The nation-state of Yugoslavia was a creature of the Treaty of Versailles. Carved out of the former Austria-Hungarian Empire and Ottoman (Turkish) Empire, it consisted of numerous often hostile Balkan ethnicities with differing religions, languages, and even written script. The place where the spark that led to World War I was ignited, Balkan wars were in fact occurring just prior to that larger conflict.

Held together by the will and personality of a World War II resistance hero, Marshal Tito, who ruled under a communist-style dictatorship, the governmental mechanism he established to hold the country together after his death began to dissolve shortly after the implosion of the Soviet Empire in 1989-90. First Slovenia, then Croatia, and finally Bosnia broke off and declared their independence from the former union that had been dominated by Serbia (the Yugoslav Capital was Belgrade, also the capital city of Serbia; Serbians had dominated the officer-corp of the Yugoslav Army).

Pushed by the recognition by Germany of these three new nation-states, first the European community, then the United States and other nations, and finally the United Nations recognized them, and the latter admitted them to membership, as did other public international organizations.

Ethnic Serbs living in both Serbia and in pockets of Croatia and Bosnia desired the creation of a "Greater Serbia." Aided by the invasions and supplies of the Serbian Army first into Croatia and then into Bosnia, the Serbian
population of the those two new nation-states continued hostilities against these new states and their governments after the Serbian Army retreated to its home territory. In Croatia, rebel Serb forces gained control of 30 percent of the territory—all bordering on either Serbia or Bosnia—before the civil conflict died down. The conflict in Bosnia continues, with the Bosnian Serbs presently controlling 70 percent of that new nation, and government forces, consisting largely but not completely of ethnic Moslems, control the rest.

All of this conflict has been accompanied by massive incidents of Genocide (called "ethnic-cleansing"), political rape, torture, internment, population expulsion and other dislocations of the civilian populations. Although all three ethnic groups have perpetrated these acts, the overwhelming amount of them have been by the rebel Serbian forces. In fact, they have been virtually unresponsive (some claim contemptuous) towards a string of United Nations Security Council and General Assembly Resolutions, even to the point of killing, wounding, and taking hostage many of the approximately 24,000 UN (Blue-Helmet) "peacekeeping" forces who are, as best they can, providing food, medical assistance and other forms of humanitarian aid to the regions millions of inhabitants.

In mid-November, 1994, following the first successful limited offensive by Bosnian government forces, the Bosnian Serbs not only regained the recently lost territory, but continued their offensive into the government enclave around the City of Bihac, a United Nations designated "safe area" in northwestern Bosnia that had a common boundary with an area of Croatia held by the Croatian Serbs. After some unsuccessful NATO air strikes authorized by the UN Security Council, the Croatian Serbs joined their Bosnian "brothers" and completely occupied the Bihac region, killing, raping and expelling the largely Moslem population. They keep as
additional hostages against future NATO air strikes the 1,500 lightly armed U.N. Blue Helmet troops from Bangladesh.

After the fall of the Bihac enclave, the last government stronghold in northwest Bosnia, the combined Serbian rebel leaders proclaim the independent nation-state of North Serbia with the Bosnia Serb leader as President and the Croatian Serb leader as Vice-President. The "legislative" bodies of the two rebel regions along with their captured lands and their populations, (all now "ethnically cleansed" and consisting solely of Serbs) join to constitute their claimed nation-state, with its capital in Pale, the city outside the Bosnian capital of Sarajevo that had been the Bosnian-Serb military headquarters.

North Serbia is swiftly recognized as a state by Serbia, Russia, Cuba, Lybia, Viet Nam, Iraq, Sudan, the Palestine Liberation Organization, and the Basque and Kurd "national movements." The United Nations General Assembly and Security Council both pass resolutions (with Russia abstaining in the security Council) condemning the proclamation of statehood and the continued hostage-keeping of its Blue Helmet forces. NATO, the European community and the Organization of American States pass similar resolutions, as do the legislative bodies of many of their member states, including both houses of the United States Congress.

Shortly after all of the above events, Bill Clinton, President of the United States, issues an Executive Order proclaiming that the United States will never recognize this alleged entity; prohibiting any contact by administration officials with any of its representatives; and prohibiting travel to its territory by any U.S. citizen.

Although Serbian Americans live in all parts of the United States, the great preponderance of this population is centered in the general area of Pittsburgh, Pennsylvania.
Very politically active on both the state and local level, at the present time, the Governor and a large faction of the state legislature are of Serbian extraction. After intense "political deal-making," the Pennsylvania legislature promulgates a bill funding a "special trading relationship" between the private industrial and other business activities located in Pennsylvania and their counterparts in Northern Serbia. The Governor swiftly implements the provisions of this bill establishing a state trading office in Pale, the North Serbian capital, a key to the effectuation of the remainder of the legislation. Shortly thereafter, the United States Attorney brings an action in Federal court requesting an injunction against the Governor seeking to nullify the legislation. In response, the Pennsylvania Attorney General claims that the implementation by the North Serbian government (in cooperation with Pennsylvania) establishing the Pale office was an Act of State. He further claims that the Federal courts cannot pass upon the merits of an Act of State, and that, therefore, the request for the injunction should be denied, and the case dismissed.

What issues do the above facts present? How will they probably be resolved? why will they be resolved in that manner?