Chaillot Paper

n°**81**

The question of Serbia

Judy Batt

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n°**81** August 2005

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Préface

Nicole Gnesotto

I *l y a tout juste dix ans, les accords de Dayton marquaient la fin des premières guerres yougoslaves de l'ère Milosevic. La deuxième vague de violence perpétrée par la Serbie contre les Albanais du Kosovo allait conduire, quatre ans plus tard, à l'intervention aérienne de l'OTAN. De cette sombre décennie balkanique, une nouvelle configuration régionale allait émerger, impliquant l'accès à la souveraineté politique des anciennes républiques yougoslaves, désormais sur la voie de l'accession ou de la candidature à l'Union européenne. A l'intérieur de l'Union, la naissance d'une politique européenne commune de sécurité et de défense, en 1999, devenait également l'une des conséquences directes de l'effondrement de l'ex-Yougoslavie. En dépit toutefois des innombrables progrès qui ont été réalisés durant cette période en matière de stabilisation régionale et d'européanisation des Balkans, deux questions majeures restent encore en suspens : celle du statut final du Kosovo d'une part, celle de l'évolution politique de la Serbie de l'autre, les deux aspects étant bien évidemment liés.*

Alors que les discussions sur le statut final du Kosovo vont de nouveau occuper une place prioritaire dans l'agenda international, ce Cahier de Chaillot, *rédigé par Judy Batt – titulaire d'une Chaire Jean Monnet et responsable, à l'Institut, des études sur les Balkans – apparaîtra original à plus d'un titre. Laissant, d'une part, de côté la « question albanaise », traditionnellement associée à la question du Kosovo, c'est à la question serbe que Judy Batt consacre son étude. En terme d'identité, de frontières géographiques, de représentation collective, de relations à la modernité démocratique européenne, la Serbie est en effet un Etat dont la transition du communisme vers la démocratie est totalement différente de ce que fut la transition des anciens membres européens du Pacte de Varsovie. Cinq ans après la chute de Milosevic, aucune des questions issues des guerres de la décennie 1990 ne semble résolue, qu'il s'agisse de développement économique, de stabilité des institutions, d'intégration régionale, de redéfinition de l'identité nationale. Ce sont, d'autre part, les perceptions serbes et les arguments développés en Serbie même qui servent de points de départ à cet essai, plus que les arguments stratégiques et géopolitiques*

traditionnellement utilisés pour la définition du statut final du Kosovo : parce qu'aucune solution viable ne pourra être mise en œuvre tant que la Serbie ne se sera pas réconciliée avec une certaine vision de son rôle, de sa place et de son avenir européen, ce Cahier de Chaillot *se veut également une sorte de dialogue, à la fois respectueux mais sans concessions, avec les différentes composantes qui nourrissent les débats internes en Serbie.*

Il peut sembler paradoxal, au regard des défis planétaires auxquels est confrontée aujourd'hui la communauté internationale, qu'une décennie de négociations, de dissuasion militaire et d'investissement massif de l'OTAN comme de l'Union européenne dans les Balkans n'ait pas suffi à pacifier l'ensemble de la région et à ouvrir définitivement la voie de son accession aux institutions européennes. Il est tout aussi surprenant que l'option d'un maintien du Kosovo dans le giron serbe, tout comme celle d'un dépeçage de la province, n'ait pas encore été catégoriquement rejetée comme un non-starter au plus haut niveau des responsables occidentaux. Certains dénonceront le manque de conviction, d'intérêt, de courage, de la part de la communauté internationale ; d'autres accuseront chez les acteurs régionaux, Albanais et Serbes confondus, la persistance de réflexes d'un autre âge ou les crispations sur des agendas occultes. Il demeure que le statu quo sur la question du Kosovo est devenu aussi dommageable aujourd'hui pour les intérêts des Kosovars que pour ceux de la Serbie. Et qu'il n'est d'autre voie pour en sortir que celles du dialogue et de la conviction.

Paris, août 2005

Introduction

Five years after the fall of Slobodan Milosevic, it is still not clear where Serbia is heading. Indeed, it is not yet clear what, or even where Serbia is.

Serbia is not a state with international legal personality, but a constituent republic of the State Union of Serbia and Montenegro. Although the Republic of Serbia functions in most respects as a *de facto* independent state, its foreign policy and defence are in the hands of ministers of the State Union. In practice, both mainly speak for Serbia because Montenegro has established its own Foreign Minister. The republics use different currencies and their economies do not form a single market – customs controls are maintained at the mutual border. The State Union is barely functional and could dissolve if Montenegro votes for independence, which may happen in 2006.

Where Serbia's international borders lie also depends on the 'final status' of Kosovo, a *de facto* international protectorate established in 1999 by UN Security Council Resolution 1244. The same Resolution confirmed that Kosovo is part of the 'Federal Republic of Yugoslavia', which no longer exists. If its successor, the State Union of Serbia and Montenegro, ceases to exist, Serbia will inherit title to Kosovo, which did not enjoy the status of a republic of the former Yugoslavia, but was an Autonomous Province of Serbia. Negotiations on Kosovo's final status are expected to begin in the autumn of 2005.

As long as Serbia does not know what and where it is, its progress towards EU integration will be impeded. EU integration presupposes functional statehood and settled borders, which are lacking in Serbia. It also requires firm national consensus on the priority of EU accession. While all major parties in Serbia are now at least verbally committed to EU integration, there is room for doubt whether even the most genuinely committed would give this priority over the 'national question' – Kosovo – if faced with a choice between the two.

The country is exhausted, impoverished and war-weary. Although public opinion is generally very supportive of EU integration, most do not believe it will happen soon. In the meantime, the political agenda remains heavily burdened by the unresolved national and statehood questions, which divert politicians' attention from the equally demanding challenges of preparing for EU integration. Serbia needs to redefine its national identity and statehood in order to become capable of integrating into the EU. How, and even whether, Serbia will be able to do this is not yet clear.

While a majority of voters support parties that are committed to democratic principles and 'Europeanisation', the most popular party, with the largest share of parliamentary seats, is the Serbian Radical Party, with a quasi-fascist, populist programme. The democratic parties, deeply divided and chronically prone to political in-fighting, have lost much of their credibility with disillusioned voters. The Radicals could end up in power should the current weak democratic coalition fall. What would this mean for the future of Serbian democracy?

Serbia matters. With a population of just under 7.5 million (2002 census, excluding Kosovo), it is by far the largest country in the Western Balkans,[1] and, as such, of crucial importance for the stability of the whole region. In 2003, the European Council at Thessaloniki set out a clear vision for the region: 'The future of the Balkans is in the EU'.[2] This prospect is the pivot of the EU's strategy for this region, still deeply scarred by the wars of the 1990s, whose stability and security have a direct impact on the EU's own.

However, the decisive rejection of the EU's Constitutional Treaty in the French and Dutch referendums in May-June 2005 reflected – to a greater or lesser degree – fears and misgivings about the impact of EU enlargement on their societies. Unnerved by the size of the 'no' votes, some of the EU's political leaders seemed ready to call a halt to further enlargement, if not indefinitely then at least to allow the EU a 'pause for reflection' and consolidation after the 'Big Bang' of 2004. These unwelcome messages reached the Balkans at a peculiarly sensitive moment.

Accession to EU membership is still some, if not many, years away for these countries, but the EU's loss of nerve has damaged the credibility of its commitment at the very moment when the long-deferred question of the future status of Kosovo has returned to the international agenda. The EU is expected, in due

1. 'The Western Balkans' is EU terminology for Albania, Bosnia and Hercegovina (BiH), Croatia, former Yugoslav Republic of Macedonia (FYROM) and the State Union of Serbia-Montenegro (SCG)/Kosovo.

2. 'EU-Western Balkans Summit, Thessaloniki, 21 June 2003: Declaration'; http://www.europa.eu.int/comm/external_relations/see/sum_06_03/decl.htm.

course, to play the major role in taking whatever settlement is decided through to its ultimate conclusion – integration in the EU. The prospect of accelerating the pace of progress towards EU membership is the best argument that can be offered Serbia to secure its cooperation in resolving this most intractable obstacle to durable peace and stability in the Balkans.

Are the Serbs willing to cooperate? They still feel isolated, misunderstood and mistreated by the West, and have not yet come to terms with the baneful legacies of Milosevic's misrule. While they want to 'join Europe', they do not fully trust it, and the feeling is reciprocated. Both sides need now to work to overcome their mutual incomprehension. This paper aims to make a start to that. Its aim is to set out clearly and concisely the depth and daunting complexity of the political challenges facing Serbia that have made it such a frustrating and often disappointing partner for the EU and other international actors. At the same time, the aim is to present a detached, yet sympathetic, account of Serbia's predicament that will also make sense to Serbian readers, in the hope that this may contribute to debate about the choices – the risks and opportunities – the country now faces.

The Serbian 'national question' at an impasse

1

All indications seem to point toward some variety of *political hysteria*...This means that nations living in this region lacked what was naturally, clearly precisely and concretely present in the everyday life and community consciousness of nations in western Europe: a *reality in their own national and state framework*, a capital city, a *harmony* between economy and politics, a unified social elite etc... This situation contributed to the development of a trait most characteristic of the unbalanced central and east European political attitude: *an existential fear for one's community*. (Istvan Bibo, 1946)[3]

Serbia is not yet a nation-state of the modern European type, and the question today is whether it can become one. What this requires first of all is clarity about Serbia's borders. Until then, Serbian nationalism will continue to pose threats both to Serbia's neighbours and to Serbia's prospects as a liberal-democratic state.

Nationalism is not *per se* inimical to liberal democracy. In fact, liberal democracy presupposes the existence of 'nations' – consensual political communities organised in states. Both liberalism and democracy take 'nations' for granted, without offering any guidance as to how nations emerge, what makes them cohere, and how state borders are to be drawn. This is what nationalism added to the construction of the modern nation-state in Europe. Nation-states today remain the basic building blocks of European integration. The peoples of Europe are still demonstrably attached to their states as the basic focus of democratic political legitimacy, and the EU depends on its member states both to decide and implement common laws, rules and standards. Even if sovereignty has been 'pooled' in important areas, national identity remains strong and nationalism continues to play an important part in the legitimation of democratic politics.

But where state borders are contested and unstable, liberal and democratic principles – the rights of individuals and their political equality as citizens – are eclipsed by the logically prior question:

3. Istvan Bibo, 'The Distress of the East European Small States (1946)' in Karoly Nagy (ed.), *Democracy, Revolution, Self-determination: Selected Writings of Istvan Bibo*, Social Science Monographs, Boulder, 1991, pp. 38-39.

who belongs? Or, in other words, who has the right to be counted as a citizen? Where existing state borders are not accepted as the rightful basis for settling this question, where there are competing claims to territory, defining the political community readily becomes a matter of ethnic (linguistic and cultural) identity. The result can be endemic insecurity and conflict within and between states, engendering what Istvan Bibo calls 'political hysteria'.

In the past, the quest for a Serbian nation-state has been driven by the demand characteristic of nationalist movements originating in central, eastern and south-eastern Europe under the Habsburg and Ottoman empires: to bring 'nation' and 'state' into alignment by changing borders. In Western Europe the idea of the nation grew up within the framework of long-established states, while nationalism arising within the dynastic empires challenged not only the imperial ruling classes, but also existing borders. Here 'nations' defined as ethnic (linguistic and cultural) communities claimed exclusive territories on which to establish states 'of their own', as the political expression of each ethnic nation's identity. This led to conflict not only against the ruling class, but between the multiple ethnonational groups.

Former Yugoslavia was not an 'empire' in the nineteenth-century sense, but a multiethnic state. Nevertheless, its crisis and collapse in the 1990s resulted from the resurgence of aspirations for 'national self-determination' on the part of its constituent peoples. The wars of the 1990s exposed unresolved competing claims to the territory of former Yugoslavia. The existing internal borders of the constituent republics were adopted by the international community as the basis for recognising new states, but, for the Serbs, these borders were unacceptable. They fought to change them, but lost. Now they find it hard to come to terms with the result.

The problem of defining the 'right' borders for Serbia has bedevilled the modern history of the Balkans, and continues to challenge both the stability of the region and the prospects for a liberal democratic Serbia. Two major historical alternatives have framed the Serbs' national aspirations for a state 'of their own': either a 'Greater Serbia', or a 'Yugoslav' union of the Serbs with the neighbouring nations among whom they lived. The fact that neither of these proved viable, nor able to support the development of liberal democracy, has left the Serbian 'national question' today at an impasse.

Greater Serbia

The idea of 'Greater Serbia' emerged in the nineteenth century. This combined the *historical* claim to a state that would regain as much as possible of the territory of the medieval kingdom of Serbia, with the *ethnic* project of unifying all the Serbs under one state. These two claims did not exactly coincide. The Serbs were scattered across the Balkan peninsula, having been dispersed by the Ottoman advance and pushed out of the medieval Serbian 'heartland' northwards across the Danube, where they settled in the southern borderlands of the Habsburg empire: the Military Frontier (*krajina*), stretching from the north Dalmatian coast, through Vojvodina and into the Banat in the east.

When an independent Serbian state first emerged from under Ottoman control in 1878, it satisfied neither the historical nor the ethnic claims of Serbian nationalism. Territorially, it was confined roughly to what is now central Serbia, thus excluding most of what Serbian nationalists claimed as of historic right, especially Kosovo and much of the Macedonian region. Nor did it satisfy the ethnic claim to unify all those identified as Serbs now living in the Habsburg *krajina* and Bosnia. Known as *u a Srbija* – 'narrow' or 'constricted' Serbia – it was regarded by Serbian leaders as only the provisional core of the future Serbian state, providing a platform from which a sustained drive for expansion could be launched.

This could only mean war, not only against the declining Ottoman and Habsburg empires, but also against almost all neighbouring peoples – chiefly Albanians, Bulgarians and Hungarians – who were simultaneously staking rival national claims to the same territories. The 'Greater State' idea was by no means unique in the Balkans – Greeks, Bulgarians, Croats, Albanians and others nurtured similarly grandiose fantasies which together turned the Balkans into a battlefield of irreconcilable enmities. Thus belligerent militarism was an inherent feature of the nation-state idea as interpreted in the Balkan context, and this was hardly conducive to the development of liberal democratic politics. The Balkan wars of 1912-13 and the First World War exposed the huge costs of the 'Greater Serbian' idea (and its rivals) in terms of lives lost and devastated economies. The Serbs' capacity to achieve their ambitions in a Europe dominated by the Great Powers was clearly limited.

Variations on the theme of Yugoslavia

During the First World War, an alternative framework for uniting 'all Serbs in one state' became more attractive. Instead of pursuing Serbian unity in a nation-state of and for the Serbs alone, Serbs could be brought together under a common roof with their smaller and weaker south Slav neighbours. This idea, which dominated the twentieth century, was pursued in the various permutations of Yugoslavia. The Serbs would be united in a single state, but it would be a multinational one. The intractable problems involved in defining the final borders of an exclusively Serbian state would be circumvented by merging the existing Serbian kingdom with neighbouring territories where Serbs lived intermingled with other nations. This idea repeatedly failed in practice.

The first variant was the 'Triune Kingdom' of the Serbs, Croats and Slovenes that emerged from the First World War. This was wracked from the start by chronic and frequently violent discord over the distribution of power, mainly between the Serbs and Croats.[4] It was replaced in 1929 by a 'royal dictatorship', which imposed centralised rule and attempted to obliterate ethnonational rivalries by fostering a single 'Yugoslav' political identity. This only exacerbated Croatian frustrations and in 1939, on the eve of the Second World War, major concessions were made to them in order to stabilise the state in the face of the mounting external threat. But these came too late, and shortly afterwards Yugoslavia was invaded and partitioned by the Axis powers.

