



**Defence Academy**  
of the United Kingdom

Research & Assessment Branch

# Balkan Series

**Southern Balkans 2009 - Stability and Stasis**

**James Pettifer**



# **Southern Balkans 2009– Stability and Stasis**

**James Pettifer**

## **Key Findings**

- The Southern Balkan region is undergoing a process of fundamental change as a result of Kosovo independence and uncertainties over the future development of FYROM/Republic of Macedonia.
- Although there have not so far been major negative outcomes from the world economic crisis, the number of local risks associated with the lack of functional security structures is rising.
- In the absence of any real perspective for rapid EU membership for some countries in the western Balkans and Turkey, the EU needs to develop forms of associate membership.
- The functioning of NATO in Kosovo needs urgent reappraisal and review.

# **Southern Balkans 2009– Stability and Stasis**

**James Pettifer**

## **Introduction**

The main regional determinant of southern Balkan stability in the latter half of the twentieth century has always been the issue of the status of Kosovo. In the first half of the century, it could be argued that the Macedonian issue was more important, but that it had been eclipsed by the outcome of the Greek Civil War in 1949 and the practical division of old geographic Macedonia between Greece, the second socialist Yugoslavia, and Bulgaria. There are many ways of reading the history of the turbulent period between 1939 and 1949 but a pertinent framework is to see the outcome of the Greek Civil War as a victory for stability but bought at the cost of Cold War border impositions and the Cold War standoff of NATO versus Warsaw Pact division of the region, with Titoist Yugoslavia occupying an uneasy central place.

Since the end of communism in the region and the end of Yugoslavia, this stasis has gradually broken down with the disintegration of Yugoslavia and war in Kosovo between 1997 and 1999, and in Macedonia in 2001. Major regional changes in the security structure have followed elsewhere such as the admission of Bulgaria and Romania to NATO and the European Union, but the Western Balkans still remains in an indeterminate position in many ways. There is a lack of clarity in international community thinking on many issues. The mantra of admission to 'Euro Atlantic structures' is continually held out as the answer to the regional issues by politicians in Brussels and in the region, but it is far from clear if this will be the case. In reality, there is only one 'Euro Atlantic structure', NATO, to which Bulgaria, Romania, Albania and Croatia already belong and Montenegro may join in the not too distant future. It is also important to note that the EU and NATO membership of Bulgaria and Romania have not led to much structural reform or progress in those countries, and basically kleptocratic ruling elites derived from the social structures of revisionist communist regimes continue in power. The European Union has been so dissatisfied by the results of Bulgarian membership that serious financial sanctions have been applied against Sofia.

In the period since 1990, and the wars of the Yugoslav succession, the Kosovo issue remained dominant with Milosevic's rise to power being based on a revival of the Greater Serbia ideology in a specific context of the 'protection' of the Kosovo Serbs. The successor state of FYROM/Republic of Macedonia voted for independence in 1991, and has established itself as a stable factor in the international scene but has not been able to establish recognition in its preferred name of Republic of Macedonia wherever Greek influence has been able to prevent it. In that sense, the dispute over the name is much more than an argument about a name, it relates to central questions of political identity and the wider security structure for the region.

The main concern of the international community (IC) in the period of the Kosovo independence decision has understandably been focused on whether the declaration would lead to local military or paramilitary conflict, or internal violence in Kosovo between the 90% ethnic Albanian majority and the remaining Kosovo Serbs. After a year or more has passed, the gloomy scenarios of conflict have been refuted, and in fact little has changed in Kosovo since February 2008. This security success has brought with it a degree of complacency, and many underlying problems have not been addressed. A Policy Briefing produced by the International Crisis Group research and advocacy organisation called 'Kosovo's First Month' set out the main problems and areas in April 2008 and it is striking how much of the document describes areas of concern which still exist today in exactly the same form<sup>1</sup>.

