Negative: Balkans Ex-Im Bank Lending

By “Coach Vance” Trefethen

The AFF case increases US Export-Import Bank lending to Balkan countries to counter China's geopolitical influence in the region. [Note: "Bosnia & Herzegovina" is the name of one single country]

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Negative: Balkans Ex-Im Bank Lending

INHERENCY

1. European Union

EU has started new policies to counter China & Russia in the Balkans

Vladimir Shopov 2022 (Visiting Fellow, European Council on Foreign Relations) 16 Mar 2022 "Southern discomfort: The West’s competition with China in the Balkans" (accessed 26 Jan 2023) https://ecfr.eu/article/southern-discomfort-the-wests-competition-with-china-in-the-balkans/

Elements of a more coherent Western response are emerging. The aforementioned EU economic and investment [plan](https://ec.europa.eu/neighbourhood-enlargement/system/files/2021-10/wb_economic_and_investment_plan.pdf) for the Western Balkans has the potential to mature into a new, targeted developmental framework. And the adoption of the strategically-minded EU Global Gateway [initiative](https://ec.europa.eu/commission/presscorner/detail/en/ip_21_6433) is a notable sign of the shift in political thinking about infrastructure and its importance in the new geopolitical normal. At the national level, the new German government has [affirmed](https://ecfr.eu/article/germanys-new-government-promising-signs-for-western-balkans-eu-integration/) its commitment to the region, adopting a wider geopolitical perspective. France, meanwhile – as holder of the presidency of the Council of the European Union – is taking a similar [approach](https://presidence-francaise.consilium.europa.eu/en/news/french-president-emmanuel-macron-press-conference-speech/). Moreover, there is an emerging [constituency](https://www.europarl.europa.eu/news/en/agenda/briefing/2021-12-13/17/western-balkans-meps-to-urge-cooperation-in-the-fight-against-organised-crime) of members of the European Parliament who are committed to greater action to counter China’s and Russia’s actions in the Western Balkans.

2. Biden Administration initiatives

Pres. Biden has increased US engagement with the Balkans to gain strategic influence

Vladimir Shopov 2022 (Visiting Fellow, European Council on Foreign Relations) 16 Mar 2022 "Southern discomfort: The West’s competition with China in the Balkans" (accessed 26 Jan 2023) https://ecfr.eu/article/southern-discomfort-the-wests-competition-with-china-in-the-balkans/

Further afield, the Biden administration has increased US engagement with the region, both by building on previous policies (the ‘Clean Network’ [initiative](https://2017-2021.state.gov/the-clean-network/index.html) in critical infrastructure) and by expanding into new territory with the adoption of [sanctions](https://europeanwesternbalkans.com/2021/06/14/new-biden-executive-order-to-serve-as-a-deterrent-for-western-balkan-political-actors/) aimed at individuals destabilising the region. The G7’s creation of the ‘Build Back Better World [Partnership](https://www.whitehouse.gov/briefing-room/statements-releases/2021/06/12/fact-sheet-president-biden-and-g7-leaders-launch-build-back-better-world-b3w-partnership/)’, with decisive US input, indicates a deeper shift in strategic thinking about regional influence.

HARMS / SIGNIFICANCE

1. The Balkans have no significant impact on the U.S.

Instead of the AFF Plan to "improve" the Balkans, we should be debating why the Balkans matter to US economic or national security. Because they don’t.

Dr. Gordon N. Bardos 2021. (PhD; assistant director of the Harriman Institute at Columbia Univ) 12 June 2021 "Washington’s Fundamentally Flawed Approach to the Balkans" (accessed 26 Jan 2023) https://nationalinterest.org/feature/washington%E2%80%99s-fundamentally-flawed-approach-balkans-187403

How and why Washington has consistently supported some of the most reprehensible figures in the Balkans is a complicated story. But it is in no small measure a consequence of the fact that the United States has never had a serious debate about why, if at all, the Balkans are important for the United States. From a realist perspective, the region should be of little interest to the United States. None of the countries in southeastern Europe have nuclear weapons; none are a military threat to the United States; none of these countries have oil, and waves of Balkan refugees are not going to come streaming over U.S. borders. The region is irrelevant to the U.S. economy; in 2020, U.S. trade with all of the Western Balkans (Albania, Bosnia and Herzegovina, Croatia, Kosovo, Montenegro, Northern Macedonia, Serbia) was less than one-tenth of 1 percent of total U.S. foreign trade.

