

CRS Report for Congress

Islamic Terrorism and the Balkans

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Summary

In the 1990s, wars and political instability provided an opportunity for Al Qaeda and other terrorist groups to infiltrate the Balkans. However, U.S. and European peacekeeping troops, aid, and the prospect of Euro-Atlantic integration have helped to bring more stability to the region in recent years. Moreover, the September 11, 2001 attacks on the United States underscored for the countries of the region the dangers of global terrorism, and resulted in increased U.S. attention and aid to fight the terrorist threat. In part as a result, many experts currently do not view the Balkans as a key region harboring or funding terrorists, in contrast to the Middle East, South Asia, Southeast Asia, and Western Europe. However, experts note that the region may play a secondary role in terrorist plans, as a transit point for terrorists, as well as for recuperation. Moreover, they agree that the region's continuing problems continue to leave it vulnerable to terrorist groups in the future.

U.S. officials have cited the threat of terrorism in the Balkans as an important reason for the need for continued U.S. engagement in the region. In addition to the need to take steps to directly combat terrorist infrastructure in the region, U.S. officials say that U.S. efforts to bring stability to the region also help to fight terrorism. They note that political instability, weak political and law enforcement institutions and poverty provide a breeding ground for terrorist groups. U.S. objectives are also outlined in the 9/11 Commission Report and the President's National Strategy for Combating Terrorism, which calls for the United States to work with other countries to deny terrorists sponsorship, support and sanctuary, as well as working to diminish the underlying conditions that terrorists seek to exploit.

The United States has a variety of instruments to fight terrorism in the Balkans. One is the direct involvement of U.S. troops in Kosovo. The United States provides bilateral counterterrorism assistance to the countries of the region. The overall U.S. aid program to the region, aimed at bringing stability through strengthening the rule of law and promoting economic reform, also serves to combat the sometimes lawless climate in which terrorists can thrive. U.S. aid helps to develop Bosnia's export control regime, including over weapons of mass destruction and dual-use technology. The United States has encouraged regional cooperation on terrorism and international crime through the Southeast European Cooperation Initiative (SECI). In the longer term, efforts to stabilize the region, and thereby perhaps reduce its attractiveness to terrorists, are also dependent upon integrating it into Euro-Atlantic institutions. The second session of the 110th Congress may consider legislation affecting possible terrorist threats in the Balkans, including in the FY2009 foreign aid appropriations process.

For more information on terrorism, see CRS Report RL33600, *International Terrorism: Threat, Policy, and Response*, by Raphael Perl; CRS Report RL32522, *U.S. Anti-Terror Strategy and the 9/11 Commission Report*, by Raphael Perl; CRS Report RL32518, *Removing Terrorist Sanctuaries: The 9/11 Commission Recommendations and U.S. Policy*, Francis T. Miko, coordinator; and CRS Report RL33038, *Al Qaeda: Profile and Threat Assessment*, by Kenneth Katzman.

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Islamic Terrorism and the Balkans

Introduction

In the 1990s, wars and political instability provided an opportunity for Al Qaeda and other terrorist groups to infiltrate the Balkans. However, U.S. and European peacekeeping troops, aid, and the prospect of Euro-Atlantic integration have helped to bring more stability to the region in recent years. Moreover, the September 11, 2001 attacks on the United States underscored for the countries of the region the dangers of global terrorism, and resulted in increased U.S. attention and aid to fight the terrorist threat. In addition, some countries outside of the region, especially Saudi Arabia, which were formerly key sources of terrorists and terrorist financing, have cracked down on Islamic militants, which has in turn had a positive impact on the Balkans. As a result of these factors, many experts currently do not view the Balkans as a key region harboring or funding terrorists, at least when compared to the Middle East, North Africa, South Asia, Southeast Asia, and Western Europe.

Nevertheless, experts caution that the region may continue to play a role in terrorist plans, largely as a transit route for terrorists, as well as for bases for attacks in other regions, such as Western Europe. There have also been efforts to recruit people from the region into terrorist groups. Moreover, observers agree that the region's continuing problems leave it vulnerable to terrorist groups in the future. The July 2004 report of the National Commission on Terrorist Attacks Upon the United States (known as the 9/11 Commission) referred to Central and Eastern Europe as a region potentially vulnerable to terrorists, due to significant Muslim populations and weak border controls and security services.¹ This problem may increase if terrorists currently concentrated in Iraq disperse to the Balkans and other regions. Some sources, especially Serbian and Russian experts and officials, have claimed that the Balkans continue to form a more dangerous threat to the United States and neighboring Western Europe than is usually acknowledged.²

Although large numbers of indigenous Muslims live in the Balkans, due to its poverty and instability the region has not attracted large numbers of Muslim immigrants, who have been an important source of recruits for Islamic extremists in Western Europe. Moreover, opposition to terrorism has been strong among Bosniaks (Bosnian Muslims) and Albanians, the largest indigenous Muslim groups in the Balkans. These groups are generally more secular in outlook than Muslims elsewhere. Most view themselves as part of Europe and are grateful for the perceived

¹ 9/11 Commission Report, p. 366-367. For a text of the report, see [<http://www.9-11commission.gov/report/index.htm>].