The only issue to make the international news media has been the obvious point of tension at Mitrovica and the Ibar River, with the issue of partition always in the background, but in fact it is arguable that this is not now the most important new issue since independence. Internally, the new government under Prime Minister Hashim Thaci has had some successes, such as gradual, if slow international recognition and above all the recent recognition by Saudi Arabia at the same time as admission to the International Monetary Fund and World Bank. Externally, the obsessive concern of the diplomatic community to promote dialogue between Prishtina and Belgrade has led to a neglect of the wider issues stemming from long-standing security structure absences in the region. The issue of the future of the FYROM/Republic of Macedonia is now re-emerging in that context, which with the growing links in the Albanian world at a cultural, trade and commercial level between Albania, Kosovo and the Albanian-majority regions of western Macedonia is leading to underlying changes in regional security dynamics.

---

<sup>1</sup> 'Kosovo's First Month', International Crisis Group Briefing No 47, Brussels, 18 March 2008, also 'Kosovo's dreams are slow to be realised', Radio Free Europe, 16 February 2009.

The stability in Kosovo post-independence has led to troop withdrawals by some NATO members from Kosovo, including major players in NATO such as Spain and the United Kingdom. Much-needed structural reform of the NATO-KFOR Kosovo mission, particularly the Film City headquarters has not taken place in the aftermath of independence. Some small KFOR national units i.e. Lithuanian troops have been withdrawn for economic reasons. Under the Ahtisaari plan, the newly independent Kosovo state is not allowed to have an army, and the Kosovo Security Force (KSF) is much smaller than the Kosovo Protection Force which preceded it (TMK). The international police presence organised through the European Union led EULEX mission has begun to be formed but it is not up to its planned numerical strength, the quality of the leadership and internal functioning is untested except in fairly controlled recent circumstances in Mitrovica and local evidence suggests there are many complex issues to be solved in achieving a good liaison with the Kosovo police. The formation of the mission has been slow and affected by budget cuts in EU member countries which in policing as in other areas have affected the size and capacity of EULEX<sup>2</sup>.

This means that however the data is interpreted, there is much less effective public order capacity in Kosovo than at any time over the last ten years, and less capacity to effectively defend the new Kosovo borders<sup>3</sup>. Although major KFOR bases remain fully operational like the massive US facility at Camp Bondsteel, and on paper at least KFOR troop numbers are steady, many questions must remain about the actual operational capacity of some parts of the security forces in the event of an internal or external crisis. It is difficult for analysts to verify the situation in many minor KFOR bases on the basis of available information but there is a widespread perception at an anecdotal level within Kosovo that many bases could not operate at anything near full efficiency in the event of a crisis. NATO has not yet risen to the challenge of the radical internal reform of the KFOR mission that an independent Kosovo requires, there is no obvious exit strategy from long-obsolete commitments (i.e. promoting refugee return from Serbia to communities where there is little or no current Serbian minority presence and/or real prospect of them ever living), and no sense at all of how the current Kosovo Security Force will become a future Kosovo army. The prescribed doctrine of the KSF is the same as that of the TMK and excludes even many non-controversial nationalguard type functions, let alone a mission to defend the Kosovo borders. Arbitrary exit decisions like that taken by Spain earlier this year

---

<sup>2</sup> For general background and a well informed analysis of the challenges facing the EU, see Elizabeth Pond, 'The EU's Test in Kosovo', *The Washington Quarterly*, Autumn 2008.

<sup>3</sup> This realisation seems recently to have spread to the KFOR leadership, hence the mobile security demonstrations that are held in localities to demonstrate that overwhelming force capacity is still available against protest. See [www.vetevendosje.org](http://www.vetevendosje.org) Newsletter 132, 2 February 2009

are in many ways only the tip of the security iceberg, the real issue is what is going to happen internally with what is left in situ in security capacity in Kosovo.

