Serbia and Montenegro and Their New Union

The two old Balkan states of Serbia and Montenegro decided in March 2002 to bring the idea of a Yugoslav federation to an end (FR Yugoslavia, which lasted from 1992 to 2002), and to redesign their relations by creating a looser confederation. The new state union was given the simple name of Serbia and Montenegro. After a decade of tragic wars in former Yugoslavia, this period was the first time in the Balkans that an issue of status was resolved relatively peacefully, through normal negotiations between the political elites of two countries.

When in 1991 the former Socialist Federal Republic of Yugoslavia (SFRY) collapsed, and the age of war and conflict over its territory began, Montenegro was the only one of all the Yugoslav republics that decided not to opt for state independence, but to remain within the joint state union with Serbia. The dilemma that Montenegro found itself facing at the end of the existence of the Yugoslav state was the same one that had caused problems at the very beginning of the state’s existence, seventy-three years earlier, when the Kingdom of Yugoslavia was created from the ashes of the First World War. At the end of the war in 1918, although Montenegro had remained on the side of the Ally forces since the very beginning of the war, the nation’s status as a state was cancelled, with the consent of Britain and France, and annexed by its war ally, Serbia. This converted Montenegro, after long centuries of existence as an independent state, into part of the new unitary Yugoslav state with no symbols of its own identity.

The dilemma – independent state or part of a unified (pan) Serbian state – has since then become an ongoing problem in Montenegrin history. With every great new historical development, and disregarding other issues that at times have dominated contemporary events, this problem has repeatedly been brought to the surface of Montenegrin issues, with the need to be reconsidered and eventually redefined. The situation was so when, in the context of the Second World War, the victory of Tito’s anti-fascist and liberation movement signified the restoration of the Montenegrin state, at least in the form of a communist quasi-federation. After the loss of its title during the period between the two wars, Montenegro constitutionally became completely equal with the other five republics in Tito’s federal Yugoslavia. This was also the case when events brought the historical turning point of the break-up of Tito’s Yugoslavia at the beginning of the 1990s, and the “eternal” Montenegrin dilemma was again opened. As in all historical moments of change, the Montenegrin political elite had to make up their minds whether they were going to follow the (pan) Serbian nationalist movement led by Slobodan Milosevic, or, like other Yugoslav republics, they were going to strive for state independence. The political leadership, which in the wave of Milosevic’s populist movement took over the rule of Montenegro in 1989, decided, not without consideration and vacillation, to remain within the existing two-member federation with Serbia and within the regime dominated by Milosevic, an orientation that was supported by the major part of the population.

1 The annexation was carried out after the Montenegrin supporters of unconditional unification, helped by Serbian forces in Montenegrin territory, organised the dethroning of the last Montenegrin king Nikola I Petrović-Njegoš, who was in exile after surrendering to Austrian troops in 1916. The act concerning the dethroning was adopted by the illegitimate organisation the Great Popular Assembly, which met at the end of November 1918 in Podgorica, and which on this occasion made the decision to unite Montenegro to the Kingdom of Serbia and then to integrate it in the newly formed state of Yugoslavia.

2 Centuries-old Montenegrin independence can be observed in the fact that it preserved its freedom through constant fighting with the Turks, while all other territories in the Balkans were under the rule of the Ottoman Empire. The international recognition of Montenegro took place in 1878 at the Berlin Congress, when it was recognised as the twenty-seventh independent state in the world at that time. Serbia was also recognised as an independent state at the Berlin Congress.