² Discussions with U.S. and European officials.

U.S. role in defending them against Serbian aggression in the 1990s, and for the continuing U.S. contribution to the security of their countries.

Charges of terrorism are often used as political weapons among countries or ethnic groups to try to attract international support for their cause. For example, Serbian and Bosnian Serb politicians often make charges of Al Qaeda training camps in Bosnia and Kosovo in an effort to discredit Bosniaks and Albanians. For their part, Bosniak and Albanian leaders deny the charges and accuse the Serbs of supporting “terrorism” by harboring indicted war criminals. Some observers say that the terrorist threat is in fact much less serious than the region’s more pressing problems, such as corruption, poverty, and potential political instability. They say that the international focus on the terrorist threat may divert attention from these more relevant issues.

On the other hand, this rivalry between groups and the international focus on terrorism may have some positive aspects. It may push countries in the Balkans to cooperate zealously with the United States on terrorism issues, in hopes of securing U.S. support for their regional goals and Euro-Atlantic integration. In addition, there may be additional political support in the United States and other countries for dealing with the region’s problems if they are viewed as a potential source of terrorism.

Given these factors, perhaps of greater concern to most experts than the existence of a significant Muslim population in the Balkans is the weakness of government institutions, rampant corruption and poverty. However, despite these difficulties, the countries in the region have provided very good cooperation with the United States in the Global War on Terrorism, according to U.S. officials.³ Consistent with U.N. Security Council resolutions adopted in the post-9/11 fight against terrorism, these countries have worked with the United States and other countries to arrest or expel terrorist suspects, shut down non-governmental organizations linked with terrorism, and freeze or seize assets of persons and groups suspected of terrorist financing.

This report focuses on three countries: Bosnia and Herzegovina, Albania, and Serbia (including Serbia’s Kosovo province, which is currently under international supervision). The report deals with the role of Islamic terrorist groups such as Al Qaeda rather than indigenous nationalist groups pursuing local or regional objectives.

³ For background on counterterrorism efforts in Europe in the aftermath of 9/11, see CRS Report RL31612, *European Counterterrorist Efforts: Political Will and Diverse Responses in the First Year After September 11*, coordinated by Paul Gallis, October 11, 2002, and CRS Report RS22030, *U.S.-EU Cooperation Against Terrorism*, by Kristin Archick.

Bosnia and Herzegovina

After the breakup of Communist Yugoslavia, Bosnia and Herzegovina was torn apart by a civil war between Bosniaks (Bosnian Muslims), Serbs, and Croats from 1992 to 1995. The war resulted in the deaths of many thousands of persons and the displacement and impoverishment of large parts of the population. A desperate Bosniak-dominated Bosnian government, facing an international arms embargo and outgunned by breakaway Bosnian Serb forces, accepted the help of Iran, as well as several thousand Islamic radicals, mercenaries, and others. The 1995 Dayton Peace Accords, which ended the conflict, required all foreign forces to leave Bosnia.

Most did, but some Islamic radicals remained behind. It is estimated that about 700 to 1,000 former fighters stayed behind in Bosnia after the war and became Bosnian citizens by marrying Bosnian women. Others received citizenship through bribing Bosnian officials. Some Al Qaeda operatives in Bosnia had connections to members of Bosnia's intelligence service, another legacy of Bosniak wartime cooperation with Islamic militants. The experience of the Bosnia conflict has also had an impact on terrorist groups worldwide. Bin Laden and other Al Qaeda figures mention the Bosnian war as a place where Al Qaeda was active, and as an important militant Islamic cause. Terrorist recruiting videos often include footage of combat in Bosnia.

In addition to fighters, Bosniaks also received assistance during and after the war from Islamic charities and humanitarian organizations, many of them from Saudi Arabia. Some of these groups served as fronts for Al Qaeda, which used them for planning attacks in Bosnia and elsewhere. In the view of some observers, Saudi Arabian-built mosques at which some extremist foreign and Bosnian clerics continue to preach hatred of the United States and Western countries may enhance terrorist recruiting efforts.⁴ According to U.S. officials, the U.S. embassy in Sarajevo and U.S. military bases in Bosnia were subject to several terrorist threats after September 11, 2001.

However, Bosnian opposition to terrorism has been broad, despite the still-deep ethnic divide in the country. The United States still enjoys a strong reservoir of support in Bosnia, especially among Bosniaks, for bringing peace to the country and providing post-war aid. The largely secular and European outlook among Bosniaks has caused friction with foreign Islamic extremists. Efforts by the Islamists to recruit Bosniaks into their organizations have met with limited success.⁵ Some Bosniaks fear that terrorists will give Bosnia a bad name in Europe, thereby hindering their ability to travel there and setting back Bosnian efforts to join European institutions. On the other hand, some experts are concerned that widespread unemployment among Bosniak youth, coupled with dissatisfaction with U.S. foreign policy, could aid terrorist recruitment.

