

Kosovo between Stagnation and Transformation

Six years after its controversial declaration of independence, Kosovo still remains a focal point in the peacebuilding efforts of the EU, NATO, and Switzerland. Following first steps towards rapprochement with Serbia in the past year, Kosovo faces further decisive steps. The presence of international organizations is also to be reduced – which also affects Switzerland’s activities on the ground.

By Matthias Bieri

The signing of a first agreement on the normalization of relations between Belgrade and Pristina by Serbian Prime Minister Ivica Dačić and his Kosovar counterpart Hashim Thaçi on 19 April 2013 in Brussels marked a historical event. Five years after Kosovo’s declaration of independence, it was evidence that the adversaries are able to reach a compromise.

However, one year later, a real normalization of relations is still a distant prospect. The fundamental question about the nature of relations between Kosovo and Serbia under international law remains unanswered. The year 2014 sees parliamentary elections in Kosovo, Serbia, and the EU. The outcomes of these elections will affect the further negotiations. Only after the elections will the core issues between Pristina and Belgrade be re-tabled. In Kosovo, a renewal of the political landscape appears to be in the offing. At the same time, the EU rule-of-law mission EULEX and NATO’s Kosovo Force (KFOR) will most likely be adapted and scaled down. Switzerland has deputized individual experts to EULEX, while it has contributed a contingent of troops (“Swisscoy”) to KFOR since 1999. While KFOR has been carrying out its mission largely without a hitch and ensured a safe environment, EULEX has



Mitrovica in northern Kosovo: Kosovo Serb municipalities north of the River Ibar are only slowly integrating into Kosovo’s state structures. *Hazir Reka / Reuters*

been criticized from several sides since its creation in 2008.

However, the EU will continue to play an important role in Kosovo. The prospect of EU membership was a decisive incentive for the willingness of both Kosovars and Serbs to compromise in spring of 2013. Aside from the usual criteria for aspiring EU members, the EU requires both gov-

ernments to engage in a continuous normalization of relations. Already in October 2013, negotiations were begun over a stabilization and association agreement with Kosovo. In January 2014, accession negotiations with Serbia were initiated.

The Brussels Agreement, concluded under the auspices of the EU’s mediation, lays out a future path for northern Kosovo that is



largely inhabited by Kosovo Serbs. While Belgrade lost control over the majority of Kosovo after the Kosovo War in 1999, the north with its approximately 50'000 inhabitants remained a de-facto part of Serbian structures. As a party to the Brussels Agreement, Serbia implicitly accepted the legal authority of the Kosovar government, while Kosovo conversely agreed to the creation of a "community of Serbian municipalities in Kosovo" that will also include Serbian enclaves in the southern and eastern parts of the country. The degree of autonomy to be enjoyed by this association has not yet been determined and will remain controversial. Today, there are about 120'000 Kosovar Serbs among the 1.8 million residents of Kosovo. While the implementation of the agreement has been making headway in recent months, a comprehensive solution is unlikely to be achieved anytime soon.

Tensions in Kosovo

Convergence with the EU was not a cause for euphoria among the population of Kosovo in April 2013. On the one hand, criticism was soon heard regarding the concessions that had been made. On the other, the agreement has so far failed to ameliorate the difficult living circumstances of the population. The country continues to struggle with great economic and structural problems: Unemployment is rife (see illustration p. 3), and the informal economy is flourishing. Gross domestic product per capita is about one-tenth of the EU average. The main source of state revenue are

import duties: tariffs account for 56 per cent of the state budget. Moreover, the economy is dependent on remittances from Kosovars living abroad. Foreign investment remains at a modest level, for a number of reasons: Corruption and clientelism as well as an underdeveloped infrastructure and dysfunctional institutions make for an unfavorable investment climate. Although the judicial system in Kosovo is well developed, there are shortcomings when it comes to applying legislation and the independence of the judiciary. Organized crime, too, continues to use Kosovo as a base of operations. Also, well-connected elites close to the government enjoy visibly increasing wealth. For all of these reasons, discontent is on the rise among the population, and social unrest is looming.