After the Second World War, the Yugoslav idea was resurrected in the guise of a 'socialist federation' under one-party rule. The existence of multiple ethnonational identities was, however, recognised and given institutional expression in the six constituent republics of the federation and the two provinces within Serbia. These gradually accumulated considerable power, to the point where some – both inside and outside the country – began to wonder whether Yugoslavia really existed as a state at all, or had stepped over the line dividing a 'federal state' from a 'confederation of states'. 'Yugoslav' identity was only weakly enforced as a transnational political identity that coexisted with ethnonational identities. Its political content was infused with the heritage of the wartime communist partisan movement, and subsequently with Yugoslavia's special 'third way' variant of 'anti-bureaucratic', self-managed market socialism and its 'non-aligned' international

4. See Ivo Banac, *The National Question in Yugoslavia: origins, history, politics* (London:Cornell University Press, 1984).

role between East and West. 'Yugoslav' identity was also adopted by the increasing number of children of mixed marriages. Yet in the 1981 census, the last before the eruption of the crisis of the 1990s, only 5.4 per cent declared themselves 'Yugoslav'.[5]

This is not the place to go in detail into the fraught and complex historical question of why each of these variants of Yugoslavia failed to become viable states, let alone liberal democracies.[6] One recurring theme, however, is the frustration of the Serbs' aspiration to a state that was truly 'their own'. It was not that the Serbs were less committed than their partner-nations to these successive Yugoslav states. Quite the contrary: most Serbs seem genuinely to have embraced them. The problem, however, lay in the terms and conditions of coexistence with their partner-nations.

Achieving Serbian unity in the Yugoslav mode meant sharing power in the state with other, equally assertive peoples. 'Yugoslavia' was embraced less as an end in itself than as a means of satisfying its several nations' aspirations for self-determination, which, at the time, could not be realised in the form of independent nation-states. And two largest nations, the Serbs and Croats, also entertained the illusion that they could enhance their national strength by assimilating other ethnic groups.

As the largest of the south Slav nations, whose 1878 kingdom had supported the smaller and weaker south Slavs' struggle for liberation from Habsburg rule, and which, in the interwar period, provided the core institutional resources for Yugoslav state-building, the Serbs expected the largest share in power at the centre. As the nation most widely dispersed throughout the south Slav lands, the Serbs were also inclined to resist demands for decentralisation. So, for example, the Serbs of Croatia were among the strongest supporters of the Yugoslav state in both its interwar and post-Second World War incarnation. In so far as demands for decentralisation reflected the aspirations of the non-Serbs for self-government in national territories 'of their own', decentralisation represented for the Serbs a threat to their own national unity. They would once again be divided among several political jurisdictions whose overtly ethnonational complexion would, they feared, consign Serbs to 'second class' status wherever they were in a minority.

Recurrent, intractable conflicts over the territorial distribution of power entrenched and polarised antagonistic mutual perceptions. The smaller nations came to see the Serbs as irretrievably set on centralism, and as such insincere in their commitment to

5. Robert Hayden, 'Imagined Communities and Real Victims: Self-determination and ethnic cleansing in Yugoslavia' in Alexander Laban Hinton (ed.), *Genocide: an Anthropologival Reader* (Oxford: Blackwell, 2002), pp. 238-39.

6. John Lampe, *Yugoslavia as History: Twice there was a Country*, 2nd edn. (Cambridge: Cambridge University Press, 2000).

the pluralism of the Yugoslav idea. What the Serbs seemed to want was not equality among diverse nations, but hegemony, exploiting Yugoslavia as the means of achieving 'Greater Serbia' by other means. The Serbs found these accusations ungenerous, unjust, and eventually treacherous.

Leaving to one side the rights and wrongs of these mutual perceptions, the successive Yugoslav failures show how difficult it is to make liberal democracy work in the absence of consensus on the basic identity of the political community. Attempts to forge 'national' unity on a political basis, in a state at least nominally committed to the liberal democratic principles of individual rights, political equality and majority rule (as in 1918-29) all too readily foundered on the reefs of the highly self-conscious and militantly assertive ethnonational identities. The 1929 royal dictatorship sought to overrule intractable national conflicts by forcibly imposing a supranational 'Yugoslav' identity, but it was hardly ethnically neutral. In practice, its key institutions, the monarchy and the Orthodox Church, merely reinforced symbolic and institutional continuity with the earlier Serbian Kingdom and thus the dominant position of Serbian identity.

Post-Second World War Yugoslavia overtly broke with both the liberal-democratic and monarchical traditions. Starting out as an essentially Stalinist model of ethnoterritorial federation held together by the communist party's monopoly of power (like the Soviet Union), after Yugoslavia's break with Moscow it evolved into a highly decentralised union of quasi-states, as more and more concessions were made to national aspirations in the interests of stability. In the end, what held it together were the forceful personality of President Tito and the bipolar geopolitical order of Cold War Europe. As soon as Tito died, the communist parties in the various republics began to mobilise openly ethnonationalist rhetoric, and exploited to the full the political resources of the constituent republics they controlled.[7]

When the Cold War order in Europe collapsed in 1989, the weak popular legitimacy of the Yugoslav idea – closely associated with communist power – was exposed, and the loosely integrated state structure proved insufficiently robust for the purposes of renegotiating multinational coexistence on liberal-democratic terms. Indeed, the key political leaders such as Slobodan Milosevic and Franjo Tudjman were not primarily interested, if at all, in a liberal democratic outcome. Nationalism was much the most potent

7. Steven L.Burg, 'Elite Conflict in Post-Tito Yugoslavia', *Soviet Studies*, vol. 38, no. 2, April 1986, pp. 170-93.

ideological instrument for political mobilisation. Their success in whipping up nationalist 'political hysteria' also demonstrates just how weak liberal democratic political culture was among the intellectual elites and wider societies of the nations of former Yugoslavia.[8]

Nevertheless, it is worth remembering that even Czechoslovakia, where liberal democratic political culture had stronger roots, failed to survive the shock of 1989. Nationalism here too undermined the common state. Here, however, a reasonably amicable dissolution was possible (although not one democratically sanctioned by popular referendum). The absence of violence was due not only to the liberal democratic credentials of Czech and Slovak leaders and the wider political culture (after 50 years of exceptionally harsh communist rule, the liberal democratic heritage was much corroded[9]). The Czecho-Slovak 'velvet divorce' owed much to the fact that Czechs and Slovaks had no bitter history of fighting each other: relations were characterised rather more by mutual indifference than mutual mistrust and antagonism.[10] Equally important, the internal border between the two republics was unproblematic; and the small numbers of each nation that now faced the new prospect of living as a minority in the other republic were not a source of political tension or territorial irredentism.[11] This was not the case in Yugoslavia.

Both Yugoslavia and Czechoslovakia foundered in a context of simultaneous radical changes in the geopolitical environment and in the domestic political, economic and social order. The language of 'national self-determination' readily replaced defunct communist ideology. In the Czechoslovak case, however, communism represented primarily an alien, imposed system of rule, so the demand for 'national self-determination' was directed first of all against the external oppressor, the Soviet Union. Thus nationalism could join forces with liberal democratic values in a common front against communism and the institutional structures of Soviet domination. The space thus left open for liberal democratic values helped in the peaceful, negotiated separation of the Czech and Slovak republics.

In Yugoslavia, however, communism was always much more of a home-grown product. This is not to say that communism had ever been the free choice of the majority. But the fact that the communist regime had to sustain itself without external support meant that it had to develop deep indigenous roots. This meant

8. See Jasna Dragovic-Soso, *'Saviours of the Nation': Serbia's Intellectual Opposition and the Revival of Nationalism* (London: C.Hurst and Co, 2002).

9. See Abby Innes, *Czechoslovakia: the Short Goodbye* (New Haven and London: Yale University Press, 2001).

10. See Carol Skalnik Leff, *National Conflict in Czechoslovakia: the Making and Remaking of a State 1918-1987* (Princeton, NJ: Princeton University Press, 1988).

11. Matters were somewhat different as regards the sizeable Hungarian minority in Slovakia, but that is a separate question.

coming to terms with local national identities and penetrating the south Slav nationalisms deeply, at the expense of their liberal democratic potential. When communist ideology collapsed, the entrenched vested interests in the institutional structures of power – the republican party apparatuses, the army and security police – readily mobilised Yugoslavia's competing nationalisms for war against each other.

Multinational federal polities or state unions are not inherently incompatible with liberal democracy. If that were the case, then the European Union – in many ways a more deeply integrated economic and political union than any of the Yugoslavias – would not exist. What such polities do presuppose is, firstly, that the borders of the constituent units are clearly established, recognised unconditionally and generally accepted as permanent. This is essential for the mutual trust that underpins the will to share power and 'pool sovereignty'. European integration was designed to entrench a permanent settlement of one of pre-1945 Europe's most troublesome borders – that between France and Germany. By contrast, Yugoslavia's unresolved internal ethnoterritorial questions made it acutely vulnerable to violent collapse in the face of external shocks such as the rise of Nazism and fascism in the 1930s, and the collapse of communism in 1989-91.

Conclusion

Today most Serbs would agree that the Yugoslav idea is finished. Can the same be said of the idea of 'Greater Serbia'? It is well on its way out. Milosevic effectively abandoned the 'Greater Serbia' project in 1995 at Dayton by agreeing that the then Federal Republic of Yugoslavia (FRY, comprising Serbia and Montenegro) would recognise Bosnia-Herzegovina within its existing borders. A year later, in August 1996, diplomatic relations were established with Croatia. After Milosevic's removal from power in October 2000, further consolidation of postwar Balkan borders took place with FRY's accession to the Stability Pact for South-Eastern Europe and other regional groupings. It also joined in the EU's Stabilisation and Association Process, whose 'regional approach' demands that participants work together constructively to build 'good-neighbourly' relations between states and to promote reconciliation

between their respective peoples. Serbia quickly began playing its part here.

Yet the question of Serbia remains open. Over the next year or so Serbia will have to confront simultaneously the two remaining items of unfinished business on its statehood agenda – the future of the State Union with Montenegro, and the future of Kosovo – while also preparing for the new challenges of EU integration. The exhaustion of the historical alternatives of 'Greater Serbia' and Yugoslavia has left Serbs in deep confusion about how to reframe their national objectives. Most simply prefer not to think about this, as many opinion polls show. Only half of respondents in Serbia agree that 'The Nation is important to me' – the lowest proportion of any country in the Western Balkans.[12] The standard of living, unemployment, crime and corruption, and political stability regularly top the list of priority concerns among citizens in Serbia, far exceeding 'national' issues, which evoke extremely low levels of interest.[13] Yet this is not an entirely healthy state of affairs. Serbia needs to start an open, searching debate to redefine its national identity and national interests in light of the radical changes that have occurred – and the new opportunities presented by the prospect of integration into the EU. Serbia's democrats are understandably fearful of where such a debate might lead, but they cannot afford to let the 'national question' be answered with the worn-out, self-defeating and dangerous formulae of the past.

12. See International Commission on the Balkans, *The Balkans in Europe's Future*, April 2005, Annex, Fig.13, p.48; http://www.balkan-commission.org.
13. See for example the poll results presented by CeSID (Centre for Free Elections and Democracy, Belgrade): 'Politicke podele u Srbije – pet godina posle', May 2005.

The State Union and European integration

2

EU integration has often been seen as a means of 'transcending' the nation-state, or even as leading to its 'demise'. But this is misleading. Certainly, EU integration provides a framework for mitigating the negative effects of a European order resting solely on sovereign nation-states (with their belligerent nationalism, economic protectionism and market fragmentation), but the EU cannot do without its member states. It depends on them not only for democratic political legitimacy, but also for the very functioning of the Union. This presupposes that member states are capable of implementing the common laws, rules and standards to which they have agreed, and can be trusted by their partners to do so. EU member states, despite 'pooling' sovereignty in some areas, retain key characteristics of the nation-state, in the sense of consensual (if today increasingly cantankerous) political communities defined by firmly established territorial borders, and governed by democratically accountable institutions and the rule of law.

Serbia is not a nation-state but a constituent republic of the binational State Union of Serbia and Montenegro (SCG).[14] It is SCG that enjoys international legal personality, and thus, from the EU's point of view, is the sole negotiating partner for the purposes of EU integration. There is no reason in principle why a federal state, or even a very loose confederation, cannot be an effective EU member state. Some would argue that such states are, by their very structure, better attuned than unitary nation-states to the complex politics of 'multi-level governance' in the EU framework.

But SCG is not yet an EU member state – it is just at the start of a very difficult, far-reaching process of political and economic transformation that would pose huge challenges for the stability of any state. And SCG is not an effective state, but a 'failing' state whose constituent republics are not clearly committed to its survival. Moreover, the republics themselves are at best 'weak' states, as defined in the now burgeoning social science literature on this

14. SCG = *Srbija-Crna Gora*, the international abbreviation for the State Union of Serbia and Montenegro.

theme.[15] Popular trust in political institutions is very low, and so is participation in democratic politics. The political elites exhibit tendencies to 'feckless pluralism'[16] and are widely regarded as self-interested, corrupt and unaccountable. Delivery of effective, impartial justice and the provision of law and order are inadequate. The security services are not fully under the control of the government and appear to be penetrated by organised crime. Economic performance is weak, the social welfare systems are failing to deliver, and reforms at every level are hesitant and only partially implemented.

Can SCG become a viable state for the purposes of European integration? Do Serbia and Montenegro want it? Or would each do better on its own?

The demise of the last Yugoslavia

Montenegro has no history of conflict with Serbia, and indeed its history has been intimately bound up with that of Serbia, as an ally and not a rival. Montenegrins have not traditionally thought of their national identity as separate from the Serbian one, but as interwoven with it, even as a core ingredient of 'Serbianness' itself. Because the Montenegrin principality maintained its independence all through the Ottoman period, at key moments in Serbian history Montenegro played the role of last outpost and secure repository of Serbian independence. The three monarchical dynasties of Serbia – Karadjordjevic, Obrenovic and Petrovic – hailed from Montenegro, as did Vuk Karadzic, the nineteenth century reformer of the Serbian language. One of the founders of Serbian national culture was the Montenegrin poet-king, Petar II Petrovic Njegos.

Montenegro's current drift away from Serbia only began in the Milosevic period. Up until 1997, Montenegro was governed by the Democratic Party of Socialists, an ally of Milosevic's Socialist Party of Serbia. So it stayed loyal to Serbia in the rump Federal Republic of Yugoslavia (FRY) constituted in 1992 after the secession of the other republics. Attachment to Milosevic's Serbia, however, proved costly. Montenegro, too, was affected by the imposition of international sanctions on FRY, even though it hardly exerted any influence over Belgrade's conduct of the wars against Croatia and Bosnia. The economic impact of sanctions on Mon-

15. A useful survey is provided by Jennifer Milliken and Keith Krause, 'State Failure, State Collapse and State Reconstruction: Concepts, Lessons and Strategies', introduction to a special issue of *Development and Change*, vol.33, no.5, 2002, pp.753-74.

16. Thomas Carothers, 'The End of the Transition Paradigm', *Journal of Democracy*, vol. 13, no. 1, 2002, pp.10-11.

tenegro contributed to the growth of an anti-Milosevic opposition that began to advocate independence.

In 1997, Milo Djukanovic, who had parted company with Milosevic and formed his own Social Democratic Party, won the Montenegrin Presidency. After elections the following year, his party led a variegated coalition government of anti-Milosevic parties, some of which were fervently pro-independence. At this time, neither Djukanovic nor his government was clearly identified as separatist, as witnessed by the support it won from Amfilohije Radovic, a very influential Metropolitan of the Serbian Orthodox Church and a conservative Serbian nationalist. The government's anti-Milosevic credentials were also what prompted the United States and the EU to reward Montenegro by lifting sanctions on the republic and providing generous financial support. Under Djukanovic, Montenegro assiduously cultivated a 'Westernising' and 'reformist' image whose substance was not investigated too closely by its international backers as long as Milosevic remained in power in Belgrade.

After the ousting of Milosevic in October 2000, the new Serbian government formed in Belgrade by the anti-Milosevic Democratic Opposition of Serbia (DOS) coalition presented problems for Montenegrin President Djukanovic. DOS's pro-Western and pro-reformist platform should have made it a natural ally of the Montenegrin government, but Djukanovic had 'made his political fortune on the pro-independence ticket',[17] and had advocated a boycott of the 2000 federal elections (expecting Milosevic to win). This left the DOS coalition paradoxically joining forces at the level of the federal government with the Montenegrin opposition, the Socialists who were Milosevic's former allies, but who, like DOS, continued to support the federation.

