

# AT THE HARRIMAN INSTITUTE

Timothy Frye, Director

Columbia University 420 West 118th Street, New York, NY 10027 <http://www.harriman.columbia.edu>

February 17, 2010

## Kosovo and the Neighborhood: Two Years After Independence

On February 17, 2010,—the two year anniversary of Kosovo's independence, two SIPA alums and Kosovo specialists, Alex Grigor'ev and Shpetim Gashi, discussed the trajectory of Kosovo over the last two years. "In the past, any discussion of Kosovo's independence was controversial. People predicted all sorts of things—that independence would create a domino effect in the region, that there would be ethnic violence and a mass exodus of Kosovo's Serbs. There were fears of a Balkan crisis of enormous proportions," noted Grigor'ev, pointing out that after Kosovo's independence, the reality did not come close to the predictions.

As anticipated, Serbia's reaction was negative—Serbian protesters burned down the U.S. Embassy in Belgrade three days after Kosovo declared its independence. "I was in Belgrade when they burned the embassy" Grigor'ev recounted, admitting that for the first time in his life, he preferred to stay in his hotel room to being on the streets of Belgrade. "Hotels in Serbia are lousy but the streets were worse." Looters vandalized Western businesses and mobbed the sidewalks. Serbia's Foreign Minister called it "the ugliest day in Serbia's fight for Kosovo."

However, Serbia's response was not as severe as expected. The Serbian government did not execute most of its threats—there was no boycott on Kosovo's electricity and water supply, and while Serbia did withdraw its ambassadors from the countries that recognized Kosovo—nearly all of those ambassadors have returned. "Serbia's primary goal is to join the EU, and in order to do that they have to behave like Europeans," Grigor'ev explained.

Contrary to speculations, Kosovo's independence did not bolster the popularity of the nationalistic Prime Minister Vojislav Kostunica, who advocates that reacquisition of Kosovo is more important than integration into the European Union. Instead, pro-integration sentiment prevailed and Boris Tadic and his Democratic Party triumphed in the 2008 elections. Tadic does not recognize the legality of Kosovo's

independence, but his stance is much softer than that of his rival.

Since independence, Kosovo has gained the recognition of all of its neighbors (except Serbia), 65 of 192 UN nations, 22 of 27 EU members and 24 of 28 NATO countries. "Kosovo's biggest achievement has been to gain membership in the World Bank and the IMF," Grigor'ev remarked. Serbia has also won some diplomatic success—in 2008, the UN General Assembly backed a resolution allowing Serbia to seek an opinion from the International Court of Justice regarding the legality of Kosovo's independence. "Many expect the decision to be ambiguous."

In attempts to maintain its political influence over Kosovo, Serbia has appealed to the ethnic Serbian population in the region. Pristina, Kosovo's capital, only controls part of the country; the north—which is dominated by ethnic Serbs—is still under Belgrade's control. "When you enter the north you feel like you are still in Serbia," described Grigor'ev. In the other ethnically Serbian areas of Kosovo, "this is not the case."

Serbia has tried to create divisions between Serbs and Kosovars by establishing Serbian municipalities. On May 11, 2008, Kostunica called for parliamentary elections and for the first time since 1999, there were local elections in Kosovo, run according to Serbian law. The government in Belgrade installed Serbian officials in the Serbian municipalities they created. The result was peculiar—some of these municipalities contained no ethnic Serbs, but had Serbian officials, paid for by the Serbian government, sitting in offices that were usually located outside the boundaries of the municipality. "The mayor of Pristina did not sit in Pristina, but in a town outside of it, which is 100% Serbian," Grigor'ev explained. These elected officials were mostly members of Kostunica's party.

The Serbian government calls the Serbian municipalities "Institutions within the Republic of Serbia." Kosovo's government and the

international community refer to them as “parallel municipalities.”

Challenging the loyalty of ethnic Serbs residing in Kosovo, the Serbian government insisted that they leave all Kosovar institutions—the police force, public office—and only participate in the institutions established by Belgrade. This tactic was only successful in the north—Serbians did not have sufficient control or money to build successful replacements for these institutions in the rest of the country, so the ethnic Serbs returned to the Kosovar institutions. Initially they were called traitors by Belgrade, but these accusations have since died down.

Grigor'ev asserted that the “parallel municipalities” accomplished three important things for ethnic Serbians—providing them with a Serbian passport, Serbian language education, and healthcare. “Apart from these three accomplishments, the Serbian government has been unable to improve the lives of Serbians living in Kosovo—except for conditions in the north, where it just feels like Serbia.” Even the passport provided to Serbians is of limited value, while Serbians living in Kosovo have full citizenship in Serbia, they cannot travel to Europe without a visa—the EU views them as citizens of Kosovo.

Gashi emphasized the complexity of the situation—without the parallel institutions there would be no Serbian language education available to Serbs, but with them, Kosovo cannot function as a state. “The Kosovo Serb community is a burden not just for Kosovo, but also for Serbia,” Gashi said. “Serbia has to be constructive in Kosovo.” He noted that the international community is promoting an ethnic state.

On an international level, Serbia has been fighting Kosovo by blocking its representatives from participating in international institutions. Grigor'ev revealed that “Kosovars are reluctant to send representatives to the UN.” In instances where Serbia is not successful in blocking Kosovar representatives, “they withdraw.” President Tadic boycotted the inauguration of Croatian Prime Minister Ivo Josipovic this February because Kosovar President Fatmir Sejdiu was there. Tadic contends that attending the inauguration would have been an indirect recognition of Kosovo's independence.

Gashi called Kosovo “a state under construction.” He identified privatization as a major challenge to state-building. “There is no consensus among actors whether assets are public or private.” Institutions are also weak, and the political elite in Kosovo are former insurgents. “It's taking them time to turn into democrats,” Gashi explained, adding that the same extends to

the country's business elite. “After the war they were leaders of organized crime and now they are trying to turn into business men.” Civil society is also weak, “interest groups barely exist—people are on the streets with no one to represent them.”

While there is heavy international involvement in Kosovo, Gashi indicated that 70% of international aid is going towards technical assistance. “There is no experience in drafting laws, so all legislation is drafted by internationals.” Kosovo has been denied pre-accession assistance, and its economic situation is dire. Gashi laments that Kosovars focus entirely on asserting their status as an independent nation and neglect their internal development. “For example, I have never heard of the concept of developing agriculture in Kosovo.”

Small businesses also don't receive support from the government—interest rates are high and it is nearly impossible to obtain loans. “It could take a year just to get five to ten thousand Euros,” Gashi said. There have been protests, “people are realizing that they are lost.” In the north there is no law enforcement, “cars are driving around without license plates—there is no one to deal with traffic violations.” The major area where Gashi has seen cooperation between Serbs and Albanians in Kosovo has been organized crime. Grigor'ev pointed out that Kosovo continues to use the Euro as its currency. “Kosovo is perhaps the furthest in the Balkans from being qualified to join the EU.”

On a brighter note, Kosovo seems to be dropping on the list of Serbia's national priorities. According to national polls, less than 4% of Serbs mentioned Kosovo as the biggest issue on the country's agenda in June 2009—as opposed to 25% in the summer of 2008. “Kosovo is no longer on the front page of the daily papers. At least not every day,” Grigor'ev observed. Ideally these developments will eventually alleviate Kosovo's preoccupation with asserting its independent status and allow it to focus on state-building.

*Reported by Masha Udensina-Brenner*