In addition to social and economic issues, however, the dependency of the country is also a problem. In 2012, 25 states (including Switzerland) decided that the provisions of the peace plan developed by UN envoy Martti Ahtisaari had been sufficiently implemented, and ended their supervision of Kosovo's independence, which had been ongoing since 2008. However, this act was mainly symbolic in nature to the extent that the international presence in Kosovo was not significantly affected. Most of the country's institutions continue to be supported and monitored by international organizations.

In the matter of recognition for Kosovo's statehood, too, progress is sluggish. While 106 countries, including Switzerland, have recognized the country's independence, Serbia as well as the permanent UN Security Council members China and Russia have not. Even some EU members, namely Spain, Romania, Slovakia, Greece, and Cyprus refuse to recognize Kosovo, largely due to concerns about their own breakaway minorities. The non-recognizing countries refer to UN Security Council Resolution 1244 (1999), which leaves the status of Kosovo unresolved and which also forms the basis for the KFOR and EULEX mandates. Specifically, the presence of KFOR is seen by the non-recognizing states as confirmation of the entity's unresolved status. Due to this lack of agreement on its status, Kosovo is unable to gain a seat in many international organizations. Furthermore, the open status issue, taken together with the continuing international presence, is an impediment for growth of Kosovar self-confidence. This has contributed signifi-

cantly to the resurgence of calls for a Greater Albanian state.

Kosovo's North and the Kosovo Serbs

Northern Kosovo is a constant political flashpoint. As a result of the Brussels Agreement, however, Serbia has dissolved some of its parallel institutions in the north. The Serb police was integrated into the structures of the Kosovo Police with surprising ease. It is planned that the judiciary system will soon also function under the auspices of the Kosovo authorities. Other institutions, for instance in the health or educational sectors, are to be placed under the authority of the community of Serbian municipalities. The Serbs of northern Kosovo continue to reject integration into the state's structures. They fear a loss of identity and have no economic or social incentives for integration. In the past, attachment to Serbia ensured higher salaries for state employees, better social services, and free exchange of goods with Serbia. The state of Kosovo, on the other hand, stands for a worse economy, weak institutions, and heteronomy. Nevertheless, annexation with Serbia is out of the question in the wake of the Brussels Agreement.

Integration of the northern part into the state of Kosovo will require a lot of time. Among the Serbs living there, acceptance can only be achieved through a guarantee of economic security, cultural independence, and a certain degree of political autonomy. Pristina must gain trust in order to make these changes. However, that seems to be an impossible task under the current constellation. The Kosovar government includes former fighters of the Kosovo Lib-

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eration Army (UÇK), who are not an acceptable negotiating partner for the Serbs of northern Kosovo.

However, there is also irritation in northern Kosovo as to the behavior of the Serbian government. The concessions made under the Brussels Agreement are in contravention of the statements made by Serbian politicians that northern Kosovo would never be surrendered. There is also confusion in the population because the inhabitants of northern Kosovo were not a party to the Brussels negotiations. It re-

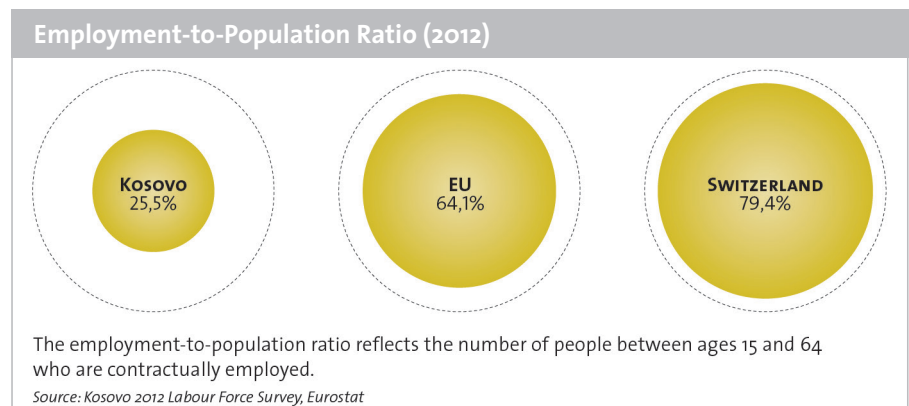
mains unclear for the time being what tangible outcomes these decisions will have.