⁴ Stephen Schwartz, "The Failure of Europe in Bosnia," *The Weekly Standard*, June 20, 2005.

⁵ Discussions with U.S. officials.

The 2005 State Department terrorism report discusses an Islamist extremist organization called Active Islamic Youth, which is associated with former foreign Islamic fighters in Bosnia. It says that the group engages in outreach activities aimed at Bosnian youth and publishes materials promoting Islamic fundamentalism, religious intolerance, and anti-Western rhetoric.

In 2006, a joint U.S.-Croatian intelligence report reportedly said the terrorist groups were attempting to recruit so-called “white Muslims,” from Bosnia and other Balkan countries, whose physical appearance might arouse less suspicion in Europe than a person of Middle Eastern appearance. Bosnian officials have offered mixed assessments of this threat: some say that it is a significant concern, while others admit it as a possibility but note that they have no concrete evidence so far for widespread recruiting efforts of this kind.⁶

In addition to facing the same problems of poverty and corruption as other countries in the region, Bosnia also suffers from institutional failings that are a result of Bosnia’s recent development. The Dayton Peace Accords divided Bosnia and Herzegovina into two semi-autonomous “entities” — the largely Bosniak-Croat Federation and the mainly Bosnian Serb Republika Srpska — with a weak central government. Critics have charged that this structure has stymied Bosnia’s efforts to develop effective government institutions. The 2006 State Department Country Reports on Terrorism notes that, while Bosnia’s counterterrorism cooperation with the United States was good, the weakness of the Bosnian state “made it vulnerable to exploitation as a terrorist safe haven or as a potential staging ground for terrorist operations in Europe.”

U.S. and international efforts to strengthen the central government have been resisted by the Bosnian Serbs, who frequently charge the Bosniaks with terrorist ties. In May 2005, Bosnian Serb police chief Dragomir Andan claimed that the terrorists who carried out the March 2004 Madrid bombings had been trained at alleged Al Qaeda camps in Bosnia and Herzegovina. EU police and other officials in Bosnia said that they had seen no evidence to support such charges. Such charges have coincided with an ongoing effort by international officials in Bosnia to put the police, a key pillar of Bosnian Serb leaders’ power, under central government control in order to more effectively combat organized crime and terrorism.

Bosnia’s Counterterrorism Efforts

U.S. officials have lauded Bosnia’s efforts in the fight against terrorism. In his 2002 State of the Union Address, President Bush singled out Bosnia specifically for praise for its cooperation with the United States. In January 2002, Bosnia handed over to the United States Bensayah Belkacem, whom U.S. officials believed could be a high-ranking figure in Al Qaeda, as well as five other suspects. The suspects were originally from Algeria, although four gained Bosnian citizenship. All are currently interned at U.S. facilities in Guantanamo Bay, Cuba. The rendition of these men to the United States was sharply criticized by Bosnian legal experts as a

⁶ William J. Kole, “Terrorists Recruiting ‘White Muslims,’” Associated Press wire dispatch, April 17, 2006.

violation of the rule of law, as has their continued detention in Cuba.⁷ Bosnian prosecutors formally exonerated the men in 2004 after an investigation, and Bosnia formally requested that the four Bosnian citizens be released from U.S. custody in February 2005. The United States has so far rejected Bosnia's request.

In cooperation with U.S. investigators, Bosnian authorities have investigated Islamic charities suspected of having ties with Bin Laden. In March 2002, Bosnian police raided Bosnian offices of the Benevolence International Foundation (BIF), which is headquartered in Illinois. Police found weapons, military manuals, a fraudulent passport, photographs of Bin Laden, and other items. BIF leader Enaam Arnaout, who was charged in US courts with concealing his relationship to al-Qaida, received an 11-year sentence, albeit for fraud, not on terrorism charges.

A subsequent Bosnian raid on another group, a local branch of Saudi-based Al-Haramain Islamic Foundation, uncovered tapes calling for attacks on peacekeepers in Bosnia. Another raid, this time on the Sarajevo office of the Saudi High Commission for Relief, netted anti-Semitic and anti-American materials, as well as photos of U.S. military installations.⁸ Other Al Qaeda fronts, such as Vazir (Al-Haramain's successor organization) and the Global Relief Fund were also shut down. In 2004, the Bosnian government disrupted the operations of al-Furqan (a.k.a. Sirat Istikamet), al-Haramain and al-Masjed al-Aqsa Charity Foundation, and Taibah International, all Al Qaeda-linked organizations. Experts note that when some Al Qaeda front organizations are closed down, others often spring up to replace them. The 2005 State Department terrorism report said that the government remained vigilant against previously shut NGOs renewing their activities. Authorities continued to investigate other organizations, private companies, and individuals for links to terrorist financing. In February 2005, Bosnian state and entity-level governments agreed to form a single joint database of all NGOs and associations in Bosnia.

