Policy Briefing

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Southern Serbia: In Kosovo's Shadow

I. OVERVIEW

Southern Serbia's Albanian-majority Presevo Valley is a still incomplete Balkan success story. Since international and Serbian government diplomacy resolved an ethnic Albanian insurgency in 2001, donors and Belgrade have invested significant resources to undo a legacy of human rights violations and improve the economy. Tensions are much decreased, major human rights violations have ended, the army and police are more sensitive to Albanian concerns and there is progress, though hesitant, in other areas, such as a multi-ethnic police force, gradual integration of the judiciary, and Albanian language textbooks. Ethnic Albanians appear increasingly intent on developing their own political identity inside Serbia and finding a way to cohabit with Serbs, something that should be encouraged and supported. Nevertheless, the Kosovo status process threatens to disrupt the Presevo Valley's calm.

The negotiations in Vienna have prompted ethnic Albanian politicians in the Presevo Valley to call for the same autonomy, decentralisation and minority rights for Albanians in Serbia as Belgrade seeks for Serbs in Kosovo. They complain that at the same time as the Serbian government is demanding more decentralisation inside Kosovo, it is moving toward greater centralisation at home. They are encouraged in this by some Pristina politicians, who seek to build defences against Belgrade's efforts to partition Kosovo. But such linkage, which the international community and Serbian authorities want to avoid, could open a Pandora's Box with wider regional consequences.

As ethnic tensions have decreased, both Serbs and Albanians point to the disastrous economy as their primary concern. There is 70 per cent unemployment in the Presevo Valley and no real perspectives for the rapidly growing population. Without new investment and revitalisation of existing enterprises, the region will remain fragile, regardless of Kosovo's ultimate disposition. Current well-intentioned development policies are insufficient, and EU visa policies block the release of pent-up demographic pressures. In the medium to long term, the economic situation is likely to be resolved only through large-scale out-migration from the three main municipalities in southern Serbia, hopefully in the context of the overall development of Serbia, Kosovo and Macedonia, as well as a liberalised travel and work regime with the EU.

For now, however, a number of steps would help to consolidate the recent stabilisation:

- ☐ The international community, and Kosovo politicians should continue to make it clear that Kosovo will not be partitioned, and the Presevo Valley will remain within Serbia, and the Serbian government needs to abandon any thought of partitioning Kosovo.
- The Serbian government institution charged with overseeing southern Serbia, the Coordination Body for Southern Serbia, has ceased to function, leaving no framework for resolving the region's many pressing problems precisely when tensions can be expected to rise due to the Kosovo status process. It should be revitalised as a priority, with Albanians renewing their participation, Belgrade giving it real authority and resources, and the international community pro-actively assisting.
- The balance of policing responsibilities should be shifted to the multi-ethnic force from the paramilitary, nationalist Gendarmerie, which is still in charge of much local security and continues to engage in ethnic provocations.

II. CATCHING UP WITH THE PAST

In May 2001, the Serbian republic government and what was then still the Yugoslav government¹ – helped by strong NATO mediation – reached a settlement with commanders of the Liberation Army of Presevo, Medvedja and Bujanovac (UCPMB), thus ending a seventeen-month low-grade insurgency by ethnic Albanians in the three Serbian municipalities east of the Kosovo boundary line.² The

¹ The Federal Republic of Yugoslavia, which included only Montenegro and Serbia, was formed in 1992 and replaced in 2003 by the State Union of Serbia and Montenegro, which in turn dissolved into its component republics in June 2006 after Montenegro voted in a referendum for independence. See Crisis Group Europe Briefing N°44, *Montenegro's Referendum*, 30 May 2006.

² For details concerning the conflict and the UCPMB, see Crisis Group Europe Report N°116, *Peace In Presevo: Quick Fix Or Long Term Solution?*, 10 August 2001, substantially updated by

Albanians pledged to "demilitarise, demobilise, disarm and disband" the UCPMB in exchange for guarantees that their fighters would be amnestied, refugees allowed to return, a multiethnic police force formed and Albanians integrated into public institutions from which they had been excluded for decades.³ A detailed blueprint, complete with goals and timelines, was drawn up by Serbia's then deputy premier, Nebojsa Covic (the "Covic Plan").⁴

Albanians are a majority in Presevo and Bujanovac and – at least on paper – a sizeable minority in Medvedja. They had been subjected to decades of institutionalised discrimination, which was then stepped up by Slobodan Milosevic in the late 1980s. In an unofficial referendum organised by their leaders in 1992, an overwhelming majority of ethnic Albanians in the Presevo Valley expressed the desire that their part of southern Serbia join Kosovo. During and after the Kosovo conflict, state security forces and police harassed the local Albanian population, in some cases torturing and executing civilians. This history of abuse, combined with the 1999 success of their ethnic kin in Kosovo, gave many Albanians reason to support the small groups of Albanian fighters who began to organise under the banner of the UCPMB in 2000 to attack police and army units.

After just under a year and a half of fighting in which about 100 people were killed and 12,500 Albanians fled the area, NATO convinced UCPMB commanders to lay down their arms in exchange for Serbian government guarantees. In May 2001, the Yugoslav army (VJ) and interior ministry units (MUP) began a phased reoccupation of the Ground Security Zone (the area within five kilometres of Kosovo, demilitarised by Serbian forces after the 1999 Kosovo war), in which the new post-Milosevic government demonstrated that it had largely abandoned the heavy-handed tactics of the former regime. Since then, approximately 10,000 of the Albanian refugees have returned to the three municipalities.

Travelling to southern Serbia's Presevo Valley today one can not help but observe that, at least on the surface, there have been remarkable changes since the insurgency ended. Most noticeable is the highway from Belgrade: where top

Crisis Group Europe Report N°152, *Southern Serbia's Fragile Peace*, 9 December 2003.

speeds were once limited by the bad surface to 60 km per hour, a new surface from Nis southward all the way to the border with Macedonia permits drivers to break the 80 km per hour speed limit with ease, and many do so. Most of the visible remnants of the insurgency have been removed, including most of the formerly omnipresent pyramid-shaped, concrete anti-tank barricades. The police and army presence, although still significant, is far less obtrusive. Most police checkpoints have been removed, and the valley seems at peace, its cities and towns lively and vital, albeit impoverished. Overall the picture is one of calm.

