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New Government in Kosovo and its Internal and International Implications

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On 22 February 2011, the Parliament in Pristina appointed a new government of the Republic of Kosovo. The main formation in the coalition continues to be the Democratic Party of Kosovo led by Hashim Thaçi. The creation of a stable government was possible thanks to the participation of a Serbian Party and other minorities groups. The new government's biggest challenges in foreign policy will concern a dialogue with Serbia as well as the change of Kosovo's international image. In domestic affairs the government will have to conduct broad reforms to modernize the country. The international community, led especially by the EU and the U.S., will sustain its huge role in Kosovo's governance.

Internal Political Situation. The coalition government consists of the Democratic Party of Kosovo (PDK) and the New Kosovo Alliance (AKR) as well as the minority parties, with 65 out of 120 seats in Parliament. In addition to Prime Minister Thaçi, the previous speaker of Parliament, Jakup Krasniqi, retained his position. With the opposition boycotting the vote in the final round, Parliament, in turn, elected Behgjet Pacolli of AKR as the new president. A representative of the Kosovo Serbs from the Independent Liberal Party, Slobodan Petrović, become one of five deputy prime ministers. Moreover, the politicians of the largest Serbian party in Kosovo, which also partnered in the previous government, took three ministerial positions. Its authorities argued that the difficult situation of Kosovo Serbs required them to join the ruling coalition. Participation in the government by the Serbian party and those of other minorities groups not only allows the main Albanian formation to form a stable executive power, but also has a positive effect on Kosovo's image as a country with a multiethnic government.

The opposition will include the formerly co-ruling Democratic League of Kosovo and the Alliance for the Future of Kosovo as well as the Self-determination party. The latter group, being the third political force with 13% public support, is the most radical formation in Kosovo, and its representatives for the first time sit in Parliament. Among the party's postulates are demands for the international community to withdraw from Kosovo, to hold a referendum on unification with Albania and a call to take steps to unite all territories inhabited by Albanians, including those from Macedonia.

The early elections were the first for Parliament in Kosovo since the declaration of independence in February 2008. They were conducted after Parliament's vote of no confidence in Thaçi's government in autumn of last year. The elections took place on 12 December 2010, but due to irregularities they were repeated on 9 January in five municipalities and on 23 January in Kosovska Mitrovica. As in the case of previous parliamentary elections in 2007 and local ones in 2008, negative incidents during the election campaign have occurred. International observers, including those from the EU, noted many irregularities and electoral fraud that happened also during the voting in previous years.

Controversies over the Prime Minister. In recent months, the image of Kosovo in the international arena has significantly deteriorated due to materials presented by Dick Marty, a member of the Council of Europe's Parliamentary Assembly. In a report published in mid-December 2010, the Swiss senator accused PM Thaçi of involvement at the end of the 1990s in the harvesting and trade of the organs of Kosovo Serbs. The allegations also included charges of arms and drugs trafficking. On 25 January, the Council of Europe acted based on this report and adopted a resolution that accused the Prime Minister of participation in an organized crime group. The organization also pointed to the international community's reluctance—primarily the EU and U.S.—to conduct a fair investigation of the matter. What is more, just prior to the Council of Europe's adoption of the resolu-

tion, British newspaper *the Guardian* published information from a secret NATO report from 2004 that showed that the international community had been aware of Thaçi's criminal connections.

Serious allegations against the prime minister, although based on official documents, did not prevent him from forming the next government. At the same time, most Kosovo Albanians do not believe the accusations. In Serbia, the accusations did not cause strong public reaction despite the wide-spread belief in their merits. Reports about the involvement of Albanian politicians with ties to the Kosovo Liberation Army and these types of crimes already have been brought out in the press in the past. Moreover, the prosecutor of the International Criminal Tribunal for the former Yugoslavia, Carla del Ponte, has written about it, too. Serbian President Boris Tadić said authorities of his country will hold a dialogue with any legitimate representatives of the Kosovo Albanians. Simultaneously, he urged the international community to investigate the accusations raised in the report.

The EU mission in Kosovo—EULEX—claims that it has not received evidence of these allegations from the Council of Europe. This position is not surprising given that it is part of the practice used for years by the international community in the Balkans where political stability in the region is more desirable than bringing to justice senior politicians who were in the army or paramilitary groups operating during the war in Yugoslavia in the 1990s.

Challenges. The first task for the Kosovo government will concern starting a dialogue with Serbia, a process called for by the UN General Assembly Resolution of September 2010. The first talks, which will be conducted under the auspices of the EU, can be expected to begin shortly after the swearing in of Kosovo's new government. The talks relate not only primarily to disappeared people from the Kosovo war, but also to problems in the northern part of the country, inhabited mostly by Serbs, and to border issues. The dialogue between the authorities in Belgrade and Pristina may take several years and probably will lead to Serbia's *de facto* recognition of Kosovo's independence through a gradual acceptance of the sovereignty of various aspects of its statehood. This, in turn, could lead to a more general recognition of Kosovo's independence, even by EU countries that have not done it so far, and thus may bring about the prospect of integration with the Union.

The challenge for authorities in Kosovo will be in carrying out the EU's mandated internal reforms, which are primarily aimed at introducing the rule of law and the economic modernization of the country. Although the internal situation becomes more stable from year to year (as evidenced by among other things the recent assumption of responsibility from KFOR by the Kosovo police to conduct controls on the border with Macedonia, and the announcement of the further reduction in NATO forces to 5,000 soldiers), the European Commission report from November 2010 suggests that so far only modest progress has been achieved in combating organized crime and corruption as well as in raising the level of respect for human rights and in reaching economic recovery. A lack of appropriate reforms means that despite economic growth in recent years, Kosovo (along with Moldova) remains the poorest country in Europe. Unemployment is at 45%, and half of the population lives in poverty or extreme poverty. GDP per capita in 2009 amounted to 1,790 euros.

Prospects. The electoral process, and the voting in Parliament on the President's appointment, confirmed the low level of political culture and democracy in Kosovo. Inefficient management of state institutions, high levels of corruption and organized crime, and the lack of universal recognition among EU countries mean that bringing the country closer to the EU analogous to other countries in the region—including participation in the Stabilization and Association Agreement and visa liberalization—will be difficult to achieve in the near future.

Without support from the EU, the creation of a new government itself will not cause a visible acceleration of reforms. The EU, whose main tool for reform in Kosovo remains EULEX, should therefore use this moment at the establishment of new authority to mobilize these leaders to carry out reforms in a more effective manner. A useful instrument in this regard may prove to be the EU's visa policy, which stimulated desired reforms in other Western Balkans countries, especially in the field of internal affairs and the rule of law. However, the liberalization of the visa regime for Kosovo should be closely linked to the conducting of specific reforms, as was the case with other countries in the region. To authenticate the prospects for lifting visas for Kosovo inhabitants, the EU must develop a consensus on this issue among its Member States, irrespective of their positions about the independence of the state.