3 In the referendum organised on this issue on 1st March 1992, when the war in former Yugoslavia had already started, sixty-two percent of the population turned up at the referendum to support the idea of a continued alliance with Serbia, while the supporters of the pro-independence opposition boycotted the voting.
only that Montenegro remain within Mi-
losevic’s new Yugoslavia (FRY), but al-
so, as a result of cooperation with its
war policy, that it be included under
the regime of UN sanctions, together
with Serbia, immediately after the for-
mation of the state union. Several years
later, one part of this same political
elite was to turn against Milosevic’s
policy, which gradually, but inevita-
ibly, was to outline the way toward inde-
pendence. Finally, after Milosevic’s fall
on 5th October 2000, two democratic
governments in Belgrade and Podgo-
rica, along with the active support of
EU officials, opted for an at least tem-
porary solution to this issue, in the cre-
ation of a non-typical state union.
Thus the Montenegrin statehood issue
during the twentieth century has been
swinging like a pendulum first in one
direction and then in the other, from
the dissolving of the state in 1918 to
its restoration within the communist fed-
eration in 1945, and from the repeated
submission to Serbian nationalism in
the era of the collapse of former Yu-
goslavia between 1990 and 1992 to
the factual state independence in the
loose (con)federation with Serbia, es-
established in the Belgrade Agreement.
With the fall of Milosevic, the threat to
Montenegrin security was removed.
However, the regularity with which the
«eternal» statehood issue keeps return-
ing to the forefront of the scene in all-
turning situations, has yet again proved
itself inescapable. During Milosevic’s
regime, on way in which Montenegro
defended itself was by the continual
increase of its powers of sovereignty,
converting the situation function by
function from a federal to a republic.
One of the measures with the most
far-reaching effects was the cancella-
tion of the Yugoslav dinar in November
1999 and the introduction of German
mark as the official currency in Monte-
negro, which implicitly included the
transfer to the Euro at the beginning of
2002. Montenegro also adopted the
tax system, as well as the regime of for-
ereign trade, and, besides the formally
common army and civil air control, little
has remained within a federal capacity.
The rise to power of democratic author-
ity in Belgrade did not mean that these
issues were going to disappear from
the agenda. The statehood issue was
not a mere conjunctural issue for Mon-
tenegro, connected with defence from
Milosevic’s regime. It is true that the
regime did help the pro-independence
option to gain a certain advantage in
only a few years during the period from
1999 to 2001, in a turn-around from the
predominantly federal orientation of pub-
lic opinion in the middle of the 1990s.
However, the essential and the struc-
tural question – whether a Montenegro
that is seventeen times smaller than
Serbia is really capable of being an
equal power in a two-member federation
– represents a problem which has
not been resolved along with the disap-
pearance of Milosevic, and which has
neither been solved automatically by
the two democratic governments in
Belgrade and Podgorica.
After Milosevic was toppled from pow-
er, the Montenegrin government tried
to solve this problem by offering its
consent to the dissolution of the FR
Yugoslavia according to the Czecho-
slovakian model, with the difference that
the two new independent and interna-
tionally recognised states of Monte-
negro and Serbia would sign a docu-
ment of an association which would
semble, in the capacities included,
the Commonwealth of Independent
States (CIS) that was formed after the
collapse of the Soviet Union, or even
the organisation of the EU. The pro-
posal of association was received with
certain surprise and disapproval by the
main partners and protectors of Mon-
tenegro from the Milosevic period –
the USA and the EU, and even in Bel-
grade, to where it was directed, it has
not received the expected support. Fol-
lowing the failure of this proposal,
Montenegro started to be seen as some-
thing of a problem causer, rather than
the formerly recognised ally in the
region, particularly by the EU, and to a
certain extent even by the USA, who
did not want a change in the status
quo that had been created after the
NATO intervention and adoption of the
UN Resolution 1244, with which inter-
national protectorate was factually es-
established in Kosovo. In this context,
potential Montenegrin independence
was in the eyes of the leading Western
countries seen as a new and unfore-
seen problem, which should be pre-
vented if possible. Thus, the already
mentioned weighty initiative of the EU
was fabricated for the re-organisation
of relations between Montenegro and
Serbia, starting from completely new
foundations, but so that the new union
entailed one international subjectivity.
After certain pressure on Montenegro,
which was demonstrated in different
forms, the EU managed to come up
with the signing of the Belgrade Agree-
ment on the new Union of Serbia and
Montenegro as a union of two semi-
independent states.
The new State Union represents an
unusual arrangement that is difficult to
define. It does not constitute a federa-
tion, because in the joint parliament
there are no representatives of the citi-
zens, only of the two member-states. A
kind of Union government – the six-
member Council of Ministers – has
been composed, based on the principle
of parity, so that it includes three rep-
resentatives from each of the member-
states, and in which one of the Monte-
negrin representatives is currently
President of the Union. This «govern-
ment authority» does not possess any
real power or control in the territory of
Serbia and Montenegro, as the power
and control is in the hands of each of
the two member-states, and the gov-
ernments of either of the two republics
have far greater political strength than
the Union «government». International
representation is the primary function
of the Council of Ministers, as one of
the EU’s requirements was a single
«international address» for Serbia and
Montenegro, as well as the promotion
of certain coordinative functions be-
tween the two member-states of the
Union. That Serbia and Montenegro
do not represent a federation can also
clearly be seen in the fact that the two
member-states possess parallel cur-
currencies – the dinar in Serbia, and the
Euro in Montenegro. The only unified
body in the territory of the Union is the
army, which has been continuously
going through reforms and subordina-
tion to civil control over the past years,
in order to get rid of the negative herit-
age left by Milosevic.
The loose Union of Serbia and Monte-
negro possesses another interesting
feature. In the constitutive document
of the Union, the Constitutional Charter,
there is an integral provision on its
potential temporary duration. Namely,
that either or both of the member-states
will be able to summon its citizens to
a referendum on state independence three years after the establishment of the Union. Technically speaking, there are three realistic scenarios in this regard. A) the two member-states will decide to continue the agreement on the Union, whether based on their own assessments or once again under EU influence; B) the two member-states will agree upon peaceful disintegration (as occurred in the Czech Republic and Slovakia), and will at the same time keep relations at the highest possible level through bilateral arrangements; or C) the two member-states will not reach an agreement on peaceful disintegration, and a referendum on state independence will thus be organised in one of them.

For the time being it is still difficult to tell which one of the three possible scenarios will be the most likely to develop. However, some current facts are quite relevant. Montenegro is ruled by a coalition government that strives for state independence, and opinion polls show that the pro-independence option is still predominant in the country. On the other hand, in the Serbian public opinion there is also a growing determination for state independence. The Union is not simply a functional state, and this is reflected in the public opinion of both member-states. Its efficiency cannot be reached with new centralisation, because the much smaller Montenegro is simply unable to accept such a concept, and the larger Serbia is not likely to accept in the long-term a Union in which it cannot dominate constitutionally.

If the aforementioned trend in public opinion is retained in the coming two years, the politically elite groups of Serbia and Montenegro will simply have to admit the reality and proceed with the idea of state independence. However, even if the disintegration takes place, it is already certain that it would be the first non-violent disintegration in the Balkans. In any case, the two states are foreseen to retain excellent relations and close cooperation in many areas, as well as a common orientation toward association, and in the long run, membership to the EU.