The Presevo Valley, however, does not exist in a political vacuum. Along the top of the mountains that line its western side runs the boundary with UN-governed Kosovo, whose future as a conditionally independent country seems increasingly certain by the end of this year. The process of resolving Kosovo's status will certainly affect southern Serbia's Albanian-populated areas. Whether the Presevo Valley avoids negative spill-over depends on several factors. The first is whether Serbia's increasingly dysfunctional and distracted government is willing and able to be proactive in providing adequate institutional mechanisms to resolve Albanian grievances. The second is whether that government is willing and able to rein in nationalist paramilitary forces and parties and their sympathisers within its security structures. The third is whether it attempts a hard partition of Kosovo. The final question is how Presevo Valley Serbs and Albanians will respond to events over the western mountains.

This briefing assesses the security and political situation in southern Serbia and the potential for spill-over from the Kosovo status negotiations. It also addresses economic development, which all observers consider the single most important factor impacting on long-term stability.

III. ADMINISTRATIVE AND ETHNIC COMPOSITION

The municipalities of Presevo, Medvedja and Bujanovac are located in the Republic of Serbia, bounded by Kosovo to the west and Macedonia to the south, part of the Pcinje administrative district (Pcinjski Okrug) centred in Vranje. They have Serbia's largest concentration of ethnic Albanians. According to the 2002 census, the ethnic composition is:⁵

³ Also known as the Konculj Agreement, the demilitarisation statement was signed by Shefqet Musliu of the UCPMB and Shawn F. Sullivan, NATO Head of Office in the Federal Republic of Yugoslavia, in Konculj, 20 May 2001.

⁴ The pledges of the Serbian and Yugoslav authorities were outlined in a May 2001 joint statement of the government's Coordination Body for Southern Serbia and the Republican and Federal governments. The complete Covic Plan was publicly released as a small booklet, "Program for the Solution of the Crisis in the Pcinja District", 2001.

⁵ See the Republic of Serbia, "Zavod za statistiku 'Saopstenje CH31", Br. 295, god.LII, 24 December 2002.

	<u>Serbs</u>	Albanians	Roma
Presevo	2,984	31,098	322
	(8.55%)	(89.09%)	(0.92%)
Bujanovac	14,782	23,681	3,867
	(34.14%)	(54.69%)	(8.93%)
Medvedja	7,163	2,816	109
	(66.57%)	(26.17%)	(1.0%)

Medvedja, completely rural, has only about 10,000 residents. Prior to the recent conflict, some 70 per cent were Serbs, the remainder Albanians. However, almost all the Albanians fled, and only some 800 have returned. Presevo is almost 90 per cent Albanian. Bujanovac has the most complex ethnic balance, approximately 55 per cent Albanian, 34 per cent Serb and 9 per cent Roma. In the town centre, the three groups live in almost equal numbers, though the large settlement of Veliki Trnovac (around 10,000) is almost entirely Albanian, with Roma seemingly increasing in the town centre. Each municipality also has a statistically insignificant number of other ethnicities.

Long-term demographic trends in Bujanovac and Presevo clearly favour the Albanians, with their higher birth rate. Of Bujanovac's 1,405 high school students, 900 are Albanians, only 505 Serbs. A similar demographic imbalance is also seen in the six Albanian and four Serbian elementary schools.⁶

In contrast, the regional administrative centre in Vranje is dominated by Serbs, most of whom continue to support extreme nationalist political parties and policies and are often virulently anti-Albanian. Its government is still controlled by the Socialist Party of Serbia (SPS) and the Serbian Radical Party (SRS), whose leaders – the late Slobodan Milosevic and Vojislav Seselj respectively – were indicted for war crimes by the International Criminal Tribunal for the Former Yugoslavia (ICTY) in The Hague. Vranje is dominated politically and economically by a former Milosevic ally, Dragan Tomic, who controls the city's most significant employer, the Simpo Company.

The inspector general of the Pcinje District criminal police is Vujica Velickovic, a Milosevic-era stalwart who was known for arresting anti-Milosevic activists and was involved in confiscating tractors from Albanians, which were then given to Serbs. The court system in Vranje is notoriously corrupt, and local Serb human rights activists assert that collusion between officials is rampant, including politicians frequently instructing judges how to rule.

Under Milosevic's constitution, Serbia became far more centralised, as the central government removed all real budgetary and revenue control from the local municipal administrations. Serbian domination of the regional administration in Vranje means that Albanians from the three municipalities often feel they have little prospect of gaining a fair hearing from regional institutions. Faced with the corrupt and anti-Albanian administration in Vranje, they are increasingly calling for a level of decentralisation similar to what they see is being proposed for Serbs inside Kosovo. The Serbian government, however, appears to be leaning towards a new constitution with even greater centralisation.

IV. THE COVIC PLAN

Administratively, the Presevo Valley is governed under the "Covic Plan", which sought to redress years of institutionalised discrimination and convince ethnic Albanians they had an interest in abandoning dreams of "eastern Kosovo" and becoming good citizens of Serbia. The plan was based on four pillars: 1) "elimination" of threats to "state sovereignty" and "territorial integrity"; 2) security, freedom of movement and the right to return to the Presevo Valley, conditioned on the disarmament and disbanding of "terrorists" and "demilitarisation of the region"; 3) "development of a multiethnic and multiconfessional society"; and 4) economic and social development.⁹

The plan foresaw a three-year implementation period and "integration of the Albanians in[to] the political, government and social system" within two years, including changes in the laws on elections and self-government and ethnically mixed police patrols. In exchange for abandoning secession and armed resistance, essentially, Belgrade offered Albanians representation on the executive boards of municipal assemblies and jobs in the police, judiciary, health services, education, municipal institutions and economy in proportion to their numbers.¹⁰

⁶ Crisis Group interview, Bujanovac Mayor Nagip Arifi.

⁷ In the December 2002 Serbian presidential elections, Seselj received 73 per cent of the vote in Vranje. B92 web site, 26 December 2003.

⁸ Crisis Group interviews, Serbian human rights activists, Vranje.

⁹ "Program for the Solution of the Crisis in the Pcinja District", op. cit., p. 70.