Bosnian officials have been charged with providing aid to terrorists. In November 2004, the Bosnian government charged fifteen former Bosnian officials with illegally helping former foreign Islamic fighters in Bosnia gain Bosnian citizenship from 1995-2000.⁹ In 2005, six former Federation officials went on trial for their role in helping to establish an alleged terrorist training camp in Bosnia with Iran's help during the mid-1990s. Iran, designated as an active supporter of terrorism by the United States, has not been viewed as closely linked with Al Qaeda, although it supports groups such as Hizbollah in Lebanon, Hamas and Palestinian Islamic Jihad in Israel's occupied territories, among other groups. However, most experts believe that Iran sharply scaled back its activities in Bosnia soon after the end of the Bosnian war in 1995.¹⁰

⁷ Daniel Williams, "Hand-Over of Terrorism Suspects to U.S. Angers Many in Bosnia," Washington Post, January 31, 2002.

⁸ Andrew Purvis, "Money Trouble," Time Magazine Europe, July 1, 2002.

⁹ Nezavisne Novine, January 28, 2005, as carried by the BBC Monitoring Service.

¹⁰ Stephen Schwartz, "Wahhabism and al-Qaeda in Bosnia-Herzegovina," Jamestown (continued...)

In 2005, the Bosnian government set up a Citizenship Review Commission to strip Bosnian citizenship from naturalized citizens who fraudulently obtained their citizenship, have no substantial ties to Bosnia at present, or obtained their citizenship because of government error or misconduct. The commission reviews the citizenship status of former Islamic fighters and withdraws citizenship, when appropriate. About 1,300 cases fell within the commission's mandate. In August 2007, Bosnian officials said that they had revoked the citizenship of 613 persons who were granted citizenship improperly.¹¹

Those persons whose citizenship has been revoked must leave Bosnia or be deported, but Bosnian authorities reportedly do not know the whereabouts of many of them, because the addresses given on their citizenship applications are often out of date. Some of them may reportedly have changed their names, gone into hiding, are residing in other countries, or have already been detained by authorities in other countries as suspected terrorists. In 2006, Bosnia deported two former Islamic fighters, including one who had returned to Bosnia in 2005 after serving time in a French prison for a terrorist bombing in the 1990s. In December 2007, Bosnia deported another former foreign fighter to Algeria. Others have been able to avoid deportation through a lengthy appeals process.

Some observers have asserted that the push to deport the remaining foreign fighters in Bosnia is due to strong U.S. pressure. In August 2007, Raffi Gregorian, a senior U.S. diplomat in Bosnia, said that there were "more than ten and less than 100" Al Qaeda supporters among the former Islamic fighters. In September 2007, a Bosnian newspaper claimed that Bosnian central government Security Minister Tarik Sadovic estimated the number of persons posing a threat to national security in Bosnia was "less than 50," not all of whom still remained in Bosnia.¹²

In October 2005, Bosnian Federation police arrested two terrorist suspects with links to terrorist networks in Western Europe and confiscated weapons and explosives. One is a Swedish citizen of Bosnian origin and the other a Turkish national living in Denmark. They were accused of planning a terrorist attack in Bosnia or elsewhere in Europe with the aim of forcing Bosnia or other countries to pull their troops out of Iran and Afghanistan. The men went on trial in July 2006. They were convicted in January 2007 and sentenced to terms of imprisonment ranging from eight to fifteen years.

In recent years, with constant international prodding, Bosnia and Herzegovina has set up central-government-level institutions that are in part aimed at helping it fight terrorism and organized crime. Bosnia has deployed a State Border Service (SBS) throughout virtually all of the country's territory. The 2005 State Department terrorism report says that the "SBS is considered one of the better border services in Southeast Europe," but notes that the SBS does not control a few illegal crossing

¹⁰ (...continued)

Terrorism Monitor, October 24, 2004.

¹¹ Radio Free Europe/Radio Liberty Newline, December 18, 2007.

¹² Reuters news agency dispatch, September 5, 2007.

points and that many official border posts are understaffed. Ministries of Defense and Security were established in 2004, and the two entity-level intelligence services were merged into a single Bosnian State Intelligence and Security Agency (OSA) state-level service. Bosnia has established the State Investigative and Protection Agency (SIPA), responsible for investigating complex crimes including terrorism, illegal trafficking, organized crime, and smuggling of weapons of mass destruction. SIPA has a financial intelligence unit (FIU), and a sub-unit of its Criminal Investigation Department is dedicated to counterterrorism and WMD. An Interministerial Counterterrorism Task Force coordinates the counterterrorism activities of these central government bodies.