"All that US intervention in the 1990s" - And they still couldn't find any US national interests before it started or after it was done

Dr. Gordon N. Bardos 2021. (PhD; assistant director of the Harriman Institute at Columbia Univ) 12 June 2021 "Washington’s Fundamentally Flawed Approach to the Balkans" (accessed 26 Jan 2023) https://nationalinterest.org/feature/washington%E2%80%99s-fundamentally-flawed-approach-balkans-187403

Moreover, throughout the 1990s it was clear that U.S. policy towards the Balkans was driven less by the actual facts on the ground in the region than by higher-level geopolitical chess games, and the concern about how U.S. Balkan policy could affect American interests in other parts of the world—or, for that matter, Bill Clinton’s re-election chances in 1996. For instance, a policy options paper produced by the National Security Council in 1995 listed “core U.S. interests” in southeastern Europe as “maintaining our strategic relationship with key Allies,” “protecting the credibility of NATO,” “avoiding a conflict with Russia,” “preventing spillover,” and “ensuring that the use of force to change borders and acts of genocide do not become legitimate forms of behavior in post—Cold War Europe.” As the Balkans scholar Steven Burg has noted, “None of these core interests concerned Bosnia or even the post-Yugoslav region itself.” Remarkably, even after a decade of intensive U.S. involvement in southeastern Europe, by the end of the 1990s U.S. policymakers still did not seem to have any better idea of what vital U.S. national interests had been served by the interventions in Bosnia and Kosovo.

Nobody in any official capacity or study thinks the Balkans have any impact on US security or foreign policy

Dr. Gordon N. Bardos 2021. (PhD; assistant director of the Harriman Institute at Columbia Univ) 12 June 2021 "Washington’s Fundamentally Flawed Approach to the Balkans" (accessed 26 Jan 2023) https://nationalinterest.org/feature/washington%E2%80%99s-fundamentally-flawed-approach-balkans-187403

Since the 1990s, the Balkans have rarely featured in U.S. foreign policy discussions. For instance, the January 2019 Worldwide Threat Assessment of the U.S. Intelligence Community managed only two generic sentences on the [Western Balkans](https://nationalinterest.org/feature/what-will-joe-biden-presidency-mean-balkans-174276) over the course of forty-two pages. More recently, the Interim National Security Strategic Guidance paper released by the Biden administration in March 2021 similarly failed to make a single mention of the Balkans or any of the countries therein. Even [President Joe Biden](https://nationalinterest.org/blog/reboot/joe-biden-will-he-go-down-history-slayer-covid-10-186684), often touted as the U.S. official with the most personal experience on Balkan issues did not mention the region in his 2020 Foreign Affairs essay outlining his vision for a post-Trump foreign policy.

2. In general: No significant "Chinese influence"

(May 2022) Study finds no evidence of Central & Eastern Europe (CEE) countries foreign policies moving toward China

Richard Turcsanyi, Kamil Liskutin & Michal Mochtak 2022 (Turcsanyi - Department of Territorial Studies, Mendel University in Brno, Czech Republic. Liskutin - Department of Territorial Studies, Mendel University in Brno, Czech Republic. Mochtak - Institute of Political Science, University of Luxembourg) 20 May 2022 " Diffusion of Influence? Detecting China’s Footprint in Foreign Policies of Other Countries" CHINESE POLITICAL SCIENCE REVIEW (accessed 26 Jan 2023) https://link.springer.com/article/10.1007/s41111-022-00217-5

This paper has adopted an innovative approach to study the influence of great powers on the foreign policies of other countries by consulting quantitative longitudinal data from the UN General Assembly voting and speech records and visualizing them using the latest advancements in natural language processing (NLP). In the case study, we tested the potential impacts of China’s influence on CEE countries’ foreign policies. We have found no evidence that the CEE countries are, as a group, pivoting towards China and away from Germany and the U.S., as some popular media discussion might suggest. When it comes to voting, the CEE countries have registered a high level of consistency throughout the previous three decades.