¹⁰ Ibid, pp. 107-108. Integration was defined as "the harmonisation of the ethnic structures of the employees in the

Since 2001, when the Konculi Agreement was signed, the international community – particularly the Organisation for Security and Cooperation in Europe (OSCE), NATO and the U.S. embassy in Belgrade – has played a crucial role in keeping the peace and implementing the plan, along with two key donor agencies, the UN Development Program (UNDP) and the Cooperative Housing Foundation (CHF). Crisis Group interviews with Albanians and Serbs at all levels revealed unanimous approval of the international role. While the OSCE has taken the lead in building civilian institutions, training police and mediating between local politicians, NATO in general and its Kosovo force (KFOR) in particular have sent tough messages to the former UCPMB guerrillas that border changes are not in the cards, and issues must be resolved peacefully. Many nongovernmental and multilateral organisations have played important supporting roles in reconstruction, refugee return, democratisation and media training. In short, the international community has been the oil that greases the wheels of the peace process.

Nevertheless, there is a sense among Albanians of the Presevo Valley that the peace plan has not fully delivered on either the promised end to tensions with Serbian security forces or increased prosperity. This is particularly evident with respect to the Serbian government institution assigned the task of overseeing implementation.

V. INSTITUTIONAL BREAKDOWN: THE COORDINATION BODY

Belgrade's lead entity for dealing with southern Serbia is the Coordination Body, which originated in 2000 as the joint Yugoslav Federal and Serbian Republic Coordination Body to manage the counter-insurgency effort in the Presevo Valley. At that time it consisted of six generals and four civilians, all Serbian/Yugoslav officials, who were to coordinate the activities of the Joint Security Forces (army and interior ministry). After the Konculj Agreement, its focus shifted, and it became responsible for the Covic Plan, with Covic himself at its head. The Coordination Body initially had final say in all events – political, cultural, social – in the Presevo Valley but this arrangement has been modified to reflect decreased tensions and the unlikelihood of renewed armed conflict.

For the first few years, there were no Albanians on the Coordination Body, as its main purpose was to coordinate the efforts of the Serbian government and its security forces. In January 2002 the OSCE began roundtable discussions with three to four representatives from each

side on issues such as recognition of diplomas, amnesty for former fighters, economic aid grants, and human rights. These resulted in the creation of specific action plans. Building on these, the OSCE suggested reconstructing the Coordination Body to include permanent members representing all relevant ministries, the army and police, a secretariat with ten community members, the mayors of the three municipalities as vice-presidents and a president. However, nothing came of the proposal at the time.

Although Belgrade issued a decision in June 2002 that all relevant ministries should be involved in its work, participation was patchy. Numerous problems accumulated – ranging from education, the economy and transportation through the judiciary – causing local Albanians to believe that cooperation was not delivering results. This emboldened the more nationalist Albanian elements, who claimed that the moderates had sold out.

By early 2003 it was apparent that the Coordination Body was functioning poorly, due also to Serbia's increasing preoccupation with Kosovo and the fact that Covic was trying to juggle both portfolios at once, with Presevo usually getting the short end. The Coordination Body suffered even further after Premier Vojislav Kostunica's Democratic Party of Serbia (DSS) took office in early March 2004 and began a power struggle with Covic. In late December 2004 the Coordination Body was placed under the control of the Coordination Centre for Kosovo, of which Covic was also head. This administrative reshuffling did not improve matters, and Albanian politicians continued to complain. 11

The Coordination Body received new life and importance only in January 2005, following the shooting death of Dashnim Hajrullahu, a sixteen-year old Presevo Albanian youth, by the army in the border zone with Macedonia. In response to Albanian protests, the Serbian government radically changed its composition, appointing six deputy chairmen, who included State Union Minister for Human and Minority Rights Rasim Ljajic, the mayors of the three municipalities, a retired general, Ninoslav Krstic, and a police representative, Milisav Markovic. Representatives from line ministries were also appointed, and it seemed as though the government was finally becoming serious about making the Coordination Body function. However, Covic continued to serve as its head, and worsening relations between him and Kostunica made progress difficult until he was sacked on 25 August 2005, to be replaced on 1 September by Ljajic.

Ljajic, a Bosniak from the Sandzak region, was in the unenviable role of having to mediate between an

civil services, in the economy and in social activities with the ethnic structure of the population", p. 79.

¹¹ Crisis Group interviews, Presevo Albanian politicians, 2004-2005.

uninterested Belgrade, which often views southern Serbia through the lens of the Kosovo conflict and whose security organs tend to treat the Albanians as a hostile population, and dissatisfied local Albanian politicians, who complain about unfulfilled economic promises, the slow pace of integration and hostile police behaviour. Lacking real influence over Serbian policy, Ljajic frequently found his most effective interlocutors in the international organisations and agencies dealing with southern Serbia and foreign embassies. Like Covic, his other responsibilities, as minister and also head of the Council on Cooperation with the Hague Tribunal, prevented him from devoting full energies to the Coordination Body.

The perceived lack of results from the Coordination Body, especially in the economic sphere, created problems for those Albanian politicians, such as the former mayor of Presevo, Riza Halimi, who had long cooperated with Belgrade. On 18 March 2006 a key Albanian political group, the LDP (Democratic Movement for Progress), 12 withdrew in protest over what its leader, Jonuz Musliu, said was failure to "fulfil the political, economic and other expectations of Albanians". 13 The Coordination Body suffered an even worse blow on 12 April when Ljajic resigned as its president in protest at the Serbian government's highly irregular and legally questionable dissolution of the Novi Pazar municipal assembly in Sandzak, which was controlled by his party, the SDP.¹⁴ His resignation was followed by that of the vice president and DS party member, Dusan Spasojevic, and an announcement from the acting Presevo mayor, Ragmi Mustafa, that he was suspending cooperation with the Coordination Body.

The Coordination Body remained leaderless until early June 2006 when, following Montenegro's independence referendum, Belgrade transferred it from the State Union to the Republic government and asked Ljajic to resume his position; his ministerial responsibilities had been transferred to the Serbian Minister of Justice as a consequence of the dissolution of the State Union. ¹⁵ He accepted, although his long-standing feud with Sulejman Ugljanin, his rival in the Bosniak-majority Sandzak region, has heated up and will likely prove a further distraction.