In June 2004, Bosnia adopted laws aimed at strengthening state-level law enforcement capabilities. The set of laws includes legislation giving SIPA law enforcement and investigative authority for state-level crimes, including terrorism, and a law on prevention of money laundering. The Bosnian State Court and the State Prosecutor's Office also deal with terrorism cases. However, most state-level bodies, with the partial exception of the State Border Service, are not fully staffed or operational and lack funds, resources, and qualified personnel.¹³ Bosnia and Herzegovina is a party to the 12 international conventions and protocols relating to terrorism.

The 2005 State Department terrorism report noted that, although Bosnia possesses counterterrorism laws, prosecutors have had difficulty in linking illegal activities to specific terrorism charges. As a result, they have sometimes sought to convict suspects on such charges as illegal arms possession, arms smuggling, and conspiracy, which often result in lighter sentences.

Albania

As in the case of Bosnia, instability in Albania gave a foothold to Al Qaeda in the 1990s. Poor internal security, lax border controls, and high rates of crime produced an environment conducive to terrorist activity. Some foreign Islamic extremists used Albania as a safe haven and gained Albanian citizenship. Some former Albanian officials were thought to maintain links with these foreign extremists. Islamic non-governmental organizations, some of them fronts for Al Qaeda, were established in Albania after the collapse of the Communist regime in 1991. The situation worsened during civil unrest in Albania in 1997, when central authority broke down and large military weapons stocks were looted. Wars in neighboring Kosovo in 1999 and Macedonia in 2001 also had a negative impact on Albania's stability.

Terrorist threats in the middle and late 1990s caused the temporary closure of the U.S. embassy in Albania and the cancellation of planned visits to Albania by senior U.S. officials. In 1998, Albania and the United States foiled a planned attack on the U.S. embassy in Tirana, raided an Al Qaeda forgery ring, and arrested several

¹³ State Department Country Reports on Terrorism, 2004, from the State Department website, [<http://www.state.gov>].

Al Qaeda figures.¹⁴ Since the September 11, 2001 attacks, some media sources and political leaders from Serbia have alleged that ethnic Albanian “terrorists” continue to maintain links with Islamic terrorist groups such as al-Qaeda. The Albanian government denies that terrorist training camps are present on its territory. U.S. and European government experts say that Albania does not at the moment appear to harbor a serious terrorist threat.¹⁵

In 2004, Albania announced the discovery of chemical weapons stocks acquired by the Communist regime in Albania during the 1970s. Albanian officials had not known of their existence until they were discovered by accident in a bunker. Although this cache is now guarded, it had been unguarded during the disorder of the 1990s. Moreover, due to a lack of documentation by the former regime, it is uncertain if there are other unreported stocks. Experts have expressed concern that some of these potentially could have fallen into the hands of terrorists.¹⁶ In 2004, the government arrested local arms traffickers for dealing in surface-to-air missiles, which the State Department believes may have been intended for “regional extremists.”

Albania continues to cooperate closely with the United States and other governments in sharing information and investigating terrorist-related groups and activities, according to U.S. officials. Albania adopted a national action plan against terrorism in 2002. Albania has expelled suspected Islamic extremists and terrorists. Albania has also cooperated extensively to block financial and other assets of persons and groups operating in Albania with suspected links to terrorists.

In 2004, the Albanian Parliament passed a strong money-laundering law that included antiterrorist financing provisions, bringing Albania’s legislation into compliance with international standards. Since December 2004, the Albanian government has frozen the assets of four organizations (Taibah, International Revival of Islamic Heritage Society, Al Haremein, and Global Relief Foundation) and four individuals (Nabil Abdul Saydi, Patricia Rosa Vinck, Yasin Al-Kadi, and Abdul Latif Saleh), all identified by the United Nations as suspected of supporting or funding extremist groups or organizations.¹⁷

In January 2007, Albania strengthened its Criminal Code in order to bring it into line with counterterrorism legislation in EU countries. Among other provisions, the Code provides for the prosecution of those recruiting or training persons for terrorist acts, or for providing training in the creation or use of weapons for criminal purposes.

Albania has ratified all 12 UN international conventions and protocols relating to terrorism. However, the effectiveness of the government’s counterterrorist efforts are hampered by inadequate financial resources, corruption, a lack of fully trained

¹⁴ 9/11 Commission Report, p. 127 and 2005 State Department Country Reports on Terrorism.

¹⁵ Discussions with U.S. and European officials.

¹⁶ Joby Warrick, “Albania’s Bunkers of Death,” *Washington Post*, January 22, 2005, 4.

¹⁷ Albanian newspaper *Shekulli*, December 22, 2004, as carried by BBC Monitoring.

officers responsible for borders and ports, and poor communications and data processing infrastructure.¹⁸

Serbia

According to the 2002 Serbian census, Muslims make up only about 3% of Serbia's population of 7.5 million (excluding the province of Kosovo, a Serbian province that is currently under international supervision). Most are concentrated in the Sandzak region of southwestern Serbia. They are Muslims of Slavic ethnicity, often referred to as Bosniaks or simply as Muslims. In addition, ethnic Albanian Muslims are concentrated in the Presevo valley region of southeastern Serbia, bordering on Kosovo.