Balkan countries are turning against China

Vladimir Shopov 2022 (Visiting Fellow, European Council on Foreign Relations) 16 Mar 2022 "Southern discomfort: The West’s competition with China in the Balkans" (accessed 26 Jan 2023) https://ecfr.eu/article/southern-discomfort-the-wests-competition-with-china-in-the-balkans/

Meanwhile, there is growing popular discontent with China-related projects. For example, civil society organisations organised in February 2022 a blockade to protest against the [construction](https://rs.n1info.com/english/news/ngo-announces-blockade-of-chinese-linglong-tire-factory-in-serbia/) of a tyre factory in Serbia; Bosnian coal miners staged in December 2021 a strike in objection to labour and environmental [standards](https://www.rferl.org/a/bosnia-coal-miners-strike-agreement/31589108.html) at a Tuzla-based facility; and non-governmental organisations have long raised concerns about the environmental impact of a highway [construction](https://chinaobservers.eu/wp-content/uploads/2021/11/CHOICE_policy-paper_Environmental-Impact_A4_07_web.pdf) project in Montenegro. Furthermore, Beijing has traditionally felt most at ease when dealing with de facto autocratic regimes (such as Serbia’s under President Aleksandar Vucic and Montenegro’s during the rule of President Milo Djukanovic) and entrenched governments (North Macedonia’s under the VMRO). But, over the last few years, China has had to deal with power transitions in both North Macedonia and Montenegro. New governments in the former country have [tilted](https://sgp.fas.org/crs/row/R45739.pdf) their foreign policy more firmly towards the West, while – as mentioned above – Podgorica has relied on Western banks to [contain](https://www.rferl.org/a/montenegro-china-billion-debt-highway/31203309.html) the potentially dramatic consequences of defaulting on its huge Chinese debt.

Central & East European countries are not moving closer to China

Richard Turcsanyi, Kamil Liskutin & Michal Mochtak 2022 (Turcsanyi - Department of Territorial Studies, Mendel University in Brno, Czech Republic. Liskutin - Department of Territorial Studies, Mendel University in Brno, Czech Republic. Mochtak - Institute of Political Science, University of Luxembourg) 20 May 2022 " Diffusion of Influence? Detecting China’s Footprint in Foreign Policies of Other Countries" CHINESE POLITICAL SCIENCE REVIEW (accessed 26 Jan 2023) https://link.springer.com/article/10.1007/s41111-022-00217-5

The studies of syntax and semantic rhetoric similarity of the UN speeches also do not support the hypothesis that the CEE region is moving closer towards China at the expense of Germany and the U.S. The differences between all the countries under consideration—CEE as well as the U.S., Germany, and China—have been small, pointing towards similar formal language used in the UN. Overall, we can suggest that the CEE countries do not adopt Chinese narratives.

Countries in the Turcsany, Liskutin & Mochtak study (yes, it includes the Balkans)

Richard Turcsanyi, Kamil Liskutin & Michal Mochtak 2022 (Turcsanyi - Dept of Territorial Studies, Mendel Univ., Czech Republic. Liskutin - Dept of Territorial Studies, Mendel Univ. Czech Republic. Mochtak - Institute of Political Science, Univ. of Luxembourg) 20 May 2022 "Diffusion of Influence? Detecting China’s Footprint in Foreign Policies of Other Countries" CHINESE POLITICAL SCIENCE REVIEW (accessed 26 Jan 2023) https://link.springer.com/article/10.1007/s41111-022-00217-5/figures/4

**[These are the headers on the chart published with this article, showing the countries that were included in the study. Full chart is below. Albania, Bosnia & Herzegovina, Bulgaria, Croatia, Czechia (formerly Czechoslovakia), Estonia, Hungary, Latvia, Lithuania, Montenegro, North Macedonia, Poland, Romania, Serbia (previously Yugoslavia) Slovakia, Slovenia]**



3. No impact in North Macedonia

Chinese efforts to influence North Macedonia over the last decade have produced little result

Ana Krstinovska 2022 (Program Manager in the Center for Research and Policy Making in Skopje. She holds a Master in European Political and Administrative Studies from the College of Europe (Bruges, Belgium), a Master in Conference Interpretation from Sts. Cyril and Methodius University (Skopje, R. Macedonia) and a Specialization in Chinese Language and Culture from Beijing Foreign Studies University) 30 Aug 2022 "Chinese Influence in North Macedonia" (accessed 25 Jan 2023) https://cepa.org/comprehensive-reports/chinese-influence-in-north-macedonia/ (brackets added)

In the past decade, China has used agreements easing access to the Chinese market, visits by Chinese business delegations, promises by Chinese and Macedonian officials, and joint B2B [business to business] events to create the impression that closer cooperation between the two countries would lead to increased exports to China, investments by Chinese companies, and more Chinese tourists in North Macedonia. So far, though, there have been no commercial investments, the trade deficit has climbed, and diplomacy has been brazenly transactional, with China calling for scrapping visas as a precondition to hosting more Chinese tourists.