Ljajic's return is welcome, as he enjoys respect and goodwill among Serbs, Albanians and the international community alike, and there is really no one else in Serbia with similar standing. Nonetheless, he faces a significant challenge. The Coordination Body as presently constituted lacks credibility with many Presevo Valley Albanian politicians, though, significantly, all those interviewed by Crisis Group acknowledged a clear need for a functional institution and said they would support it, provided Belgrade invested political capital to make it work properly.

Another problem with the Coordination Body is that it is perceived as biased in favour of Serbs. For example, its budget for economic development and investment allocates Presevo, with an 8.5 per cent Serbian population, investment of 2,710 Dinars per capita (€1); Bujanovac with a 34 per cent Serbian population, 3,771 Dinars per capita (€43); and Medvedja, where Serbs are 68 per cent of the population, 15,364 Dinars per capita (€178). This suggests the Serbian government is using state funds to favour citizens blatantly on the basis of ethnicity, while expecting donors to make up the shortfall in the Albanian regions. This does not go unnoticed by the Albanians, and it makes them feel like second-class citizens.

The Albanians, however, share some of the blame for the dysfunctional status of the Coordination Body. Since the January 2005 reorganisation, the Serbian government has acted in good faith to improve its operation but has been undermined by Albanian politicians, who see advantage in a more confrontational stance towards Belgrade. Under pressure from the more nationalist elements among their constituents, particularly those sympathetic to the former UCPMB commanders, many wish to avoid the appearance of cooperating too closely. This has led to gamesmanship in which many Albanian politicians jockey to avoid being branded as collaborationist. Ironically, even though Ragmi Mustafa has officially withdrawn his support from the Coordination Body, he continues to work with it behind the scenes.

VI. UNRESOLVED ISSUES

Perhaps the single greatest achievement in the Presevo Valley involves the role of the security forces and the sharp reduction in human rights abuses. Almost without exception, Albanians in politics and human rights organisations told Crisis Group the situation was improved and gradually getting better. Asked to cite negative incidents, every Albanian interlocutor said that with the exception of the January 2005 shooting of Dashnim Hajrullahu, they could think of nothing in the previous two

¹² The LDP is registered not as a political party but as a citizens group. It has acted in the past as the political wing of the UCPMB, and its founder, Jonuz Musliu, is a brother of Shefket Musliu, a former UCPMB commander now serving a jail sentence in Kosovo for extortion.

¹³ "PDP izlazi iz Koordinacionog centra", B92, 18 Mach 2006.

¹⁴ For background to the Novi Pazar case, see Crisis Group Briefing, *Montenegro's Referendum*, op. cit.

¹⁵ Crisis Group interview, Rasim Ljajic.

¹⁶ Coordination Body documents.

years. The representative of one Albanian human rights NGO spoke of "radical improvement",¹⁷ and it is clear that the Serbian government and international community have truly made progress in removing a significant contributing factor to tensions in the region.

Belgrade's response to the Hajrullahu shooting demonstrated a new maturity. The circumstances are unclear but it appears that a jittery recruit shot at the boy as he crossed the border from Macedonia in an unauthorised area. Protest demonstrations took place in Presevo, and the government sent not only Covic and Ljajic, but also Prvoslav Davinic, then defence minister, and General Branko Krga, then chief of the army general staff, to meet with local Albanian politicians. A full and relatively transparent investigation appears to have occurred, in response to which the army has altered some of its procedures to ease transit for local residents who work on both sides of the border, particularly in agricultural areas. The government's responsiveness demonstrated good will and defused what could have become a serious issue.

In spite of the problems associated with the dysfunctionality of the Coordination Body, the army, MUP and government appear to be acting far more responsibly towards southern Serbia's minority populations. It is slightly surprising – and perhaps also an indication as to how out of touch Belgrade is with diplomatic currents – that the government is not touting its success at turning around insurgency in southern Serbia as a potential model for restoring its rule to Kosovo.

Nevertheless, in spite of the significant improvement in the behaviour of the security forces, a number of issues cause continued friction between Serbs and Albanians, some of which could easily be resolved.

A. SECURITY ISSUES

Policing and other security operations have always been sensitive throughout the Balkans. Inappropriate police behaviour, including the use of the police and other security forces by the state to intimidate entire populations, has often led to ethnic tensions; in Kosovo, it produced a war. Serbia uses three institutions to carry out security functions in the Presevo Valley: 1) the interior ministry's (MUP) regional police headquarters in Vranje, which is responsible for overseeing the multi-ethnic and uniformed police force created after the Konculj Agreement; 2) the army; and 3) the MUP special forces unit known as the Gendarmerie.

In the past, relations between Serbia's security forces and ethnic Albanians have been tense, to the point of significant documented human rights abuses, including kidnapping, torture and murder.¹⁸ As noted above, however, the behaviour of those security forces has improved since 2001, and serious human rights abuses have all but ceased.

The number of security-related incidents in the Presevo Valley has also dropped dramatically, and there no longer appear to be serious, ethnically-motivated incidents designed to raise tensions between Serbs and Albanians. Incidents now primarily involve armed robbery and banditry on the roads between the valley and Kosovo. Shots are still occasionally fired at police checkpoints during the night, particularly at the border crossings, but these appear to be the work of individuals and have caused no bodily harm. The level of armed violence and shootings appears to be greater in ethnically homogenous Serbian portions of the republic than in the Presevo Valley.

The drop in security-related incidents has been helped by the creation of the multi-ethnic police force for the three municipalities, which now has 437 members: 277 Albanian, 155 Serbs, four Roma and one "Yugoslav". Over the previous five years, the international community, in particular OSCE, and the Serbian government have devoted significant resources to training and integrating Albanians into that force. Efforts have been directed not only to initial training, but also to in-service training for those already on duty. Norway has donated €700,000 Euros to equip an in-service training facility at a local police station.

This does not mean that all is well. Albanians still complain that the heavily armed Gendarmerie special forces unit often acts in a hostile and provocative manner towards civilians, flashing Serbian nationalist gestures, such as the three-finger salute, and hurling ethnic insults. The location of Gendarmerie bases also is a local concern. In Bujanovac the unit is housed in the city centre, on the premises of the state-owned enterprise Jug Promet, across the street from the health centre, and Bujanovac officials claim that its members frequently make provocative and insulting remarks to Albanians.