It is unclear, at best, how the Kosovo government-controlled part of the security system (the police) would interact with the international forces in the event of difficulties arising, even of a relatively minor nature. The international community is in essence gambling on a continuation of internal tranquility and the absence of any external threat from Serbia. This has made sense as a short term perspective but does not obviate the need for a wider new security structure for the region, and it is likely that as the international economic crisis begins to affect the region more deeply, nationalist forces will strengthen with the accompanying risk of minor problems leading to wider conflicts. An indicator to watch will be the relationship of local currencies like the Serbian and Macedonian dinars, the Croatian kuna, the Albanian lek and the Bulgarian leva to the Euro. In most cases, recent economic decline would suggest local currency devaluations are or may soon be necessary but a break of the currency peg regimes currently operating in some of these countries would long postpone any possibility of entering the Euro. The currency peg is very helpful to the kleptocratic element within the elites as external funds paid in Euros can be laundered via the local currency market and then changed back into Euros for placement outside the country.

### **Internal Political Issues in Kosovo**

The Thaci government of a coalition between Thaci's own PDK party and the remnants of the Kosovo Democratic League founded by Ibrahim Rugova has achieved stability, with the AAK party led by Ramush Haradinaj the main opposition in the Assembly. Haradinaj has proved to be an effective and creative opposition leader and some of his ideas (i.e. for sorting out North Mitrovica ) have been quietly adopted by the IC<sup>4</sup>. In encouraging the formation of this government after independence in 2008, the international community was striving to bridge the deep divide in Kosova between those who had taken part in the war through the Kosova Liberation Army and those who had not. This was an understandable policy but has led to some very slow development in some areas of government, as a de facto party-based spoils system has operated. The relationship between Prime Minister Thaci and President Sejdiu has in general been productive and satisfactory, but the existing trends of centralisation of real power and decision making around a very small number of people at the top have continued. Although various forms of formal liaison exist between the government and the international community, there has been a noticeable trend towards autonomous decision making by the Kosovars, and the only real

---

<sup>4</sup> See 'Zeri I Shqiptarit ne Diaspore', Lyons, March 2009 issue

or effective influence over most of the government leadership comes from the American Embassy in Prishtina.

A few vestiges of the United Nations UNMIK mission presence remain, although the Prishtina government has said it sees no role for UNMIK in the current circumstances and the United Nations 'Six Points' plan of late 2008 lies effectively dead in the water. The EULEX law and order mission has moved into many of the same buildings that the UNMIK mission used to occupy and there is a marked sense of déjà vu about the whole situation, with ex-UNMIK white SUV's now painted a tasteful EULEX blue.

Hashim Thaci has played the last months out with his customary subtlety and PR skill, with the pace of international recognition proceeding just fast enough to satisfy popular expectations and distract the people from the growing economic difficulties, particularly rising unemployment, and lack of large scale foreign investment. There is a strong Israeli and Israeli-associated component in his close entourage, something which gives rise to widespread comment at Kosovo street level. The private perspective on EULEX of most Kosova leaders is that like EU missions elsewhere in the region it will be strong on rhetoric but poorly organised and will in due course wither away with little influence over practical developments. Verbal cooperation will be maintained in the hope of keeping EU money moving towards Kosova. The problems in the various international community missions of unclear and vague and overlapping responsibilities are very well known. A good example is how Dutch diplomat Peter Feith is head of the International Civilian Office but is also the European Union Special Representative when in neither case is it clear to even seasoned observers of the Kosovo scene what his exact role should be.

There is nonetheless a real sense of a new country emerging and the Kosovo government has achieved perhaps surprisingly high poll ratings in terms of local approval for its accessibility and the degree to which it has achieved an independent political identity quite quickly. The country enjoys the immense advantage, in current world economic conditions, of having its closest external economic links in the rich German-speaking world in central Europe, in Switzerland (above all), Austria and Germany, where a prosperous and well rooted Diaspora is gradually increasing its Kosovo investment, if often in modest-sized projects. There is general stagnation in progressing the vital major infrastructure, power generation and mineral extraction industries, which may become the Achilles Heel of the Thaci government in the future. Serbia does not have to do much in maintaining local ethnic tension to put off foreign investment, and the Ahtissari plan provides many opportunities for Belgrade to do so. Among the northern Balkan countries, Slovenia is also an important economic partner. Family remittance levels have dropped but not by all that much but may

inhibit consumption of some discretionary consumer goods i.e. new cars and the ubiquitous plasma screen televisions.