Islamic terrorism has not been seen as a major threat in Serbia. However, a recent incident has raised some concerns. In March 2007, Serbian police raided a training camp for Islamic extremists in a cave in Sandzak and arrested four local Muslim men. They also found weapons, explosives, military uniforms and other supplies. On April 20, 2007, Serbian police raided the hideout of Ismail Prenetic, who Serbian police said was the leader of a terrorist group. Prenetic was shot dead by police after he or an accomplice lobbed a grenade at them. In January 2008, 15 men associated with the terrorist camp went on trial in Serbia.

The 2006 State Department Country Reports on Terrorism said that Serbia has been "eager to cooperate with the United States on a wide range of issues including border security, information sharing, antiterrorism financing, and export control." In June 2005, Serbian police arrested Abdelmajid Bouchar in a train traveling from the Hungarian border to Belgrade. A policeman became suspicious in part because he claimed to be an Iraqi refugee on route to Western Europe, despite the fact that he was traveling in the opposite direction at the time. Bouchar, a Moroccan, is a key suspect in the 2004 train bombings in Madrid, Spain. Serbian authorities extradited him to Spain in August 2005. Serbian police believe that he may have been only passing through Serbia, noting that the country lies on key transportation routes between Europe and Asia, but that they could not be certain whether he had contacts with terrorist supporters in Serbia or elsewhere in the region. Despite its effective action in the Bouchar case, Serbia, like other countries in the region, suffers from serious corruption and organized crime problems, and this situation could in principle make the country vulnerable to terrorism.

Kosovo

In 1998 and 1999, ethnic Albanian guerrillas in Serbia's Kosovo province, angry at Serbian repression, fought an increasingly violent conflict with Serbian troops in the province. The United States and its NATO allies, outraged by Serb atrocities

¹⁸ State Department Country Reports on Terrorism, 2006, from the State Department website, [<http://www.state.gov/>].

against ethnic Albanian civilians and fearing that the conflict could drag in other countries and destabilize the region, engaged in a NATO bombing campaign against Serbia from March to June 1999. Yugoslav leader Slobodan Milosevic agreed to withdraw his forces from the province in June 1999, clearing the way for the deployment of U.S. and other NATO peacekeepers. Since the departure of Serbian troops from Kosovo in 1999, Kosovo has been administered by the United Nations Mission in Kosovo (UNMIK), as called for by UN Security Council Resolution 1244.

Serbian and Russian intelligence sources have repeatedly asserted the existence of a strong Al Qaeda presence in Kosovo, allegedly including training camps. However, observers have warned that caution is needed in assessing these claims, given that both countries have an interest in discrediting Kosovar Albanians, particularly their claims to independence from Serbia. There have been few reports from Western sources of terrorists operating from Kosovo. Radical Islamic organizations, some with links to terrorism, have attempted to recruit followers among Kosovo Albanian Muslims but these attempts have met with limited success. Ethnic Albanian nationalists have committed terrorist attacks on Serbian civilians in Kosovo, but there is little evidence so far that they are working with Al Qaeda or other radical Islamic groups.

Some observers have expressed concern that powerful ethnic Albanian organized criminal groups from Kosovo, Albania and Macedonia (which play key roles in organized crime in Europe and the United States) could form an alliance with terrorist groups, but so far no such links have been detected, according to U.S. officials.¹⁹

UNMIK has devolved many powers to Kosovo's Provincial Institutions of Self-Government (PISG), but the main responsibility for security lies with UNMIK and the NATO-led peacekeeping force KFOR. UNMIK's Counterterrorism Task Force has the main responsibility for counterterrorism efforts. In addition, the Kosovo Police Service (KPS) has established its own Counterterrorism Unit, with six officers.

According to U.S. officials, UNMIK has successfully prosecuted individuals for terrorism and developed new tools to combat terrorist financing. In 2004, UNMIK established a Financial Information Center to monitor suspicious financial transactions and deter money laundering and identify sources of terrorist financing. In 2005, UNMIK police froze the assets of 34 individuals and groups on suspicion of links to terrorist activity. UNMIK's Central Intelligence Unit (CIU) continues to cooperate closely with the United States and other governments in sharing information and investigating terrorist-related groups and activities. UNMIK and the KPS monitored individuals entering Kosovo at official points of entry. Since July 2005, an UNMIK regulation has required persons who are not employed by an international organization to register with the KPS' Office of Foreign Registration upon entering Kosovo.

¹⁹ Tony Lacy, "Hunt for 'Terrorism Nexus' Changes How FBI Handles Crime," USA Today, August 19, 2004, and discussions with U.S. officials.