The army maintains a heavy presence in southern Serbia, and some of its troops are barracked in commandeered civilian buildings, such as the Crvena Zastava factory in Bujanovac. In Presevo the Gendarmes are still stationed in the restaurant of the DIV (Vranje Tobacco Industry),

¹⁷ Crisis Group interview, Saip Kemberi, March 2006.

¹⁸ For a detailed overview of the human rights situation in the Presevo Valley, see the Belgrade Humanitarian Law Centre's 77-page report, "Albanci u Srbiji: Presevo, Bujanovac i Medvedja".

¹⁹ Crisis Group interview, Rasim Ljajic. 2006.

near the train station on the main road to the town centre. The continued use of columns of light-armoured vehicles, with mounted machine guns and automatic cannon, is also an irritant. The interior ministry still has police in Vranje who served in Kosovo and may have been associated with war crimes and atrocities there during 1998-1999. Their presence likewise causes concern to many Albanians.

Albanian politicians also complain that the multi-ethnic police do little more than direct traffic and that the real policing duties are carried out by the Gendarmerie, who tend to act in a more heavy-handed fashion. Relations between the Albanians and the security forces would be improved by less use of nationalist gestures, relocation of some of the Gendarmerie bases and willingness to have the multi-ethnic police take over more duties.

B. Non-Security Concerns

Outside the security sphere, Presevo Valley Albanians have numerous complaints, many resulting from the lack of a functional Coordination Body. The most frequently heard centres on the economy. On a walk through town centres at midday, one sees large numbers of workingage people milling about, seemingly with little to do. Although no official figures are available, the Bujanovac mayor, Nagip Arifi, told Crisis Group that unemployment in his municipality was 60 per cent. Officials in Presevo estimated theirs at 70 per cent.

Only two of the fifteen state-owned companies in Bujanovac are profitable; the rest are either dormant or rely on subsidies. All ten state-owned enterprises in Presevo are unprofitable and either depend on subsidies or have shut down.²⁰ The situation in Medvedja is no better: the municipality's two largest employers, the Sijerin Spa and the LECE lead/zinc mine are on life support from the state, awaiting privatisation.²¹ Of the municipality's 10,088 residents, only 1,574 are employed.²²

Decades of official discrimination have left their mark. Bujanovac, where 95 per cent of the employees in the state-owned sector are Serbs, is indicative.²³ In the HEBA company, of 495 workers only eighteen are Albanian; in DIB only sixteen of 180; in Vrelo only one of 168, while all 47 employees in Alatnica are Serbs. No Albanians are employed in administration, as directors of state-owned

companies or as inspectors in the state financial, market, sanitary and labour inspection organs. Three of 360 employees in the Bujanovac tax administration office and 50 of 280 in the Bujanovac health centre are Albanian. Programs are in place to move more Albanians into the judiciary, but progress is slow. The first Albanian judge began work in the Bujanovac court only a few months ago.

Before the wars of the 1990s, the pressure of high unemployment had been released by labour migration to Western Europe but this avenue has essentially been shut off by EU visa policies²⁴, and Albanians are left with only Pristina and Skopje as alternatives. Kosovo's economic growth is close to zero, with unemployment growing, while Macedonia's is only slightly better, insufficient for its own employment needs, much less spill-over from southern Serbia. Albanians seeking jobs inside Serbia are confronted with discrimination and typically offered only agricultural and manual labour.

Although numerous economic development programs exist, sponsored by both the Serbian government and the international community, they are inadequate to deal with the accumulated economic problems. In the long term, the only real solution to the high unemployment may be further labour and educational migration, but Serbia offers no opportunities for Albanians to assimilate into its society, so the pressures build.

Another area where the Presevo Valley needs substantial and sustained infrastructure investment is education. The Albanians give the Serbian government high marks for approving Albanian language textbooks but note that new ones are needed that fit the Serbian curriculum. The main complaint seems to be a lack of adequate class facilities for Albanian students, particularly in Bujanovac, where local Serbs are blocking Albanian efforts to renovate the Mihalo Pupin High School, which was destroyed when soldiers used it as a base during the late 1990s. For higher education, most Albanians are forced to go to Kosovo, as they have few opportunities in Serbia and face institutionalised hostility.

Serbian attitudes toward Albanians are highly visible in Belgrade's media, both print and electronic, which consistently carry stories that portray Albanians in a negative light and frequently refer to them as "Islamic fundamentalist terrorists". This alienates the Albanians and spreads fear among Presevo Valley Serbs. The government could reduce tensions in southern Serbia by encouraging the state-influenced media to lay off the Albanians.

²⁰ Ibid. Serbian government document, "Preduzete mere i pokazatelji stanja u opstinama Bujanovac, Presevo i Medvedja".
²¹ Coordination Body document, "Preduzete mere i pokazatelji stanja u opstinama Bujanovac, Presevo i Medvedja".

²² "Jug Srbije: zivot s bedom," *Agencije Vranje Press*, 25 April 2006.

²³ Crisis Group interview, Bujanovac Mayor Nagip Arifi.

²⁴ See Crisis Group Europe Report N°168, *EU Visas and the Western Balkans*, 29 November 2005.

The issue of refugee return to the areas along the administrative boundary with Kosovo is also touchy for Albanians but they seem unwilling to push the matter.

Decades of institutional discrimination will not be easily overcome, particularly if Serbia continues its policy of official discrimination against Albanians. Still, progress is slowly and undeniably taking place.

VII. AN EMERGING VALLEY IDENTITY

On 4 June 2006 elections took place in the three municipalities. These offered clear indications of the direction of local Albanian and Serb policies, as well as of the potential of the pending Kosovo status decision to create instability. For the Albanian parties, the campaign was largely defined by the negotiations in Vienna about Kosovo. This was reflected in the adoption of a political platform by all the Albanian assembly members from the three municipalities on 14 January 2006. It called for Albanians in southern Serbia to be given a high degree of decentralisation and territorial autonomy, strikingly similar to what Belgrade seeks for Kosovo Serbs, and stated that if "in the case of...eventual changes of [Kosovo] borders, the assemblymen will work towards the unification of the Presevo Valley with Kosovo".²⁵

This document represents the centre of gravity of Albanian politics in southern Serbia. Tellingly, the signatories appeared well aware of political realities: only five of the 65 favoured the term "East Kosovo", 26 indicating not only a willingness to use language that is less inflammatory to Serbs, but also perhaps a growing sense of a Presevo Valley political identity, distinct from the earlier reliance on Pristina.