Another consequence of the uncertain situation in the north is the continuing volatility of the security situation. It is here that KFOR sees the greatest security risks. In the environs of Mitrovica, criminal organizations continue to pursue a lively business of smuggling and are interested in keeping the situation in the north unstable. Tensions persist between the various ethnic groups; however, in the northern part as in Kosovo as a whole, inter-ethnic violence is not a problem at the moment. On the other hand, political violence against people and symbols representing integration into the state of Kosovo are a major problem. Recent examples include the January 2014 murder of a politician or the storming of polling stations in autumn of 2013. Repeated attempts at intimidation of political opponents have also had the intended effect. It has become difficult to find candidates willing to stand for public office.

Unlike the communities in the north, the Kosovo Serbs living in the south had good reason due to their enclave situation to adapt to the Kosovo state structures. Their institutional integration succeeded relatively well. Kosovo Albanian critics of the Brussels Agreement now fear that the creation of the community of Serbian municipalities in Kosovo may jeopardize this integration. This view was vindicated by the fact that the local elections were mainly won by forces supported by Belgrade, who advocate far-reaching autonomy for the community and convergence with Serbia. In the enclaves, Belgrade's influence has increased. Thus, in addition to the existing cultural and social segregation of the population groups, there is also a threat of political division in the country.

Motives in Belgrade and Pristina

There was initially little confidence that the Serbian government that came into office in 2012 would be amenable to compromise. A number of cabinet members had belonged to the ultra-nationalist camp during the era of Slobodan Milošević. However, once in power, the government opted for a rigid EU course. A decisive factor in this context was the economic malaise in Serbia. The early elections on 16 March 2014 did not endanger this course for the time being. Nevertheless, a mutually agreeable solution for Kosovo is unlikely for now. Government representatives have



repeatedly emphasized that recognition of Kosovo by Serbia is unacceptable. In the future, too, Serbia will demand a high price for any concessions. The goal is to secure the greatest possible degree of access to the Serbs of Kosovo. In the negotiations, recognition is an ace card that will not be played too early. However, it seems unlikely at this point that Serbia can accede to the EU without extending recognition to Kosovo. Then again, if the accession process should reach an impasse for other reasons, Belgrade will feel no necessity to recognize Kosovo in the future either.

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It is thus probable that Kosovo will remain in a status limbo for some years more. For the time being, convergence with the EU is the priority for Pristina. The next goal in negotiations with Brussels will be lifting the visa requirement for the Schengen area. This would make for a noticeable improvement that would lift the spirits of the population. However, this would require Kosovo to meet a series of conditions. Moreover, several EU countries will want guarantees that lifting the visa requirement would not lead to an increase of unwarranted asylum requests from Kosovo.

A change of government would most likely not affect the pro-EU course, as the country is simply too dependent on the EU. Like Serbia, Kosovo will be pressured continuously by the EU to achieve reforms and progress in conflict resolution. However, should the governments achieve no progress towards the EU over the longer term,

their policies will be questioned. Without the prospect of accession, the willingness to compromise will once more dwindle.

Elections as an Insecurity Factor

Economic stagnation in Kosovo has led to a loss of trust in the leading political forces. In many of the local elections in autumn 2013, the incumbents lost their seats. A similar trend is likely at the upcoming parliamentary election. At the moment, the opposition parties believe their prospects are good. Originally, the election had been scheduled for autumn 2014. However, since the government lost its parliamentary majority in autumn 2013, an earlier date seems possible. Prime Minister Thaçi is presumably not running for another term.

Should a new government come into power, this might on the one hand create an opportunity for improving relations with the Serbian minority. On the other hand, a new government might also try to raise its profile by adopting a more hardline stance towards Serbia and questioning the Brussels Agreement. Therefore, détente is not a certain outcome.

Also, public attention will once more be directed towards northern Kosovo, where elections for the Kosovar parliament are being held for the first time. A return of violent disturbances and election boycotts, as seen at the local election, cannot be excluded. Furthermore, the election will be an indicator as to whether acceptance of integration has increased in northern Kosovo.

Brussels in Kosovo

Despite successful mediation, the EU has a credibility problem in Kosovo. It is accused of prioritizing political continuity and a dialog with Serbia over the interests of the population. Brussels, it is alleged, tolerates

misbehavior and power abuses by the elites and has relied too heavily on institutional reform rather than growing the economy.