PISG, in cooperation with UNMIK, increased monitoring of 11 foreign NGOs suspected of extremism and issued regulations restricting their activities, including the appropriation of one mosque. It also required each NGO to submit documentation that explains its projects and shows its bank accounts. The Kosovo Islamic Community (KIC) evaluated foreign NGOs and prohibited them from using public facilities for gatherings if their views were found to be extremist.

Kosovo's counterterrorism efforts are hampered by porous boundary lines easily crossed by individuals trafficking in people or goods. An insufficient number of KPS border officials limited the ability to monitor wide expanses of mountainous terrain between crossing points. Corruption among border and customs officials is also a problem. KFOR patrols Kosovo's border, but many smuggling routes exist that would allow potential terrorists to evade detection. Terrorism investigations are hindered by witness intimidation and weak witness protection laws.²⁰

In August 2007, seven inmates broke out of a prison in western Kosovo with the help of prison guards. One of the men was Ramadan Shiti, a convicted terrorist from Syria. Several of the men have been recaptured, but Shiti remains at large.

In early 2008, the United States and most EU countries may recognize Kosovo's independence. Under a plan for supervised independence, UNMIK may be succeeded by the International Civilian Representative (ICR) that will lack UNMIK's direct administrative control. However, the ICR would have the power to void any decisions or laws of the Kosovo government that are inconsistent with the plan, as well as the power to remove Kosovo government officials who act in a way that is inconsistent with the settlement. The ICR's mandate would last until an international steering group determines that Kosovo has implemented the settlement. The first review of settlement implementation would take place after two years.

Under the plan, a mission under the EU's European Security and Defense Policy (ESDP) would monitor and advise the Kosovo government on all issues related to the rule of law, specifically the police, courts, customs officials, and prisons. It would also have the ability to assume "limited executive powers" to ensure that these institutions work properly. KFOR will likely retain control of overall security for Kosovo for a considerable time after a status settlement, but could be eventually replaced by an EU force. The United States and its allies may have to ensure that Kosovo's counterterrorism efforts remain strong as the country acquires greater control over its security as an independent state.

U.S. Policy

U.S. officials have cited the threat of terrorism in the Balkans as an important reason for the need for continued U.S. engagement in the region. In addition to the need to combat terrorist infrastructure in the region, U.S. officials say that U.S. efforts to bring stability to the region also help to fight terrorism. They note that

²⁰ State Department Country Reports on Terrorism, 2006, from the State Department website, [<http://www.state.gov/>].

political instability, weak political and law enforcement institutions and poverty provide a breeding ground for terrorist groups. These objectives are also outlined in the President's National Strategy for Combating Terrorism, which calls for the United States to work with other countries to deny terrorists sponsorship, support and sanctuary, as well as to work to diminish the underlying conditions that terrorists seek to exploit.

The United States has a variety of instruments to fight terrorism in the Balkans. One is the direct involvement of U.S. troops. NATO-led peacekeeping forces in Bosnia and Kosovo (dubbed SFOR and KFOR respectively) have provided important resources for anti-terrorist efforts in the region. NATO troops and intelligence services work with their local counterparts and independently to track down and arrest suspected terrorists. The powerful influence exercised by international officials in Bosnia and Kosovo gives the United States more freedom to arrest and deport terrorists than in many European countries, which might object on civil liberties or other grounds.

SFOR withdrew from Bosnia in late 2004, and was replaced by an EU-led force. The changeover resulted in the departure almost all of the U.S. troops in Bosnia. The European Union-led successor force to SFOR has counterterrorism as part of its mandate. In Kosovo, KFOR has 16,000 troops, including about 1,600 U.S. troops, which are expected to remain in Kosovo after the province's status is resolved. KFOR may eventually be replaced by an EU-led force, although U.S. and European officials stress that KFOR will remain in Kosovo for some time after status is determined. The reduction of direct international control over Kosovo will require the United States and other countries to establish close links with Kosovo government structures. The United States and its allies have made the creation of effective mechanism for fighting organized crime and terrorism one of its objectives in Kosovo.

The overall U.S. aid program to the region, aimed at bringing stability to the region through strengthening the rule of law and promoting economic reform, also serves to combat the sometimes lawless climate in the region in which terrorists can thrive. For FY2008, the President requested \$32.95 million for Bosnia, \$20 million for Albania, \$53.25 million for Serbia, and \$151.65 million for Kosovo. The relatively large sum for Kosovo for FY2008, and an additional \$279 million for Kosovo in an FY2007 supplemental funding request, is owing to a U.S. desire to support Kosovo quickly after its political status is determined.