The document was clearly prepared with assistance from Pristina, in particular from veteran activist Veton Surroi.²⁷ It is obvious that some in Pristina wish to use the Presevo Valley tactically, to block Belgrade from dividing Kosovo. Presevo Valley Albanians believe that Surroi is using their cause for three purposes: to score political points inside Kosovo; to help the Albanians in Presevo; and to sober Belgrade about partition.²⁸ Presevo Valley politicians told Crisis Group that Surroi and other Kosovo politicians take

a much more realistic approach in private then appears in the media and leave them with no illusions that Pristina or the West will come to their rescue. The message to the Presevo Valley Albanians from Kosovo is clear: reconcile yourself to staying in Serbia and do nothing that will disrupt Kosovo's march towards independence.²⁹

For seven years, Presevo Valley Albanian politics had operated under the shadow of Pristina, rather like the reliance of Kosovo Serbs on Belgrade. Many local Albanian politicians took positions with an eye to Kosovo's political scene and what they perceived as cues from Pristina. The elections demonstrated, however, that politics in the Presevo Valley are increasingly detached from those in Kosovo, and Albanians are looking more and more to their local political needs, not the demands of a perceived national program. They also showed clearly that unity among the Albanian parties was a thing of the past and that a new generation was taking advantage of infighting among the older politicians to carve out a niche for itself.

Each of the three municipalities has its own political micro-climate. Presevo and especially Bujanovac, the most ethnically mixed, have far more active and complex political scenes than Medvedja. In part this is due to the struggle among the main Albanian parties, in part because of the rearguard action being fought by Bujanovac's Serbs to hold on to power.

A. PRESEVO

In Presevo only one position, that of mayor, was at stake in the 4 June election. Municipal elections had been held in September 2004, in which long-time mayor Riza Halimi's Party of Democratic Action (PDD) – the Presevo Valley's strongest Albanian party – won only twelve seats out of 38 on the municipal council. The municipal council is controlled by a coalition between Jonuz Musliu's Party for Democratic Progress (LDP, fiveseats), Ragmi Mustafa's nationalist Democratic Party of Albanians (PDSH fifteen seats), and the Democratic Union of the Valley (BDL, five seats), led by former PDD member Skender Destani.³⁰ A coalition of the Serbian Radical Party and the Socialist Party of Serbia holds a single seat. The municipal council spent much of 2005 working against Halimi and on 20 September 2005 voted to replace him with Mustafa as acting mayor.

²⁵ Presevo Declaration, 14 January 2006, in Crisis Group's possession.

²⁶ Crisis Group interview, OSCE field officer Martin Brooks, 2006.

²⁷ Interview, "Ragmi Mustafa: Suroi he "ambassador" za "Presevsku dolinu." *Agencija Vranje Press*, 5 January 2006. Crisis Group interview, Veton Surroi, 2006.

²⁸ Crisis Group interview, Riza Halimi, 2006.

²⁹ Crisis Group interviews, Kosovo and Presevo Valley politicians, 2006.

³⁰ Crisis Group interview, Skender Destani, 2006; "Kosovo union calls raise tensions", Institute for War and Peace Reporting (IWPR), Balkan Crisis Report no. *532*, 9 December 2004

Halimi called for a boycott of the 4 June mayoral election, fearing that his party might not be able to maximise its vote, in part because the elections were scheduled too early for guest-workers to be able to return home from abroad for their summer holiday. Halimi himself, aware of his own unpopularity, was also reluctant to stand for mayor, and he lacked a suitable candidate that he felt could stand in his place. The result was a victory for Mustafa, who won with 62 per cent of the vote, relying heavily on rural voters. On the other hand, Halimi feels that the outcome was a significant demonstration of his political strength, as the boycott had a noticeable effect, with voter turnout a low 21.93 per cent, less than half of the usual 47 per cent. His former coalition partners in the BDL seem to agree.³¹

Halimi had long benefited from his relationship with the late Kosovo president, Ibrahim Rugova, 32 and he had indeed often looked towards Pristina for political direction, while at the same time cooperating with Serbian authorities. Now, with Rugova gone and nobody else of any significance in Pristina interested in taking on his role with Halimi, local political needs and grievances became more significant. The causes of popular dissatisfaction were many, but most centred around the catastrophic economy, and the perception that Halimi's cooperation with Belgrade and Covic had resulted only in empty promises and no results. There was also a strong popular perception that Halimi had been in power for too long (almost two decades), that there was too much corruption and too little progress, and that younger people were not being permitted to move up in the municipal administration.³³ Also, in Presevo municipality there was no fear that a divided Albanian vote would lead to a Serbian takeover, as is the case in Buianovac.

Ragmi Mustafa's victory represents something of a paradox in Albanian politics. In a 2004 report Crisis Group noted that throughout the Albanian-inhabited areas of the Balkans, voters typically turn their backs on politicians who advocate a Greater Albania or the unification of Albanian lands.³⁴ To date this rule has proven true in Macedonia, Albania, Kosovo and South Serbia. Yet Mustafa appears an exception to the rule: his politics are nationalist and he openly and unrepentantly advocates the unification of the Albanian-inhabited portions of Macedonia, Kosovo and South Serbia. His party receives strong backing from former

³¹ Crisis Group interviews, Skender Destani and Riza Halimi, 2006.

UCPMB fighters. Yet, upon closer examination he is the exception that proves the rule.

Although nearly every Albanian in southern Serbia would like union with Kosovo, most seem to realise it is not politically feasible, and their future will be in Serbia, even if Kosovo gains independence. Crisis Group interviews with local Albanians revealed that most are deeply uncomfortable with Mustafa's rhetoric and political positions, as are his coalition partners.

For many Albanians, the vote for Mustafa's PDSH in 2004, the recall of Halimi in 2005 and Mustafa's victory on 4 June were not signs of the popularity of his ideas so much as of general dissatisfaction with Halimi and the PDD. In short, they were a protest that should be interpreted as a signal from the Albanian electorate to the PDD that it wants real change and for him to compromise with other parties, particularly the BDL and LDP. The fact that Halimi's boycott cut turnout by more than half indicates that his moderate approach retains strong appeal, and many are dissatisfied with Mustafa. The PDD remains the strongest Albanian party in the Presevo Valley.

