

Testimony by Deputy Assistant Secretary Gabriel Escobar
Senate Foreign Relations Subcommittee on Europe and Regional Security Cooperation
Hearing on Western Balkans: Supporting Peace and Prosperity
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Chairwoman Shaheen, Ranking Member Johnson, distinguished Members of the Subcommittee, thank you for inviting me to discuss engagement in the Western Balkans. A Europe free, whole, prosperous, and at peace remains in the United States' vital interest and at the core of our policy. The Western Balkans is central to this vision, although its potential remains unfulfilled. The Biden Administration recognizes this challenge and remains committed to this region, which is historically, politically, culturally, and geographically an indivisible part of Europe. Our longstanding diplomatic engagement supports the Western Balkans' full integration into Euro-Atlantic structures. A stronger Balkans, integrated in a stronger Europe, makes a stronger Transatlantic Partnership.

To these ends, the United States continues to deepen our longstanding partnerships in the region. In the past few months alone, we: celebrated 140 years of diplomatic relations with Serbia and held our first bilateral defense consultations in five years; announced a forward-based special operations forces headquarters in Albania; welcomed Croatia into the visa waiver program to expand bilateral travel and commerce; and relied heavily on our partners in Kosovo, Albania, and North Macedonia in an hour of need to temporarily host thousands of Afghan evacuees.

We also continue to build America's economic ties to the region. In the past year, we launched the inaugural U.S.-Montenegro economic dialogue, bolstered European energy security through projects in Albania and Croatia, and celebrated significant investments by U.S. firms in Serbia. Our partners in the Western Balkans are set on integrating more closely with the EU single market, and we continue to support them. Regional initiatives such as the EU Common Regional Market, Open Balkan, and Green Agenda show that deeper economic integration and cooperation are indispensable for sustainable growth and EU membership. There are vast opportunities for U.S. businesses, and we continue to encourage countries to strengthen rule of law, fight corruption, and increase transparency to expand investment opportunities. The necessary reforms will increase prosperity, prioritize sustainable investments and clean energy, and stem brain drain. They will also reduce politically driven investment from outside actors and build the foundations for good neighborly relations and stable governance.

Indicators of progress toward EU integration of the Western Balkans include deeper regional cooperation and growing democratic and economic development. In some countries of the region, we have seen earnest efforts to strengthen democratic institutions and counter corruption. This is not the case in all countries of the Western Balkans, and there have been setbacks. In Bosnia and Herzegovina, the ongoing political crisis and endemic corruption hurts its citizens, and jeopardizes regional stability, its Euro-Atlantic trajectory, and the progress achieved since the Dayton Peace Accords. We continue to make clear to all leaders that de-escalation of rhetoric and the resolution of differences through established constitutional processes are the only viable paths to a democratic, European future. Along with our European partners, we are vigorously engaged with local actors to find ways forward and advance along the path from Dayton to Brussels, including through step-by-step reforms that will benefit all citizens.

The need for dialogue, compromise, and reform applies across the region. We strongly back the EU-facilitated Dialogue to normalize relations between Kosovo and Serbia. The Dialogue is the forum in which both sides, as equals, must work to resolve their differences and find a comprehensive agreement, which both countries need for their European futures. We believe this effort should be centered on mutual recognition.

The United States continues to work with our EU partners to advance EU integration for all countries in the region and to reinforce that the reforms that are part of the accession process bring their own benefits. At the same time, we stress to our EU partners the importance of keeping Europe's doors open, as this is the most important incentive generating political will for critical but sometimes-difficult reforms. North Macedonia and Albania have made significant reforms and sacrifices, and both countries deserve to advance in the accession process. Forward momentum would be important proof for the entire region that difficult compromises enable a better future.

Conversely, our warning to actors in the region who engage in corrupt, destabilizing, or anti-democratic behavior is clear: there will be consequences. In December, we utilized Global Magnitsky authorities against an organized criminal group operating in the region. In January, the Treasury Department designated Milorad Dodik for his corrupt and destabilizing behavior and a television station under his control using the new Western Balkans sanctions authority. The State Department also imposed visa restrictions under our Section 7031(c) authorities against corrupt officials in Bosnia and Herzegovina. The United States will continue to use all available tools to hold accountable those who block the region's progress for their own financial or political gain.

Regional progress is also threatened by the harmful foreign political and economic influences of Russia and China. Russia weaponizes its energy supply to coerce politicians, foster corruption, and stunt growth potential. It also fans ethno-nationalism that divides and distracts from a brighter future. The People's Republic of China (PRC) is expanding its presence by building critical infrastructure through opaque and predatory loans and "investments." Promoting transparent governance, human rights, and a rules-based international order will remain the core tenet of our engagement against these destabilizing activities in the Western Balkans.

In closing, for the past three decades, the Western Balkans have been the focus of sustained U.S. engagement, investment, and bipartisan support. The results are clear: the countries of the former Yugoslavia now include four NATO Allies and two EU member states. Among the countries of the Western Balkans, four are NATO allies and all either share the strategic goal of deeper Western integration as EU aspirants or are EU members. Our job is not over. Continued leadership from the United States, including here in the Senate, remains essential to completing the transformation of the Western Balkans into stronger allies, Transatlantic partners and contributors to global peace and prosperity. We continue to stress the need for a fully confirmed Slate of Ambassadors in the Western Balkans, most notably our nominee to Serbia, who is still awaiting confirmation by the full Senate. I will continue to work with Congress on this effort and welcome your questions.