The Kosovo banks survived the autumn-winter crisis in 2008/2009 without mishap, although their limited capital bases are likely to inhibit some commercial and agricultural lending that would be very desirable. A modern agricultural credit bank is a major gap in the Kosovo banking system. The use of the Euro as the Kosovo currency is a further stabilising factor. Money is still going into the Kosovo property development market, partly because there is little functioning stock exchange or bond market and investment options for the ordinary person outside land and property are very limited. Trade in gold and silver appears to be increasing but precious metals are at the moment only largely for savings by the urban elite, and as a convenient 'currency' in drug and other 'dark side' transactions.

Local elections are due to be held in autumn this year, on a date which is not yet fixed. This is in essence a sop to Kosovo public opinion by the International Civilian Office as under the Ahtisaari plan national elections were supposed to be held within a similar period. It is unclear what will happen in the elections, with the possibility of the formation of one or more new parties, but the current controversy about the date illustrates the difficulty the international community will have in actually enforcing many of the Ahtisaari provisions as the government gains time in office and confidence. There are likely to be some highly controversial issues emerging, in that with the new municipal boundaries, designed to increase the status and influence of the small Serbian minority, control of the police in some places will pass to Serbian-minority officials, an emotive issues for the majority community.

The fact is that the Kosovo Serbs do not matter any more in most of Kosovo, with little or no real economy in their communities and the large group north of the Ibar River being incapable of stopping the recent IC initiatives to reconstruct Albanian-owned derelict homes in that sector of Kosovo. Their real influence is more and more through Belgrade, through secondary political structures and the ability of Serbian leaders, Tadic in particular, to mobilise support within EULEX and NATO for a continuing Kosovo political role, as his highly controversial Easter 2009 visit to Decani monastery showed. In the view of some Brussels officials, this is supposed to produce contacts that will lead to dialogue between Belgrade and Prishtina but this is in reality a pipedream as long as Belgrade refuses to recognise Kosovo as an independent state and the whole relationship serves to further reduce the actual influence of the international community in Kosovo generally. The unfortunate statement by US Vice President Joe Biden in Belgrade in May 2009, to the effect that Serbian non-recognition of Kosovo need not stand in the way of Serbian EU and NATO



membership is bound to increase support for the view in Kosovo that the new nation will have to look to its own security and defence resources much more quickly than they may have expected<sup>5</sup>. Independent observers are likely to feel that the last thing the EU currently needs is a US-sponsored entry of a still nationalist Serbia into the Union. This would be potentially destabilising in many ways<sup>6</sup>.

### **Internal Issues Relevant to Kosovo in Serbia**

In reality there has been little real change for a long time in Belgrade Kosovo policy. There is every sign of this continuing, as it would be political suicide for any current Serbian leader to advocate recognition of Kosovo, and in the highly unlikely event of Tadic doing so, the Serbian Parliament would in any event block a deal. From the Belgrade viewpoint, there is a lot to be said for the development of Kosovo as a frozen conflict, in that it provides a focus for nationalist discontents within Serbia that might otherwise spill over into criticism of the Tadic government generally. The disadvantage of this scenario for the international community is that it is only a safe option as long as fully nationalist governments can be actually kept out of power in Belgrade, Russian influence in Serbia curtailed, and/or a renewal of nationalist control of the military and security apparatus.