Yet, real change will be hard to come by, as Mustafa has found since taking office. Given that Serbia is highly centralised and municipalities have little control over their own budgets and fates, Mustafa has had to come to terms with the reality that he can do little differently from Halimi, other than reward a different group of political supporters. Since coming to power in 2005, he has relied largely on rhetoric, while shying away from administration, and there seems to be little change in the life of the municipality.

B. BUJANOVAC

Bujanovac held elections for both the municipal council and the mayoral post. Its more ethnically mixed milieu offers elements not only of Presevo's inter-Albanian political struggle, but also the added element of the ongoing Serb versus Albanian struggle, with an increasing role for the municipality's Roma population, which for the first time ever gained seats in the municipal assembly and was in a position to swing the vote for mayor into either the Serb or Albanian camp. The Bujanovac municipality also saw a behind the scenes power struggle in which the PDD godfather, Halimi, attempted to put forward his own candidate in the place of Arifi, but this failed to gain support in Bujanovac itself and clearly demonstrated that the PDD is not a monolithic party.

In Bujanovac there was also a fear among Albanian politicians that a June election date might lead to lower turnout, since that municipality has more than 6,000 Albanian guest-workers living abroad, particularly from Veliki Trnovac, but in the event the turnout was almost

³² Rugova in turn, had benefited from being able to project an image inside Kosovo of being protector of the Presevo Valley Albanians.

³³ Crisis Group interviews, local Albanians, 2006.

³⁴ See Crisis Group Europe Report N°153, *Pan-Albanianism: How Big a Threat to Balkan Stability?*, 25 February 2004.

60 per cent. In the election for the city assembly, the Albanian parties took 22 of the 41 seats (PDD thirteen, LDP nine), while Serb parties took seventeen seats (SRS twleve, DOS coalition five). Both the Serb and Albanian blocs lost one seat each to the Roma, who had previously either not voted, split their votes among different Roma parties that failed to pass the threshold or had voted for Serb or Albanian parties. This marks the emergence of Bujanovac's Roma population onto the political scene, and given their success and representation in Bujanovac's overall population, it is possible that in subsequent municipal elections they could take a third seat.

In the mayoral election incumbent Nagip Arifi took 35.73 per cent of the vote, SRS candidate Svetislav Stojmenovic won 31.38 per cent, and Jonuz Musliu came in third with 21.69 per cent, forcing a second round election between Stojmenovic and Arifi. In this first round 19,291 people voted, and only 2,620 votes separated Arifi from Musliu. The race in Bujanovac was hotly contested by the Radicals, but in a manner that was somewhat out of character with their usual rhetoric on the national level. Clearly aware that on their own the Serbs are unable to outvote the Albanians, and also aware of the key swing role the Roma vote played, Stojmenovic promised the equality of all citizens, that he did not favour domination by any ethnic group and that he would work on infrastructure development equally throughout the municipality.³⁵

There was concern among Albanians that Musliu might call for a boycott of the runoff out of pique with Arifi, throwing the race to the Serbian candidate. There was also concern that the Roma might vote for Stojmenovic, tipping the balance in his favour. In the end Musliu did not boycott, and on 18 June, Arifi received approximately 1,500 votes more than Stojmenovic to become mayor. He announced his intention to serve all Bujanovac's residents, Serb, Albanian and Roma, equally. Sharp differences between the PDD and LDP remain, and it is possible that Musliu may break with the PDD on specific issues and seek allies in the Serb and Roma parties.

In addition to the emergence of the Roma, another unusual occurrence marked the Bujanovac election: the emergence of a political party founded by the local Mufti, Nedzmedin Sacipi, president of the Islamic Community of Presevo, Bujanovac and Medvedja. Many Albanians view Sacipi

with scepticism, as his split with the Islamic Community in Kosovo was viewed by some as an attempt by Belgrade to divide and conquer. His political views are considered to be moderate, and his party failed to gain sufficient votes to pass the required 5 per cent threshold to gain a seat in the assembly.

C. MEDVEDJA

The municipality has few remaining Albanians, most having fled to Kosovo. Albanians returned by bus to vote but in relatively small numbers, and their parties won only seven seats (PDD four, PDI three)³⁸ in the municipal council. The top four vote getters for mayor were all Serbs. Given the demographics in Medvedja and the lack of enthusiasm among the Albanian refugees in Kosovo about returning, there is no longer a possibility of an irredentist movement creating instability in the municipality. Its politics largely falls into the patterns seen elsewhere in similar regions of Serbia, where local politicians form coalitions often distinct from ethnic considerations and based largely on local needs and conditions. Indeed, in Medvedja the mayoral post was won not by one of the ethnic parties, but by the leader of a local citizens' group, For Upper Jablanica.

VIII. KOSOVO FALLOUT

The southern Serbia question involves more than the fate of three small municipalities. There is potential for wider regional instability stemming from events in and around Presevo. In a 15 January 2001 report, the then UN Special Envoy for the Balkans, Carl Bildt, warned that any escalation of fighting in the valley could lead to renewed ethnic cleansing of non-Albanians from Kosovo and drag in the ethnic Albanian regions of northern Macedonia.³⁹ It is generally accepted that spill-over from the southern Serbia conflict was a key factor in the outbreak of the 2001 crisis in Macedonia.⁴⁰

Times have changed, however, and southern Serbia's Albanians appear to have moved on. The area seems peaceful and the Albanian population reconciled to remaining in Serbia, even if Kosovo becomes independent.

³⁵ "Svetislav Stomjenovic, predsednicki kandidat Srba," *Agencija Vranje Press*, 15 June 2006.

³⁶ Voting will be repeated in two polling places, one Albanian (Konculj), one Serb, but this is not expected to change the final outcome. In Konculj an angry relative of Musliu threw the ballot box out the window of the polling station.

³⁷ "Nagip Arifi pobedio u Bujanovcu," B92, 19 June 2006.

³⁸ The PDI is a marginal party that advocates uniting the Presevo Valley with Kosovo. Its voters are primarily Medvedja refugees who have settled permanently in Kosovo.

³⁹ Crisis Group Europe Report N°149, *Macedonia: No Room for Complacency*, 23 October 2003.