There followed a protracted period of wrangling between Belgrade and Podgorica over the redistribution of competencies between federation and republics. Then Montenegrin parliamentary elections in 2001 saw support for the pro-independence parties declining: they returned to power, but with a reduced majority. Djukanovic's government made a gesture towards the pro-independence coalition partners by producing a new law on an independence referendum, although it is doubtful that Djukanovic was seriously committed to implementing it at an early date. Meanwhile, the EU was becoming increasingly concerned at the deadlock in talks between Belgrade and Podgorica. This was prov-

17. Wim Van Meurs, 'Serbia and Montenegro: One Small Step for Mankind, One Giant Leap for the Balkans?', *CAP Working Paper*, Munich, March 2002, p.3.

ing a drag on the progress of reform, to which the DOS government in Serbia under Djindjic was genuinely committed. So at the end of 2001, the EU sent in its High Representative for CFSP, Javier Solana, to apply some robust 'preventive diplomacy' and help break a damaging deadlock.

The EU's objectives

The EU has been consistently sceptical of Montenegrin independence and has sought to preserve the union of the two republics. The primary reason for the EU policy is that there is no clear majority among Montenegrin citizens in favour of independence: they are in fact more or less evenly divided on the issue, and at times the level of support for independence drops below 50 per cent. This is not felt to be a promising basis on which to build a stable new state. Moreover, the Montenegrin law on the referendum seems problematic in requiring only a simple majority to decide on an issue of such fundamental importance for the country's future.

Over 25 per cent of the republic's population are minorities. This has not been seen as a major area of concern by the EU, in so far as interethnic relations in the republic have traditionally been rather good. However, it is worth noting that the largest minority group are Albanians, who can be expected to back independence from Serbia. On the other hand, the Bosniak (Slav Muslim) minority in the Sandzak, a historic region that straddles the Montenegrin-Serbian border, might be disturbed by the prospect of the separation of the two states if this entailed new complications in maintaining contact with ethnic kin across the border. Deepening polarisation within the Montenegrin Slav-Orthodox majority for and against independence might lead to the minorities becoming caught in the crossfire.

The deepening of this division can be seen in the way that the previously overlapping Montenegrin/Serbian identities are disaggregating into clearly polarised political alternatives. Those in favour of independence are now redefining Montenegrin identity as a separate *national* identity, while Montenegrin supporters of the federation with Serbia increasingly insist on their *Serbian* identity. The preliminary results of the 2003 census ominously confirmed this: the proportion of the population of Montenegro

declaring themselves as 'Serbs' was found to have risen from just over 9 per cent in 1991 to nearly 32 per cent.

There are additional reasons for doubting that an independent Montenegro could be a viable state and a stabilising factor in the Balkans. It is extremely small, with a population of about 680,000. While Montenegrins point enthusiastically to Andorra as a 'model', this is hardly convincing from the EU's point of view. Far from being a haven of reform-induced prosperity, the economy is extremely weak, and penetrated by organised crime in which leading state officials, including the President himself, have been implicated. As one analyst reports, 'A significant part of economic activity – an estimated 40 to 60 per cent – is related to [the] black market, mainly car rackets and cigarette smuggling.'[18] Even more worrying has been emerging evidence of Montenegro's role as a transit point and centre of international people-trafficking and prostitution rings.

Whether these problems are very much more severe in Montenegro than anywhere else in the Balkans can be questioned, but there has certainly been no appetite among the EU member states to take the risk of allowing a new 'failing state' to emerge, all the more so while Western policy-makers were unready to tackle the really intractable problem of Kosovo's 'final status'. EU policy-makers believed – rightly or wrongly – that international recognition of Montenegrin independence would precipitate a similar outcome in Kosovo. While there was no consensus within the international community on Kosovo's 'final status', some still hoped that after the change of regime in Belgrade, the Kosovars could be shifted from their goal of independence. If so, then a renegotiated loose union between Serbia and Montenegro might provide a framework within which Kosovo could enjoy 'substantial autonomy', an alternative to independence that would be less destabilising not only for Serbia but for the rest of the Balkans. Of course, this scenario assumed not only that the Kosovars would accept it, but also that FRY could be reconstituted as a new union that would be sufficiently loose to satisfy Montenegro yet sufficiently robust to be viable.

After protracted and difficult negotiations led by Javier Solana, on 14 March 2002 Serbian and Montenegrin leaders signed up to a basic agreement to reconstruct a common state. But it took another visit by Solana in November to conclude interminable negotiations on the 'Constitutional Charter' that replaced FRY

18. Ibid., p. 6.

with the State Union of Serbia and Montenegro (SCG). Ratification of the Charter by all three parliaments was finally completed, after further delays, in February 2003.[19] At every stage, strong pressure from the EU was essential to the process. It was an unpromising start to a union that satisfied neither side, and was immediately dubbed 'Solania' by irreverent sceptics.

A new 'failing state'?

The outcome was a minimalist structure indeed: a Council of Ministers of only five members chaired by an indirectly elected President with very limited powers;[20] and a joint parliament of 126 seats (91 from Serbia, 35 from Montenegro) that provisionally, for the first two years, would be filled by delegates from the republican parliaments. Direct elections to the Union parliament was one of the issues that the Montenegrins had most stubbornly resisted. The compromise was the two-year delay, meaning that direct elections would not be held until February 2005 at the earliest. Another crucial concession secured by Djukanovic as the price of his signature on the Charter was that either republic would have the right to call a referendum on independence after the lapse of three years (i.e. not before February 2006). This bought time, but at the expense of lending the whole flimsy edifice a decidedly provisional quality that would undermine the prospects for SCG's future consolidation into a viable state.

Despite the significant concessions he had won, Djukanovic was roundly criticised back home for 'selling out' on independence by his pro-independence coalition partners, who had regained self-confidence after improving their performance in the 2002 elections. So Djukanovic defended himself by emphasising his commitment to holding the independence referendum, even if this had to be delayed until 2006. On the other hand, in Belgrade several Serbian politicians openly doubted whether such a loose union could be functional, and even whether it was in Serbia's interests to be part of it at all. Serbia's population is over 12 times that of Montenegro, but the Charter accords the two republics almost equal status in decision-making procedures and the share-out of top posts. A 'Movement for an Independent Serbia' soon sprang up, led by a member of the DOS coalition government. Although this movement has had virtually no electoral impact,

19. Documents relating to each stage of the process are available in English translation on the website of the Ministry of Foreign Affairs of SCG at www.mfa.gov.yu.

20. The five union-level ministries are: Foreign Affairs; Defence; International Economic Relations; Internal Economic Relations; Protection of Human and Minority Rights. The President is a Montenegrin, Svetozar Marovic. Although the Constitutional Charter prescribed that the Ministers of Foreign Affairs and Defence should not both come from the same republic, both posts are occupied by Serbs; and although each Minister is supposed to have a Deputy Minister from the other republic with whom he would exchange positions half-way through a four-year mandate, this has not happened. Meanwhile, Montenegro still has its own Minister and Ministry of Foreign Affairs, while Serbia does not.

opinion polls suggest that many Serbian citizens have begun seriously to reconsider whether union with Montenegro is in the interests of Serbia.

Leading pro-Western reformist politicians in Serbia were far from satisfied with the outcome. These include Deputy Prime Minister Miroljub Labus of the G17 Plus party, whose primary goal is, after all, the same as that of the EU: to accelerate economic transition and EU integration. They felt that the EU had let them down by not backing their demands for tighter reintegration of the two economies, without which they anticipated severe problems in the negotiation of a Stabilisation and Association Agreement (SAA) with the EU. SCG was not a single market and had two currencies. Montenegro had adopted the euro in early 2002, and retained it under the Charter; Serbia had just succeeded in stabilising the dinar, and for such a (relatively) large economy, 'euroisation' was not an option. This meant that there would not be a single SCG Central Bank and monetary policy, which threatened to complicate relations with the international financial institutions. The latter, however, proved quite flexible and ready to continue to deal with the republics separately.

A more intractable economic problem, which would indeed have important repercussions for SCG's prospects of EU integration, was the fact that the two republics had widely divergent tariff rates (on average 3 per cent in Montenegro, but 10 per cent in Serbia), and their economies were separated by a customs barrier. It was only after the Charter was concluded that the EU turned its attention to tariff harmonisation between the two republics. This now emerged as a key condition for the European Commission's 'Feasibility Report' on SCG's readiness to open SAA negotiations. The assumption was that, once the two sides had signed up to the revamped State Union, they would start to cooperate constructively on the practicalities of preparing for the SAA as the overwhelming priority. This was mistaken.

The divergent tariffs reflected structurally divergent economies, and tariff harmonisation involved costly compromises of fundamental economic interests. For tiny Montenegro, with an economy largely dependent on tourism and trade, maximum openness made sense, while Serbia argued that it could not afford to lower its tariffs at this stage and expose its large, unreformed industrial and agricultural sectors to international competition. As Mladan Dinkic (Vice President of G17 Plus, at the time

Governor of the National Bank of Serbia, and now Serbian Minister of Finance) bluntly put it: 'Either Montenegro will raise customs to our level, or we should not live with them. It is not acceptable for us to destroy half of our economy to have one quasi-state.'[21]

Negotiations on tariff harmonisation quickly became bogged down, and the European Commission suspended work on its Feasibility Study. This was meant to remind the parties that their prospects of EU integration were at stake, but the only effect was to exacerbate tensions between them. By mid-2004, SCG had been overtaken by all the other Western Balkans countries on the road towards the EU. Croatia had finalised its SAA in October 2001, applied for EU membership in February 2003, and was accepted as a candidate by the European Council in June 2004, expecting to open accession negotiations in 2005.[22] The Former Yugoslav Republic of Macedonia (FYROM) followed not far behind, concluding its SAA in 2003 and immediately preparing to submit an application for membership as soon as the SAA was ratified (which it did in March 2005). Even Bosnia and Herzegovina (BiH) and Albania were further advanced than SCG.

This called for a re-think of the EU strategy. The Stabilisation and Association Process, leading to the conclusion of SAAs, and thereafter the perspective of eventual EU membership – confirmed at the Thessaloniki European Council in 2003 – were expected to provide the impetus for political and economic reform and durable stabilisation of the Western Balkans. The formation of SCG had been seen as a stabilising factor, preventing further disintegration in the region and launching Serbia and Montenegro on the integration trajectory. But SCG's institutional framework had not provided adequate incentives for the two republics to work together and integrate more closely with each other as they both prepared for EU integration. Instead, from the outset, meeting the demands of EU integration had exposed their economic divergence and fuelled political centrifugalism. Indeed, even the regional security rationale underlying the EU's strong backing for the State Union was called into question, as relations between the two republics, historically the closest of allies, deteriorated to a point of unprecedented mutual frustration and antagonism.

Thus in October 2004 the EU changed tack and offered a 'twin-track' approach. The two republics would negotiate with the EU

21. Quoted by International Crisis Group, 'A Marriage of Inconvenience: Montenegro 2003', *ICG Balkans Report* no.142, 16 April 2003, p. 7; http://www.crisisweb.org.

22. In fact, the opening of accession negotiations with Croatia was indefinitely postponed in March 2005, due to Croatia's unsatisfactory cooperation with the ICTY.

separately on economic issues, which comprise about 80 per cent of the content of an SAA, but would be treated as a single state – SCG – when it came to the political components (democracy, rule of law, human and minority rights, political dialogue and alignment with the EU on foreign policy). The European Commission now resumed its work on the Feasibility Report assessing SCG's readiness to begin negotiations on the SAA. This would be a single document, formally concluded with the SCG as the sole international legal entity, to be ratified by the SCG parliament. And here arose the next hitch – by autumn 2004 problems were becoming apparent with the SCG parliament, whose two-year interim mandate would shortly expire.

The Constitutional Charter committed the republics to holding direct elections to the SCG parliament by February 2005, to replace the delegated representatives sent by the republican parliaments. But the Montenegrin government failed to introduce the necessary legislation for this to occur, because Djukanovic was determined to avoid direct elections. He had committed himself to holding a referendum on Montenegro's independence as soon as the Charter allowed – after February 2006. And he argued that it made no sense for Montenegro to hold direct elections to the SCG parliament before it had decided whether to remain in SCG or not. In these circumstances, it made no sense for Serbia to hold direct elections either. So February 2005 came and went, leaving SCG without a legitimate parliament and a mounting backlog of legislation awaiting approval.

Meanwhile, the European Commission's work on the Feasibility Report was nearing completion, with good prospects for a favourable conclusion, recommending opening SAA negotiations. All attention hitherto had been focussed on one key political condition – that Serbia should demonstrate satisfactory cooperation with the International Criminal Tribunal for the Former Yugoslavia (ICTY). It was only in January and February 2005 that many long-awaited war crimes indictees finally began arriving in the Hague (although the key fugitives Ratko Mladic and Radovan Karadzic still remained at large). Having at last made satisfactory progress towards meeting the EU's conditionality on this issue, now another obstacle came to the fore: SCG would still fail to comply with the EU's basic democratic and rule-of-law conditionality as long as it did not have a legitimately elected parliament.

Once again, Javier Solana was called to Belgrade. On 7 April,

just days before the Commission was due to publish its Feasibility Report, an amendment to the Charter was signed, and witnessed by Solana. Direct elections to the SCG parliament will now be held in each republic whenever it holds its next republican parliamentary elections. These are due in Montenegro by October 2006, in Serbia not until December 2007. Until then, the SCG parliament will continue to be made up of delegates from the respective republics. But in the meantime, Montenegro will still be able to hold its referendum on independence, any time after February 2006. SCG's continued existence thus remains clouded by uncertainty.

Conclusion

Was it ever worth the effort? Many have argued not.[23] Ivan Krastev concludes from a comparative survey of 'success' and 'failure' in the Balkans that 'only nation-states have succeeded in the European integration project.'[24] By this he means *unitary* states, not mono-ethnic states. In his view, ethnic federations are doomed to failure. This may seem paradoxical. As others have argued, the SCG project was a worthy attempt to put 'an end to the Balkan trend of never-ending state fragmentation in a Europe characterised by integration and the transfer of sovereign rights'.[25] If you can't live together in an integrated union even with your closest friends, how can you be a credible candidate for the EU?

It is worth noting that very similar arguments were put to the Slovaks at the start of the 1990s to deter them from independence – to no avail. The Slovaks' counter-arguments were that both republics would go faster into the EU if they went separately, and that the Czechoslovak federation would be redundant once both republics joined the European federation. The same arguments look compelling today to both Montenegrin nationalists and Serbian SCG-sceptics. If the EU's objective was to gain time, in the hope that the union would gradually gather substance and momentum once political energies were redirected towards the nitty-gritty of EU integration, that hope has been dashed. Much time was wasted in wrangling over tariff harmonisation to no effect, apart from confirming the arguments of those most sceptical about SCG on each side.

But the EU remains unconvinced. Having conceded the 'twin-

23. In particular, the International Crisis Group has been a forthright critic of the SCG project from the outset – see footnote 21.

24. Ivan Krastev, 'Bringing the State Back Up', conference paper, September 2003; http://www.suedosteuropa-gesellschaft.com.

25. Van Meurs, op.cit, p. 14.

track' approach, the EU maintains that SCG can conclude a single SAA that will respect the real economic divergence between the republics. A key factor in the EU's position remains deep scepticism about the viability of Montenegro as a separate state. The European Commission's Feasibility Report expressed serious doubts about the capacity of Montenegro's institutions to meet the demands of rapid EU integration.[26] However, to what extent these deficiencies can be mitigated by the State Union is open to doubt; and Serbia, which has more convincing institutional and administrative capacity, could more easily go it alone – but, for the moment, does not seem to want to. A poll in May 2005 found 55 per cent in favour of maintaining the common state, and 36 per cent for separation into two states.[27] Moreover, Serbia's slow progress in EU integration has not hitherto been due to the problems in the functioning of SCG, but to its own failure to cooperate adequately with ICTY.

