www.un.org/press/en/2005/sgsm9993.doc.htm>

McGarry, J. (1998). *'Orphans of Secession': National Pluralism in Secessionist Regions and Post-Secession States*. Oxford University Press.

McRobie, H. (2019). Listen to Bosnia's plenums. *Open Democracy*. Retrieved from <https://www.opendemocracy.net/en/5050/listen-to-bosnias-plenums>

Mesić, S. (2004). *The demise of Yugoslavia : A political memoir*. Budapest ; New York: CEU Press.

Reuters. (2019). Political quarrels disqualify Bosnia from Europe's top body. Retrieved from <https://uk.reuters.com/article/uk-bosnia-europe-idUKKCN1RL1WU>

Reuters. (2019). Bosnians mourn baby who died for lack of ID number. Retrieved from <https://www.reuters.com/article/us-bosnia-identity-baby-idUSBRE95F0HR20130617>

Reuters. (2019). In first census since war, Bosnia's 'Others' threaten ethnic order. Retrieved from <https://www.reuters.com/article/us-bosnia-census-idUSBRE98Q0DT20130927>

Reuters. (2019). Nationalists win in Bosnia, including Serb who opposes 'impossible... Retrieved from <https://uk.reuters.com/article/uk-bosnia-election-idUKKCN1MI1ON>

Rothschild, J. (1981). *Ethnopolitics, a conceptual framework*. Columbia University Press, New York.

Sarajevo Times. (2019). *Demands at Plenum in Sarajevo Adopted and New Plenum is Tomorrow at 17:30 – Sarajevo Times*. [online] Available at: <http://www.sarajevotimes.com/demands-plenum-sarajevo-adopted-new-plenum-tomorrow-1730/>

Schwarz, W. (1975). *The Tamils of Sri Lanka*. Minority Rights Group report ; No.25. London, London.

Taylor, A. (2019). Balkans Struck by Worst Flooding in 120 Years. Retrieved from <https://www.theatlantic.com/photo/2014/05/balkans-struck-by-worst-flooding-in-120-years/100739/>

Thebanker.com. (2019). Can EU ambitions power a harmonious future for Bosnia-Herzegovina?. Retrieved from <http://www.thebanker.com/Reports/International-Meetings/View-from-EBRD/Can-EU-ambitions-power-a-harmonious-future-for-Bosnia-Herzegovina>

A Pareto Optimal Peace: How the Dayton Peace Agreement Struck a Unique Balance

Written by Hyunso Oh

The evolution of Bosnia's protest movement: an interview with Jasmin Mujanović. (2019). Retrieved from <https://www.opendemocracy.net/en/5050/evolution-of-bosnias-protest-movement-interview-with-jasmin-m/>

The foreign policy strategy of Bosnia and Herzegovina 2018-2023. (2013). Retrieved from <http://predsjednistvobih.ba/vanj/default.aspx?id=79555&langTag=en-US>

Toè, R. (2019). Census Reveals Bosnia's Changed Demography. *Balkan Insight*. Retrieved from <https://balkaninsight.com/2016/06/30/new-demographic-picture-of-bosnia-finally-revealed-06-30-2016/>

Transparency International - Bosnia and Herzegovina. (2019). Retrieved from <https://www.transparency.org/country/BIH>

Velebit, V. (2019). What is the state of Bosnia and Herzegovina's European integration? *European Western Balkans*. Retrieved from <https://europeanwesternbalkans.com/2018/01/26/state-bosnia-herzegovinas-european-integrations/>

War-torn and impoverished, Bosnia faces rebuild once again after floods. (2019). *The Guardian*. Retrieved from <https://www.theguardian.com/world/2014/may/25/bosnia-floods-landmines-create-risk-as-waters-recede>

'We are hungry in three languages': The forgotten promise of the Bosnian Spring. (2019). *Redpepper*. Retrieved from <https://www.redpepper.org.uk/we-are-hungry-in-three-languages-the-forgotten-promise-of-the-bosnian-spring/>

Whelan, G. (1983). Prologue: Democratic Theory and the Boundary Problem. In *Nomos 25: Liberal Democracy*, edited by J.R. Pennock and J.W. Chapman, 13-47. New York: New York University Press

Woodward, S., & Brookings Institution. (1995). *Balkan tragedy : Chaos and dissolution after the Cold War*. Washington, D.C: Brookings Institution.

Živković, V. (2019). NATO perspective of Kosovo and Bosnia and Herzegovina - European Western Balkans. Retrieved from <https://europeanwesternbalkans.com/2019/02/08/nato-perspective-kosovo-bosnia-herzegovina/>

Written at: London School of Economics and Political Science (LSE)

Written for: Sumantra Bose

Date written: May 2019