⁴⁰ The best analysis of the links between southern Serbia and the Macedonia conflict of 2001 is Ethnobarometer's "Crisis in Macedonia: Minority Politics in Southeast Europe", working paper 6, Rome, January 2002.

Ragmi Mustafa publicly stated in April 2006 that "Albanians have said farewell to weapons forever" and committed himself and his party to acting within the political process.⁴¹ Even in the event that Serbia attempted to partition Kosovo, it appears highly unlikely that the Albanians in southern Serbia would take up arms in an attempt to join Kosovo. Rather, they appear increasingly intent on developing their own political identity inside Serbia and finding a mode for cohabitation with Serbs, something that Belgrade, Pristina and the international community should encourage and support.

Any future instability in southern Serbia may come not from the local Albanian population but rather from Serbia's response to Kosovo independence. Belgrade is reacting to Montenegrin independence with resentment, even though it agreed to the EU-supervised referendum process. 42 The Coordination Body's virtual collapse has produced an institutional vacuum in southern Serbia which it is difficult to imagine Rasim Ljajic, with all his other responsibilities, can remedy before the Kosovo status decision is taken, probably by the end of 2006. There is increasing chaos in Serbia's governing circles, which are having difficulty coping with both the administrative and political fallout from Montenegrin independence. If that response is any indicator, official Belgrade may enter a prolonged state of confusion following a Kosovo independence decision. It is also quite likely Kosovo independence would find Serbia with a weak caretaker government, unable to control the organs of state firmly.

Following the March 2004 Kosovo riots, in which Albanians engaged in an anti-Serb pogrom, Belgrade permitted Serb rioters to torch two mosques, although to its credit it acted responsibly in stopping paramilitary groups that were en route to Kosovo. 43 The internal reaction to Kosovo independence could prove to be far more visceral, unpredictable, irrational and violent, with some Serbs wishing to take revenge or launch ethnic cleansing to prevent Serbia from losing more territory. How the government would respond, if able to respond at all, is uncertain, much less what Serbia's notoriously independentminded security structures might do. At the least, minorities inside Serbia, particularly Albanians, could find themselves the object of revenge attacks.

The Pcinje District is home to many Kosovo Serb refugees, over 3,500 in Bujanovac alone. There are also numerous former and current police and paramilitary members who served in Kosovo during the 1998-1999 war. The Serbian Radical Party and its associated paramilitary formations are

a wild card. Belgrade presently seems intent on pursuing a course that could lead to partition of Kosovo. The Kosovo government and international community should discourage Kosovo Albanians from attacking Kosovo Serbs, either as a reaction to perceived threats of partition or out of the perception that their ethnic kin in Presevo are being mistreated. All in all, there are numerous factors in both Kosovo and southern Serbia that could trigger ethnic cleansing and new refugee flows.

The Serbian government refused to plan for the contingency of Montenegrin independence, and there is no sign that it is doing such planning on Kosovo, other than for a partition attempt. The Serbian and Kosovo governments and the international community need to be aware of the potential for chain-reaction retaliatory violence and take appropriate security measures in advance to prevent or minimise targeting of minority groups. And clearly Pristina and Belgrade should avoid antagonising one another through virulent propaganda or an attempt at partition or ethnic cleansing.

Given the potential dangers on the horizon, the international community has every reason to step up its political engagement in the Presevo Valley. Much depends on reactivating the Coordination Body. Although not a cureall, it is needed to facilitate dialogue between Serbs and Albanians in what are certain to be tense months ahead. To do this the international community will need to put pressure on the Presevo Valley Albanian politicians who are boycotting the institution, particularly Ragmi Mustafa and Jonuz Musliu, to return and participate openly in its work. At the same time, the Serbian government should be urged to create institutional safeguards that would give the Presevo Valley Albanians a secure environment in the event a Kosovo status decision brings an unwanted backlash. There again the Coordination Body is crucial, given the strong representation of Serbia's security structures in its membership.

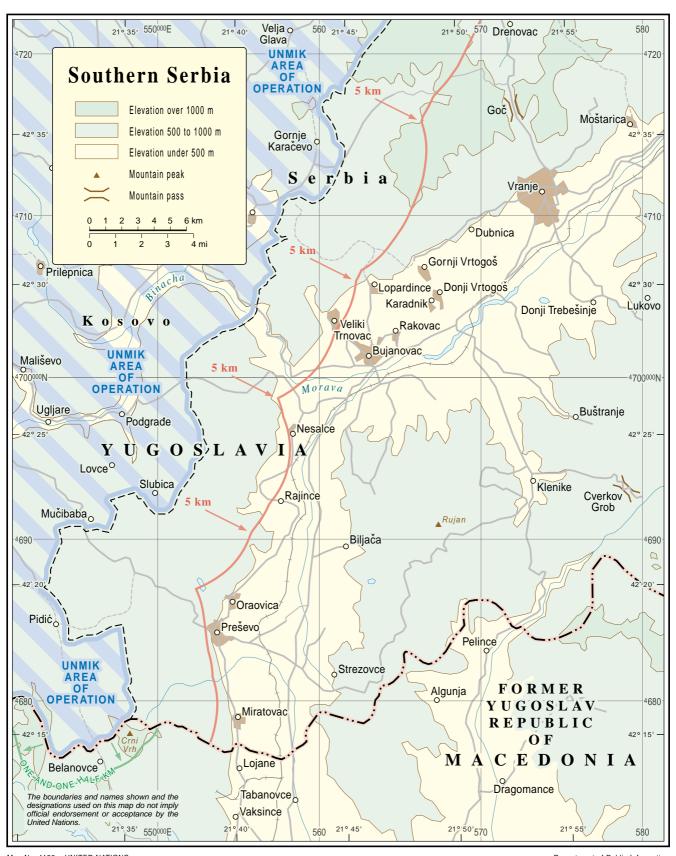
Belgrade/Pristina/Brussels, 27 June 2006

⁴¹ As quoted in "Izgradnja poverenja na jugu Srbije", *B92*,

²³ April 2006.
⁴² See Crisis Group Briefing, *Montenegro's Referendum*, op. cit. ⁴³ Crisis Group interview, Serbian security official, 2006.

APPENDIX A

MAP OF SOUTHERN SERBIA



Map No. 4166 UNITED NATIONS March 2001

APPENDIX B

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