4. No impact in Croatia

Minimal influence and nothing controversial going on with China in Croatia

Senada Selo Sabic 2022 (Senior Research Associate at the Institute for Development and International Relations in Zagreb, Croatia) 12 Aug 2022 " Chinese Influence in Croatia" (accessed 26 Jan 2023) https://cepa.org/comprehensive-reports/chinese-influence-in-croatia/

Formal institutional cooperation between Croatian and Chinese media organizations is minimal.   The Croatian News Agency (Hrvatska izvještajna novinska agencija, or HINA) exchanges news with the Xinhua agency.   Media stories on Chinese projects are positive or neutral, strictly relating facts. Analytical pieces on China’s activities or general presence in Croatia are rare, and the public seems to have little interest in these topics. Chinese commercial advertising, with the exception of Huawei, is also minimal.  
**END QUOTE. THEY GO ON LATER IN THE CONTEXT TO CONCLUDE QUOTE:**  
Overall, the Chinese presence in Croatia does not seem to be controversial. Cooperation has focused on economic relations, taking into account the significant power asymmetry between the two countries. As a member of the EU, however, Croatia must align its foreign policy with the European foreign and security policy. If European and broader Western relations with China continue to strain, this dynamic will be also reflected in Croatia’s position toward China.

5. No impact in Albania

Albania doesn't accept Chinese financing and its current projects have no strategic importance

Ana Krstinovska 2022 (Program Manager in the Center for Research and Policy Making in Skopje. She holds a Master in European Political and Administrative Studies from the College of Europe (Bruges, Belgium), a Master in Conference Interpretation from Sts. Cyril and Methodius University (Skopje, R. Macedonia) and a Specialization in Chinese Language and Culture from Beijing Foreign Studies University) Feb 2022 CHINA’S AID IN THE WESTERN BALKANS: SUPPORTING DEVELOPMENT, UNDERMINING GOOD GOVERNANCE (accessed 26 Jan 2023) https://chinaobservers.eu/wp-content/uploads/2022/02/CHOICE\_policy-paper\_balkan\_web\_07-1.pdf

For the Albanian authorities, the Chinese loan-based model of infrastructure project implementation is not acceptable because it undermines EU rules and leads to rising public debt. Further clouded by the Sino-American tensions, Albania’s cooperation with China remains limited to minor projects without strategic importance.

6. No impact in Bosnia & Herzegovina

In Bosnia & Herzegovina, China is all promises and photo ops, but nothing happens

Ana Krstinovska 2022 (Program Manager in the Center for Research and Policy Making in Skopje. She holds a Master in European Political and Administrative Studies from the College of Europe (Bruges, Belgium), a Master in Conference Interpretation from Sts. Cyril and Methodius University (Skopje, R. Macedonia) and a Specialization in Chinese Language and Culture from Beijing Foreign Studies University) Feb 2022 CHINA’S AID IN THE WESTERN BALKANS: SUPPORTING DEVELOPMENT, UNDERMINING GOOD GOVERNANCE (accessed 26 Jan 2023) https://chinaobservers.eu/wp-content/uploads/2022/02/CHOICE\_policy-paper\_balkan\_web\_07-1.pdf

In Bosnia and Herzegovina, China does not have the reputation of a donor in the traditional (Western) definition, but rather that of an opportunity – deserved or not. It is considered a 'deep pocket', a potential source of capital, investments, and jobs. The political elites do not consider the bilateral cooperation to be a threat, but an opportunity to fill in gaps and a partnership without conditionality, unlike those with the West. This view is more widespread in Republika Srpska whose leadership has aspired to follow Belgrade’s example in pushing for ties with Beijing. It is further reinforced by the numerous projects which have been discussed or announced, creating an impression of a very intensive bilateral cooperation. However, not many projects have moved beyond pledges and photo ops. There are at least 13 large infrastructure projects which have been stalled before being contracted, without any likelihood of future implementation (hydropower plants, coal plants, windmills, railway, and a highway).