These arguments are about to get weaker. With Serbia's improved cooperation with ICTY since the start of 2005, SCG has at last got to the threshold of SAA negotiations (expected to start in October 2005). But these now seem likely to be interrupted by Montenegro's determination to hold its independence referendum in spring 2006. The EU's 'twin-track' approach will help minimise disruption, but disruption there will certainly be. Montenegro's political energies will be diverted, firstly, by the internal political struggles that can be predicted over the question of what kind of majority and what level of voter turnout will be required for a valid result. A particularly thorny issue will be whether Montenegrin citizens resident in Serbia will be given the right to vote – under the existing referendum law, only citizens resident in Montengro can exercise this right. The electorate thus defined comprises some 450,000 voters; but there are about 260,000 Montenegrin citizens resident in Serbia, the majority of whom probably favour the maintenance of the Union and may demand the right to vote. Then, presumably, SAA negotiations will be halted for the duration of the referendum campaign. The suspension of negotiations could last some time, for, if the result is negative or invalid, the Djukanovic government would fall and fresh general elections would have to be held.

Will Serbia itself give up on the union with Montenegro, like the Czechs eventually gave up on Czechoslovakia? It is not clear. Serbia has not yet had to make up its mind about SCG, because

26. See 'Report on the Preparedness of Serbia and Montenegro to negotiate a Stabilisation and Association Agreement with the European Union', SEC (2005), 478 final, Brussels, 12 April 2005.

27. See 'Politicke podele u Srbije', op.cit., p.25.

hitherto it was the ICTY issue, not the union, that presented the main obstacle to progress towards EU integration. Up to now, supporting the SCG has been one issue on which Serbia could show the will to cooperate with the EU, but this could rapidly evaporate if the SCG itself becomes the primary obstacle to rapid conclusion of the SAA negotiations.

However, EU integration is not Serbia's only motive for supporting SCG. Many Serbs feel quite strong attachment to Montenegro. There are deep personal and emotional ties. Very many Serbs living in Serbia cherish their Montenegrin roots (derived from large-scale migration over the past century) and continue to maintain close family connections. There is thus a potential constituency of genuinely committed proponents of the union in Serbia, although it is not clear just how large a constituency this is, nor how heavily the Montenegrin factor weighs in Serbian voting behaviour. Most Serbs would certainly be very concerned at further shrinkage of the territory in which they can feel welcome and at home. But they would not try to prevent Montenegro leaving the union, if that were the settled will of a convincing majority of that republic – which is not the case today.

Another factor that has sustained Serbia's interest in the union is an instrumental one. Leading Serbian politicians, in particular Prime Minister Kostunica, see SCG as Serbia's best hope of holding on to Kosovo by reincorporating it somehow as a constituent part of SCG. This is problematic, to say the least (as we shall see in the following chapter). Montenegrins might justifiably ask why they should remain in a union whose primary purpose, for Serbia, is to solve its problem with Kosovo.

Kosovo and the question of Serbian statehood

3

The question of Kosovo goes to the heart of the question of Serbian statehood. But what, precisely, is the question? Serbs almost always frame it in nationalist terms. Kosovo is the 'heartland' of Serbian national identity, the 'core' of the medieval Serbian kingdom, and today still the site of their most precious national religious monuments. It is their 'Jerusalem'.[28] Serbs argue that no political leader in history has ever voluntarily given up state territory, let alone territory of such profound national and historical significance – so why should Serbia?

A blunt 'realist' answer would be that Serbia has already 'lost' Kosovo – and has been losing it for centuries. Ever since the Ottoman conquest, its population has been becoming more and more Albanian. Modern Serbia completely failed to integrate the Albanians into its state-building projects. Today Albanians, who constitute some 90 per cent of the population,[29] see no reason why they should remain part of Serbia. The brutalities of the Milosevic regime's attempt to suppress the Kosovo Albanian insurgency of 1998-99 amounted, in the eyes of the United States and its NATO allies, to a threat of genocide justifying their armed intervention. This was followed by the installation of a UN Interim Mission (UNMIK) – effectively an international protectorate. Elections in 2002 established 'Provisional Institutions of Self-Government' – a President, an Assembly, and an accountable government to which UNMIK has been progressively transferring more areas of responsibility. Since 1999, Kosovo has no longer been governed as part of Serbia. Nor is it going to return to rule from Belgrade – that much has been made clear by the Contact Group, which has taken the lead on behalf of the international community.[30]

28. A frequently-made point reiterated by Vuk Jeremic, adviser to President Tadic, in oral evidence to the US House of Representatives Committee on International Affairs hearing, 'Past and Future Status of Kosovo', 18 May 2005; http://wwwc.house.gov/international_relations/109/jer051805.pdf.

29. The estimated population of Kosovo is about 2 million. Kosovo Albanians boycotted the last Yugoslav census in 1991. The next census is planned under international supervision in 2006.

30. Members of the Contact Group are: United States, Britain, France, Germany, Italy and Russia.

Framing the question in international law

Should Kosovo's *de facto* separation from Serbia lead to its becoming a sovereign independent state? This was not the aim of the 1999 NATO intervention. Serbia's legal title to sovereignty over Kosovo seems clear, and was confirmed in UNSCR 1244, which regulated the outcome of the NATO intervention in 1999. There is a strong presumption in international law and practice against changing existing boundaries. As one authoritative international lawyer explains, this is 'not because the boundaries are necessarily sound or just, but because respect for them is necessary for peace and stability.'[31] The people of Kosovo do enjoy the right to self-determination, but this does not mean a 'right of secession' – there is no such right in international law. Even attempted genocide is not enough to create such a right, as the case of Iraq's Kurds shows.

However, the principle of the sovereignty and territorial integrity of states does not trump all other principles of international law. Where a state has manifestly failed to comply with the other equally important UN principles of equal rights and self-determination – that is, where its government does not represent all the people of its territory without distinction, and where it employs force to deprive peoples of their national identity – the international community has been prepared to look more sympathetically at the case for secession, and has recognised it as a last resort 'when maintenance of the status quo seemed to be not only unjust but would have been seen to be dangerous by other states – if not for the world, then at least for regional stability.'[32]

Faced with the reality of the dissolution of the Soviet Union and Yugoslavia in 1991, the then European Community (now EU) produced a set of 'Guidelines' on the recognition of new states.[33] The 'Declaration on Yugoslavia' referred only to 'Republics'. Kosovo was not a Republic of the former Yugoslavia, but an 'Autonomous Province' within Serbia, so the Declaration avoided taking a stance on it. The Declaration also insisted on 'respect for the inviolability of all frontiers, which can only be changed by peaceful means and by common consent'. New states had to respect basic standards and provisions of international laws on the rule of law, democracy and human rights, and guarantee the rights of ethnic and national minorities.

31. Max Kampelman, cited in Rein Mullerson, *International Law, Rights and Politics* (London: Routledge, 1994), p.64.

32. Ibid., p. 67.

33. See European Political Cooperation Press Releases: 'Declaration on the "Guidelines on the Recognition of New States in Eastern Europe and in the Soviet Union"', P.128/91, 16 December 1991, and 'Declaration on Yugoslavia', P.129/91, 16 December 1991.

In 1999, NATO's decision to use force against the Federal Republic of Yugoslavia (comprising Serbia and Montenegro) was justified as a 'humanitarian intervention' to protect the Albanian population from the threat of genocide. It was argued that the international community had a responsibility to prevent a massive violation of human rights that outweighed the principle of respect for FRY's sovereignty.[34] The intention of the NATO intervention was not to change FRY/Serbian borders or bring about an independent Kosovo. UNSCR 1244, however, mandated the interim administration to 'facilitate a political process designed to determine Kosovo's future status, taking into account the Rambouillet accords'.[35] The reference to Rambouillet signalled that independence was not ruled out. The question remains open.

No clear prescription for Kosovo's future status emerges from international law, but there are some basic principles to guide the process of determining it. None of these is absolute and must be balanced against the others. Firstly, the international community's priority objective in resolving Kosovo's status will be to promote the security and durable stability of the whole Balkans region. Next, any change of status and borders should be achieved through a political process, not by unilateral action or the use of force.[36] What if that process shows no prospect of reaching agreement? There is no clear answer. A conservative reading of international law would favour the territorial status quo, on the basis of the traditional meaning of the respect for sovereignty. But the international community – in the form of the Contact Group – deems the status quo 'unsustainable'.

There is another – growing – school of thought that argues that, since the end of the Cold War, sovereignty has been undergoing redefinition.[37] In the words of UN Secretary-General Kofi Annan, the balance of emphasis has changed towards 'the peoples' sovereignty rather than the sovereign's sovereignty'.[38] This implies that a key consideration in determining the future status of Kosovo will be an outcome that is consistent with government that abides by the rule of law, democracy and human rights, in particular, minority rights, and thus can credibly claim to represent the interests of *all* the people of the territory irrespective of ethnic or national identity.

34. The legal basis for this remains controversial, in so far as the NATO action was not backed by the UNSC. It probably received post hoc legal sanction by UNSCR 1244, which regulated the outcome of the intervention. An Independent International Commission on Kosovo concluded that the intervention was 'legitimate, but not legal' and called for further development of the UN framework to guide future responses to humanitarian catastrophes such as the one unfolding in Kosovo in 1998-99: see *The Kosovo Report: Conflict, International Response, Lessons Learned* (Oxford: Oxford University Press, 2000). Further reflection on the emergence of a possible new principle of international law was conducted by the Canadian-government sponsored International Commission on Intervention and State Sovereignty: see *The Responsibility to Protect* (Ottawa: IDRC, December 1991) at: http://www.idrc.ca.

35. The Rambouillet Accords were drafted in spring 1999 in the attempt to avert the crisis in Kosovo. They never came into effect, as FRY did not sign up; but they included a provision for the people of Kosovo to determine their own future by means of a referendum after three years. While the international community has allowed the three years to elapse, commitment to the basic principle of self-determination for Kosovo still stands.

36. On the debate over whether NATO's 1999 intervention constituted an attempt to change borders by force, and was therefore contrary to international law, see the literature cited in note 34.

37. See for example, Mullerson, op.cit.; and the useful bibliographic survey in *The Responsibility to Protect: Research, Bibliography, Background* (supplementary volume to the Report of the International Commission on Intervention and State Sovereignty), (Ottawa: IDRC, 2001).

38. Kofi Annan, 'Two concepts of sovereignty', *The Economist*, 18 September 1999, pp.49-50.

Reframing the question in a European context

Another way of framing the question of Kosovo is to place it within the European context. At the Thessaloniki European Council in June 2003, the EU committed itself to a 'European perspective' for the Western Balkans, explicitly declaring that 'The future of the Balkans is in the EU.' Kosovo's 'final status' will be in the EU, along with all its neighbours. The EU perspective offers a unique strategic framework for the long-term stabilisation and security of the region. The promise of eventual EU membership for Serbia and Kosovo, along with all their neighbours, accompanied by the provision of substantial technical and economic assistance for reform and development, should act as powerful incentives to all parties to modify their positions and shift their focus from the injuries of the past towards building a better future for their peoples.

One Serbian leader recently declared he was sick of being told that the choice for Serbia is 'Kosovo or Europe'. But this is to miss the point. The EU perspective is not simply a crude economic bribe. European integration has never been a matter of purely economic gain. Its purpose from the outset has been to put an end to a history of devastating conflict between European nations by providing a common framework within which they could redefine their 'national interests' by accentuating shared interests in the fundamentals of security and prosperity for all their societies. European integration succeeded in transforming politics among post-Second World War West European nation-states from the zero-sum game of winners and losers into a positive-sum game in which each derives greater benefit from working with others. The promise of enlargement extended that logic successfully into Central and Eastern Europe, culminating in those states' accession to EU membership in 2004. The aim is now to bring the Western Balkans into the fold.

The EU's commitment to the Balkans thus implies more than a merely 'foreign policy' interest in the Kosovo question: it is a commitment to partnership with the countries of the region in the shared goal of transforming them into a set of functioning democracies that are capable of becoming future EU member states. This perspective challenges Serbia to approach the question of Kosovo as a means of choosing to become such a state, by redefining its national objectives in light of the opportunities that European integration offers.

For most of the period since 1999, Serbian politicians have avoided facing up to this choice. They assumed that Serbia's legal claim to sovereignty provided the definitive answer to the question of Kosovo. They expected that the Kosovo Albanians' failure to meet the standards of democracy and human and minority rights would erode international support for their independence. Indeed, for a long time, division over these issues paralysed the international community on the Kosovo question. Meanwhile, Serbia was relieved of the burden of maintaining Kosovo's security and supporting its economy – the huge financial costs fell to the international community, not the Serbian budget.

The eruption of mass violence in Kosovo in March 2004 (see Box 1) changed the equation in ways that Serbia did not expect. While the events certainly confirmed the Kosovo Albanians' unreadiness for independent statehood, key international actors – the United States and the EU – concluded that the status quo was unsustainable: uncertainty now posed the most serious threat to the security and stability of the Balkans region. Moreover, Russia – Serbia's key international ally and a veto-wielding member of the UN Security Council – also came round to this opinion. The new consensus within the Contact Group opened the way to accelerating the 'political process' adumbrated in UNSCR 1244 for determining Kosovo's future status. Negotiations are set to open in the autumn of 2005. Is Serbia ready?

Box 1: The events of March 2004 in Kosovo

On 17-18 March 2004, Kosovo erupted in violence, involving over 50,000 people in 33 violent incidents across the province. The trigger was a report emanating from the northern town of Mitrovica, one of the areas of the highest level of ethnic tensions in the province since 1999. The report alleged that a gang of Serbs had attacked a group of four Albanian children, who tried to escape by jumping into a river in which three of them drowned. The report, which subsequently proved to be false (there was no Serb attack), was rapidly diffused across the province by sensationalist coverage in the Kosovo Albanian media. The result, as UN Secretary-General Kofi Annan reported to the UN Security Council, was as follows:

> The onslaught led by Kosovo Albanian extremists against the Serb, Roma and Ashkali communities of Kosovo was an organized, widespread, and targeted campaign. Attacks on Kosovo Serbs occurred throughout Kosovo and involved primarily established communities that had remained in Kosovo in 1999, as well as a small number of sites of recent returns. Properties were demolished, public facilities such as schools and health clinics were destroyed, communities were surrounded and threatened and residents were forced to leave their homes. The inhabitants of entire villages had to be evacuated and, following their departure, many homes were burned to the ground. In other cases, there were attempts to illegally occupy and, in some cases, allocate abandoned property.

> A total of 19 persons died in the violence, of whom 11 were Kosovo Albanians and 8 were Kosovo Serbs, and 954 persons were injured in the course of the clashes. In addition, 65 international police officers, 58 Kosovo Police Service (KPS) officers and 61 personnel of the Kosovo Force (KFOR) suffered injuries. Approximately 730 houses belonging to minorities, mostly Kosovo Serbs, were damaged or destroyed. In attacks on the cultural and religious heritage of Kosovo, 36 Orthodox churches, monasteries and other religious and cultural sites were damaged or destroyed.

The violence in March has completely reversed the returns process. Minority areas were targeted, sending a message that minorities and returnees were not welcome in Kosovo. In less than 48 hours, 4,100 minority community members were newly displaced, more than the total of 3,664 that had returned throughout 2003. The majority of those who fled were in the Pristina and southern Mitrovica regions (42% and 40%, respectively), but displacement affected all regions of Kosovo. Of the displaced, 82 per cent are Kosovo Serbs and the remaining 18 per cent include Roma and Ashkali displaced. It is estimated that 350 Kosovo Albanians were displaced from the northern section of Mitrovica.*

While unprecedented in scale, the March events were the culmination of numerous lesser incidents of vengeful inter-ethnic violence that had been going on with impunity ever since 1999. UNMIK (the UN interim administration) and KFOR (the NATO-led stabilisation force) had failed to preserve order and protect the targeted minority populations. Indeed, for the first time, officers and property of the international security and police missions came under attack. The Kosovo Police Service (KPS) also failed to intervene in many areas, and some of its members had participated in the March attacks.

The initial responses of most of the Kosovo Albanian political leadership were ambivalent and evasive: 'Kosovo Albanian leaders were generally reluctant to condemn in a forthright manner the violence in general and later the violence against the Kosovo Serbian community in particular.'** When finally public condemnations were issued, it was only at the prompting of the head of UNMIK. Several statements, including that of President Rugova, failed to acknowledge that the Serbs had been the main targets and victims of Albanian attacks.

*'Report of the Secretary-General on the United Nations Interim Mission in Kosovo', UNSC S/2004/348, 30 April 2004, paras. 2 and 3, pp. 1-2. See also International Crisis Group, 'Collapse in Kosovo', *ICG Europe Report* 155, Brussels, 22 April 2004.
** UNSC S/2004/348, 30 April 2004, para. 11, p. 3.

