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# RSIS COMMENTARIES

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## Kosovo: The World's Youngest State

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*Kosovo, the world's youngest state, has been the subject of considerable international assistance. They have provided stability, but the economy remains weak. Today, the best thing that the international community could do with Kosovo is to step back and hand authority over to the locals.*

### Ten Years of Peacebuilding

TEN YEARS ago NATO bombed Serbian forces for 78 days to get Slobodan Milosevic to agree to the restoration of local autonomy in the one-time Yugoslav region. A NATO-led peacekeeping force, KFOR, came in in June 1999. The territory was placed under transitional United Nations administration (known as UNMIK), most of whose roles were assumed in December 2008 by the European Union Rule of Law Mission (EULEX).

In February 2008, in the midst of disagreements in the UN about the way forward, Kosovo unilaterally declared its independence as the Republic of Kosovo. Now it is recognised by 63 other states plus Taiwan, though not (Serb ally) Russia or fellow UN Security Council permanent member China. The country is, on the face of it, more or less stable, in spite of ongoing tensions between the remaining 200,000 Serbs and the two million Albanian majority. Serbian enclaves, with their own currency (dinars, not Euros) and cell network, are still dotted throughout the country, tensions which occasionally have sparked into violence.

Kosovo is a case-study in international action to prevent a humanitarian catastrophe. For a time it was held up as an exemplar of 'humanitarian intervention', so displaying the 'responsibility to protect' civilian populations under threat. Peacekeeping and other missions today include 350 members of UNMIK, 3,000 of EULEX, 12,600 KFOR troops and the gamut of aid agencies and NGOs.

### What has intervention achieved?

On the positive side, Albanians and Serbs are no longer killing each other. Wealth has visibly grown, as reflected in the rise in the number of cars clogging Prishtina's streets. Peaceful elections have been held regularly. With half of its generally hard-working people under 25, Kosovo would seem to have

much going for it. But there are wider, more insidious problems. Critically, unemployment hovers around half the adult population.

Part of this is down to the fact that external intervenors, from Kosovo to the Congo, never seem to have a plan about what to do with the economy. Security is still, for peacekeepers and builders, largely a military and political rather than an economic and development concept. Also the international community is still, as elsewhere, not very good at delivering aid. Five hundred million Euros of external assistance have gone, for example, into the power sector, without much apparent success. Developed countries still apparently prefer to see others develop differently from them: through investment in productive (rather than consumptive) economic sectors.

Part of the problem relates to a post-communist ‘cultural’ mindset, geared less to the workings of a modern economy than a bureaucratic system. This was exacerbated by Serbian control previously of key positions, and the creation of a parallel Albanian Kosovar economy and administration during this time. Partly this is because of the corrosive effects of external assistance. Today one third of Kosovo’s GDP, around \$1.3 billion, is from aid, and another 15 percent from diaspora remittances.

Far from being an investment in Kosovo’s development, such largesse has fuelled an entitlement culture and dependency mindset. Put differently, Kosovars know that when they get up in the morning half their national income is assured before they lift a finger.

### **A Bit of Africa in Europe**

In this respect, Kosovo is a bit of Africa in Europe. The UN, EU, International Civilian Office, KFOR and government all have some degree of control, plus the all-powerful US Embassy as the arbiter of last resort. Like Africa there are a multitude of international actors in the game, with little co-ordination, and many destructive clashes and wasteful overlap.

No wonder then that Kosovo, which sits on the world’s fifth-largest reserves of lignite, has had to resort to importing coal for its energy sector. The country, known for its rich soils, today imports 95 percent of its food and other requirements. It consumes and hardly produces. It makes little that the rest of the world wants to buy – and there is little inducement to do so when so much is provided by outsiders.

More worrying is the emergence of Kosovo as a ‘mafia state’ – a European enclave for drugs (about 40% of the continental and North American heroin is estimated to transit the territory), pirated goods, and human trafficking. Money-laundering and the absence of wider economic opportunity explain why there are countless motels and coffee-bars and nearly 1,000 petrol-stations countrywide. .

No wonder the EU mission’s focus is on trying to improve the rule of law, customs and police. Breaking such habits is difficult to achieve where policemen earn 200 Euros a month, a magistrate perhaps €300, and the prime minister and president of the supreme court €1,000. Flaunting the system is a badge of honour.

The large number of underemployed KFOR troops has not only created a false economy. Cynics suggest that the European preference to keep troops in the region has to do with offering them an excuse not to commit further forces to the ‘real’ war in Afghanistan. Many question the purpose of foreign troops, policemen and bureaucrats notable more for the size of their SUVs and prominence of their acronyms than their utility, asking “KFOR, What For?”

Others argue that the whole mission has less to do with transforming Kosovo into a functioning state than to ensure that Albanians keep out of Europe on the one hand, and, on the other, to ensure the

continued functioning of the large US military base at Bondsteel south of the capital, housing 7,000 US troops.

### **Look forward, not back**

Kosovo is a region with lots of deep-rooted history and enmity, which explains the bitter struggles over a small, bleak territory. Prishtina is on the site of the 1389 battle in which Prince Lazar's joint Serbian, Albanian and Bosnian force was defeated by the Ottomans, setting the stage for today's religious and ethnic fault-lines. To make progress, like their Serb neighbours to the north, Kosovars will have to learn to look forward rather than back.

The answer as to how to encourage this direction has relevance for other peacebuilding missions, in Afghanistan and elsewhere.

The best thing that the international community could do with Kosovo is to step back and provide only advice, monitoring, mentoring and supervision. Authority should be handed over to the locals, with the warning that human rights transgressions will be dealt with decisively and severely, not least by withholding the ultimate carrot of EU membership. To do otherwise is simply postponing the inevitable.

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