7. No impact in Serbia

US already has far more influence in Serbia than China

Majda Ruge 2023 (Senior Policy Fellow, European Council on Foreign Relations) 26 Jan 2023 "How to kill four birds with one stone: The West’s foreign policy challenge in Serbia" (accessed 26 Jan 2023) https://ecfr.eu/article/how-to-kill-four-birds-with-one-stone-the-wests-foreign-policy-challenge-in-serbia/

Neither the EU nor the US lacks leverage in Serbia. Indeed, as the charts below show, Serbia is predominantly integrated into Western economic structures, conducting most of its trade with the EU, and receiving considerable foreign direct investment from the bloc. And while China has grown in importance, its contribution to Serbia’s economy is insignificant compared to cumulative investment and trade from the EU.

If there's a problem in Serbia, it's that we're not using the leverage we already have

Majda Ruge 2023 (Senior Policy Fellow, European Council on Foreign Relations) 26 Jan 2023 "How to kill four birds with one stone: The West’s foreign policy challenge in Serbia" (accessed 26 Jan 2023) https://ecfr.eu/article/how-to-kill-four-birds-with-one-stone-the-wests-foreign-policy-challenge-in-serbia/ (brackets added)

If Brussels and Washington are taking note of all this, it is not apparent. Belgrade’s refusal to align with EU sanctions has so far brought no serious consequences for its relationship with either the EU or the US. The public rhetoric of [EU](https://twitter.com/N1info/status/1616480899863908352) and [American](https://twitter.com/CounselorDOS/status/1613662442873044993) officials towards Serbia continues to assume that Serbia is a reliable partner and factor of regional stability, whatever harsher words may be spoken behind closed doors. In short, [Serb President] Vucic’s confidence that he can continue on his current course stems from the West’s consistent failure to develop and exercise the potential leverage it has.

SOLVENCY

1. Can't solve for Serbia

Influence of Russia & China in Serbia won't be solved until we increase rule of law and defeat criminal networks

Majda Ruge 2023 (Senior Policy Fellow, European Council on Foreign Relations) 26 Jan 2023 "How to kill four birds with one stone: The West’s foreign policy challenge in Serbia" (accessed 26 Jan 2023) https://ecfr.eu/article/how-to-kill-four-birds-with-one-stone-the-wests-foreign-policy-challenge-in-serbia/ (brackets added)

Western policymakers should study these cases carefully before contemplating constitutional models in northern Kosovo such as the Association of Serb Municipalities. They should also be aware that, for Russia and China, untransparent and unaccountable governance models provide ideal environments in which to operate. This issue should therefore be one of the first areas for action for Western policymakers: resolving Serbia’s and the region’s rule of law problems would make operating there harder for Russia and China and weaken ethno-criminal networks of influence across the Western Balkans. All this could be part of a new EU and US approach to the region, if the key Western powers were indeed keen to adopt a longer-term framework for action and invest greater political capital. Yet, for the time being, Western Balkans strongmen and wider associated networks will remain at liberty to manufacture instability in the region – part and parcel of their methods for holding on to power and remaining popular without being accountable.

2. Conflict of interest

Ex-Im Bank is the wrong vehicle for competing with China: Ex-Im subsidizes and promotes Chinese economic interests

Washington Examiner 2021 (Washington Examiner brings the in breaking news and analysis on politics.) December 3, 2021  “Workers can’t afford Biden’s pro-China Ex-Im Bank nominee” <https://www.washingtonexaminer.com/restoring-america/patriotism-unity/workers-cant-afford-bidens-pro-china-ex-im-bank-nominee> (accessed 28 June 2022)

Unfortunately, the Ex-Im Bank has been subsidizing China’s largest state-run firms for decades, including the Industrial and Commercial Bank of China, the very entity whose mission is to establish China’s commercial dominance worldwide. Lewis, Biden’s nominee to be the next president and chairwoman of the Ex-Im Bank, appears ready to continue the bank’s pro-China policies as if nothing in the world changed. A member of then-presidential candidate Hillary Clinton’s National Finance Committee, Lewis was later appointed to be a special representative under Secretary of State Clinton, assigned to develop subnational government relations between Chinese and U.S. state and local governments. While serving in the State Department, Lewis told the U.S.-China Governors Forum that she believed “closer engagement at the subnational level will build strategic trust and create new opportunities for our companies and workers.” Since leaving the State Department, Lewis does not appear to have changed her views, signing on to become a “strategic adviser” for the United States Heartland China Association, an organization created for “building stronger ties” with China.