Serbia's 'new deal' for Kosovo

In spring 2005, when it became clear that the question of Kosovo had to be faced, the Belgrade political leaders made a concerted effort to overcome their all too evident division and disarray. Confronted by the Contact Group's declaration that there could be 'no return to the status quo before 1999', Serbian President Boris Tadic and Prime Minister Vojislav Kostunica set their teams of advisers to work on a 'joint platform' with which to prepare for the looming status negotiations. The result was an intriguing new formulation: 'more than autonomy, less than independence'. Precisely what this might mean is not clear, except that independence – including 'conditional' independence – for Kosovo, is firmly ruled out. This was greeted internationally as a promising opening position: even if the content remained obscure, there was room for filling in the details in the course of negotiation.

There are two dimensions to the Serbian plan: firstly, that Kosovo should become reintegrated into the State Union, possibly as a third constituent member of it; and secondly, that decentralisation within Kosovo should be pursued as a preferable alternative to partition as the means of guaranteeing minority security and self-government. Can these proposals meet the international criteria of durable stabilisation and democratic government? Do they advance the European perspective of Serbia and Kosovo, which demands functional statehood?

a) An expanded State Union?

There are two fundamental problems with this. First of all, as argued in the previous chapter, the State Union (SCG) is itself highly dysfunctional as a state. Why embracing Kosovo should improve matters is, to say the least, highly debateable. Secondly, there is no sign whatsoever of any Kosovo Albanian interest in this option: their political leaders are now completely set on independence. Although in the past there were indeed Kosovo Albanian leaders who were prepared to stop short of independence and talk with Belgrade about some alternative solution, the events of 1998-99 created an irreversible change in their relations with Serbia. Belgrade appears to have failed to grasp this new reality. Some had hoped that once Serbia itself became a democracy, after the ouster

of Milosevic, Albanians would revert to a more accommodating posture. But they have not.

Kosovo Albanians can produce good reasons for not trusting Serbian democracy for the time being. They can point to the fact that the most popular party in Serbia today is the Radical Party, whose extreme nationalist and xenophobic programme has remained unchanged since the mid-1990s, and whose leader, Vojislav Seselj, is now in The Hague, indicted for war crimes by the ICTY. The Radicals are kept out of power by a coalition of democrats, but this is precarious. There is a good chance that the next elections will see a further rise in the Radicals' strength, which might even bring them into government. Meanwhile, deep divisions persist among the democrats, which means that the current government depends in practice on the support of Milosevic's Socialists in parliament. The price of this has been delay in delivering indicted war criminals to the ICTY, the major reason why the international community also has doubts about the robustness of Serbia's democracy and the functional capacity of its institutions to meet basic obligations of UN membership.

Belgrade's proposals for how the tripartite union would function remain extremely vague. When one tries to imagine how it might work, the sense of unreality becomes overwhelming. If Kosovo were to be integrated as a third, equal partner, presumably its representatives would take their turn in the rotating leadership positions in the union. But are Serbs *really* ready to contemplate the possibility of a Kosovo Albanian – say Ibrahim Rugova, or Ramush Haradinaj – as their President, or Minister for Foreign Affairs representing them abroad, or Minister for Defence in charge of their army and the country's security?[39] Are Serbs really ready to offer Kosovo Albanians fully proportionate representation in the Union parliament?

I ask these questions because I have gained the very strong impression from numerous interviews and discussions in Serbia that many, if not most Serbs do not seriously consider Kosovo Albanians as fellow-citizens, which they are today and will remain for as long as Kosovo is part of Serbia. A senior politician recently complained to me about Kosovo Albanians 'exploiting' their rights to Serbian/SCG passports[40] and to take up jobs, education and health services in Serbia. He seemed to be searching for ways in which Serbia could keep hold of Kosovo as a territory while divesting itself of any obligation towards the majority of people who live there. Many

39. Alexander Simic, Prime Minister Kostunica's adviser, claimed that they were at a conference in Bratislava on 20 May 2005.

40. Kosovo Albanians use their Serbian/SCG passports because UNMIK travel documents are not recognised by SCG, nor by many states, including in Europe.

Serbs freely admit their anxieties about high Kosovo Albanian birthrates and are unnerved by the prospect of being 'swamped' by unwanted migrants from across the Ibar. Yet the very same people will continue to insist that keeping Kosovo in Serbia/SCG is in Serbia's 'vital national interest.' It just does not make sense.

Today, reintegrating Kosovo into SCG will not win the Albanians' consent. It could only be achieved and sustained by the use of force – which is why it will not happen.

Neither the international community nor the EU wishes to see further fragmentation of the West Balkans region and the erection of new hard borders across it. The way forward, however, is not to persist in unstable unions that are not based on consent and cannot be sustained democratically. The alternative is to be found in regional cooperation, which the EU has made a key condition for the Western Balkans' advancement towards EU integration (in addition to the standard 'Copenhagen criteria' of democracy, rule of law, human and minority rights required of candidates for membership). This regional conditionality is fully in conformity with Serbia's aspirations for an overarching framework under which it can pursue its legitimate interests in Kosovo (namely, minority rights, property claims, protection of cultural heritage). Kosovo will be required to cooperate too.

A promising overarching framework for the region is already in place in the form of the South-East European Cooperation Process, which has emerged from the Stability Pact and is developing in the hands of political leaders of the region itself. It is working quite well to change the pattern of politics in the region, and could be extended to embrace Kosovo as a full member. Serbia and Kosovo will also need to develop specific bilateral ties to tackle practical problems of common concern. The institutional embryo of this can already be discerned in the joint Working Groups now tackling refugee returns, missing persons, electricity supply and transport. In due course, a wider agenda of economic and cultural cooperation can be expected to emerge. There is no need to 'reinvent the wheel'.

b) Minority security: autonomy or partition?

How are the security and rights of the non-Albanian minorities in Kosovo to be credibly enforced? A satisfactory answer to this question is the *sine qua non* of a durable status settlement. The 1999

intervention in Kosovo was justified as a means of protecting the Albanians as a threatened minority within Serbia, but left the Kosovo Serbs exposed as a minority within Kosovo to repeated acts of violent revenge, culminating in the events of March 2004. The manifest failure of the international administration and security presence to protect the non-Albanian minorities has greatly complicated the politics of resolving the Kosovo question. Serbs do not trust the capacity of the international community to enforce minority security, and many of them also question its commitment. Many see partition of the province as the only way forward.[41] Opinion polls show that partition is the preferred, or second-best solution (after reintegration of Kosovo into SCG) of a clear majority of Serbs.[42] But the Contact Group has already ruled out partition for Kosovo (on the issues raised by partition, see Box 2).

41. For example, the leading Serbian nationalist writer and former FRY President, Dobrica Cosic, *Kosovo* (Belgrade: Novosti, 2004). There is also support for partition among leading figures in the non-nationalist G17 Plus party, and the DS.

42. See 'Politicke podele u Srbije', op.cit., Table 18, p.24.

Box 2: Partition

One way of dealing with contested territory is partition. This has, however, rarely proved satisfactory. It has usually been accompanied by forced population transfers, with much loss of life, permanently scarring the future relations between the states concerned. Ethnic partition of Kosovo would be highly problematic first of all because the only sizeable area of concentrated Serb settlement is in the north-east, in northern Mitrovica and three adjoining municipalities, which comprise only about one-third of the total Serbian minority population. The rest live dispersed in rural settlements and mixed municipalities across the province, and would still need protection. Indeed, their position could become even more precarious in so far as ethnic partition lent legitimacy to the notion that the remainder of Kosovo belonged only to Albanians.
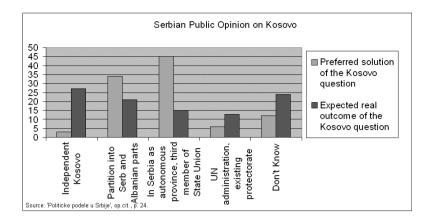
Wider considerations of regional stability also argue against partition. Changing the borders of the province could open demands for redrawing borders elsewhere in the region. Serbia itself would be affected: it faces another secessionist challenge in its southern, Albanian-majority municipalities which border on Kosovo. The Slav Muslims (often now identifying as Bosniaks) who live in Sandjak, an area straddling the Serbia-Montenegro border, could be stirred into a secessionist mood if SCG falls apart. Some also warn that partition could reawaken secessionism among Bosnian Serbs. Current polls suggest that such ambitions are fading. A more likely spur to their revival, however, would not be what happens to Kosovo, but what happens to Republika Srpska, their autonomous entity within Bosnia-Herzegovina.

Partition of Kosovo would have the most immediate impact on the Former Yugoslav Republic of Macedonia (FYROM), where relations between the Macedonian majority and sizeable Albanian minority, concentrated in the west of the country, are precariously balanced. Radicals from both communities in the past have advocated partition.

Civil war was only narrowly averted in 2001 by international pressure on both sides to negotiate constitutional change to better integrate the Albanians into the existing state. This has made some progress in reconciling Macedonian Albanians to the territorial status quo, but Slav Macedonians remain resentful of the concessions they feel were forced upon them. Fully 76 per cent of respondents to a recent opinion poll expect new military conflicts in future.* These fears are closely connected with apprehensions about the future of Kosovo.

It could well be argued that in so far as separation of Kosovo from Serbia would amount to partition of Serbia, then the stability of FYROM, or any other fragile state in the region, would be put in question anyway. However, the President of FYROM himself has acknowledged that the continued *uncertainty* surrounding Kosovo's status is now a greater threat to the stability of his country than Kosovo independence – which would be acceptable provided that it is the result of negotiation, accompanied by international guarantees on borders, and credible measures to deter the activities of Albanian extremists from Kosovo who have been involved in violent clashes in FYROM.

* See International Commission on the Balkans, op.cit., p. 26.

Serbian Public Opinion on Kosovo

Source: 'Politicke podele u Srbije', op.cit., p. 24.

The Belgrade political leadership appears to have dropped the idea of partition – at least for now. How, then, does Belgrade envisage minority protection in Kosovo? It wants to see 'autonomy for minorities within an autonomous Kosovo', i.e. a degree of autonomy for Kosovo's minorities equivalent to that on offer from Belgrade for Kosovo within Serbia/SCG. This has the virtue of elegant symmetry and sounds 'fair', but it also implies that if Kosovo does not accept autonomy, Belgrade will seek the secession of the Serbian minority areas from Kosovo.

Concretely, what Belgrade's proposals seem to mean is turning the north-east area (northern Mitrovica and adjacent municipalities), plus four (maybe more, or fewer) of the small centres of ethnic Serbian settlement (enclaves) into autonomous self-governing communities with control over local policing, local judiciary, health care and education. It is not clear precisely how much territory Belgrade has in mind (presumably this is open for negotiation).[43] If it includes all the territory in the hands of Serbian minority municipalities and the 'parallel structures' run by Serbs in the province, this could mean as much as one quarter of Kosovo. In so far as these structures operate outside the legal framework established by the protectorate, receive financial and political support from Belgrade, and refuse to engage with the Kosovo institutions, they are regarded by the Kosovo Albanians, UNMIK, and many in the international community as the tools of an ill-disguised Belgrade plan for eventual partition of the province.[44]

This lack of trust in Belgrade's intentions is a fundamental political obstacle to the acceptance of its proposals. Radical forms

43. One version of this approach was the 'Plan for the Political Solution to the Situation in Kosovo and Metohija' presented by the Serbian Government in 2004: see http://www.srbija.sr.gov.yu.

44. This was evident in the testimony of the US Balkans expert, Daniel P.Serwer to the US House of Representatives Committee on International Relations hearing on 'Kosovo: Current and Future Status' on 18 May 2005; http://wwwc.house.gov/international_relations?109/ser051805.pdf.

of minority autonomy, including ethnoterritorial autonomy, are in operation elsewhere in Europe, and can work satisfactorily under certain conditions. Such special arrangements for ethnic minorities are not inherently incompatible with liberal democracy, and can be an essential complement to it in deeply divided societies.[45] Such proposals should not therefore be ruled out a priori, but the key question is whether and how the conditions for their viability in the specific context of Kosovo can be put in place. Experience from elsewhere indicates that such solutions have to start out by establishing a minimal basis of trust between the parties involved, and have to be sustained by their long-term commitment to mutual confidence-building. In the case of Kosovo, the international community – and in particular the EU – will play a key role in enforcing the status settlement in Kosovo. It may be willing to exert its influence over the Kosovo Albanians to secure their consent to minority self-government, but it will not do this unless it is persuaded of the viability of the specific proposals as a means of durable stabilisation of the region.

Belgrade might stand a much better chance of getting autonomous minority self-government taken seriously in the Kosovo status negotiations if it were prepared, in exchange, to accept eventual Kosovo independence, and to renounce any future territorial claims. Belgrade politicians, including SCG Foreign Minister Vuk Draskovic, sometimes cite the 1995 Dayton accords for BiH, which constituted the 'Republika Srpska' as one entity of the complex, multilevel governance system as a 'model' of conflict resolution.[46] They should first of all remind themselves that FRY's recognition of BiH's sovereignty and territorial integrity was an essential component of that solution.

Moreover, they cannot be unaware that although Dayton brought the fighting to an end, it did not produce a functional system of governance for BiH capable of advancing it rapidly towards EU integration. Belgrade needs to show how its proposals for minority self-government in Kosovo would work better than the Dayton constitution in BiH. A functional Kosovo is in the interests of the minorities, and so too of Serbia itself. More attention needs to be given to how minority self-government would intermesh with Kosovo self-government. Territorial decentralisation will not meet all the needs of the Serbian minority. They also need to be given a stronger stake in the Pristina institutions. This means clear and enforceable rules guaranteeing minority ethnic repre-

45. See Will Kymlicka, *Politics in the Vernacular: nationalism, multiculturalism and citizenship* (Oxford: Oxford University Press, 2001); and Will Kymlicka (ed.), *Can Liberal Pluralism be Exported? Western Political Theory and Ethnic Relations in Eastern Europe* (Oxford: Oxford University Press, 2001).

46. Interview with Vuk Draskovic 'Nezavisnost Kosmeta dovela bi do nezavisnost RS', *BlicOnline*, 27 June 2005; http://www.blic.co.yu.

sentation in Kosovo's Assembly, government, administration and judiciary at the central level, similar to the rules set out in the 2001 Ohrid Agreement between FYROM's Macedonians and Albanians.[47] As former SCG Foreign Minister Goran Sviljanovic put it, a viable solution for Kosovo could be 'somewhere between Dayton and Ohrid'.

Minority education and health care beyond the primary levels may be better served by a system of non-territorial 'personal autonomy'. This would establish self-governing institutions providing various services for the minority (education, health, cultural heritage management, etc.), irrespective of where they live within Kosovo. This would require imaginative institutional design, but is not unprecedented. A system organised along these lines is practised in Belgium, for example. Individual members of the minority would register for inclusion in the scheme, and would contribute to the costs through a form of taxation. Current Serbian government support for the Kosovo Serbs' 'parallel institutions' could be folded into the scheme by a transparent system of donations.

Furthermore, the promotion of cross-border cooperation between sub-state regions and municipalities is a valuable practical means of mitigating the divisive impact of borders and fostering contact between minorities and their 'motherland' while at the same time building trust between states. The Council of Europe has been working for decades on such projects with member states and their local and regional authorities.[48] The European Outline Convention on Transfrontier Cooperation (the Madrid Convention) and its two additional protocols set out the basic principles and agreed objectives of cross-border cooperation, and provide a range of legal models that can be adapted to suit the particular circumstances. Since 1989, the Council of Europe has been particularly active in supporting new cross-border cooperation initiatives that have sprung up along all the borders of the 'New Europe'. More recently, the Council of Europe has been working in cooperation with the Stability Pact to promote similar initiatives in the Western Balkans. Moreover, EU programmes offer substantial financial assistance to support such projects, which are very much in line with its 'regional approach'.

47. The text of the 'Framework Agreement, Ohrid and Skopje' (13 August 2001) can be accessed at http://president.gov.mk/eng/info/dogovor.htm.

48. SCG, as a member of the Council of Europe since 2003, is expected to sign this Convention but has not yet done so. Further information on the Council of Europe's work in this field is available at: http://www.coe.int/T/E/Legal_Affairs/Local_and_regional_Democracy/Transfrontier_co-operation.