It also rests on the assumption that there is going to be more or less permanent stability in Bosnia, and 'Republika Serbska' can be kept within Bosnia. These are all reasonable assumptions that have worked in the last few years but they may rest on insecure and unstable medium and long term foundations, as it would only take any one of the above factors to go wrong for a renewal of major tension with the IC that could also affect Kosovo. The Belgrade government has been under increasing financial pressure and has received a very generous IMF deal which critics in other Balkan countries have seen as yet another example of effective blackmail of the IC from Belgrade to keep the Tadic 'reform' show on the road somehow. In view of the potential for destabilisation in Bosnia, there is a strong case for early EU admission of Croatia to be reconsidered, as EU membership for Croatia ahead of Serbia is likely to further increase secessionist impulses in Republika Serbska and nationalism in Serbia itself.

---

<sup>5</sup> See 'Balkan Watch', Vol.11.11, June 1<sup>st</sup> 2009, [www.pilpg.org/areas/poldev/balkanwatch](http://www.pilpg.org/areas/poldev/balkanwatch)

<sup>6</sup> Official US intelligence community sources seem more realistic about the emerging problems. The 2009 Annual Threat Assessment of the US Office of the Director of National Intelligence outlines clearly the growing risks in the region and the deteriorating situation in Bosnia in particular. See 'Balkan Watch', Washington, Volume 11.4, Monday 16<sup>th</sup> February, 2009 [www.pilpg.org/areas/poldev/balkanwatch](http://www.pilpg.org/areas/poldev/balkanwatch)

Another cause for concern must be the lack of progress in improving condition in the Preshevo valley with its Albanian-majority population in south-east Serbia adjoining Kosovo<sup>7</sup>. The reform process has stalled and although part of the ethnic Albanian leadership is corrupt and on Belgrade payrolls, other radical forces exist left over from the 2000-2001 violence. The Serbian army is increasingly resorting to military and paramilitary methods to control the area, with the construction of a very large new regional military command base<sup>8</sup>. From the Albanian viewpoint, participation in Serbian elections and institutions has not brought any tangible gains to their community at all. Here, as in Skopje, there is a sense that the reform processes stemming from conflict resolution processes in motion soon after 2000 /2001 are running out of steam. There is little appetite for a new Preshevo conflict among the government in Prishtina, where renewed violence would damage their careful PR campaign to rebrand Kosovo to attract foreign investment, but they are not in control of events on the ground in Preshevo. The pressure to demilitarise Kosovo and remove the last vestiges of Kosova Liberation Army influence from the government is understandable from the IC point of view, but has the unfortunate side effect of reducing Prishtina government influence over the always present paramilitary factor in Kosovo politics. Thaci is seen as just a mouthpiece for the IC by many people, by no means all ex-KLA militants.

### **Internal Factors in FYROM/Republic of Macedonia and Greece**

The March elections in Skopje were a triumph for VMRO-DPMNE, who have secured a virtual political monopoly in the Slavophone majority, holding the Presidency, the Prime Minister and a majority in the representative bodies. Among the 25% Albanian minority, the new presidential candidate, ex-health minister Selami did quite well, but real power remains with Ali Ahmeti's BDI party and Menduh Thaci's PDSH party in the localities, as the local poll results showed. Foreign governments are spending a lot of money to try to boost Selami's faction into a proper party. Although Skopje has recognised Kosovo as an independent state, the government is involved in a delicate balancing act to avoid undue antagonism from Belgrade, still an important trade partner. The Ivanov government has some strategic difficulties, as although VMRO is at one level less nationalistic than it used to be, there is a sense of the nation being under siege as the deteriorating relationship with Greece over trade and transport issues as well as the name dispute demonstrates. There are problems with the economy and tensions with the Albanians that do not encourage popular confidence in the future, although the government has maintained close relations with the IC financial institutions, the World Bank in particular and has behaved responsibly. Although the

---

<sup>7</sup> See 'The Unfolding Crisis in the Preshevo Valley' by Shirley Cloyes Dioguardi, [www.aacl.com](http://www.aacl.com)

<sup>8</sup> See 'Defence and Security', Belgrade, VIP News Services, No.221 November 28, 2008

trade deficit is a problem, and imports are too high, foreign currency reserves have held up reasonably well and a devaluation of the dinar against its Euro peg has so far been avoided.