3. Already tried & failed

US Ex-Im Bank already has a global anti-China funding policy… and it doesn’t work

Dr. Veronique de Rugy 2022  (Senior Research Fellow at the Mercatus Center at George Mason Univ and a nationally syndicated columnist. MA in economics from Paris Dauphine Univ. and her PhD in economics from the Panthéon-Sorbonne Univ. ) January 21, 2022 “The U.S. Export-Import Bank Is a Cesspool of Crony Capitalism. Biden Wants To Expand It.” <https://reason.com/2022/01/21/the-u-s-export-import-bank-is-a-cesspool-of-crony-capitalism-biden-wants-to-expand-it/> (accessed 28 June 2022)

Then there's Ex-Im's "Program on China and Transformational Exports," which Congress inserted into the 2019 reauthorization to spur strategic investments designed to counter China's global economic influence. Last year, the program delivered only $141 million—a tiny fraction of the $27 billion target that Ex-Im is supposed to hit by the end of 2026.

DISADVANTAGES

1. Fraud & corruption

Ex-Im Bank has major problems with fraud and significant risk to taxpayers

Michael Lambert 2019  (policy analyst at Americans for Prosperity, Master's Degree in Political Management from George Washington Univ.) November 12, 2019 “It's Time to Let the Crony Export-Import Bank Die” <https://www.realclearmarkets.com/articles/2019/11/12/its_time_to_let_the_crony_export-import_bank_die_103974.html> (accessed 3 July 2022)

“And if all that isn’t enough, there are serious questions about how Ex-Im has been managed.  A General Accountability Office study found that, between 2014 and 2016, $1.7 billion was awarded to 32 companies that may have been delinquent on their federal debts – a violation of federal law.  Another GAO report found the bank has no framework to deter fraud and needs substantial fraud risk management reform.  As a consequence, the bank poses significant risk of loss to taxpayers.”

Balkan countries are unstable and corrupt

International Crisis Group 2022. (independent research & advocacy organisation providing independent analysis and advice on how to prevent, resolve or better manage deadly conflict ) 7 July 2022 "Managing the Risks of Instability in the Western Balkans" (accessed 26 Jan 2023) https://www.crisisgroup.org/europe-central-asia/balkans/managing-risks-instability-western-balkans

The Dayton peace accord that has held Bosnia and Herzegovina together is unravelling. Efforts to resolve Kosovo’s dispute with Serbia over its independence are frozen. Montenegro has seen violent unrest. North Macedonia is a bright spot, but it has yet to begin accession negotiations with the European Union. Neither has Albania. Bad governance, sluggish economies, corruption and European ambivalence have stalled the EU process.

US allies in the Balkans are corrupt

Dr. Gordon N. Bardos 2021. (PhD; assistant director of the Harriman Institute at Columbia Univ) 12 June 2021 "Washington’s Fundamentally Flawed Approach to the Balkans" (accessed 26 Jan 2023) https://nationalinterest.org/feature/washington%E2%80%99s-fundamentally-flawed-approach-balkans-187403

If credit should be given where credit is due, then one thing has to be admitted—when it comes to choosing Balkan clients, Washington sure knows how to pick them. Consider the track record over the past three decades. In Montenegro, Washington’s longtime favorite, Milo Djukanovic, who has been president or prime minister of the country for some thirty years, was named “2015 Person of the Year in Organized Crime and Corruption” by an international anti-corruption watchdog organization, beating out the likes of Vladimir Putin and Ilhan Aliyev for the title. In Kosovo, another Washington darling for the past twenty-five years, Hashim Thaci, was indicted last year for war crimes and crimes against humanity, as well as being widely suspected of involvement in drug trafficking and the white slave trade. A witness in his ongoing trial was recently found dead outside of Pristina. The kicker, however, has to go to one of our “allies” in Bosnia and Herzegovina. In February 1996, NATO troops raided an Iranian-run terrorist training camp in central Bosnia where they found blueprints for NATO bases in the country, plans to assassinate political opponents and instructions on how to make booby-trapped children’s toys. Today, the commander of the group arrested at the terror camp, Sefik Dzaferovic, is a member of Bosnia’s presidency.