Can Kosovo become a functional state?

Many Serbs argue that an independent Kosovo would be destabilising for the region, not only because it would require a change in Serbia's/SCG's borders, but because it is incapable of becoming a functional state. Kosovo is certainly far from fulfilling all the standards set out by the UN as preconditions for opening discussions on its future status, yet despite this, the international community is preparing to open discussions. Many Kosovo Albanians are also ready to acknowledge deep problems. As one Pristina journalist recently wrote:

> ...much care is needed in the phase Kosovo is entering, because there are two processes taking place in Kosovo. One process is moving Kosovo towards its status and the other is the evident sinking of Kosovo in organised crime and corruption. Because it wants to accelerate the process of finding the final status of Kosovo, the international community has started to close its eyes towards negative phenomena of corruption, nepotism and organised crime.[49]

Part of the blame for this state of affairs can be attributed to UNMIK, which has ultimate authority and responsibility for the province's development. Protectorates are not the best means of promoting the development of effective, self-sustaining democratic institutions. They blur lines of accountability and encourage irresponsibility on the part of elected politicians.[50] It is indeed striking how the Kosovar Albanians' capacity for self-organisation, evident in the 'parallel institutions' they sustained for many years under enormous duress in peaceful resistance against the Milosevic regime, seems to have evaporated after 1999. Kosovo's deep governance and economic problems are also closely linked to the prolonged uncertainty over its final status, which has left it in international legal and political limbo, inhibiting foreign investors while attracting international criminal networks. The Kosovo political elite is focused almost wholly on independence as the cure for all ills, but right now is not in the least ready to enter serious status negotiations.[51]

Kosovo's problems will not disappear overnight and automatically if it becomes independent. Hostility towards the minority communities is deeply ingrained and political leaders have done little to change this. They blame the Serbs for blocking their

49. Augustin Palokaj, column in *Koha Ditore*, translated in OSCE *Monitor Final Edition: Pristina Media Highlights*, 13 June 2005, p. 7.

50. See for example, Gerald Knaus and Marcus Cox, 'Bosnia and Herzegovina: Europeanisation by decree?' in Judy Batt (ed.), 'The Western Balkans: moving on', *Chaillot Paper* 70 (Paris: EU Institute for Security Studies, October 2004), pp.55-68; http://www.iss-eu.org. Also Wim Van Meurs(ed.), *Prospects and Risks beyond EU Enlargement. Southeastern Europe: Weak States and Strong International Support* (Opladen: Leske and Budrich, 2003).

51. See the very sobering report of the International Crisis Group, 'Kosovo after Haradinaj', *ICG Europe Report* 163, Brussels, 26 May 2005.

capacity to meet the 'standards' by boycotting the Kosovo institutions, which exacerbates their frustrations; but the Kosovo Albanian leaders could have done more to show how these institutions can produce results for the local Serbs – or indeed for the rest of the population. The events of March 2004, and the inadequate reactions of leading Kosovo Albanian politicians to them, strongly suggest, at best, a lack of understanding of what it will take to achieve the 'multicultural and democratic society' that the international community expects to be built in Kosovo. At worst, they may demonstrate a deep-rooted lack of commitment to that goal.

This conclusion is supported by opinion poll findings, such as those reported by the International Commission on the Balkans. These found that Kosovo respondents were not only markedly more sceptical than other peoples of former Yugoslavia about the possibility of multicultural coexistence, they also seemed less inclined to regard it as desirable. Respondents from Kosovo (like those from Albania) placed far more importance than others in former Yugoslavia on the 'nation' than their neighbours, and were far more ready to agree that borders should be redrawn in former Yugoslavia so that 'each large nationality lives in a separate country/state'. Albanians were very much more likely than any of their neighbours to see unification of Kosovo and Albania as both desirable and quite likely.[52]

Ideas about a 'Greater Albania' continue to float about in Kosovo and Albania. The International Crisis Group (ICG) argues that they lack programmatic substance and are not explicitly supported by mainstream parties.[53] Nevertheless, heavy emphasis on ethnicity in the construction of Kosovo Albanian identity leads to neglect of the task of building well-functioning political institutions in Kosovo. Kosovo Albanians tend to regard them as 'provisional' in a double sense: provisional not just until UNMIK's departure, but until a unified Albanian state comes about. According to the ICG (one of the most sympathetic observers of Kosovo politics), there is an unresolved ambiguity as to just *which* state Kosovo Albanians think they should be building:

...there is little debate on state identity. Most Kosovo Albanians blithely assume their ethnic identity is sufficient. Flag, anthem, and independence day are borrowed from Albania; one of Albania's national football team's most militant support groups is from

52. International Commission on the Balkans, op.cit., Annex 1.

53. International Crisis Group 'Pan-Albanianism: How Big a Threat to Balkan Stability?', *ICG Europe Report* 153, Tirana/Brussels, 25 February 2004.

Kosovo. Kosovo Albanians contributed much historical militancy to the Albanian national cause; many consider it absurd that Albania alone should inherit the national symbols [...]

Kosovo Albanians fear the security implications of exchanging Albanian identity for a new Kosovo identity. Even aside from supporters of the small fringe parties that advocate an immediate greater Albanian union, many see independence as a provisional solution and hope for eventual unity with other Albanian territories [...][54]

The Serbs (along with most other Western Balkans states) have noticed this and drawn much less sanguine conclusions than the ICG. They fear Albanian nationalism as an unstoppable rising new force in the Balkans, and they interpret it in light of what they know about the inherent tendencies of their own nationalisms in the past. They expect the Albanians to use force, subversion and mass unrest in Kosovo, like the Palestinian *intifada*. Although the Contact Group has declared that any final status outcome for Kosovo will exclude its future unification with Albania or with other neighbouring Albanian-inhabited territories (in FYROM, southern Serbia or southern Montenegro), neighbouring states in the region are far from confident in the international community's will to oppose it. This fear is a major factor for instability in the region, and has to be laid to rest by credible international guarantees.

To be fair, many of the symptoms of Kosovo's governance failings are also to be found in other weak states in the Balkans. Kosovo Albanian politicians do not have a monopoly on corrupt and clientelistic practices, links with organised crime, political abuse of unreformed security apparatuses, personalised mudslinging at the expense of practical consensus-building, and so forth. Indeed, Serbia itself is far from immune to these problems. In Kosovo, as elsewhere, these problems have as much to do with economic dysfunctionality as with unresolved status. And Kosovo's economy is more deeply dysfunctional than any other in the region.[55]

Economic growth rates have been falling sharply (now under 4 per cent), in tandem with the decline in international donations and remittances from Kosovo Albanians working abroad. A high proportion of the economy is in fact unregistered, comprising small-scale trading and service activities. These have limited access to credit and thus limited chances to expand, provide jobs and contribute to the Kosovo budget. Privatisation has been impeded

54. International Crisis Group, 'Kosovo: Toward Final Status', *ICG Europe Report* 161, 24 January 2005, pp.6-7.

55. See Franz-Lothar Altmann, 'Regional economic problems and prospects' in Judy Batt (ed.), op.cit., pp.69-86; and Wim Van Meurs, 'Kosovo's fifth anniversary – on the Road to Nowhere?' CAP, Munich, 1 March 2004; http://www.cap-lmu.de/publikationen/2004/cap_kosovo.php.

by unresolved property issues (including Serbia's claims to rights in public property). Foreign direct investment has been very limited, partly – but not only – as a result of status uncertainties. Illustrative of the scale of the economic problem is the fact that less than 4 per cent of Kosovo's imports are covered by export earnings. Unemployment is estimated at 60-70 per cent, and even higher among Kosovo's very substantial population of young people. This is a key factor making for political instability. As one young Kosovo Albanian told Ambassador Kai Eide, 'You gave us freedom, but not a future'.[56]

If giving Kosovo a future means giving it independent statehood, this has to be approached with sober expectations on all sides. It will be a long-term project.[57] An independent Kosovo will need many years of international support. An international presence will be essential not only to guarantee Kosovo's security, but also that of the non-Albanian minorities. International courts and judges will be needed to handle cases of ethnic-related crimes. International training and monitoring of the Kosovo Police Service, including close support for tackling the serious problem of organised crime, will continue. Kosovo will be heavily dependent on international (mainly EU) development assistance for years to come, and this means far-reaching international influence over policy-making through economic and political conditionality.

In the past, under Milosevic, the Kosovar Albanians showed they had the capacity for self-government in the most adverse circumstances, when they operated a set of 'parallel institutions' for their people. They do not lack capable and responsible young people to revive that tradition of self-government today. With sustained and deep international engagement and commitment to EU integration, Kosovo *could* shape up into a functional state capable of eventually integrating into the EU.

Conclusion

56. See Kai Eide, 'The Situation in Kosovo' (report to the UN Secretary-General, 15 July 2004), para.5; http://projecttransition-aldemocracy.org/document.php ?docid=354&regionid=7.

57. The idea of a four-phase transition to full independence, set out by the International Commission on the Balkans, op.cit., seems the only realistic way to approach it.

Although there may well be room for doubts about an independent Kosovo, *none of these doubts provides a convincing reason to keep Kosovo attached in some way to Serbia/SCG*. This is much more certain to mean failure, not only for Kosovo, but for Serbia itself.

The status quo is costly for Serbia. It has perhaps 2 million additional potential citizens among the Kosovo Albanians that it

plainly does not want, and who feel no attachment or loyalty to Serbia but are able to claim benefits in Serbia (passports, jobs, health, education, etc.). Serbia is still responsible for Kosovo's external debts, without having any say in the ongoing privatisation of assets in Kosovo administered by the Kosovo Trust Agency. Serbia will find it hard to meet not just political but several key technical conditions for EU integration while it maintains this legal but not *de facto* sovereignty over Kosovo, which leaves it formally accountable for matters over which it does not have the practical capacity to deliver. Kosovo is a burden that Serbia cannot afford, and cannot manage.

Thus the question of Kosovo, for Serbia, is whether to become a functional state in the modern European sense, or to remain a fuzzy, dysfunctional quasi-state. Ultimately, this is Serbia's choice. If Serbia's final status is to be in the EU, it needs to choose the former, and as soon as possible.

Serbian democracy – a question of survival

4

The survival of Serbian democracy cannot be taken for granted. The country is preparing to enter negotiations on the future of Kosovo, while simultaneously facing the breakdown of the State Union with Montenegro. Challenges such as these would tax to the limit the skills of the most experienced statesman and the resilience of a long-established democracy. Serbia's democracy is just five years old, and precariously balanced. As was the case in the early years of other post-communist democracies, the rules of the game – both the formal constitution and the informal practices of consensus-building and compromise – are only partially established. Political parties are still searching to build stable constituencies, uncertain how to establish their identities with the voters. Voters themselves are disoriented by the multiple shocks to their daily lives and expectations delivered by the unfolding whirlwind of political and economic change. Competition for votes in an open, fluid political market may take on the character of a metaphorical 'war of all against all' in the scramble to exploit any opportunity. In addition to these problems, Serbian democracy is heavily burdened by the legacies of real, brutal war.

The current state of play

Serbia's democratic parties are deeply divided among themselves, chronically prone to political infighting, and have lost much credibility with the voters. Latest opinion polls give President Tadic's centrist, pro-Western Democratic Party (DS) around 22-25 per cent support, and Prime Minister Kostunica's conservative nationalist Democratic Party of Kosovo (DSS) 10-13 per cent.[58] DS is at present in opposition to Kostunica's DSS-led coalition government, leaving it without an overall majority in the Serbian parliament. The smaller coalition partners (G17 Plus of Miroljub Labus, the Serbian Renewal Movement of Vuk Draskovic, and 'New Ser-

58. Poll data taken from *VIP Daily News Report* (Belgrade), no.3105, 22 June 2005, p.4.

bia') have seen their public support fall below 5 per cent, and thus face annihilation at the next elections. Meanwhile, the minority government often has to rely on the votes of Milosevic's Socialist Party (SPS) to get legislation through parliament. Looming on the horizon, the Kosovo issue has the potential to deepen the divisions not just between the democratic parties but – perhaps more worryingly – inside them.

The major alternative to the democrats, and the largest party in terms of popular support, is the Serbian Radical Party, with over 30 per cent. This is an unreconstructed extremist nationalist party, whose leader, Vojislav Seselj, is in detention in The Hague awaiting trial. Several members of its current leadership were also involved in paramilitary activities in the 1990s, particularly in Croatia. The Radicals still give public backing to the rump 'government-in-exile' of the 'Republika Srpska Krajine' that was demolished by Croatian government forces in 1995. The Radicals have been repositioning themselves lately as a populist party of anti-elite protest and defenders of the losers of transition. They have not abandoned their fascistic rhetoric on the 'national question', but they have noted Serbian voters' waning interest in it.

What moves voters today is, firstly, exasperation with the post-Milosevic 'democratic' political elite; and secondly, the dire socio-economic predicament in which they are struggling to survive. The Radicals are skilfully exploiting this distress, but they face competition from a new party of demagogic populism, led by a Milosevic-era business tycoon, Bogoljub Karic. Its name, 'Force of Serbia Movement' (PSS), deliberately suggests a parallel with Silvio Berlusconi's 'Forza Italia'. It is having some success in opinion polls, with over 16 per cent support. But its future strategy is unpredictable: so far, Karic has seemed more interested in cultivating the DS than the Radicals as future coalition partners. A more likely partner for the Radicals is Milosevic's SPS, but that party is in decline. Its current level of support, around 5 per cent, suggests SPS could fail to pass the 5 per cent threshold required for the allocation of parliamentary seats at the next election; even if it does exceed that threshold, it will not win enough seats to hand a majority to a Radical-led coalition.

It is hard to see where the necessary authoritative leadership will come from to steer Serbia through the Kosovo status negotiations. To the extent that there is any factor of stability in Serbian domestic politics, it is the common interest of all key players in

avoiding a collapse of the current minority government and early elections. All the government parties are fully aware that they face a trouncing (if not annihilation) at the next poll, while neither of the two major opposition parties, the DS and the Radicals, is keen to take on the responsibilities of power at this critical moment.

Democratisation in a violent context

Serbia's democratic revolution was never going to be a 'velvet' one. In Serbia, in contrast to most transitional democracies, it has proved hard to contain the threat of violence. The country is emerging from a decade of brutalising war that entrenched the excessive power of politicised military and security apparatuses. Numerous paramilitary volunteer forces, often attached to parties, fought alongside the regular army, and engaged in much of the terrorisation, looting and massacre of civilians that occurred in Croatia and Bosnia. Intermeshed with both of these, organised criminal gangs flourished with the connivance of the Milosevic regime, which depended on their sanctions-busting skills and rewarded their leaders in the skewed 'privatisation' of socialist property. The 'democratic revolution' that ousted Milosevic in October 2000 did not dislodge these unsavoury pillars of his regime.

In March 2003, these forces engineered the assassination of the brilliant, energetic and courageous Prime Minister, Zoran Djindjic. Two years previously he had had Milosevic arrested and delivered to the ICTY in The Hague, and was preparing further arrests. The DOS (Democratic Opposition of Serbia) government responded toughly, implementing a State of Emergency. The move was welcomed by the public as a sign of resolute defence of law and order, and met with understanding on the part of the international community. The results, however, were mixed: the Serbian state demonstrated a capacity to respond robustly to a profound threat to the new democratic order; yet it only partially cleared out the criminal networks, while diverting some of its efforts against legitimate political opponents of the DOS government.[59]

Thereafter, further cooperation with the ICTY became hesitant and fitful. Political leaders since Djindjic have been indecisive and pursued a confused agenda. Either they have been fearful of meeting the same fate as Djindjic and wary of the danger of a pop-

59. See International Crisis Group, 'Serbian Reform Stalls Again', *ICG Europe Report* 145, 17 July 2003.

ular nationalist backlash; or they are too dependent on the financial backing of tycoons who made their fortunes in the Milosevic era;[60] or they have been reluctant to extradite men they, like much of the public, still regard as legitimate defenders of Serbian interests, unjustly persecuted by a politically biased international court. They may also simply not have had sufficiently reliable security forces at their disposal to execute the arrests swiftly, cleanly and without internecine slaughter among the various factions of the military and security forces who would find themselves on opposing sides in such an operation.