On the social front, recent hard evidence suggests that the Skopje government adherence to the Ohrid Accords is being reduced, so that, for instance, hardly any Albanians were admitted to the officer training course for the army this year or to recent senior appointments to the Academy of Sciences. Albanian presence in the police in western Macedonia, once one of the Ohrid Accords success stories is said at an anecdotal level to be declining, although independent verification of these claims is difficult. The budget of the Albanian-language State University of Tetovo has been heavily cut, so that higher education for the 25% ethnic Albanians is now only receiving about 10% of the national budget. The bizarre claims on Ohrid compliance made by the 2006 Council of Europe report that were meant to facilitate NATO and EU membership seem now even more spurious than they did at the time.

The central factor at the moment over the name issue is the prospect of a change of government in Greece and the return of PASOK or a PASOK-communist coalition to power. Foreign diplomats hope that a PASOK government with much less direct influence of the Greek Orthodox church in it than New Democracy might soften its position on the name. At one level, this is a reasonable hope but in other ways it may be over optimistic. PASOK in government would be under the same popular pressures, particularly from northern Greece as New Democracy and the Greek Orthodox Church has considerably increased its influence in society generally in recent years, in all quarters. The radical secularist atmosphere of the early PASOK years is unlikely to return, and it is very unlikely that a newly elected PASOK government would want to find itself at loggerheads with the best organised and most coherent social force in Greek society soon after taking office. The Greek Diaspora particularly in the United States and Australia would be vehemently opposed to concessions over the name.

Another aspect of the received wisdom in many European foreign ministries is that there is a great danger that if a deal is not done over the name, the Albanians may soon simply opt out of 'Macedonianism', with all its long history as a problematic identity, and unite with Albania and ditch the post-1991 Skopje state. This is an alarmist perspective, based mostly on the influence of the Serbian propaganda machine in the EU and in the leader-writing rooms of newspapers. The Albanians could easily have split the Skopje state in the 2001 conflict but chose not to do so, as the medium term regional victor might well have been Greece, by achieving de facto economic and social control over eastern FYROM

that would lead to eventual annexation. Greece needs to be cut down to size as a regional power for Tirana to achieve many of its international objectives. Recent developments have gone in the Albanian direction. NATO membership was a big success for Tirana in that respect, after strong opposition from Greece. Until Albania itself is a much stronger state, and more links with Kosovo have been achieved, and the Cham issue with Greece resolved, it is not in the Albanian interest to destroy a Skopje state. Skopje is also an important regional strategic factor for Turkey, who have always supported Macedonian independence and would be most unlikely to go along with any kind of split that could lead to potential Greek economic annexation.

The only circumstances in which the above perspective may be in obvious error is if the forthcoming Greek elections take place in a violent atmosphere of economic breakdown, like the Athens student riots in winter 2008, with New Democracy buckling under the stress of events, and a much increased communist vote, with concomitant growth of Moscow influence. The Greek Marxist parties have a Macedonian policy that would de facto allow name recognition for Skopje. The communist left in Greece is certainly reviving with some very high opinion poll figures in some traditional areas of strength i.e. (ironically!) Macedonia and Thessaly and left wing islands like Lesbos and Chios, but this has happened in the past. The European poll results showed only a minor advance in the KKE vote in some areas. PASOK usually manage to pick up support as polling day approaches using the argument that a communist vote only risks putting the Right into office. It remains to be seen if the arrival of the ecological parties on the scene as serious players will affect these calculations.