2. Taxpayer ripoff

Dilemma: Ex-Im either funds investments too risky for the private sector (which shouldn't be made), or investments the private sector would have done anyway (so it's not needed)

Senator Pat Toomey 2019 (R-Pennsylvania; serves on the Senate's Banking, Budget, and Finance committees)  May 7, 2019 “ICYMI: Toomey Opposes Confirming Quorum to Ex-Im Bank Board” <https://www.toomey.senate.gov/?p=op_ed&id=2405> (accessed 3 July 2022)

First of all, it's been a series of risky bets for taxpayers. The Ex-Im has sometimes claimed that it only takes risks that private lenders are unable or unwilling to take. We should stop right there and ask ourselves if private lenders are unwilling, or unable, to take a risk -- why should taxpayers be forced to take that risk? Yet at the same time the Ex-Im Bank also claims it only makes safe bets. Well, it's impossible to do both Madam President. The bank can't take only those transactions so risky that no one else will do it, and at the same time to be doing only safe transactions. It's pretty obvious. Fact is, Ex-Im Bank wins business by systematically underpricing the risk. That's why borrowers go to the Ex-Im Bank, instead of any number of private lenders that won't offer deals on the same terms as the Ex-Im Bank, because they've got shareholders the answer to. Ex-Im Bank, not so much.

3. Foreign policy distraction

Every day and dollar we spend trying to improve the Balkans distracts us from more important and immediate foreign policy problems

Dr. Gordon N. Bardos 2021. (PhD; assistant director of the Harriman Institute at Columbia Univ) 12 June 2021 "Washington’s Fundamentally Flawed Approach to the Balkans" (accessed 26 Jan 2023) https://nationalinterest.org/feature/washington%E2%80%99s-fundamentally-flawed-approach-balkans-187403?page=0%2C1

At the root of these failures is a fundamental flaw in Washington’s approach to the Balkans. On the one hand, irresponsible politicians and diplomats want to indulge the maximalist political agendas of their favorite clients in the region. On the other hand, however, given the region’s relative unimportance to genuine U.S. interests, Washington can never justify expending the diplomatic, economic, military or political capital in the region needed to fulfill these agendas, especially not in a world in which there are more important and immediate problems affecting real U.S. interests.

4. Economic damage and lost jobs

Ex-Im Bank lending lowers total economic output by subsidizing inefficient business activity

Dr. Robert Beekman and Dr. Brian T. Kench 2015 (Beekman - associate professor and chair of the economics department in the Sykes College of Business at Univ of Tampa. PhD in international trade and environmental economics from Univ of South Carolina.. Kench - PhD in economics. His works have been published in the Eastern Economic Journal, Journal of Economics and Economic Education Research.) August 2015 “Basic Economics of the Export-Import Bank of the United States,” (page 14) <https://www.mercatus.org/system/files/Beekman-Ex-Im-Bank-Economics.pdf> (accessed 3 July 2022)

Many producer groups are proponents of the Ex-Im Bank because it protects some domestic jobs. Many of these protected jobs may indeed be eliminated without the bank’s subsidies because these goods and services would be produced outside the country at a lower cost. However, the concept of comparative advantage reminds us that even if a country is better at producing everything (that is, it has an absolute advantage), each country is still better off trading. That is, free and open trade creates jobs at the same time that it destroys jobs, and it leads to better and lower-priced goods. Upon removal of a special privilege to one business or industry, other jobs may be created within other, more efficient businesses or industries. The reallocation of resources to more efficient uses can be a painful process, especially in the short run. But the Ex-Im Bank’s subsidies lower total economic efficiency because they retain workers in less-efficient industries—a so-called allocative inefficiency that adds to the deadweight loss demonstrated previously. The overall level of domestic job creation is diminished, not enhanced, as a result of Ex-Im Bank interventions.