EULEX, the EU's biggest civilian mission, fosters the emergence of functioning institutions in Kosovo. Among its tasks are monitoring, mentoring, and advising for the Kosovar authorities. It also has executive functions regarding war crimes, organized crime, and corruption. Since its creation, it has been criticized as inefficient and overdesigned. However, a closer look reveals that many problems were also due to conditions on the ground. The mission has already undergone several adaptations and has gained effectiveness in recent months. Nevertheless, the criticism from the Kosovar side persists. Among the chief complaints are that EULEX domineers the Kosovar authorities and undermines independence.

The mission's mandate expires at the end of June 2014 and is scheduled to be extended by agreement between Brussels and Pristina. Observers believe that the mission will be scaled down, not least due to financial considerations. Not only will the personnel numbers be downsized, but the executive responsibilities are expected to be transferred to the authorities of Kosovo. It remains to be seen whether the latter will be able subsequently to conduct independent investigations in the areas mentioned above. Therefore, longer-term provisions for the accountability of the judiciary are all the more important.

EULEX will be in the headlines not only because of the upcoming extension of its mandate. In 2014, the final report of the EULEX special investigative task force on organ harvesting after the end of the war in 1999 is expected to be published. The investigation has centered on individuals close to Prime Minister Thaçi. On the one hand, bringing charges would have an effect on the fate of the government. On the other, charges against former fighters of the Kosovo Liberation Army would be regard-

ed by large parts of the population as an attempt to besmirch the Kosovar struggle for liberation. However, should the report fail to present evidence, the Serbian population in Kosovo would feel validated in its belief that the investigations were politically motivated. Thus, the report could be an explosive issue and lead to protests.

Switzerland's Engagement

Since security in the country is still far from being assured, it seems reasonable that KFOR should remain in Kosovo for

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the time being. Under its UN mandate, KFOR is charged with preventing outbreaks of new violence. It has also supported the buildup of Kosovar security forces since 2008. Among the local population, KFOR enjoys good levels of acceptance. According to a recent survey, 62 per cent of respondents are satisfied with its work, unlike that of EULEX, which is only seen as satisfactory by 31 per cent. Currently, KFOR has about 4'800 troops, down from around 50'000 in 1999. A further drawdown is planned, with talks about reductions scheduled for September 2014. Provided that the security situation allows it, only 2'500 troops will remain stationed in Kosovo from 2015 onwards, mainly in the north. Nevertheless, it is anticipated that KFOR will remain present for some time yet, as the Kosovar security forces will remain unable for the time being to provide security in the north.

Switzerland's interest in stability in Kosovo is due not least to the considerable Kosovar diaspora here. In the current spring session of parliament, the mandate of the Swisscoy detachment is expected to be extended for the fifth time. The force would thus remain in Kosovo until the end of 2017. Also, its maximum strength is to be raised from 220 to 235 troops.

Together with those of KFOR, the tasks of Swisscoy have also changed over time. In the course of its deployment, it has increasingly taken on critical functions, including airlift and road transportation as well as responsibility for the liaison and monitoring teams in northern Kosovo that collect information on the situation on the ground through direct contact with the civilian population.

Switzerland's engagement in Kosovo reaches beyond its military contribution. Through the Swiss Federal Department of Foreign Affairs (FDFA), it has been involved in negotiation efforts in the north of Kosovo since 2010. The main objective of the FDFA-supported series of talks is to offer a complementary platform to the Brussels negotiations and to give the population a voice in the talks that will determine their future. Additionally, Switzerland supports the development of Kosovo through a series of programs.

Moreover, in 2014/15, Switzerland and Serbia are closely cooperating consecutive OSCE chairs. One focus of this chairmanship is the Western Balkans. Swiss Ambassador Gérard Stoudmann is the special envoy for the region who is also tasked with supporting the dialog between Pristina and Belgrade. The OSCE will have a particularly prominent role to play during the upcoming elections.

Due to its key tasks, Swisscoy will not be affected by the drawdown of KFOR. On the contrary, this means that the Swiss contribution will gain importance within KFOR. This situation will mark the starting point for a debate over a potential extension of the mandate in 2017. Thus, Kosovo will remain an important issue in Switzerland's foreign and security policy for the foreseeable future.

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