While the international community expected Serbia to be ready to cooperate with the ICTY as a means of signalling a clean break with the past, Serbian politicians have seen it as a destabilising threat to a fragile democracy. This situation only began to change very recently, in the spring of 2005, when Kostunica's government finally decided to move, and more than a dozen long-awaited indictees were induced to surrender 'voluntarily' to The Hague. But Ratko Mladic, the key indictee charged with responsibility for the massacre of over 7,000 unarmed Bosnian Muslim men and boys at Srebrenica in July 1995, and seven other remaining Serbian indictees, are still at large (at the time of writing). Serbian political leaders' prolonged hesitation has dragged out the period of transitional instability. International confidence and trust in the intentions of the new leaders have been damaged, and the country has been left far too long in semi-isolation after the end of the Milosevic period. The sense of lack of direction has been palpable, and is reflected in the plummeting confidence of society in both democratic leaders and democratic institutions.

Serbian citizens seem to have all but given up on their new democracy – trust in parliament, political parties and the government is extremely low. When asked 'What factors would make for a society in which you would prefer to live?', only 5 per cent placed 'a well functioning democracy' at the top of their list.[61] Understandably, a better standard of living and more secure employment prospects were the overwhelming priority. But the level of scepticism about democracy itself is marked. Less than half (42 per cent) agree that 'Democracy is better than all other forms of government', while 20 per cent accept that 'In certain circumstances a non-democratic government may be better than a democratic one', and 14 per cent say that 'For people like me there's no difference between a democratic and a non-democratic regime.' *Nearly a*

60. All major parties depend to a great extent on such sources of funding: on this, see the analysis of Braca Grubacic, 'Tycoons in Serbia', *VIP Daily News Report*, no.3086, 26 May 2005, pp.3-5.

61. 'Politicke podele u Srbije', op. cit., Table 12, p.14.

quarter (24 per cent) are unable to give an opinion.[62] The level of political apathy and disillusion is undoubtedly closely linked to the extremely difficult socio-economic conditions with which Serbian citizens have been struggling for many years without respite.

A society under stress

This is a society that has lived for over two decades – since the late 1970s – with an economy in free-fall and bouts of record-breaking hyperinflation that destroyed personal wealth, savings and pensions. It has struggled through a decade of war, an international trade embargo, NATO bombardment and a succession of military defeats. Real GDP today is only about half of the 1989 level.[63] Economic growth has resumed since 2000, but it is questionable whether the initial brisk pace can be sustained, especially given the rather weak interest shown so far by foreign investors. Registered unemployment has already reached 30 per cent, even before the most difficult phase of economic transition has begun. Over the next year, the restructuring of large socially-owned enterprises will be completed, and their privatisation will take place. Over 300,000 jobs may be at stake.[64]

Moreover, Serbia hosts the largest population of refugees and displaced persons in Europe, major concentrations of whom are to be found in Belgrade, southern Serbia and Vojvodina. In April 2001, the Serbian government and the UN High Commission for Refugees registered nearly 380,000 refugees from former Yugoslav states (mainly Croatia and BiH). By 2005, many had either returned to their homes, or opted to settle permanently in Serbia, but 140,000 still remained as refugees in SCG.[65] In addition, there is an uncertain number of 'internally displaced persons' (IDPs) from Kosovo – estimates vary according to source between 65,000 and 220,000.[66] These are mainly Serbs, but 10 per cent or more are Roma. They are in a state of limbo. For now, conditions for return do not look promising to them.[67]

The IDPs and refugees are disproportionately represented among the poorest sections of society, many suffering from malnutrition and mental health problems. This 'makes for a large financial burden on both taxpayers and the overextended Serbian health budget', as a former Serbian government Commissioner for Refugees acknowledges.[68] Poverty levels in general have

62. Ibid., Table 24, p. 28.

63. See Franz-Lothar Altmann, op.cit.; also Michael Palairet, 'The Economic Consequences of Slobodan Milosevic', *Europe-Asia Studies*, vol.53, no. 6, 2001, pp.903-919.

64. See *Transition Report for Serbia and Montenegro*, G17 Institute, Belgrade, 2005, pp. 247 ff.

65. Serbian government website, http://www.srbija.sr.gov.yu; also *VIP Daily News Report* 3104, 21 June 2005, p.1.

66. See *VIP Daily News Report*, 18 October 2004; and European Stability Initiative 'The Lausanne Principle: Multiethnicity, Territory and the Future of Kosovo's Serbs', 7 June 2004; http://www.esi-web.org/reports.

67. A recent UN survey among Serbs in Kosovo found that, despite certain signs of recent improvement, personal and public security remained the number one concern of almost half of them. A third said they felt 'very unsafe', and 44 per cent 'somewhat unsafe' out of doors See United Nations Development Programme 'Early Warning Report Kosovo', no.9 (Jan-Mar 2005); http://www.kosovo.undp.org/publications.

68. Ozren Tosic 'Access to health services for displaced persons in Serbia', *Eurohealth*, vol.10, no. 3-4, 2004, p. 34.

declined only slightly since 2000. Although wages and incomes have risen, 39 per cent of Serbian respondents in a May 2005 survey still said their standard of living was 'unbearable' or 'hardly bearable'. 37 per cent felt they were worse off than five years ago, compared with 22 per cent who felt better off. Only 4 per cent said they lived well. An extraordinarily high percentage – 33 per cent – were unable to say when they expected life to get better.[69]

Trapped by the unfinished past

The reluctance of Serbian democratic leaders to launch a national debate about the past has surprised and disappointed the United States and the EU, who expected Serbia's 'democratic revolution' of October 2000 to follow the pattern of the 1989 revolutions in Central and Eastern Europe by rapidly eliminating key figures of the old regime from political life, making a clear break with the past, and moving on to the new agenda of 'returning to Europe'.

That this has not yet happened in Serbia is not only due to political leaders' fear of meeting the same fate as Djindjic, and worries about delivering even more potential voters to the Radicals. They also have to confront psychological resistance – their own, as much as that of Serbian society. Serbia fought and lost four wars in succession in the 1990s, but it does not think of itself as a defeated country. Indeed, Serbia's Western interlocutors avoid pressing the point, arguing instead that the NATO bombardment of 1999 was not directed against the Serbian people, but against the Milosevic regime. It was Milosevic who was defeated, not Serbia. Serbs, however, do not feel grateful to NATO for the bombing, whose salient feature, in their eyes, was its illegality, since it lacked UN Security Council endorsement. And they remind their Western interlocutors that it was the Serbian people themselves who defeated Milosevic in their 'October Revolution' of 2000.

Serbia seems to be moving through a process of mental adjustment characteristic of nations coming to terms with defeat.[70] At the outset, the society is in 'dreamland', a state of mind in which 'all blame is transferred to the deposed tyrant and the losing nation feels cathartically cleansed, freed of any responsibility or guilt'. There follows a phase of 'awakening', when the society discovers that the victorious power 'holds its defeated enemy liable for wartime damage and calls him to account, instead of treating

69. 'Politicke podele u Srbije', op.cit., pp.11 and 14.

70. Wolfgang Schivelbusch, *The Culture of Defeat* (London: Granta Books, 2003). Following quotations are from pp.13-16.

him as an innocent victim'. This evokes a rapid change of mood to one of betrayal. Instead of 'liberation', the victor's triumph is rejected as 'unworthy': 'the defeated party can always declare the decisive factor to have been a violation of the rules, thereby nullifying the victory and depicting the winner as a cheater'. Then,

> It is only a short step from the idea that victory achieved by unsoldierly means is illegitimate (or deceitful, swindled, stolen and so on) and therefore invalid to an understanding of defeat as the pure, unsullied antithesis of false triumph. Christian concepts of victimhood and martyrdom coincide here with their classical counterparts...The loser becomes a Leonidas, a Judah Maccabee, a Brutus who plays out the tragedy with his comrades by his side, in the face of certain death. In view of this sacrifice, the losing side attains a dignity in its own eyes...[71]

Serbian society is now moving towards admitting that atrocities were committed by Serbs in the name of Serbia. In the summer of 2005, as the tenth anniversary of the Srebrenica massacre approached, public opinion was genuinely deeply shocked by the release of video footage recording the execution of a group of Bosnian Muslim men and boys by soldiers wearing Serbian insignia. For many Serbs, this was the first time they had been confronted with such images, and widespread public disgust and dismay was expressed. The Serbian authorities took prompt action in arresting the individuals who had appeared in the video. President Tadic took the lead and announced that he was ready to attend the Srebrenica commemoration ceremonies in July in order to express Serbia's utter condemnation of the crime.

However, key sections of Serbia's political elite proved unwilling to respond to the change in public mood. The Serbian Parliament failed to reach agreement on a resolution on Srebrenica. The tenacious group of human rights NGOs which had urged the Parliament to adopt the resolution found themselves accused of waging an 'anti-Serb' campaign. It was only to be expected that the Radicals and SPS would resist acknowledging any Serbian responsibility, but Prime Minister Kostunica and his party, the DSS, also equivocated.

DSS attitudes are characteristic of a still rather wide swathe of public opinion. There is a strong sense that 'double standards' are being applied to the Serbs. While many people are ready to accept that Serbs committed war crimes, they will also point out that

71. Ibid., p. 17.

crimes were committed by all sides, and not just by Serbs. It is frequently argued that this was 'only to be expected' in a time of war.[72] So Serbia must not be singled out, and the other former Yugoslav nations must also own up. To Serbia's neighbours and to many in the international community, it was the Serbs who were the aggressors, and this attempt to equalise guilt looks like evasion.

Many Serbs, on the other hand, feel that not enough attention has been given to massacres of Serbs in Croatia and BiH during the Second World War, to reprisal killings of Serbs in BiH and Kosovo, and to the mass expulsion of about 300,000 of Croatia's Serbian minority by Croatian government forces in 1995. Thus, when confronted by overwhelming evidence of the appalling scale of the war crimes committed in the 1990s by Serbs in the name of Serbia, they struggle to salvage their sense of national dignity by recalling and dwelling on their own sufferings. Symptomatic of this are the rather extraordinary opening sentences of the 'Declaration on War Crimes' drafted by the DSS as the tenth anniversary of Srebrenica approached:

> Serbia has a special vital and historical interest in the explanation and judgement of all war crimes committed in the recent history of Yugoslavia in which the Serbian nation was the greatest victim. First in terms of victims, Serbia must be first in the judgement of all crimes.[73]

Other Serbs, who have no wish to avoid the question of Serbia's 'war guilt', nevertheless chafe at what they see as the arbitrariness and bias of Western treatment of Serbia (see Box 3). While this approach overlooks the peculiar responsibility of Serbia's political leadership for the catastrophic failures of its foreign policy, it is clear that the serious policy errors made by the West in handling the Yugoslav crisis continue to be a factor in Serbia's ambivalent relationship with its Western partners.

72. See Chris Hedges, *War is a force that gives us meaning* (New York: Anchor Books, 2003), pp.150-51.

73. 'Declaracija o osudi ratnih zlocina na prostoru nekadasnje Jugoslavije', 15 June 2005; http:www.dss.org/vesti/vest.php?id=1999.

Box 3: A view from Serbia (a letter from a young Serb to the author)

'In my opinion, one of the main problems of the so-called International Community in dealing with disintegration of Yugoslavia has been *ad hoc* approach. *Badinter Commission* decided that external borders of Yugoslavia are not of any importance, but the borders between Yugoslav republics are untouchable. It insisted, however, that successor-states should provide human, civil and national rights of the minorities. Nevertheless, Germany insisted that Croatia can be recognized as independent state before it provided minority rights for Croatian Serbs. EU-members followed the German desire. Lack of principle was noticeable, for example, Germany promised that UK can be out of common European social policy and that was sufficiently convincing for the government of this country. Macedonia* was not recognized because of the Greek nationalistic hysteria caused by very name of the country, although it was nearer to Commission's standards than majority of other Yugoslav republics.

USA decided that BiH deserves recognition as an independent state in spite of the fact that BiH was and is Yugoslavia minor. The main national competitors in Yugoslavia, Serbs and Croats, were (with Bosnjaks) the main competitors in BiH as well. Why did USA and EU decide that Yugoslavia *was not* capable to survive? Why did they decide that BiH *is* capable to survive?

At the end, Croatia expelled its Serbs and established functional state; BiH is not functional state, but nobody (at least in public) in the International Community claims that BiH is not capable to survive as a state. In addition, the UN is trying to establish functional state in BiH by means of protectorate. Kosovo is *de iure* part of Serbia, but *de facto* it is the UN protectorate, too. The EU and USA consider Serbia as incapable to become functional state with Kosovo. It is certainly true. However, the EU accepted membership of Cyprus as a divided island; why Europeans would not accept Serbia together with Kosovo in EU?

It seems that the International Community followed nationalistic principle in the cases of Slovenia and Croatia. However, the multi-ethnic principle was respected so far in the cases of BiH, Serbia, Montenegro and Macedonia*. Regarding Kosovo, it seems that nationalistic principle is again a state-building instrument.

* FYROM, in the EU official wording.

One can ask why nationalistic principle has never been applied in the case of Serbia. Many of Serbs think that Serbia could lose Kosovo, but that BiH could lose Srpska Republic. Otherwise, Kosovo could be a part of confederation with Serbia and Montenegro, and BiH could be a confederation as well. What principle should be applied to Macedonia?* Is there any principle or everything depends of the will of the most powerful actors in the UN? The last question is obviously rhetoric, but nationalistic feelings are very strong. Is it possible to satisfy the Serbs only with EU-integration offer? They noticed that other in their neighbourhood (especially Croats who have been the main rival since 1918, but Albanians as well) achieved nationalistic ideals. I am afraid that chronic national humiliation of the Serbs in last sixteen years can prepare a new war in the future.'

'Coming to terms with the past' took decades in West European societies after the Second World War. For Serbia, however, the past is not yet over. As long as the question of Kosovo is not settled, full and far-reaching examination of the past is blocked by the underlying (perhaps not fully articulated) fear that this will prejudice the outcome in Kosovo: if Serbs were to acknowledge their full share of responsibility for what happened in former Yugoslavia, this would fatally undermine the moral basis of Serbia's claim to Kosovo *in their own eyes*. This is much more than a problem of sustaining Serbia's political strategy in the coming status negotiations. The central place that Kosovo has come to occupy in the Serbian national myth traps the Serbs into the conviction that its 'loss' would mean 'evisceration' of the nation, undermining the core of national identity and meting out devastating humiliation. The explosive questions surrounding the reality of national defeat, and responsibility for it, could no longer be avoided. Loss of collective national dignity deeply affects the sense of personal worth and self-respect of each individual who identifies with the nation, and thus evokes emotional responses that may be expressed in violent ways.[74] Many Serbs fear that the 'final act' of the Yugoslav tragedy may see them turning violently against each other.

Among the most salient features of public opinion in Serbia in the last few years have been aversion to further use of force in the pursuit of 'national interests',[75] and the collapse of interest in 'national' issues. A recent poll showed only half of respondents agreeing that 'The Nation is important to me' – by some way the lowest among all the Balkans countries covered by the survey; 30 per cent were indifferent, while for 17 per cent, 'the Nation' was of no importance.[76] Other polls in Serbia regularly place at or near the bottom of the list of citizens' priorities issues such as 'defending the interests of the Serbs in Kosovo, Croatia and Bosnia' (fluctuating around 5 per cent)[77] or 'realisation of national interests' (2 per cent).[78]

When asked what the events of autumn 2000 meant to them, only one-third of respondents saw it as 'the beginning of the democratic transformation of Serbia', while for one-fifth, this marked 'the beginning of the downfall of Serbia.' More than one-third said that nothing significant happened then and that 'everything remained the same', and 13 per cent were simply unable to answer, or seemed not even to understand the question. Thus, as the analysts conclude, 'half of all citizens have lost the plot.'[79]

74. This point is derived from the argument of David Horowitz *Ethnic Groups in Conflict* (Berkeley, Calif.: University of California Press, 1985).

75. For example, 70 per cent of respondents in Serbia disagreed with the statement 'My country is being injured by other countries. We have to seek justice, if necessary, through power and the army': see International Commission on the Balkans, op.cit., Annex, Fig.14, p.48.