### **Internal Factors in Bulgaria**

It has been noticeable that as the world economic crisis continues, Balkan-region diplomacy in Sofia has become increasingly beholden to and some would say controlled by Athens. The opprobrium in which Bulgaria rests in Brussels and EU eyes on grounds of corruption, Mafia violence and organised crime has been manna from heaven in Athens, which now often seems Sofia's only friend in the EU. Athens has achieved the key Greek objective of synchronising policy over Macedonia, so that both countries have repressed activists of the Greek Slavophone 'Rainbow' party which campaigns for the recognition of a 'Macedonian' ethnic minority within Greece, and the Pirin-based 'OMO Illinden' organisation standing for a 'Macedonian' sub-region within south west Bulgaria. Although Bulgaria has recognised Kosovo, and Greece has not, there is probably less trade and other contact between Kosovo and Bulgaria than in the wartime and emergency period. In the increasingly important sphere of religion, relations between the Greek Orthodox Church and the Bulgarian

Orthodox Church are improving, with mutual contacts growing on Mount Athos and elsewhere, while the atmosphere between the Macedonian Orthodox hierarchy and the Serbian and Greek churches is difficult. As a straw in the wind, but one of more than local significance, the maverick Bishop Jovan who was imprisoned by the Skopje government in 2006-2007 for pro-Serbian Orthodox collaborationism has now transferred his allegiance to the Greek Orthodox Church and is attempting to open up a Greek Orthodox diocese in the key clerical centre of Ohrid. Greek tourist's vehicles were attacked recently in Ohrid by a mob, and there are more and more security difficulties for truck transport between FYROM/Republic of Macedonia and Greece.

### **Internal Factors in Albania**

The Albanian election has followed its predictable course with a victory for the Democratic Party of Sali Berisha. The only important new regional development has been the good progress in constructing the new highway linking Kosovo with the Albanian port of Durrës, which played well in the election campaign.

### **The Wider Picture-Some Perspectives**

In themselves, none of the circumstances in any country could be regarded as trigger factors leading to the wider destabilisation of the region, and are seen in Brussels and in some areas in Washington as the background music of Balkan nationalism that can be circumvented by support for new technocratic and non-ideological political elites. The conventional wisdom is that nowadays the EU and NATO has the Balkans under their wings, and nationalist politics are in decline. This does not seem to be a well founded view, in that as the EU parliament elections show, nationalism is flourishing everywhere in Europe, EU expansion progress is now very slow, the EU is in internal chaos which means membership means much less than it did, as in any club where membership is thrown open to less suitable members. The new technocratic elites depend on a perspective of Balkan integration in globalisation processes that bring economic growth and prosperity. This seems very optimistic; the only industries in the Balkans that has successfully integrated into the global economy are tourism, tobacco and drug smuggling.

The international community needs to drop this specious optimism and look closer to its own capacity to really influence events. Only two factors really matter, in the last analysis, military capacity and money. Neither the United States nor the European Union has the funds they used to have available to influence Balkan societies. The cuts in EULEX made on financial grounds by prime mover nations like the United Kingdom indicate this. There are

serious questions about the real operational capacity of KFOR on the ground, as indicated above, and the general regional NATO presence is now very small elsewhere, particularly in Bosnia. Russia has numerous opportunities as a result to take minor and probably virtually cost-free initiatives to renew its influence. Basically nationalist politicians remain in power all over the place, but in most prominent cases, as in Montenegro, Macedonia, Albania and Croatia it is more convenient to appear 'European' as this encourages quantities of pre-accession EU funding to throw a few financial bones to local populations in the shape of road and infrastructure schemes and for the benefit of the political elites bank accounts. The real underlying dynamic of regional politics is not now towards early EU membership for the whole region, but has been allowed to move back towards Serbia, where Serbian minorities can still have an undue power over the development of the emerging new states and hence the entire region. The IC has yet to really face the longstanding problem in Serbia that Belgrade expects others to live happily as minorities within Serbia but makes continual difficulties about Serbs who live as minorities in the states of others. Thus the Kosovo Serbs have many formal privileges as a minority in Kosovo under the Ahtisaari plan that closely resemble the less formalised 'rights' of the citizens of Republika Serbska in Bosnia which were gained on the basis of the Dayton Accords. The bitter heritage of 1990's wartime collaborationism and appeasement of the Milosevic regime has yet to be overcome.