In Bosnia, part of the U.S. aid supports technical assistance, training and equipment to build the capacities of the police forces in both entities, the State Border Service, the State Information and Protection Agency, the High Judicial Prosecutorial Council and other organizations. One project, co-funded with the EU, was the donation of an integrated data network for Bosnia's police forces.²¹ U.S. aid also helps to develop Bosnia's export control regime, including over weapons of mass destruction and dual-use technology. U.S. aid to Albania also includes assistance to strengthen Albania's border controls, port security, and law enforcement

²¹ HINA Croatian news agency press dispatch, April 13, 2005.

agencies, and cut off terrorist financing. Aid to Kosovo includes funds to strengthen the Kosovo Police Service (KPS) and Kosovo's judiciary.

The United States views the region, with its reputation as a crossroads for various forms of smuggling, as an important participant in the Proliferation Security Initiative, which aims to work to interdict WMD-related items. The United States has encouraged regional cooperation on terrorism and international crime through the Southeast European Cooperation Initiative (SECI). SECI's Regional Center to Combat Transborder Crime, based in Romania, attempts to build cooperation to combat organized crime and various forms of trafficking, enhance border security, and improve training for border security personnel.

U.S. assistance also includes bilateral aid to the countries of the region to fight terrorism. The Antiterrorism Assistance (ATA) program provides equipment and training to fight terrorism, with an emphasis on training the trainers. ATA programs provide advice to countries on counterterrorism and police administration and management, how to teach counterterrorism in police academies, and modern interrogation and investigative techniques. The Administration requested \$650,000 in ATA assistance for Bosnia for FY2008.

In the longer term, efforts to stabilize the region and thereby perhaps reduce its attractiveness to terrorists, are also dependent upon integrating it into Euro-Atlantic institutions. The prospect of Euro-Atlantic integration for the region is encouraging these countries to take steps that will enable them to more effectively fight terrorism. The European Union has stated its goal of incorporating all of the countries of the region into the EU, although this prospect seems a long way off, with the possible exception of Croatia.

All of the countries of the region are seeking or may one day seek NATO membership as well. Three NATO candidate states — Albania, Croatia, and Macedonia — are linked in the U.S.-brokered "Adriatic Charter," which is aimed at improving their qualifications for NATO membership. The Adriatic Charter countries have contributed troops to peacekeeping efforts in Afghanistan. In addition, Albania and Macedonia have contributed soldiers to U.S.-led operations in Iraq. One or all of the Adriatic Charter countries may be invited to join NATO at the alliance's April 2008 summit. Most observers believe that Croatia's qualifications for membership are stronger than those of the other two countries.

Bosnia and Herzegovina lacks the prospect of NATO membership until it unifies its police forces, implements key political reforms, and cooperates with the International Criminal Tribunal for the former Yugoslavia. Nevertheless, it has deployed a small military contingent to Iraq and joined NATO's Partnership for Peace program in December 2006. Kosovo's undetermined status excludes it from even potential EU and NATO membership, at least until its independence is recognized.

Congressional Response

Congress has dealt with the issue of Islamic terrorism in the Balkans through hearings and legislation on global counterterrorism issues, providing funding and

oversight for programs aimed at combating terrorism worldwide, mainly in regions such as the Middle East and South Asia where the threat is deemed to be the greatest, but also in other regions, such as the Balkans. In addition, Congress has appropriated foreign aid for the Balkans aimed at enhancing stability and improving the rule of law in the region, objectives that also bolster counterterrorism efforts.

Since the deployment of U.S. forces to Bosnia in 1995, in annual appropriations bills Congress has authorized to President to withhold aid to Bosnia if he certifies that the Bosnian Federation (the Bosniak-Croat entity within Bosnia and Herzegovina) is not complying with provisions of the Dayton Peace Accords that require the withdrawal of foreign forces from Bosnia or if Bosnian intelligence cooperation with state sponsors of terrorism or terrorist organizations has not ceased. The Administration has not withheld U.S. aid to Bosnia on the basis of these provisions.

Conclusion

The United States and its allies have been able to reduce the terrorist threat from the Balkans over the past decade for several reasons, some of which may be applicable to other regions and others not. The U.S. insistence that all foreign forces leave Bosnia in 1995, backed up by Congressional aid conditions, may have reduced the possible threat to U.S. forces in Bosnia in the immediate post-war period as well as removed a serious threat to Bosnian stabilization efforts. U.S. military interventions in Bosnia and Kosovo were perceived by Muslims in the region to be undertaken to benefit them, thereby bolstering pro-American sentiment. Most elites in the region, both Muslim and otherwise, view the region's future as integration in Euro-Atlantic institutions, making them especially eager to help the United States fight terrorism in the region.

However, observers note that complacency would be unwise. Conditions could emerge that could increase the terrorist threat in the future. The stability of the region is fragile and law enforcement and other public institutions are still weak. Some terrorists now fighting in Iraq may decide to redeploy to other regions, including the Balkans, in the future. Conversely, future recruits from the Balkans could also go to Iraq to join the insurgency. Terrorists could obtain weapons and explosives from the region's thriving black market in such items for use in attacks in Western Europe or other regions.