76. Ibid., Annex, Fig.13, p.48.

77. Strategic Marketing and Media Research Institute (SMMRI) website: http://www.smmri.co.yu 'Latest News', accessed 21 June 2005.

78. 'Politicke podele u Srbije', op.cit., Table 12, p.14.

79. Ibid., p.23.

Somewhere between 'nation' and 'Europe'

The basic premise underlying the EU's strategy for the Balkans is that holding out the prospect of EU membership provides a new goal for the societies of the region that can enable them to 'leave the past behind' and focus on a clearly defined sequence of practical tasks that will lead to economic recovery and eventual prosperity. Locked into partnership with the EU, fragile democratic institutions can be 'anchored' and held in place long enough to set down firm roots. The EU's 'regional approach' will cajole reluctant neighbours to cooperate, while providing a more stable environment in which the long and difficult task of reconciliation between the nations of former Yugoslavia can begin. This will allow the recasting of virulent ethnic nationalisms in a 'European' mode, constrained by liberal-democratic values and caged within a secure framework of liberal-democratic national and transnational institutions.

This vision plainly offers Serbia a way out of its multiple impasses; but for it to work, the Serbs have both to agree that 'Europe' is their future, and to trust the EU as a 'partner' in a joint project rather than an imperial overlord.

When asked whether Serbia should join the EU, a very high proportion of Serbian respondents regularly say 'yes' – around 72-76 per cent, as compared with 8-13 per cent who would say 'no'. A clear majority of supporters of all the main parties, including the Radicals and even Milosevic's SPS, are in favour of EU accession[80]. The EU enjoys the trust of more people in Serbia than any other international organisation; and although only half of them trust it, this is nevertheless a much higher level of support than for any of Serbia's own national political institutions.[81]

One particularly striking anomaly is that while over 70 per cent are in favour of EU entry, considerably fewer support extradition of Serbian indictees to The Hague – the primary precondition that the EU set for Serbia, before proceeding to SAA negotiations. One poll showed that even among those in favour of EU entry, only 44 per cent are in favour – and 32 per cent opposed – to the extradition of Ratko Mladic, key indictee in the Srebrenica case.[82] Not all who would vote for EU membership necessarily think it is 'a good thing for our country' – only around 60-65 per cent think so, while about 25-30 per cent see it as 'neither good nor bad.'[83] Clearly, the aggregate results require some unpacking in order to get a more realistic sense of Serbian attitudes to Europe and the EU in particular.

80. Srbobran Brankovic, 'EU na srpskom politickom jelovniku', *EvropskiForum* 1, 2005, p.1; http://www.becei.org/EF0105/S Brankovic0105.htm.

81. Ibid., Table 2.2

82. Ibid.

83. SMMRI poll for the Serbian Government Office for EU Integration 'Evropska orijentacija grazdana Srbije', September 2004, Tables 3.1 and 3.3; http://seio.sr.gov.yu.

Srbobran Brankovic, Director of Median Gallup in Belgrade, usefully disaggregates the general picture by asking respondents to say which of four possible attitudes to Europe matches most closely their own. This produces the following types:

1) *Euro-enthusiasts*, who say 'Europe is very close to me and I think that we must make every effort to join it, which includes fulfilling all the conditions that it sets.' These comprise 22 per cent of respondents.

2) *Euro-realists*, who say 'I can't say that Europe is particularly close to me, but I see integration in the EU as necessary and we must work on that.' These comprise 35 per cent of respondents.

3) *Euro-sceptics*, who say 'I am doubtful about the intentions of Europe and the West in general and I think we must go very cautiously and slowly in possibly integrating into its structures.' These comprise 29 per cent of respondents.

4) *Euro-phobes*, who say 'Integration with Europe would mean the domination of European and other powers over our nation; Serbia does not belong to that world and so we should nurture our traditional values and not get caught up in the European rat-race.' These comprise 13 per cent of respondents.[84]

When these types are checked against party affiliation, it turns out that supporters of G17 Plus and the DS of President Tadic are the most committed pro-Europeans (G17 Plus supporters comprising 44 per cent Euro-enthusiasts and 42 per cent Euro-realists; DS supporters almost the same: 37 per cent and 42 per cent respectively). Prime Minister Kostunica's DSS supporters are more soberly Euro-realist in outlook (51 per cent), and 24 per cent are Euro-sceptics. DSS Euro-enthusiasts are very much in third place (17 per cent). Surprisingly, Euro-enthusiasts are more evident among supporters of the populist PSS of tycoon Bogoljub Karic (20 per cent). The largest group of PSS supporters is Euro-realist in orientation (37 per cent). These two pro-European groups taken together considerably out number the Euro-sceptics (26 per cent) and Euro-phobes (16 per cent). And even supporters of the extremist nationalist Serbian Radical Party include 8 per cent Euro-enthusiasts and 20 per cent Euro-realists, along with the predictably large majority of Euro-sceptics(41 per cent) and Euro-phobes (31 per cent). It is the Socialist Party of Milosevic that is most anti-Euro-

84. Ibid. 2 per cent were unable to identify with any of these positions.

pean: not one Euro-enthusiast could be found among its support-
ers in this survey, while 47 per cent are Euro-sceptic and 41 per cent
Euro-phobic; just 12 per cent are Euro-realist.

Conclusion

The EU perspective is a motivating factor for nearly 60 per cent in
Serbia; others are open to persuasion. People recognise that Serbia
has no real alternative. To be sure, this is a far cry from the euphoria
of the Central and East Europeans in 1989, the *leitmotif* of whose
democratic revolutions was mass mobilisation for the 'return to
Europe.' Serbia under Milosevic instead travelled in the opposite
direction, into an isolation from 'Europe' from which it is still
struggling to escape. Most Serbs over the age of 35 can remember a
time when they felt very much more part of 'Europe' than the Cen-
tral and East Europeans, then under stifling Soviet domination.
While Serbs with their Yugoslav passports could travel freely to
Western Europe and worked there in large numbers, the Central
and East Europeans in the communist period felt lucky to visit
Yugoslavia with its relaxed atmosphere, well-stocked shops and
'Western' lifestyle. Today, the Central and East Europeans are in the
EU, and, as a result of that, SCG citizens now have to apply for visas
to visit them and find out how much ground they have lost in the
past 15 years. Serbian parents will often tell you how appalled they
are that their children are unable to travel 'to Europe' in the way
they took for granted when they were teenagers. A recent survey of
Serbian students found that only 3 per cent had ever visited West-
ern Europe, and 70 per cent had never even been outside Serbia
itself.

How responsive will Serbs be to EU conditionality? When it
comes to the arduous task of overhauling all their laws, adjusting
their habits and changing traditional ways, will Serbs rapidly
retreat to prickly defence of their 'sovereignty' and take umbrage
at exposure of their shortcomings in the annual 'Progress Reports'
that are a key instrument in the hands of the Commission, wielded
to keep EU candidates on track? Croatia, which had been steam-
ing ahead along this track since signing its SAA in 2001, saw its
early enthusiasm for EU accession evaporate once its progress
came up against a tough condition it found 'unfair'. The opening
of its accession negotiations was postponed indefinitely in March

2005 after a critical report from the ICTY Chief Prosecutor on its efforts to arrest the fugitive war crimes indictee, Ante Gotovina. Popular support for the EU has dropped below 50 per cent, and the mood has soured.[85]

Will the same happen in Serbia? If Serbia's last remaining war crimes indictees – and especially Ratko Mladic – are delivered to The Hague, before the SAA process gets under way, then a repeat of the unfortunate Croatian experience can be avoided. But will the EU be blamed for the 'loss' of Kosovo? That depends whether the nationalist parties choose to play it that way. As the survey data presented above suggest, the EU perspective has more traction than one might have expected even over the demagogic populist PSS and extreme nationalist Radicals, both of which appear to recognise Serbia's lack of an alternative agenda to that set by the EU. But any government that brought these parties to power would certainly present a serious problem for Serbia's progress in tackling that agenda.

The unpredictable Karic and his PSS could divert Serbia up the same sort of blind alley that the devious and manipulative Vladimir Meciar took Slovakia in the mid-1990s.[86] The Radicals are even more problematic. Despite evident efforts to reposition themselves, they are nowhere near ready to make the internal reforms that, for example, the main nationalist party in Croatia, the HDZ, has made since 2000 in order to enhance its 'European' credentials.[87] First the Radicals have to divest themselves of their current leadership, above all the vile Vojislav Seselj, and any others stained by their activities in the 1990s.

The EU perspective may not be enough to keep such parties out of power in the short term, but it will prove a powerful constraint on those parties. The EU will need to develop a careful strategy to limit the damage to Serbian society that further delays in EU integration would cause.

85. B.Hopquin 'La Croatie s'interroge sur le bien-fondé de son entrée dans l'UE', *Le Monde*, 25 June 2005, p.3.

86. On the Meciar government in Slovakia, see Tim Haughton, *Constraints and Opportunities of Leadership in Post-Communist Europe* (Aldershot: Ashgate, 2005), esp. ch. 6.

87. See Romana Vlahutin 'The Croatian exception' in Judy Batt (ed.), op.cit., pp.21-35.

Conclusion –
questions for the EU

5

Serbia matters. The EU cannot be indifferent to the fate of 7.5 million people living right on its southern border, and in the heart of the fragile Balkans region. The relative size of Serbia; its economic weight; above all, its inescapable political and cultural ties with the rest of former Yugoslavia, and especially with the 1.7 million Serbs who now find themselves citizens of new neighbouring states, combine to make Serbia the linchpin of stability – or instability – for the whole region.

Serbia faces enormous difficulties in the short term, and one purpose of this paper has been to expose the depth and complexity of its problems. These need to be taken fully into account by policy-makers, especially those who are about to assume the extraordinarily demanding task of defining Kosovo's future status. Confronted, and too often out-manoeuvred, by Milosevic, Western policy-makers came to the conclusion that the only way of dealing with the 'Bully of the Balkans' was to threaten and, eventually, to use force. Whether this was avoidable, and how it could have been done better, are questions for the historians. The point here is that the legacy of the use of force has continued to overshadow the West's relations with post-Milosevic Serbia. The Serbs do not fully trust us, and we do not fully trust them.

The initial impetus in 2000 to rebuild mutual relations on a new footing ran out of steam after the assassination of Prime Minister Djindjic in 2003. Subsequent Serbian governments' hesitancy and evasiveness in complying with their international obligations in respect of the ICTY all but exhausted the patience of their Western partners, leading some to conclude that they were still dealing with the same type of politician, pursuing basically the same political agenda, as Milosevic. The result of this mutual stand-off was Serbia's prolonged suspension in a state of semi-isolation, retreat into 'denial' of the past, rising social frustration and degeneration of the quality of its political life.

This self-reinforcing set of blockages has only recently eased. Serbia's renewed cooperation with the ICTY from the start of 2005 was enough to secure a breakthrough in its relations with the EU. In April, the Commission's positive Feasibility Report recommended opening negotiations with SCG on a Stabilisation and Association Agreement later in the year. The atmosphere in Belgrade then changed dramatically overnight from despondent gloom to near euphoria. Momentum has been renewed, but it is as yet far from self-sustaining. The real impact of the EU on the daily lives of Serbian citizens will take a long time to trickle through. Meanwhile, almost nothing has been done to prepare public opinion for the coming crunch over Kosovo.

Western policy-makers' bruising experiences in dealing with Serbia mean that there will be a strong temptation to resort sooner rather than later to a tough, muscular approach in negotiations, in the interest of avoiding a fruitlessly protracted process of settling Kosovo's future status. A degree of muscularity probably cannot be avoided, but this is not Dayton. Serbia enters these negotiations from a position of weakness. It is certainly no longer the armed and ruthless adversary that the West encountered in Milosevic and the Bosnian Serb leaders in 1995. Today the international community has as much interest in the stability of Serbia as in that of Kosovo, and all of their neighbours. This calls for the utmost even-handedness, respect, and clarity of purpose, treating the negotiations not as the final severance of all ties between the two peoples but as the first stage in the process of setting their relationship on a new, more sound footing. I fully agree with Alex Rondos, who argues that what the Western Balkans region urgently needs is not more force but 'a concentrated dose of diplomacy and democracy'.[88]

SCG's negotiations with the EU on the Stabilisation and Association Agreement are planned to open in October and run in parallel with the Kosovo status negotiations. This parallelism will have exceptional political significance: the EU will present itself here as 'the other face' of the West – as the partner ready to lend Serbia a helping hand at a moment of great difficulty. EU integration offers Serbia an opportunity to 'snatch victory from the jaws of defeat'. Negotiating agreements with the EU is usually a highly technocratic affair, conducted in impenetrable jargon between experts behind closed doors. On this occasion, however, every effort must be made to communicate the political significance of

88. Alex Rondos, testimony to the US Congress House Committee on International Relations, Hearings on 'Past and Future Status of Kosovo', 18 May 2005; http://wwwc.house.gov/international_relations/fullhear.htm.

the process to the wider public, to provide information on what is going on, and what it means for Serbia's future. In this, the EU and the Serbian government can, and should be seen to, work in a mutually supportive partnership. The EU, which is notoriously poor at selling itself, needs to give every support to the Serbian government's Office for European Integration in its 'communications strategy', to Serbian NGOs promoting the country's EU integration, and to teachers and students in Serbian schools and universities.

'Can the EU hack the Balkans?' ask two sceptical US experts on the Balkans.[89] This is no time for the EU to indulge in a crisis of self-confidence. Overcoming the tragic legacies of national hatred, war and lagging economic development is the EU's vocation – what it is for, and what it does best. Bringing security and stability to the Balkans is, moreover, quite plainly in the EU's own strategic interest. Serbs may feel some sympathy with the angst of 'no' voters in the recent European referendums: Serbs, too, are fearful of economic reform, apprehensive about the social and cultural costs of adapting to global challenges and deeply frustrated by unresponsive, untrustworthy political leaders. But Serbs – and their neighbours – will not be impressed by EU member states' protestations of 'enlargement fatigue'. How, asks one of my friends from the region, do you get *tired* of your 'strategic interest'?

89. Morton Abramowitz and Heather Hurlburt, 'Can the EU Hack the Balkans?' *Foreign Affairs*, vol.81, no. 5, September 2002, pp.2-7.

Abbreviations

BiH	Bosnia and Herzegovina
CFSP	Common Foreign and Security Policy
DOS	Democratic Opposition of Serbia
DS	Democratic Party (led by Boris Tadic)
DSS	Democratic Party of Serbia (led by Vojislav Kostunica)
EU	European Union
FRY	Federal Republic of Yugoslavia (1990-2002)
FYROM	Former Yugoslav Republic of Macedonia
GDP	Gross Domestic Product
HDZ	Croatian Democratic Union
ICG	International Crisis Group
ICTY	International Criminal Tribunal for the former Yugoslavia
IDP	Internally Displaced Person
KFOR	Kosovo Force
KPS	Kosovo Police Service
NATO	North Atlantic Treaty Organisation
NGO	Non-Governmental Organisation
PSS	Force of Serbia Movement
SAA	Stabilisation and Association Agreement
SCG	State Union of Serbia and Montenegro
SPS	Serbian Socialist Party
SRSG	Special Representative to the Secretary-General (of the UN)
UNMIK	UN Interim Administration Mission in Kosovo
UNSCR	UN Security Council Resolution

Chaillot Papers

Books

Five years after the fall of Slobodan Milosevic, it is still not clear where Serbia is heading. Indeed, it is not yet clear what, or even *where* Serbia is. Serbia's borders and statehood remain open questions: the future status of Kosovo is unresolved and the survival of the State Union with Montenegro in doubt. As long as Serbia does not know what and where it is, its progress towards EU integration will be impeded. The political agenda remains heavily burdened by these open questions, and the baneful legacies of Milosevic's misrule. These divert politicians' attention from the equally demanding challenges of preparing for EU integration. Serbia needs to redefine its national identity and statehood in order to become capable of integrating into the EU.

Serbia matters. With a population of 7.5 million, it is by far the largest country in the Western Balkans, and, as such, of crucial importance for the stability of the whole region. While the Serbs want to 'join Europe', they still do not fully trust it, and the feeling is reciprocated. Both sides now need to work to overcome their mutual incomprehension. This *Chaillot Paper* aims to make a start on that.