It is impossible to forecast which non-Serb groups and nationalities will see it in their interest to try to stop this process by opening new conflicts, and when they may try to do so. The most obvious high-risk candidates are the Macedonian Albanians who are faced with a strongly entrenched VMRO-DPMNE government in Skopje that appears to have given up on even paying lip service to the Ohrid reform process, as indicated above, and where on the Albanian side IC efforts to fund and sponsor a new 'centrist' party for the Selami factional group are likely to be seen by many rank and file Albanians as attempts to weaken their ethnic leadership and make it more compliant with the VMRO-DPMNE nationalist project. The leadership vacuum and recent violent instability in Preshevo are similar in effect<sup>9</sup>.

But it is also quite possible that at some point the Bosnian Serbs may feel it is in their interest to drive a nail into the coffin of the Dayton Accords and precipitate a Bosnian crisis<sup>10</sup>. The details of these scenarios are not in the last analysis what matters by comparison with the divided and uncertain IC response that nationalist agendas -from whichever quarter- would meet, unless accompanied by large scale violence and civilian suffering. Most of the obvious nationalist agendas would not necessarily involve such violence. An obvious example would be if the Bosnian Serbs simply unilaterally opened the

---

<sup>9</sup> For example, the recent bomb attack on Serb apartments. See 'Financial Times', London, 15<sup>th</sup> July 2009

<sup>10</sup> See forthcoming paper from MoD/Defence Academy by Kenneth Morrison on Bosnia.

already tenuous border with Serbia, or if the Cham conflict in Greece was opened with targeted attacks on Greek economic assets, or the northern Kosovo Serbs went for partition, or the Preshevo Albanians declared some form of autonomous region that stopped short of full unity with Kosovo. Even if the political will was there, it is hard to see now how NATO or the EU could control such situations without new infantry deployments.

It is very unclear now, given the falling off in the appetite among western public opinion for humanitarian intervention after the difficulties of the wars in Iraq and Afghanistan, how far there would be support for new infantry deployments in the region. Military planners in some NATO countries in any case simply do not have the infantry troops available for any potential task on the scale of the 1990's interventions. This is, of course, linked to much wider issues that do not only concern the Balkans, where many EU countries were unwilling to spend adequately on defence in times of prosperity and where there has been little or no public discussion about the need to protect the military budgets in the coming period of major public expenditure cuts. A background factor has been the media-access restrictions placed on senior military officers for PR strategy reasons eg: the Iraq and Afghan conflicts, which have had the unfortunate side effect of muzzling them from taking part in public debate on critical wider issues.

Thus the Balkans may be starting to enter a new period when the post-conflict reform schemes such as Dayton in Bosnia and Ohrid in Macedonia that depended on western military muscle on the ground and in the air and liberal interventionist ideology in western public opinion and media are losing much of their force, an indirect, - if odd - result of the conflicts of the post-2001 period against Islamist inspired extremism.

### **Disclaimer**

The views expressed in this paper are entirely and solely those of the author and do not necessarily reflect official thinking and policy either of Her Majesty's Government or of the Ministry of Defence.

ISBN 978-1-905962-71-6





**Published By:**

**Defence Academy of the**  
**United Kingdom**

**Research & Assessment Branch**

Defence Academy of the UK

Block D, JSCSC

Shrivenham

SN6 8TS

England

Telephone: (44) 1793 788743

Fax: (44) 1793 788287

Email: [R&ABTeam.hq@da.mod.uk](mailto:R&ABTeam.hq@da.mod.uk)

<http://www.da.mod.uk/r-and-a-b>

**ISBN 978-1-905962-71-6**